ARARAT BAPTIST CHURCH

England & Wales · Charity number 1132808

Details

Status	Registered
Legal form	Previously excepted
Registered	2009-11-19
Register	View on the Charity Commission register

Contact

Address	Plas Treoda Whitchurch Cardiff CF14 1PT
Phone	02920610831
Email	centremanager@ararat.org.uk
Website	www.ararat.org.uk

Activities

Objects: The principal purpose of the Church 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.

Activities: THE PURPOSE OF THE CHURCH IS ADVANCEMENT OF THE CHRISTIAN FAITH.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Cardiff

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£326,559	£584,676	-	-
2023-12-31	£268,635	£374,702	-	-
2022-12-31	£241,623	£258,642	-	-
2021-12-31	£584,726	£268,684	£5,889,158	6
2020-12-31	£199,569	£286,024	-	-

Trustees

Name	Role	Appointed
Dr Vaughan Williams FRCPsych	Chair	2023-01-01
JAYNE ALISON PORTER		2023-01-01
Jennifer Anne Lewis		2024-01-01
Karen Kaneen		2024-01-01
Rachel Louise Powell		2025-07-01
Rev GETHIN RUSSELL-JONES		2018-02-01
SALLY REES		2024-01-01
sylthia Hilary Evans		2024-01-01

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ARARAT BAPTIST CHURCH

England & Wales - Charity number 1132808

Accounts

ARARAT BAPTIST CHURCH
FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2024

Charity Number: 1132808

ARARAT BAPTIST CHURCH

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2024

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ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2024

Ararat Baptist Church is an unincorporated charity, registered with the Charity Commission since November 19th 2009. The Church's Constitution was adopted on June 25th 2009. In May 2021, at a Special General Meeting, it was agreed to amend the Constitution to allow Church Members' meetings to take place in person, by electronic means or by a combination of physical attendance and electronic (so called hybrid meetings). This amendment was approved by the Charity Commission in discussion with the Baptist Union of Great Britain (BUGB).

Organisational Structure and Decision Making

The Church is governed by its Trustees, who are appointed by the Church membership. Trustees are appointed for a period of three years after which they may seek re-election. After a period of 6 years' continuous service a one-year break is required before further re-election may be sought. The Constitution does not stipulate a maximum number of Trustees. A process of Trustee elections takes place most years in order to maintain an adequate number of Trustees and to allow for the replacement of those who have completed their term of service.

A Chairperson for the Trustees is appointed annually by the Trustees.
Trustees are responsible for the strategic direction and operational management of the Church, and authority is delegated to the Church's Minister(s) and Secretaries to make decisions. When appropriate and necessary the specialist expertise of Church members and friends is sought to assist in decision-making e.g. in relation to matters of finance, safeguarding and Church fabric issues.

Persons nominated to become Trustees of the Church must have been Church members for a continuous period of one year and must remain in Church membership during their tenure. Nominations are received from Church members and must receive the support of two other members along with acceptance of the nomination by the person nominated. All those nominated will meet with the Church's Minister(s) prior to the election in order to discuss the work and responsibilities of being a Trustee. All elected Trustees will have access to relevant documentation from the Charity Commission pertaining to their responsibilities as a charity Trustee, the Church's policies and appropriate guidance materials and leaflets produced by BUGB.

Nominations must be submitted in writing with the supporting signature of two other Church Members and the consent of the candidate.

The Church comprises both members and friends. Baptism by immersion upon personal profession of faith in Jesus Christ is the usual mode of entry into the membership of a Baptist Church, although anyone seeking membership who has not been baptised in the manner described in BUGB's Declaration of Principle may, at the discretion of a Church Members' meeting, be accepted for full membership based on their own public profession of faith. Friends have not requested membership of the Church, but they may attend services and other Church activities regularly or infrequently and are valued members of the Church community. They may attend meetings of the Church members, but do not have any voting rights. There were three baptisms by immersion during 2024, each of which became Church members. Currently Ararat has 189 members.

The Church Constitution requires that a meeting of Church members take place at least four times a year. Generally, a meeting is called every six to eight weeks. As stated, this meeting is open to both members and friends of the Church and is the means whereby the Trustees

communicate with the membership about their duties and seek the approval of the Church membership in relation to matters of importance. Agreement by way of consensus is the preferred manner of decision-making, but decisions on more important issues are made by voting, where appropriate majorities as recommended in the Constitution are required.

All members and friends are encouraged to participate in the spiritual and practical tasks required in the furtherance of the Charity's aims and objectives, and a team of recognised volunteers supports the day-to-day work of the Church. During 2024 a Secretaries' Report was prepared for each of the Church members' meetings as a means of improving communication. It was also agreed to hold Church members' meetings immediately after the Sunday morning service, thereby increasing its attendance.

There is a Financial Management Team comprising both a paid employee and volunteers who are responsible to both the Trustees and the Church for keeping proper accounting records and ensuring compliance with the Charities Act 2011. During the year the employed member of the Team relinquished the post, continuing for some while as a volunteer. The Church considered options for managing its finances and employed an external organisation to provide bookkeeping services. This arrangement has not proved to be overly successful, and we are now seeking to employ a Financial Administrator on a part-time basis. External auditing arrangements are in place, and the Church is mindful of its responsibilities in relation to registration for VAT and has processes in place to implement this should the Church reach the VAT threshold. The Financial Management Team ensure that Annual Financial Statements are prepared in accordance with the requirements for Charities. These Annual Financial Statements are approved initially by the Trustees and then presented to the Church Members' meeting for acceptance at its Annual General Meeting (AGM).

The salaries of employed staff, and the Ministerial stipend are reviewed annually in private by the Trustees. The Church ensures that all employees are paid at or above the National Living Wage and that the Ministerial stipend is at or above that recommended by BUGB. A 4% uplift was agreed during 2024

The Church's Aims and Objectives

The Church's 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 – so called 'Home Mission' and/or in other parts of the world through financial support, or other means. The Church's premises are held by the Baptist Union Corporation Ltd through a Trust which is entirely compatible with the Charity's objectives.

The Church is committed to enabling as many people as possible to worship at the Church and to become part of the Church's community. It accepts the Inclusive Church Statement:

"*We believe in inclusive Church – a Church which celebrates and affirms every person and does not discriminate.*

We will continue to challenge the Church where it continues to discriminate against people on grounds of disability, economic power, ethnicity, gender, gender identity, learning disability, mental health, neurodiversity, or sexuality.

We believe in a Church which welcomes and serves all people in the name of Jesus Christ; which is scripturally faithful; which seeks to proclaim the Gospel afresh for each generation; and which, in the power of the Holy Spirit, allows all people to grasp how wide and long and high and deep is the love of Jesus Christ."

Our services and worship put faith into practice through prayer, scripture reading, teaching, music and participating in Holy Communion. This is freely available to all who love Jesus Christ, regardless of whether they are, or are not, Church members

Our facilities are open seven days a week to provide a welcoming community hub for those with a Christian faith, other faiths and of no faith at all, where they may be accepted, supported, encouraged and learn more about the Christian faith, whether they live locally or travel from further afield.

Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities should be undertaken by the Church and, in particular, the specific guidance for the advancement of religion for the public benefit.

The community facilities at Ararat are widely used by the local community. External organisations including political parties, the Blood Donation Service, support groups, fitness and exercise classes etc. take place daily. Rooms are available freely for Church activities or can be hired at a competitive rate. A luncheon club is available each week for those over the age of 60: many of those attending live in the locality but are not Church members. The Church sanctuary also is available to members of the local community for weddings, blessings and funerals, and free of charge to local schools for seasonal concerts. The Church grounds are open for members of the community to come and sit and enjoy the peaceful environment, or to picnic on our lawns. The extension opened in 2018 which houses our coffee shop is back to receiving over 1,000 visitors a week after a dip during the Covid pandemic. The general public use the facilities to meet up with friends in a comfortable, contemporary and stylish environment where they all receive a warm welcome. There are no restrictions on anyone attending our Church or community facilities which are accessible to all and inclusive of everyone. The homeless are encouraged to use the Centre, where they may use our shower facilities, (toiletries and towels are provided) and are directed to other local charities who can assist them with specific needs. As a charity we provide various events which are of benefit to both the Church and to the community. During 2024, we put on a pantomime, various concerts, some of which included our Community Choir and a Beatles' night spectacular,

Activities and Achievements

The Church is led by our Minister, Rev Gethin Russell-Jones who works 4 days a week, supported by our Children and Families' Worker, Mrs Rachel Powell. Having considered the needs of the youth in our community, it was agreed during the year to expand the job description of Mrs Powell to include the needs of the youth. This enhanced job description will commence in January 2025. The Church is fortunate in having a number of retired clergy within its congregation who assist the Ministerial team and lead a mid-week service.

In January 2024, three Trustees returned to service following their year off and having been re-elected by the Church. They were joined by one new Trustee. During the year, however, one Trustee resigned owing to family commitments and two others tendered their resignation for other reasons. At the close of 2024 there were eight Trustees including the Minister. It was decided to defer elections in the autumn of 2024 in order to review the appointment process with the intention to hold further elections early in 2025.

Prayer has had an increased importance during 2024 with the commencement of a new Church prayer meeting on Wednesday evenings and a greater amount of time spent in prayer and worship by the Trustees

Ararat encourages friendships and fellowship by offering 'house groups'. These groups vary in size from five to fifteen and there are usually about ten groups operational at any one time. Some groups meet in the homes of Church members, others at the Church itself, one via Zoom, and another meets in a local pub. All provide a mixture of Christian teaching, social interaction and prayer. They are open to anyone who wishes to join a group and there are several people attending who are members of the community and not regular Church attendees.

We continue to hold two services a month in local residential/nursing homes. This is welcomed by those who are unable to attend Church due to illness and frailty. Other older members, or those who for various reasons are no longer able to come to Church, are regularly visited by a team of trained pastoral workers. These volunteers work closely with the Minister to provide support and comfort to those individuals who are often lonely and single. Where requested, they are able to provide Holy Communion in people's own homes. The Church has a policy in place to protect lone-workers and all involved in pastoral care are DBS checked.

Ararat has a very active work amongst children and their families led by our Children and Families' Worker. There are regular 'Messy Church' events and Holiday Clubs which are extremely popular amongst families in the community and are frequently fully booked within a few days of being advertised. In addition, the Church has active Boys' and Girls' Brigades which meet weekly and provide meaningful activity for children and the youth in the community. Those attending participate occasionally in Sunday services. The Ararat Girls' Brigade is now the only remaining group in Wales and continues to thrive.

Ararat has a Safeguarding Policy in place, following the resignation of the existing designated person we have during 2024 appointed two Designated Persons There is a system in place for DBS checks for all those working with minors and vulnerable adults. One Trustee takes a special interest in safeguarding and is part of the Safeguarding Team.

The Church's community arm is known as 'The Church Centre''. Attached to the Church sanctuary are several buildings which provide a home for many of our community groups and activities including our bright, modern and stylish community café, known as the Ark Café. During 2024 our Café Manager resigned her position and her role has been replaced by the appointment of additional barista/kitchen support workers who have been overseen by one of the Trustees. Our catered events have been extremely well received by those who attended. Events were held to celebrate St David's Day, Easter and Christmas. The Ark Café continues to hold a five-star hygiene rating.

The Church's missional activities are not restricted to its immediate locality. Ararat contributes financially to work amongst other Baptist Churches in the UK through its Home Mission Fund and also to the global work of Baptist World Mission and Christian Aid. We have also donated during the year to Christians Against Poverty, Operation Agri and a local charity, Cwtch.

As a Church we are concerned about the world we live in seeking to protect it and cherish it as far as we are able. The Church has established an Eco-Church group that is reviewing our energy usage and our carbon footprint. We have moved to providing fairly traded refreshments after Sunday services. In a bid to reduce waste, all our waste is sorted and appropriately recycled. In order to encourage wild life, we have purchased six swift nesting boxes which have been affixed high up under the eaves. We continue to work towards an Eco-Church Bronze award

As a growing Church, issues of responsible management and good governance are paramount and during 2023, we employed an Operations Manager to assist the Minister and Trustees with its organisation, governance and administration. The postholder left during 2024 and the role was picked up on an interim basis by the Trustees. This proved to be a useful exercise, and it is now planned to appoint a Church Administrator in early 2025 who will be responsible and accountable to the Trustees

2024 has been Ararat's bicentenary year, and there have been a series of events both spiritual and otherwise in order to celebrate this milestone. The year started with a pantomime in January, 'The Glass Slipper' which received excellent reviews. Our main celebrations took place over a week in May, when we held an exhibition of ephemera and other memorabilia from the past two hundred years. This was open to the community who enjoyed it greatly. Our Minister co-wrote a play for voices which highlighted the most significant events of the past two-hundred years and on Pentecost Sunday we were delighted to welcome the very

Reverend Rowan Williams to speak to us. This was followed by a celebratory three course meal for all. A 'Songs of Praise' was also held where 200 songs were sung enthusiastically over the course of a day, selected from ancient hymns to contemporary worship songs.

An area of garden was refreshed to show the years 1824 – 2024 surrounded by lavender bushes and banners placed on the front and rear of the Church highlighting the bicentenary.

A new iron arch was also commissioned, at the entrance to our garden with the words "Croeso, Ararat, Welcome". A service of blessing for all those who will pass through the arch was held shortly before Christmas.

Much building work has taken place during 2024. We have spent the bulk of a significant legacy on replacing the roof of the Sanctuary, and making repairs to all the other roofs on site. Rainwater goods have been replaced and other adjustments made. The roof has been in place since the current Church building was built and hopefully, will now remain sound for another hundred years.

Financial Review

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1. to the Financial Statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charites preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

The results for the year 2024 as reported in the Financial Statements show an overall deficit in movement of funds of £258,117 *(2023 deficit £90,832).* However, for the actual running of the Church itself, (including The Ark) the deficit was £13,215 *(2023 deficit – £47,812)*. Total reserves at 31st December 2024 were £3,270,196 *(2023 £3,528,313).*

2019 Legacy

A legacy of £600,000 had been received in 2019. During the year, it was used to continue the funding of the Ark Team Leader and replacement barista, and for professional and audit services. The balance unspent at 31st December 2024 was approximately £148,000 *(2023 £171,000).*

2021 Legacy

As referred to previously, a legacy of £350,000 was bequeathed to the Church in 2021, the terms of the Will expressing the donor's wish that it be used for maintenance and building works. During the year, it was used to fund essential electrical and lift repairs, various other maintenance costs, but primarily the replacement of the Sanctuary roof and repair of all others (also as referred to previously). The balance unspent at 31st December 2024 was approximately £94,000 *(2023 £301,000).* It is expected that the remaining balance of the legacy will be utilised during 2025 for other essential repair works.

Financial Reserves Policy

During 2025, the Trustees have reviewed and updated the Financial Reserves policy to state that they considered it prudent to hold a reserve of at least £50,000 which would cover three months of essential expenditure. The Trustees regard the position to be satisfactory at the year-end, as the bank balance in the various Current Accounts was £45,000 and there was a further £90,000 held at the Kingdom Bank and £167,000 on deposit – a total of £302,000.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Having assessed the risks, the Trustees are satisfied that systems are in place to mitigate exposure to the major ones. Internal control risks are minimised by the

implementation of procedures for all transactions and projects. Procedures are also in place to ensure compliance with the health and safety of staff, volunteers and visitors to the Church, Community Centre and the Church Café.

Going Forward

We hope that during 2025 we will be able to appoint a further Barista/Kitchen Assistant to support our very popular Ark café. In addition, we plan to appoint both a part time Financial Administrator and a Church Administrator. Our existing Children and Families' Worker has commenced her enhanced role with a new title as of January 2025 – our 'Children Youth and Families' Ministry Lead'.

It was our intention during 2024 to progress our transition from an unincorporated Charity to a Charitable Incorporated Organisation (CIO) but however this was postponed owing to financial concerns. Once we have a new Church Administrator in post, we plan to take this matter forward.

Ararat owns a semi-detached property which was once its manse. The property was converted into two self-contained flats in the 1970s. An Options Appraisal paper has been prepared to consider whether we should retain the property or to sell, and this matter will be considered by the Church during the year ahead

We are also aiming to prepare a 5-year vision paper, a matter for consideration not only by the Church membership and the Trustees, but also for those who regularly attend our Centre, our children and young people and the local community. We hope to be able to finalise this by the end of 2025

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2024

Reference and Administrative Details

Registered Charity Number: 1132808

Principal Office: Ararat Baptist Church, Plas Treoda, Whitchurch, Cardiff CF14 1PT

Trustees as at December 31st 2024

Rev. Gethin Russell-Jones – Minister

Mrs Carolyn Higgins – Deacon (Term of office ended December 31st 2024)*

Dr Vaughan Williams – Chair of the Trustees, Deacon and co-Secretary

Mrs Jayne Porter – Deacon and co-Secretary

Mrs Jennifer Lewis – Deacon – commenced January 1st 2024

Mrs Sylthia Hilary Evans – Deacon – commenced January 1st 2024

Mrs Sally Rees – Deacon – commenced January 1st 2024

Mrs Karen Kaneen – Deacon – commenced January 1st 2024

Mrs Rachel Powell – Deacon – commenced July 1st 2025

Mrs Sonia Conway – Deacon and Secretary – retired January 31st 2024

Mrs Julie Gibbs – Deacon – resigned April 16th 2024

Mrs Rhiannon Scott – Deacon – resigned July 2nd 2024

Mr Gareth Witts – Deacon – resigned October 11th 2024

* under the exceptional circumstances' provision in the Church Constitution, this was temporarily extended until the appointment of a new Trustee on July 1st 2025

Property Trustees

The Baptist Union Corporation Ltd, Baptist House, 129 Broadway, Didcot, Oxon OX11 8RT

Bankers

The Cooperative Bank plc, PO Box 101, Balloon Street, Manchester, M4 4BE

Auditors

Bevan Buckland LLP, Ground Floor, Cardigan House, Castle Court, Swansea Enterprise Park, Swansea SA7 9LA

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2024

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 25th September 2025 and signed on their behalf by:

Rev T G Russell-Jones	**Dr V Williams**	**Mrs J Porter**
Minister	**co-Secretary**	**co-Secretary**

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ARARAT BAPTIST CHURCH

Opinion

We have audited the financial statements of Ararat Baptist Church ('the charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow and notes to the financial statements, including 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).

In our opinion, the financial statements:

• give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources 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 Charities Act 2011.*

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 director's 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 charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

• the information given in the trustees' report is inconsistent in any material respect with the financial statements; or

• sufficient accounting records have not been kept; or

• the financial statements are not in agreement with the accounting records; or

• we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s 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 an auditor’s report 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:

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to;

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- detecting and responding to the risks of fraud and whether they have knowledge of any actual. suspected or alleged fraud;

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas;

- Management override of controls; and

- obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the charity, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;

- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;

- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and

- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with The Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Eligibility

Bevan Buckland LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor, Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

25th September 2025

ARARAT BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2024

	Note	Unrestricted	Restricted	TOTAL	2023
		£	£	£	£
Income					
Donations and Legacies	2.	162,836	8,415	171,251	137,420
Charitable Activities	3.	132,787	-	132,787	110,183
Investment Income	4.	17,649	4,416	22,065	20,479
Other Income	5.	456	-	456	553
Total Income		**313,728**	**12,831**	**326,559**	**268,635**
Expenditure					
Fundraising Costs	6.	2,005	-	2,005	-
Charitable Activities	7.	349,738	232,933	582,671	374,702
Total Expenditure		**351,743**	**232,933**	**584,676**	**374,702**
Income / (expenditure) for the year		(38,015)	(220,102)	(258,117)	(106,067)
Other recognised gains / (losses)					
Revaluation gains / (losses) on fixed assets	12.	-	-	-	-
Revaluation gains on investment assets	13.	-	-	-	15,235
Net Movement in Funds		**(38,015)**	**(220,102)**	**(258,117)**	**(90,832)**
Reconciliation of Funds					
Total Funds brought forward		3,185,799	342,514	3,528,313	3,619,145
Total Charity Funds carried forward		**3,147,784**	**122,412**	**3,270,196**	**3,528,313**

Comparative figures for 2023 are in Note 27.

All incoming resources and resources expended derive from continuing activities

The Statement of Financial Activities includes all gains and losses recognised in the year.

The Notes on pages 16-27 form part of the Financial Statements

ARARAT BAPTIST CHURCH

BALANCE SHEET

YEAR ENDED 31st DECEMBER 2024

	Note	2024		2023	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	12.		2,680,087		2,716,365
Investments	13.		315,000		315,000
			2,995,087		**3,031,365**
Current Assets					
Stocks		1,620		669	
Debtors & Prepayments	14.	12,846		7,804	
Bank	15.	215,588		516,536	
Current Asset Investment	16.	86,463		-	
		316,517		**525,009**	
Current Liabilities due within one year					
Creditors	17.	(41,408)		(28,061)	
		(41,408)		**(28,061)**	
Net Current Assets			**275,109**		**496,948**
Total Net Assets			**3,270,196**		**3,528,313**
Charity Funds					
Restricted funds	18.		122,412		342,514
Unrestricted funds:	19.	3,004,579		3,005,412	
Designated funds	20.	143,205		180,387	
			3,147,784		3,185,799
Total Charity Funds carried forward			**3,270,196**		**3,528,313**

The Financial Statements were approved by the Trustees on 25th September 2025

Rev G Russell-Jones	**Dr V Williams**	**Mrs J Porter**
Minister	**co-Secretary**	**co-Secretary**

ARARAT BAPTIST CHURCH

STATEMENT OF CASH FLOWS

YEAR ENDED 31st DECEMBER 2024

	Note	2024	2023
		£	£
Net cash provided by / (used in) operating activities	25.	**(203,512)**	**(28,749)**
Cash flows from investing activities:			
Purchase and revaluation of fixed and investment assets	12.,13.	(10,973)	(51,816)
Reclassification of current asset investment	16.	(86,463)	-
Net cash provided by / (used in) investing activities		**(97,436)**	**(51,816)**
Change in cash and cash equivalents during the year		**(300,948)**	**(80,565)**
Cash and cash equivalents at beginning of year	15.	516,536	597,101
Cash and cash equivalents at end of year	15.	**215,588**	**516,536**

Cash and cash equivalents comprise cash at bank and in hand, and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition.
During the year, the Church held an investment with Kingdom Bank which had a maturity period exceeding three months. In accordance with FRS 102 Section 7 and Charities SORP Module 14, this investment does not meet the definition of a cash equivalent and has therefore been excluded from the Cash and Cash Equivalents balance in the Statement of Cash Flows above.
The investment has been reclassified as a Current Asset Investment and is presented separately on the Balance Sheet. This ensures that the Statement of Cash Flows reflects only those balances that are readily available for use in charitable activities.

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2024

1. Accounting Policies

1.1 Charity Information

(a) Ararat Baptist Church is an unincorporated charity whose registered address is Plas Treoda, Whitchurch, Cardiff CF14 1PT

(b) As the Charity is an unincorporated entity, its property is owned as Custodian Trustee by the Baptist Union Corporation Limited, Didcot OX11 8RT (charity number 249635).

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
(effective 1 January 2019)".

The Financial Statements have been prepared under the historical cost convention apart from values associated with Church buildings and related fixtures and fittings.

The Church constitutes a Public Benefit Entity as defined by FRS 102.

1.3 Going Concern

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

1.4 Critical Accounting Estimates and Judgements

The preparation of the Financial Statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other relevant factors. However, the nature of estimation means that actual outcomes could be different.

1.5 Income Recognition

Income is recognised in the Statement of Financial Activities on the following basis:

(a) Planned giving, collections and donations are recognised when the Church has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Church is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Church and it is probable that those conditions will be fulfilled in the reporting period.

(b) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church, normally on notification by the bank.

(c) Income Tax recoverable on donations under Gift Aid is recognised at the same time as the corresponding donations..

(d) Legacies are recognised either on receipt, or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, or conditions are attached which have not been fulfilled, the legacy is treated as a contingent or custodian asset.

(e) Government grants are recognised only when they have been received.

(f) Rent, room hire and fees for weddings and funerals are recognised on a receivable basis.

1.6 Expenditure Recognition

(a) Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

(b) Expenditure is accounted for on an accruals basis.

1. Accounting Policies (continued)

1.6 Expenditure Recognition (continued)

(c) Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing or amount of the grant.

1.7 Raising funds

Raising funds includes all expenditure incurred by the Church to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading, and an apportionment of support and governance costs.

1.8 Charitable activities

Costs of charitable activities cover all expenditure relating to the furtherance of the Church's objectives, including an apportionment of support and governance costs.

1.9 Support and Governance costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office and associated costs.

Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice, including audit and legal fees.

Most of the management of the Church is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

1.10 Apportionment of Support and Governance costs

Support and governance costs have been apportioned to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

1.11 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.These investments have a maturity of three months or less from the date of acquisition.

Cash and cash equivalents are held to meet short-term cash commitments rather than for investment or other purposes.

1.12 Current Asset Investments

Current asset investments include deposits and other investments held with financial institutions that do not meet the definition of cash equivalents (see Note 11.), becuase they have a maturity of more than three months from the date of acquisition. These are held for the purpose of generating a return and are classified separately from cash and cash equivalents on the Balance Sheet. Income from these investments is recognised on an accruals basis.

1.13 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised.

Value of Church Buildings

The Church buildings had historically been accounted for at insurance value, because there was no reliable cost information available. As a result of the transition to FRS 102 the Trustees took the insurance cost for Church buildings and related Fixtures and Fittings (but excluding the Investment Property) of £2,668,585 as at transition date (1st April 2014) and used this as "deemed cost" going forward from 1st January 2016.This cost is adjusted by the additions and disposals in each subsequent year. The revised policy has been adopted from 2022 onwards.

Depreciation has also been charged in each year on the bases outlined below.

1. Accounting Policies (continued)

1.13 Tangible Fixed Assets (continued)

Impairment of assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Depreciation

Depreciation is provided on freehold land and buildings over 100 years.
Furniture, Fixtures, Fittings & Equipment are depreciated over 6 years.
Plant is depreciated over 10 years.

1.14 Stocks

Stocks of unsold catering supplies in The Ark are valued at the lower of cost or net realisable value, cost being determined on FIFO basis method.

1.15 Investment Property

The former Church manse at Plas Treoda has been let for rental as two flats for a number of years, and is classed as an investment property. The method of valuation in the Balance Sheet of this investment property is market value as determined professionally at 31st December annually.
Material differences from year to year are accounted for in the Financial Statements.

1.16 Taxation

The Church is exempt from tax on its charitable activities.

1.17 Fund accounting

Unrestricted "General" funds can be used in accordance with the charitable objectives of the Church at the discretion of the Trustees.

Designated funds are unrestricted funds put aside for a specific project or aim: they can be returned to the General Unrestricted funds at any time provided the decision is taken by a quorum of members at the Church meeting. For reporting purposes they are combined with Unrestricted funds and termed "Unrestricted".

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the Notes to the Financial Statements.

1.18 Pension costs and other post-retirement benefits

The Church operates Defined Contribution plans for its employees, with various separate pension providers. Once the agreed contributions have been paid the Church has no further payment obligations. The contributions are recognised as an expense when they are due: amounts not paid at the year end are shown in creditors in the Balance Sheet.

1.19 Groups

There have been a number of organisations (“Groups”) operating within the church which are consolidated as part of charitable activities, as they provide local outreach from the Church premises. Their funds are classified as Designated. The Church Trustees have overall responsibility for the management of these Groups.

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2024

	Unrestricted	Restricted	TOTAL	2023
2. Donations and Legacies	£	£	£	£
Offerings / Donations	128,947	7,056	136,003	111,548
Tax refunds	29,889	1,359	31,248	25,772
Legacies	4,000	-	4,000	100
Total	**162,836**	**8,415**	**171,251**	**137,420**
3. Charitable Activities	£	£	£	£
Children, Families' & Youth Ministry	12,327	-	12,327	10,839
Income from The Ark	79,001	-	79,001	63,121
Hire Income	30,432	-	30,432	29,512
Ministry Income (incl Groups - Note 20.)	3,071	-	3,071	6,711
Fundraising Income	7,956	-	7,956	-
Total	**132,787**	**-**	**132,787**	**110,183**
4. Investment Income	£	£	£	£
Rent received	13,284	-	13,284	13,284
Bank interest	4,365	4,416	8,781	7,195
Total	**17,649**	**4,416**	**22,065**	**20,479**
5. Other Income	£	£	£	£
Grants	-	-	-	-
Other charitable income	456	-	456	553
Total	**456**	**-**	**456**	**553**
6. Fundraising Costs	£	£	£	£
Expenditure incurred	1,449	-	1,449	-
	1,449	**-**	**1,449**	-
Support + Governance costs (Note 8.)	556	-	556	-
Total	**2,005**	**-**	**2,005**	-
7. Charitable Activities	£	£	£	£
Ministerial	47,137	-	47,137	61,426
Mission (incl Groups - Note 20.)	126,425	723	127,148	122,577
Ministry Donations / grants (Note 9.)	25,464	-	25,464	26,571
Premises	50,568	226,156	276,724	57,423
Maintaining investment	2,542	-	2,542	3,411
Miscellaneous	561	-	561	2,719
	252,697	**226,879**	**479,576**	**274,127**
Support + Governance costs (Note 8.)	97,041	6,054	103,095	100,575
Total	**349,738**	**232,933**	**582,671**	**374,702**

8. Support Costs	Unrestricted	Restricted	TOTAL	2023
	£	£	£	£
Staffing	26,100	-	26,100	27,151
Office Costs	18,948	-	18,948	13,946
Depreciation	40,824	6,054	46,878	45,548
Write-offs / loss on disposal of assets	800	-	800	-
Finance costs	44	-	44	40
Total	**86,716**	**6,054**	**92,770**	**86,685**
Governance Costs	£	£	£	£
Audit / Independent Examination	10,881	-	10,881	13,230
Other governance costs	-	-	-	660
Total	**10,881**	**-**	**10,881**	**13,890**
Total Support + Governance costs	**97,597**	**6,054**	**103,651**	**100,575**
Apportioned pro rata (on cost) to:				
Fundraising costs	556	-	556	-
Charitable Activities	97,041	6,054	103,095	100,575

9. Donations / Grants

	Unrestricted	Restricted	TOTAL	2023
	£	£	£	£
BMS World Mission	10,500	-	10,500	10,500
Cardiff Baptist College	2,500	-	2,500	2,499
Baptist Union Home Mission	9,500	-	9,500	9,499
	22,500	**-**	**22,500**	**22,498**

10. Staff Remuneration and Benefits

	2024	2023
	£	£
Wages and salaries	135,969	139,694
Social security	5,440	5,373
Other pension costs	8,608	9,213
	150,017	**154,280**

No employee received more than £60,000 during the year.

Rev Gethin Russell-Jones (Trustee) received remuneration (including gross salary, employer's national insurance and employer's pension contributions) totalling £39,540 *(2023 £46,777)* for his services as Minister during the year. In September 2023, he reduced his weekly hours by 20%.

Pension contributions are paid to Defined Contribution private pension schemes on behalf of the Minister. The total amount paid into these schemes by the Church was £3,416 *(2023 £3,875).*

One staff member is in the Baptist Pension Scheme which is a Defined Contribution scheme. The amount paid into this Scheme was £2,378 *(2023 £2,300).*

The key management personnel comprise the Trustees and the Minister.

During the year, no Trustees received expenses in connection with their roles as Trustees.

During the year, £26,819 was received in donations from 14 Trustees and related parties *(2023 £12,045 from 7 Trustees and related parties)*.

11. Staff Numbers

The average number of employees during the year was 8 *(2023 8)*

In April 2024, Hannah Buckley, Trainee Minister, resigned her post to continue studies at Cardiff Baptist College.

12. Tangible Fixed Assets

	Unrestricted			Restricted			Total Tangible Fixed Assets
	Church Property	Fixtures, Fittings, Equipment & Plant	Total Unrestricted	Church Property	Fixtures, Fittings, Equipment & Plant	Total Restricted	
	£	£	£	£	£	£	£
Cost or valuation							
At 1st January 2024	2,885,758	87,926	2,973,684	4,740	35,401	40,141	3,013,825
Additions	-	-	-	-	11,773	11,773	11,773
Disposals	-	(800)	(800)	-	-	-	(800)
At 31st December 2024	**2,885,758**	**87,126**	**2,972,884**	**4,740**	**47,174**	**51,914**	**3,024,798**
Depreciation							
At 1st January 2024	226,315	64,811	291,126	94	6,240	6,334	297,460
Charge	28,860	13,136	41,996	48	6,007	6,055	48,051
Eliminated on Disposal	-	(800)	(800)	-	-	-	(800)
At 31st December 2024	**255,175**	**77,147**	**332,322**	**142**	**12,247**	**12,389**	**344,711**
Net Book Value							
At 31st December 2024	**2,630,583**	**9,979**	**2,640,562**	**4,598**	**34,927**	**39,525**	**2,680,087**
At 31st December 2023	**2,659,443**	**23,115**	**2,682,558**	**4,646**	**29,161**	**33,807**	**2,716,365**

Accounting Policy 1.13 explains that the basis of valuing property and related contents changed from 2022 onwards. The amounts shown above at 1st January 2024 reflect the new basis from 2016 to that date.

13. Investments

	Property: 23-24 Plas Treoda
	£
Cost or valuation	
At 1st January 2024	315,000
Additions	-
	315,000
Revaluation	-
At 31st December 2024	**315,000**
Net Book Value	
At 31st December 2024	**315,000**
At 31st December 2023	**315,000**

The investment consists of a property, the former manse at Plas Treoda, let for rental as two flats.
As stated in Accounting Policy 1.15, the basis for valuation is market value.
The investment properties were valued at 31 December 2023 and 31 December 2024 by external valuer Chris Clarke LLB FRICS Chartered Surveyor of Chris Clarke Surveyors Limited.
The valuation was prepared on the basis of market value as defined in the Royal Institution of Chartered Surveyors' Valuation Global Standards

14. Debtors & Prepayments: amounts falling due within one year:

	Unrestricted	Restricted	TOTAL	2023
	£	£	£	£
Trade debtors	986	-	986	1,012
Accrued income	4,659	400	5,059	368
Prepayments	6,801	-	6,801	6,424
	12,446	**400**	**12,846**	**7,804**

15. Bank Balances

	Unrestricted	Restricted	TOTAL	2023
	£	£	£	£
Petty Cash	145	-	145	187
Current Accounts	44,638	-	44,638	31,625
Deposit Reserve Accounts	64,681	106,124	170,805	484,724
	109,464	**106,124**	**215,588**	**516,536**

16. Current Asset Investment

	Unrestricted	Restricted	TOTAL	2023
Kingdom Bank 120-day Acount	86,463	-	86,463	-
	86,463	**-**	**86,463**	**-**

During the year, the Church held an investment with Kingdom Bank which had a maturity period exceeding three months from the date of acquisition. In accordance with FRS 102 Section 7 and Charities SORP Module 14, this investment does not meet the definition of a cash equivalent and has therefore been reclassified as a Current Asset Investment.
The investment has been excluded from the cash and cash equivalents balance in the Statement of Cash Flows and is presented separately within Current Assets on the Balance Sheet.

17. Creditors: amounts falling due within one year

	Unrestricted	Restricted	TOTAL	2023
	£	£	£	£
Other taxation and social security	1,433	-	1,433	2,108
Other creditors	431	-	431	418
Trade creditors and accruals	15,907	23,637	39,544	25,535
	17,771	**23,637**	**41,408**	**28,061**

18. Restricted Funds

	01/01/2024	Incoming Resources	Resources Expended	31/12/2024
	£	£	£	£
Sycamore Fund	1,786	2,092	(723)	3,155
Renovation & Building	340,728	10,739	(232,210)	119,257
	342,514	**12,831**	**(232,933)**	**122,412**

Restricted Funds

Sycamore: A Restricted fund bequeathed by Doris and Burt Brewer to the Church for use in supporting members of the Church in need, and which is regularly replenished by donations at Communion Services.

Renovation and Building: The net value of Church property financed by funds provided for that specific purpose only. Restricted funds in previous years have been legacies, donations and gifts, grants, loans received (plus contributions towards their repayment). In 2024, Restricted funds comprised the 2021 legacy of which £93,774 remained unspent at 31st December 2024 *(2023 £300,593),* together with offerings for ongoing maintenance (Maintenance Fund).

Previous Year	01/01/2023	Incoming Resources	Resources Expended	31/12/2023
	£	£	£	£
Sycamore Fund	2,352	775	(1,341)	1,786
Renovation & Building	351,177	10,589	(21,038)	340,728
	353,529	**11,364**	**(22,379)**	**342,514**

19. Unrestricted Funds

	01/01/2024	Incoming Resources	Resources Expended	Transfer	31/12/2024
	£	£	£	£	£
General Fund	3,005,412	304,317	(317,532)	12,382	3,004,579
Designated Funds	180,387	9,411	(34,211)	(12,382)	143,205
	3,185,799	**313,728**	**(351,743)**	**-**	**3,147,784**

Description of funds

Unrestricted Funds

General:

These are funds available to the Church for unrestricted use in the furtherance of its charitable aims and objectives. These funds may be revenue (income & expenditure) items or tied up in assets, e.g. the Church buildings, extensions and renovations, fixture and fittings, plant and computer/audio visual equipment.

19. Unrestricted Funds (continued)

The Ark:

The café, open six days a week, which welcomes the general public and is used for community activities and is an integral part of the ministry and outreach activities of the Church.

Prior to 2023 the Ark was classified as a Designated Fund but from 2023 onwards it is treated as part of general Unrestricted Church funds.

Designated Funds (see Note 20.)

These funds outlined below have been designated by the Trustees for the purposes shown whereas, legally, they are unrestricted. For reporting purposes throughout these Financial Statements they are therefore combined together as "Unrestricted".

Previous Year	**01/01/2023**	**Incoming**	**Resources**	**Transfer**	**31/12/2023**
	£	£	£	£	£
General Fund	3,036,076	201,509	(251,324)	19,151	3,005,412
Designated Funds	229,540	70,997	(100,999)	(19,151)	180,387
	3,265,616	**272,506**	**(352,323)**	**-**	**3,185,799**

20. Designated Funds

	01/01/2024	**Incoming Resources**	**Resources Expended**	**Transfer**	**31/12/2024**
	£	£	£	£	£
Group Activities	1,124	2,378	(3,402)		100
Legacy (incl Kingdom Bank)	169,129	4,287	(25,731)	(7,248)	140,437
Donation for Arch (Youth Worker)	5,000	78	(5,078)		-
The Ark	5,134			(5,134)	-
Minister's Saving	-	2,668	-		2,668
	180,387	**9,411**	**(34,211)**	**(12,382)**	**143,205**

Groups:

These Groups provide local outreach from the Church premises. During 2024 the Mid-week Meeting bank account was closed and the Christians Against Torture bank account incorporated into the Church bank accounts.

Legacy:

A substantial legacy (the "Williams' Legacy") was received in 2019 and, with approval of Church members, the Trustees decided to set aside a significant portion of it to be available for future projects. £57,880 remained unspent at 31st December 2024 *(2023 £83,229),* excluding the Kingdom Bank reserve (below).

Kingdom Bank:

£85,000 from the "Williams' Legacy" has been transferred as a longer term reserve. The balance unspent at 31st December 2024 was £90,541 *(2023 £87,788)*.

Arch (Youth Worker):

A donation was received during 2021 to assist with the costs of employing a Youth Worker. With the donor's permission, in 2024 this was utilised to replace the arch and main gates to the Church.

Minister's Saving:

During 2023 the Minister (Rev Gethin Russell-Jones) reduced his hours by 20%, and in 2024 the Trustees agreed to create a Designated Fund to reflect the monthly savings.

20. Designated Funds (continued)

Previous Year	01/01/2023	Incoming Resources	Resources Expended	Transfer	31/12/2023
	£	£	£	£	£
Group Activities	989	4,484	(4,349)		1,124
Legacy (incl Kingdom Bank)	210,849	3,392	(25,961)	(19,151)	169,129
Donation for Arch (Youth Worker)	5,000	-	-		5,000
The Ark	12,702	63,121	(70,689)		5,134
	229,540	**70,997**	**(100,999)**	**(19,151)**	**180,387**

21. Analysis of Balance Sheet

	Unrestricted	Restricted	TOTAL
	£	£	£
Tangible Net Assets	2,640,562	39,525	2,680,087
Investments	315,000	-	315,000
Bank	109,464	106,124	215,588
Other Net Current Assets	82,758	(23,237)	59,521
	3,147,784	**122,412**	**3,270,196**

Previous Year	Unrestricted	Restricted	TOTAL
	£	£	£
Tangible Net Assets	2,682,558	33,807	2,716,365
Investments	315,000	-	315,000
Bank	207,829	308,707	516,536
Other Net Current Assets	(19,588)	-	(19,588)
	3,185,799	**342,514**	**3,528,313**

22. Retirement Pension Schemes

The Church is a participating employer in a Defined Contribution pension scheme known as 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.

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.

At the year end there was one member of staff in the Scheme.

Private Pension Schemes

The Minister has his own Defined Contribution private pension schemes into which he and the Church make monthly contributions.

23. Related Parties

(1) The Custodian Trustee of the Church is the Baptist Union Corporation Limited, a charity (number 249635) controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Wales Baptist Association (charity number 1102735).

(2) The Church made a donation of £9,500 *(2023 £9,499)* to Baptist Union Home Mission (Note 9.) and paid £1,144 in annual subscriptions to the Baptist Union *(2023 £1,080)*.

23. Related Parties (continued)

(3) The Church paid £796 in annual subscriptions to the South Wales Baptist Association

(4) The Church made donations to the following affiliated Baptist organisations: (Note 9.)
Baptist Missionary Society World Mission £10,500 *(2023 £10,500)*
Baptist Missionary Society World Mission £145 *(2023 £815)* from the Church Harvest Collection
Cardiff Baptist College £2,500 *(2023 £2,499)*

(5) Rev Gethin Russell-Jones (Minister) is a Trustee. Details of remuneration etc are in Note 10.

No amounts were outstanding during the current or prior year regarding the transactions above.

24. Custodian Asset

A leasehold property at Blandon Way, Whitchurch was bequeathed in Trust to the Church in June 1999, on condition that the property would pass to the Church only when it became vacant following the named current tenant, who is still in residence. The lease of the property expires in 2078.

25. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	Note	2024 £	2023 £
Net income/(expenditure) for the reporting period (as in the Statement of Financial Activities)		(258,117)	(90,832)
Adjustments for:			
- Depreciation	12.,13.	47,251	46,896
- (Increase) / decrease in debtors	14.	(5,042)	(4,933)
- (Increase) / decrease in stock		(951)	410
- (Decrease) / increase in creditors	17.	13,347	19,710
Net cash provided by /(used in) operating activities		**(203,512)**	**(28,749)**
Analysis of Cash and Cash Equivalents			
Cash in hand and in Bank	15.	215,588	516,536
		215,588	**516,536**

26. Operating Leases

	Unrestricted £	Restricted £	Total £	2023 £
The following operational leases were in existence at 31st December 2024				
Due in less than 1 year	3,816	-	3,816	4,509
Due in 2–5 years	1,225	-	1,225	6,592
	5,041	**-**	**5,041**	**11,101**

27. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2023

	Unrestricted	Restricted	TOTAL
	£	£	£
Income			
Donations & Legacies	130,159	7,261	137,420
Charitable Activities	110,183		110,183
Investment Income	16,676	3,803	20,479
Other Income	253	300	553
Total Income	**257,271**	**11,364**	**268,635**
Expenditure			
Charitable Activities	352,323	22,379	374,702
Total Expenditure	**352,323**	**22,379**	**374,702**
Net income /(expenditure) for the year	(95,052)	(11,015)	(106,067)
Other recognised gains / (losses)			
Revaluation gains/(losses) on fixed assets	-	-	-
Revaluation gains on investment assets	15,235	-	15,235
Net Movement in Funds	**(79,817)**	**(11,015)**	**(90,832)**
Reconciliation of Funds			
Total Funds brought forward	3,265,616	353,529	3,619,145
Total Funds carried forward	**3,185,799**	**342,514**	**3,528,313**

ARARAT BAPTIST CHURCH

England & Wales - Charity number 1132808

Accounts

ARARAT BAPTIST CHURCH
FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023

Charity Number: 1132808

ARARAT BAPTIST CHURCH
FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023

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ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2023

Ararat Baptist Church is an unincorporated charity, registered with the Charity Commission since November 19th 2009. The Church's Constitution was adopted on June 25th 2009. In May 2021, at a Special General Meeting, it was agreed to amend the Constitution to allow Church Members' meetings to take place in person, by electronic means or by a combination of physical attendance and electronic (so called hybrid meetings). This amendment was approved by the Charity Commission in discussion with the Baptist Union of Great Britian (BUGB).

Organisational Structure and Decision Making

The Church is governed by its Trustees, who are appointed by the Church membership. Trustees are appointed for a period of three years after which they may seek re-election. After a period of 6 years' continuous service a one-year break is required before further re-election may be sought. The Constitution does not stipulate a maximum number of Trustees. A process of Trustee elections takes place most years in order to maintain an adequate number of Trustees and to allow for the replacement of those who have completed their term of service. A Chairperson for the Trustees is appointed by the Trustees.

Trustees are responsible for the strategic direction and operational management of the Church, and authority is delegated to the Church's Minister(s) and Secretaries to make decisions. When appropriate and necessary the specialist expertise of Church members and friends is sought to assist in decision-making e.g. in relation to matters of finance, safeguarding and Church fabric issues.

Persons nominated to become Trustees of the Church must have been a Church member for a continuous period of one year, and must remain in Church membership during their tenure. Nominations are received from Church members and must receive the support of two other members along with acceptance of the nomination by the person nominated. All those nominated will meet with the Church's Minister(s) prior to the election in order to discuss the work and responsibilities of trusteeship. All elected Trustees will have access to relevant documentation from the Charity Commission pertaining to their responsibilities as a charity trustee, the Church's policies and appropriate guidance materials and leaflets produced by BUGB.

Nominations must be submitted in writing with the supporting signature of two other Church Members and the consent of the candidate.

The Church comprises both members and friends. Baptism by immersion upon personal profession of faith in Jesus Christ is the usual mode of entry into the membership of a Baptist Church, although anyone seeking membership who has not been baptised in the manner described in BUGB's Declaration of Principle may, at the discretion of a Church Members' meeting, be accepted for full membership based on their own public profession of faith. Friends have not requested membership of the Church, but they may attend services and other Church activities regularly or infrequently and are valued members of the Church community. They may attend meetings of the Church members, but do not have any voting rights.

The Church Constitution requires that a meeting of Church members take place at least four times a year. Generally, a meeting is called every six to eight weeks. As stated, this meeting is open to both members and friends of the Church and is the means whereby the Trustees

communicate with the membership about their duties and seek the approval of the Church membership in relation to matters of importance. Agreement by way of consensus is the preferred manner of decision-making, but decisions on more important issues are made by voting, where appropriate majorities as recommended in the Constitution are required.

All members and friends are encouraged to participate in the spiritual and practical tasks required in the furtherance of the Charity's aims and objectives, and a team of recognised volunteers supports the day-to-day work of the Church.

There is a Financial Management Team comprising both paid employees and volunteers who are responsible to both the Trustees and the Church for keeping proper accounting records and ensuring compliance with the Charities Act 2011. Where required external auditing arrangements are in place, and the Church is mindful of its responsibilities in relation to registration for VAT and has processes in place to implement this as and when the Church reaches the VAT threshold. The Financial Management Team ensure that Annual Financial Statements are prepared in accordance with the requirements for Charities. These Annual Financial Statements are approved initially by the Trustees and then presented to the Church Members' meeting for acceptance at its Annual General Meeting (AGM).

The salaries of employed staff, and the ministerial stipend are reviewed annually in private by the Trustees. The Church ensures that all employees are paid at or above the National Living Wage and that the ministerial stipend is at or above that recommended by BUGB.

The Church's Aims and Objectives

The Church's 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 – so called 'Home Mission' and/or in other parts of the world through financial support, or other means. The Church's premises are held by the Baptist Union Corporation Ltd through a Trust which is entirely compatible with the Charity's objectives.

The Church is committed to enabling as many people as possible to worship at the Church and to become part of the Church's community. It accepts the Inclusive Church Statement:

> *"We believe in inclusive Church – a Church which celebrates and affirms every person and does not discriminate.*
>
> *We will continue to challenge the Church where it continues to discriminate against people on grounds of disability, economic power, ethnicity, gender, gender identity, learning disability, mental health, neurodiversity, or sexuality.*
>
> *We believe in a Church which welcomes and serves all people in the name of Jesus Christ; which is scripturally faithful; which seeks to proclaim the Gospel afresh for each generation; and which, in the power of the Holy Spirit, allows all people to grasp how wide and long and high and deep is the love of Jesus Christ."*

Our services and worship put faith into practice through prayer, scripture reading, teaching, music and participating in Holy Communion.

Our facilities are open seven days a week to provide a welcoming community hub for those with a Christian faith, other faiths and of no faith, where they may be accepted, supported, encouraged and learn more about the Christian faith, whether they live locally or travel from further afield.

Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities should be undertaken by the Church and, in particular, the specific guidance for the advancement of religion for the public benefit.

The community facilities at Ararat are widely used by the local community. External organisations including political parties, the Blood Donation Service, support groups, fitness and exercise classes etc. take place regularly. Rooms are available freely for Church activities or can be hired at a competitive rate. A luncheon club is available each week for those over the age of 60: many of those attending live in the locality but are not Church members. The Church sanctuary also is available to members of the local community for weddings, blessings and funerals, and free of charge to local schools for seasonal concerts. The Church grounds are open for members of the community to come and sit and enjoy the peaceful environment, or to picnic on our lawns. The extension opened in 2018 which houses our coffee shop is back to receiving over 1,000 visitors a week after a dip during the Covid pandemic. The general public use the facilities to meet up with friends in a comfortable, contemporary and stylish environment where they all receive a warm welcome. There are no restrictions on anyone attending our Church or community facilities which are accessible to all and inclusive of everyone.

Activities and Achievements

The Church is led by our minister, Rev Gethin Russell-Jones, supported by our Children and Families' Worker, Mrs Rachel Powell. During 2023, the work of the Church was also supported by a Minister-in-training, Mrs Hannah Buckley and a prospective ministerial candidate, Mrs Lena Kelleyan. The Church is fortunate in having a number of retired clergy within its congregation who assist the ministerial team and lead a mid-week service. During the year our minister reduced his working week by one day with the approval of the Church membership to work as a counsellor for a local College.

In January 2023, three Trustees were required to stand down having completed two full terms of service, three new Trustees were elected by the Church, commencing their 3-year period of service that same month.

Since the Covid pandemic, Ararat has continued to make good use of social media channels to facilitate its weekly pattern of Christian worship. Our presence via Zoom, and YouTube has enabled folk from further afield to participate in our services, including someone from Switzerland. The Church's pattern of Sunday evening worship now takes place predominantly on social media.

Ararat encourages friendships and fellowship by offering 'house groups'. These groups vary in size from five to fifteen and there are usually about ten groups operational at any one time. Some groups meet in the homes of Church members, others at the Church itself and one meets in a local pub. All provide a mixture of Christian teaching, social interaction and prayer. They are open to anyone who wishes to join a group and there are several people attending who are members of the community and not regular Church attendees.

A new development in 2023 has been the holding of two services a month in local residential/nursing homes. This is welcomed by those who are unable to attend Church due to illness and frailty. Other older members, or those who for various reasons are no longer able to come to Church, are regularly visited by a team of trained pastoral workers. These volunteers work closely with the minister to provide support and comfort to those individuals who are often lonely and single. Where requested, they are able to provide Holy Communion in people's own homes. Pastoral work is overseen by a new coordinator, who took on the role this year. The Church has a policy in place to protect lone-workers and all involved in pastoral care are DBS checked.

Ararat has a very active work amongst children and their families led by our Children and Families' Worker. There are regular 'Messy Church' events and Holiday Clubs which are extremely popular amongst families in the community and are frequently fully booked within a few days of being advertised. In addition, the Church has active Boys' and Girls' Brigades which meet weekly and provide meaningful activity for children and the youth in the community. Those attending participate occasionally in Sunday services.

Although Ararat has many children it has few teenagers. Attempts have been made this year to employ a youth worker/minister to assist in providing for this small but important group within the Church: sadly, we have been unable to find anyone interested in the role. This need currently therefore remains unmet.

Ararat is a growing Church. During the year the Church has been pleased to welcome new folk into membership and there have been two Baptismal services. As with all Church congregations some people move away, and others die but the membership has remained fairly constant at 200.

The current sanctuary was opened in 1914 and is fairly typical in its style with an entrance vestibule, a large space downstairs furnished with pitch-pine pews and a gallery on three-sides again furnished with pews. A significant change took place during the year when after significant debate the Church members agreed to the removal of the downstairs pews and replacing them with upholstered individual chairs. This project is part of a wider plan to modernise the sanctuary in order to make it more fit for contemporary styles of worship. The change has generally been welcomed by the Church, and the increased flexibility has allowed the space to be used much more flexibly both for worship services and also for community activities.

The new seating in the sanctuary was funded by a significant legacy received in 2021 of £350,000 which was earmarked for maintenance (see the Financial Review). The Church has undertaken various surveys during the year, in particular looking at the state of the sanctuary roof and the roofs of the rest of the buildings on the Church site. Whilst most of the buildings require fairly minor repairs the sanctuary requires complete re-roofing. Preparatory works have been undertaken during the year to enable a new roof to be installed during 2024. This, too, will be funded from the 2021 legacy

Ararat has a Safeguarding Policy in place, a Designated Person and a deputy for safeguarding and has a system in place for DBS checks for all those working with minors and vulnerable adults. One trustee takes a special interest in safeguarding and is part of the safeguarding team.

The Church's community arm is known as 'The Ark'. Attached to the Church sanctuary are several buildings which provide a home for many of our community groups and activities including our bright, modern and stylish community café. During 2023 a new Café Manager has been appointed and she has led a series of catered events which have been extremely well received by those who attended. There have been celebratory teas for St Dwynwen's Day, St David's Day, Easter and Christmas. The increased café activity has required additional paid staff to work alongside the team of volunteers with there being three part-time baristas now employed within the team. The Ark Café was delighted to receive a five-star hygiene rating.

The Church's missional activities are not restricted to its immediate locality. Ararat contributes financially to work amongst other Baptist Churches in the UK through its Home Mission fund and also to the global work of Baptist World Mission and Christian Aid.

As a Church we are concerned about the world we live in seeking to protect it and cherish it as far as we are able. The Church has established an Eco-Church group that is reviewing our energy usage, our carbon footprint, ways in which we can enact social justice through Fair

Trading schemes and reduce waste through more rigorous recycling. Together we are working towards obtaining a 'Bronze award'.

As part of the wider Church and a member of BUGB, the Church participated in a UK-wide consultation on the 'Ministerial Rules' during 2023. This consultation related to the issue of same-sex relationships. Ararat appended an additional question to the Consultation which was completed by Church members. The consultation attracted a 43% response rate. Of those who responded a majority supported a change to the Ministerial Rules to allow for same sex relationships amongst the clergy and also indicated a favourable response to changing the Church's License to allow for same-sex weddings to take place in the sanctuary. This matter, along with that of 'same sex blessings', will be subject to further debate and a vote during 2024.

As a growing Church issues of responsible management and good governance are paramount and during 2023, we have employed an Operations Manager to assist the Minister and Trustees with its organisation, governance and administration.

Financial Review

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charites preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

In the Financial Statements for 2022, total reserves (i.e. Charity Funds) were reported at £6,618,826. However, these have now fallen to £3,619,145 solely as a result of a fundamental change in the valuation of all the property owned by the Church. Since the inception of the charity in 2009, this property has been valued according to the insurance rebuild value as determined by the Insurance Company as there was no reliable cost information available, but the auditors appointed for 2023,(having taken technical and regulatory advice from the Institute of Chartered Accountants in England & Wales), consider this basis does not equate to "fair value" as required by FRS 102. Consequently, the Church buildings have been reverted back to historic cost using "deemed cost" on transition to FRS 102 (in 2016)–plus annual additions less depreciation, and the investment property (the former manse) at market value. The Financial Statements for 2022 have been restated to reflect this major change – hence the figure for reserves stated above, which therefore excludes all the annual revaluation increases in the insured value since 2016.

The results for the year 2023 as reported in the Financial Statements show an overall deficit of expenditure over income of £90,832 *(2022 restated surplus – £8,913)*. However, for the actual running of the Church itself, the deficit was £65,050 *(2022 restated deficit – £26,658)*. Total reserves at 31st December 2023 were £3,528,313 *(2022 restated – £3,619,145)*.

2019 Legacy

A legacy of £600,000 had been received in 2019. During the year, it was used to continue the funding of the Ark Team Leader, to purchase and install a new kitchen oven, and to provide cash flow resources for the Current Account. At 31st December 2023 the remaining balance was £171,000.

2021 Legacy

As referred to above, a legacy of £350,000 was bequeathed to the Church in 2021, the terms of the Will expressing the donor's wish that it be used for maintenance and building works. During the year, it was used to fund the purchase of the chairs, professional fees in connection with the repurposing of the sanctuary and initial roof survey, essential electrical repairs, and various other maintenance costs. The balance at 31st December 2023 was £301.000. It is

likely that the substantial part of this balance will be used in 2024 for the roof renewal and repairs (referred to previously).

Financial Reserves Policy

In 2021, the Trustees reviewed and amended the Financial Reserves policy to state that they considered it prudent to hold a reserve of at least £35,000 which would cover two months of essential expenditure. At the year-end, although the bank balance in the various Current Accounts was £32, 000, the Trustees consider the position to be satisfactory as there was a further £87,000 held at the Kingdom Bank and £397,000 on deposit; a total of £516,000.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Having assessed the risks, the Trustees are satisfied that systems are in place to mitigate exposure to the major ones. Internal control risks are minimised by the implementation of procedures for all transactions and projects. Procedures are also in place to ensure compliance with the health and safety of staff, volunteers and visitors to the Church, Community Centre and the Church Café.

Going Forward

Next year, 2024 will be the 200th anniversary of the founding of the Church and preparation is already underway to ensure that this milestone is marked appropriately with praise, worship, celebration and fun. A full programme of other activities will be prepared by the beginning of the year. During the autumn of 2023 a children's choir was created to participate along with members of the Church in preparing for a Pantomime, 'The Glass Slipper' to be performed in early January 2024. Many of the children involved are from the local community.

As outlined earlier, the Church has also been preparing to spend the 2021 legacy on replacing its ageing roof and repairing other roofs across its estate and any remaining monies will be spent on modernising the sanctuary to make it a more appropriate worship space for the 21st century.

We are mindful that legacy monies are finite and careful attention will need to be given to the Church's income and expenditure to ensure that when the legacy monies are exhausted that we are able to balance the books. The 'cost of living' crisis has affected the Church as it has others with significant hikes in utility expenditure not being met by similar increases in the Church's income. Savings may need to be made along with increasing income revenue streams.

The success of the Ark Café has brought the Church's VAT-able income close to the threshold at which we must register to pay VAT. It is likely that we will need to buy-in appropriate expertise to assist with the registration process.

A decision taken in 2019 to pursue Charitable Incorporated Organisation (CIO) status was not pursued for various reasons and will need to be reconsidered in the year ahead.

We continue to pray about how best to meet the needs of the teenagers and younger adults in our Church community and will further consider our options in this regard.

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2023

Reference and Administrative Details

Registered Charity Number: 1132808

Principal Office: Ararat Baptist Church, Plas Treoda, Whitchurch, Cardiff CF14 1PT

Trustees as at December 31 2023

Rev. Gethin Russell-Jones (Minister)

Mrs Sonia Conway (Secretary) – (Retired January 31st 2024)

Mrs Carolyn Higgins – Deacon

Dr Vaughan Williams – Chair of the Trustees, Deacon and co-Secretary

Mrs Julie Gibbs – Deacon – Resigned April 16th 2024

Mrs Rhiannon Scott – Deacon – Resigned July 2nd 2024

Mrs Jayne Porter – Deacon and co-Secretary

Mr Paul Burnell – Deacon – Resigned February 1st 2023

Mrs Jennifer Lewis – commenced January 1st 2024

Mrs Sylthia Hilary Evans – commenced January 1st 2024

Mr Gareth Witts – commenced January 1st 2024 – Resigned October 11th 2024

Mrs Sally Rees – commenced January 1st 2024

Mrs Karen Kaneen – commenced January 1st 2024

Property Trustees

The Baptist Union Corporation Ltd, Baptist House, 129 Broadway, Didcot, Oxon OX11 8RT

Bankers

The Cooperative Bank plc, PO Box 101, Balloon Street, Manchester, M4 4BE

Auditors

Bevan Buckland LLP, Ground Floor, Cardigan House, Castle Court, Swansea Enterprise Park, Swansea SA7 9LA

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING DECEMBER 31st 2023

Trustees' Responsibilities in Relation to the Financial Statements
The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on October 17th 2024 and signed on their behalf by:

Rev T G Russell-Jones	Dr V Williams	Mrs J Porter
Minister	co-Secretary	co-Secretary

Independent auditor's report to the trustees of Ararat Baptist Church

Opinion

We have audited the financial statements of Ararat Baptist Church ('the charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow and notes to the financial statements, including 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).

In our opinion, the financial statements:

• give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources 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 Charities Act 2011*.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 director's 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 charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other matters

The financial statements of the Charity for the year ended 31 December 2022 was not audited. Sufficient and appropriate audit evidence was obtained to ensure the opening balances do not contain misstatements that materially affect the current period's financial statements.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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:

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to;

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- detecting and responding to the risks of fraud and whether they have knowledge of any actual. suspected or alleged fraud;

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas;

- Management override of controls; and

- obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the charity, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;

- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;

- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and

- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with The Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Eligibility

Bevan Buckland LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Bevan Buckland LLP

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor, Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Date: 18/10/2024

ARARAT BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2023

	Note	Unrestricted	Restricted	TOTAL	2022 Restated
		£	£	£	£
Income					
Donations and Legacies	2.	130,159	7,261	137,420	127,224
Charitable Activities	3.	110,183	-	110,183	94,082
Investment Income	4.	16,676	3,803	20,479	14,634
Other Income	5.	253	300	553	1,765
Total Income		**257,271**	**11,364**	**268,635**	**237,705**
Expenditure					
Charitable Activities	6.	352,323	22,379	374,702	289,784
Total Expenditure		**352,323**	**22,379**	**374,702**	**289,784**
Income / (expenditure) for the year		(95,052)	(11,015)	(106,067)	(52,079)
Other recognised gains / (losses)					
Revaluation gains / (losses) on fixed assets	11.	-	-	-	-
Revaluation gains on investment assets	12.	15,235	-	15,235	60,992
Net Movement in Funds		**(79,817)**	**(11,015)**	**(90,832)**	**8,913**
Reconciliation of Funds					
Total Funds brought forward restated		3,265,616	353,529	3,619,145	3,610,232
Total Charity Funds carried forward		**3,185,799**	**342,514**	**3,528,313**	**3,619,145**

Comparative figures for 2022 are in Note 27.

All incoming resources and resources expended derive from continuing activities

The Statement of Financial Activities includes all gains and losses recognised in the year.

The Notes on pages 16-28 form part of the Financial Statements

ARARAT BAPTIST CHURCH

BALANCE SHEET

YEAR ENDED 31st DECEMBER 2023

	Note	2023		2022 Restated	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	11.		2,716,365		2,726,445
Investments	12.		315,000		300,000
			3,031,365		**3,026,445**
Current Assets					
Stocks		669		1,079	
Debtors & Prepayments	13.	7,804		2,871	
Bank	14.	516,536		597,101	
		525,009		**601,051**	
Current Liabilities due within one year					
Creditors	15.	(28,061)		(8,351)	
		(28,061)		**(8,351)**	
Net Current Assets			**496,948**		**592,700**
Total Net Assets			**3,528,313**		**3,619,145**
Charity Funds					
Restricted funds	16.		342,514		353,529
Unrestricted funds:	17.	3,005,412		3,036,076	
Designated funds	18.	180,387		229,540	
			3,185,799		3,265,616
Total Charity Funds carried forward			**3,528,313**		**3,619,145**

The Financial Statements were approved by the Trustees on October 17th 2024

Rev G Russell-Jones
Minister

Dr V Williams
co-Secretary

Mrs J Porter
co-Secretary

ARARAT BAPTIST CHURCH

STATEMENT OF CASH FLOWS

YEAR ENDED 31st DECEMBER 2023

	Note	2023	2022 Restated
		£	£
Net cash provided by/(used in) operating activities	24.	**(28,749)**	**307,648**
Cash flows from investing activities:			
Purchase and revaluation of fixed and investment assets	11.,12.	(51,816)	(67,703)
Net cash provided by/(used in) investing activities		**(51,816)**	**(67,703)**
Change in cash and cash equivalents during the year		**(80,565)**	**239,945**
Cash and cash equivalents at beginning of year	14.	597,101	357,156
Cash and cash equivalents at end of year	14.	**516,536**	**597,101**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2023

1. Accounting Policies

1.1 Charity Information

(a) Ararat Baptist Church is an unincorporated charity whose registered address is Plas Treoda, Whitchurch, Cardiff CF14 1PT

(b) As the Charity is an unincorporated entity, its property is owned as Custodian Trustee by the Baptist Union Corporation Limited, Didcot OX11 8RT (charity number 249635).

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The Financial Statements have been prepared under the historical cost convention apart from values associated with Church buildings and related fixtures and fittings.

The Church constitutes a Public Benefit Entity as defined by FRS 102.

1.3 Going Concern

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

1.4 Critical Accounting Estimates and Judgements

The preparation of the Financial Statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other relevant factors. However, the nature of estimation means that actual outcomes could be different.

1.5 Income Recognition

Income is recognised in the Statement of Financial Activities on the following basis:

(a) Planned giving, collections and donations are recognised when the Church has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Church is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Church and it is probable that those conditions will be fulfilled in the reporting period.

(b) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church, normally on notification by the bank.

(c) Income Tax recoverable on donations under Gift Aid is recognised at the same time as the corresponding donations..

(d) Legacies are recognised either on receipt, or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, or conditions are attached which have not been fulfilled, the legacy is treated as a contingent asset.

(e) Government grants, e.g. Furlough grants, are recognised only when they have been received.

(f) Rent, room hire and fees for weddings and funerals are recognised on a receivable basis.

1.6 Expenditure Recognition

(a) Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

(b) Expenditure is accounted for on an accruals basis.

1. Accounting Policies (continued)

1.6 Expenditure Recognition (continued)

(c) Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing or amount of the grant.

1.7 Raising funds

Raising funds includes all expenditure incurred by the Church to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading, and an apportionment of support and governance costs.

1.8 Charitable activities

Costs of charitable activities cover all expenditure relating to the furtherance of the Church's objectives, including an apportionment of support and governance costs.

1.9 Support and Governance costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office and associated costs.

1.10 Apportionment of Support and Governance costs

Support and governance costs have been apportioned to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

1.11 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised.

Value of Church Buildings

The Church buildings have historically been accounted for at insurance value. This approach had been adopted because there was no reliable cost information available. As a result of the transition to FRS 102 the Trustees took the insurance cost for Church buildings and related Fixtures and Fittings (but excluding the Investment Property) of £2,668,585 as at transition date (1st April 2014) and used this as deemed cost going forward, with the insurance values at the annual renewal being adopted if the changes on the previous year were deemed to be material.

However, recent professional and technical advice is that basis does not represent "fair value" and the accounting policy has been changed for 2022 onwards. This "deemed cost" at 1st April 2014 has been accepted as the cost brought forward as 1st January 2016, adjusted by the additions and disposals in each subsequent year.

Depreciation has also been charged in each year on the bases outlined below.

Impairment of assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Depreciation

As a result of the changed method of calculating the gross cost of fixed assets, from 2022 depreciation is provided on freehold land and buildings over 100 years.

Furniture, Fixtures, Fittings & Equipment are depreciated over 6 years.

Plant is depreciated over 10 years.

1.12 Stocks

Stocks of unsold catering supplies in The Ark are valued at cost.

1. Accounting Policies (continued)

1.13 Investment Property

The former Church manse at Plas Treoda has been let for rental as two flats for a number of years, and is classed as an investment property. The method of valuation in the Balance Sheet of this investment property was previously consistent with that of the main Church buildings but, as explained in Note 1.11, this method has been discontinued from 2022. However, unlike the Church buildings, the insurance valuations for the investment property from the "deemed cost" of £177,440 in 2016 have been continued until 2021: from 2022 onwards a market value will be determined professionally at 31st December annually.

Material differences from year to year will be accounted for in the Financial Statements.

1.14 Taxation

The Church is exempt from tax on its charitable activities.

1.15 Fund accounting

Unrestricted "General" funds can be used in accordance with the charitable objectives of the Church at the discretion of the Trustees.

Designated funds are unrestricted funds put aside for a specific project or aim: they can be returned to the General unrestricted funds at any time provided the decision is taken by a quorum of members at the Church meeting. For reporting purposes they are combined with unrestricted funds and termed "Unrestricted".

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the Notes to the Financial Statements.

1.16 Pension costs and other post-retirement benefits

The Church operates Defined Contribution plans for its employees, with various separate pension providers. Once the agreed contributions have been paid the Church has no further payment obligations. The contributions are recognised as an expense when they are due: amounts not paid at the year end are shown in creditors in the Balance Sheet.

1.17 Groups

There are a number of organisations ("Groups") operating within the church which are consolidated as part of charitable activities, as they provide local outreach from the Church premises. Their funds are classified as Designated. The Church Trustees have overall responsibility for the management of these Groups.

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2023

	Unrestricted	Restricted	TOTAL	2022 Restated
2. Donations and Legacies	£	£	£	£
Offerings / Donations	105,127	6,421	111,548	102,712
Tax refunds	24,932	840	25,772	24,512
Legacies	100	-	100	-
Total	**130,159**	**7,261**	**137,420**	**127,224**
3. Charitable Activities	£	£	£	£
Children, Families' & Youth Ministry	10,839	-	10,839	9,603
Income from The Ark	63,121	-	63,121	50,099
Hire Income	29,512	-	29,512	29,569
Ministry Income (incl Groups - Note18.)	6,711	-	6,711	4,811
Total	**110,183**	**-**	**110,183**	**94,082**
4. Investment Income	£	£	£	£
Rent received	13,284	-	13,284	13,284
Bank interest	3,392	3,803	7,195	1,350
Total	**16,676**	**3,803**	**20,479**	**14,634**
5. Other Income	£	£	£	£
Grants	-	-	-	1,000
Other charitable income	253	300	553	765
Total	**253**	**300**	**553**	**1,765**
6. Charitable Activities	£	£	£	£
Ministerial	61,426	-	61,426	53,920
Mission (incl Groups - Note 18.)	121,437	1,341	122,778	85,416
Ministry Donations / grants (Note 8.)	26,571	-	26,571	33,279
Premises	41,815	15,608	57,423	36,423
Maintaining investment	3,411	-	3,411	4,189
Miscellaneous	2,719	-	2,719	1,384
	257,379	**16,949**	**274,328**	**214,611**
Support + Governance costs (Note 7.)	94,944	5,430	100,374	75,173
Total	**352,323**	**22,379**	**374,702**	**289,784**
7. Support Costs	£	£	£	£
Staffing	27,151	-	27,151	12,017
Office Costs	13,871	76	13,947	18,720
Depreciation	39,992	5,354	45,346	41,722
Finance costs	40	-	40	14
Total	**81,054**	**5,430**	**86,484**	**72,473**
Governance Costs	£	£	£	£
Audit / Independent Examination	13,230	-	13,230	2,700
Other governance costs	660	-	660	-
Total	**13,890**	**-**	**13,890**	**2,700**

8. Donations / Grants	Unrestricted	Restricted	TOTAL	2022 Restated
	£	£	£	£
BMS World Mission	10,500	-	10,500	10,500
Cardiff Baptist College	2,499	-	2,499	2,500
Baptist Union Home Mission	9,499	-	9,499	9,500
	22,498	**-**	**22,498**	**22,500**

9. Staff Remuneration and Benefits

		2022 Restated
	£	£
Wages and salaries	139,694	105,086
Social security	5,373	2,760
Other pension costs	9,213	7,527
	154,280	**115,373**

No employee received more than £60,000 during the year.

Rev G Russell-Jones (Trustee) received remuneration (including gross salary, employer's national insurance and employer's pension contributions) totalling £46,777 *(2022 £47,391)* for his services as Minister during the year. From September 2023, he reduced his weekly hours by 20%.

The key management personnel comprise the Trustees and the Minister.

During the year, no Trustees received expenses in connection with their roles as Trustees.

During the year, £12,045 was received in donations from 7 Trustees and related parties *(2022 £16,715 from 9 Trustees and related parties)*.

10. Staff Numbers

The average number of employees during the year was:

	Full Time	Part Time	Total	2022 Restated
Ministerial	-	1	1	1
Mission	2	3	5	3
Premises	-	1	1	1
Support	-	2	2	1
	2	7	9	6

Pension contributions are paid to Defined Contribution private pension schemes on behalf of the Ministers. The total amount paid into these schemes by the Church was £3,875 *(2022 £4,152)*.

One staff member is in the Baptist Pension Scheme which is a Defined Contribution scheme. The amount paid into this Scheme was £2,300 *(2022 £1,994)*.

11. Tangible Fixed Assets

	Unrestricted			Restricted			Total
	Church Property (excluding investment property)	Fixtures, Fittings, Equipment & Plant	Total Unrestricted Church Property	Church Property (excluding investment property)	Fixtures, Fittings, Equipment & Plant	Total Restricted Church Property	Church Property (excluding investment property)
	£	£					£
Cost or valuation							
At 1st January 2023 Restated	2,885,758	81,146	2,966,904	4,740	5,600	10,340	2,977,244
Additions	-	6,780	6,780	-	29,801	29,801	36,581
At 31st December 2023	**2,885,758**	**87,926**	**2,973,684**	**4,740**	**35,401**	**40,141**	**3,013,825**
Depreciation							
At 1st January 2023 Restated	197,457	52,362	249,819	47	933	980	250,799
Charge	28,858	12,449	41,307	47	5,307	5,354	46,661
At 31st December 2023	**226,315**	**64,811**	**291,126**	**94**	**6,240**	**6,334**	**297,460**
Net Book Value							
At 31st December 2023	**2,659,443**	**23,115**	**2,682,558**	**4,646**	**29,161**	**33,807**	**2,716,365**
At 31st December 2022 Restated	**2,688,301**	**28,784**	**2,717,085**	**4,693**	**4,667**	**9,360**	**2,726,445**

Accounting Policy 1.11 explains that the basis of valuing property and related contents changed from 2022. The amounts shown above at 31st December 2022 reflect the new basis from 2016 to that date.

This new basis produces significantly lower values (revaluation loss) and additional depreciation charges than previously. The revaluation losses from 2016 to 2021 (£2,073,893) and the additional depreciation charge (£205,033) were included in the balances brought forward from 2021 into 2022.

12. Investments

	Property	Fixtures, Fittings, Equipment & Plant	TOTAL
	£	£	£
Cost or valuation			
At 1st January 2023 Restated	298,037	2,350	300,387
Additions	-	-	-
	298,037	2,350	300,387
Revaluation	15,235	-	15,235
At 31st December 2023	**313,272**	**2,350**	**315,622**
Depreciation			
At 1st January 2023 Restated	-	387	387
Charge	-	235	235
At 31st December 2023	**-**	**622**	**622**
Net Book Value			
At 31st December 2023	**313,272**	**1,728**	**315,000**
At 31st December 2022 Restated	**298,037**	**1,963**	**300,000**

The investment consists of a property, the former manse at Plas Treoda, let for rental as two flats.

As stated in Accounting Policy 1.13, the basis for valuation was changed in 2022 to market value: for 2023 this basis produced a revaluation gain of £15,000 over 2022.

13. Debtors & Prepayments: amounts falling due within one year:

	Unrestricted	Restricted	TOTAL	2022 Restated
	£	£	£	£
Trade debtors	1,012	-	1,012	1,454
Accrued income	368	-	368	565
Prepayments	6,424	-	6,424	852
	7,804		**7,804**	**2,871**

14. Bank Balances

	£	£	£	£
Petty Cash	187	-	187	115
Current Accounts	31,625		31,625	45,885
Deposit Reserve Accounts	176,017	308,707	484,724	551,101
	207,829	**308,707**	**516,536**	**597,101**

15. Creditors: amounts falling due within one year

	£	£	£	£
Other taxation and social security	2,108	-	2,108	1,845
Other creditors	418	-	418	902
Trade creditors and accruals	25,535	-	25,535	5,604
	28,061	**-**	**28,061**	**8,351**

16. Restricted Funds

	01/01/2023	Income	Expenditure	31/12/2023
	£	£	£	£
Sycamore Fund	2,352	775	(1,341)	1,786
Renovation & Building	351,177	10,589	(21,038)	340,728
	353,529	**11,364**	**(22,379)**	**342,514**

Restricted Funds

Sycamore: This is a Restricted fund bequeathed by Doris and Burt Brewer to the Church for use in supporting members of the Church in need, and which is regularly replenished by donations at Communion Services.

Renovation and Building: This is the net value of Church property financed by funds provided for that specific purpose only. Such Restricted funds in previous years have been legacies, donations and gifts, grants, loans received (plus contributions towards their repayment). In 2023, Restricted funds comprised the 2021 legacy of which £300,593 was remaining at 31st December *(2022 £331,853)*, together with offerings for ongoing maintenance (Maintenance Fund).

Previous Year (Restated)	01/01/2022	Income	Expenditure	31/12/2022
	£	£	£	£
Sycamore Fund	1,969	441	(58)	2,352
Renovation & Building	359,386	6,558	(14,767)	351,177
	361,355	**6,999**	**(14,825)**	**353,529**

17. Unrestricted Funds

	01/01/2023	Income	Expenditure	Transfer	31/12/2023
	£	£	£	£	£
General Fund	3,036,076	201,509	(251,324)	19,151	3,005,412
Designated Funds	229,540	70,997	(100,999)	(19,151)	180,387
	3,265,616	**272,506**	**(352,323)**	**-**	**3,185,799**

Description of funds

Unrestricted Fund

General:

These are funds available to the Church for unrestricted use in the furtherance of its charitable aims and objectives. These funds may be revenue (income & expenditure) items or tied up in assets, e.g. the Church buildings, extensions and renovations, fixture and fittings, plant and computer/audio visual equipment.

Designated Funds (see Note 18.)

These funds outlined below have been designated by the Trustees for the purposes shown whereas, legally, they are unrestricted. For reporting purposes throughout these Financial Statements they are therefore combined together as "Unrestricted".

Previous Year (Restated)	01/01/2022	Income	Expenditure	31/12/2022
	£	£	£	£
General Fund	3,001,742	175,984	(141,650)	3,036,076
Designated Funds	247,135	54,722	(72,317)	229,540
	3,248,877	**230,706**	**(213,967)**	**3,265,616**

18. Designated Funds

	01/01/2023	Incoming	Resources	Transfer	31/12/2023
	£	£	£	£	£
Group Activities	989	4,484	(4,349)	-	1,124
Legacy (incl Kingdom Bank)	210,849	3,392	(25,961)	(19,157)	169,123
Donation for Youth Worker	5,000	-	-	-	5,000
The Ark (incl ASDA grant)	12,702	63,121	(70,689)	-	5,134
	229,540	**70,997**	**(100,999)**	**(19,157)**	**180,381**

Groups: These Groups provide local outreach from the Church premises and have their own bank accounts administered by their officers. The Trustees have overall responsibility for the management of the Groups.

Legacy: A substantial legacy (the "Williams' Legacy") was received in 2019 and, with approval of Church members, the Trustees decided to set aside a significant portion of it to be available for future projects. £83,229 remained unspent at 31st December 2023 *(2022 £123,535)*, excluding the Kingdom Bank reserve (below).

Kingdom Bank £85,000 from the "Williams' Legacy" has been transferred as a long term reserve. The balance at 31st December 2023 was £87,788 *(2022 £85,720)*

Youth Worker: A donation was received during 2021 to assist with the costs of employing a Youth Worker.

The Ark The café, open six days a week, which welcomes the general public and is used for community activities and is an integral part of the ministry and outreach activities of the Church. .

Previous Year (Restated)	01/01/2022	Income	Expenditure	31/12/2022
Group Activities	1,080	2,729	(2,820)	989
Legacy (incl Kingdom Bank)	236,934	894	(26,979)	210,849
Donation for Youth Worker	5,000	-	-	5,000
The Ark	4,121	51,099	(42,518)	12,702
	247,135	**54,722**	**(72,317)**	**229,540**

19. Analysis of Balance Sheet

	Unrestricted	Restricted	TOTAL
	£	£	£
Tangible Net Assets	2,682,558	33,807	2,716,365
Investments	315,000	-	315,000
Bank	207,829	308,707	516,536
Other net current assets	(19,588)	-	(19,588)
	3,185,799	**342,514**	**3,528,313**

Previous Year (Restated)	Unrestricted	Restricted	TOTAL
	£	£	£
Tangible Net Assets	2,717,085	9,360	2,726,445
Investments	300,000	-	300,000
Bank	252,904	344,197	597,101
Other net current assets	(4,373)	(28)	(4,401)
	3,265,616	**353,529**	**3,619,145**

20. Retirement Pension Schemes

The Church is a participating employer in a Defined Contribution pension scheme known as 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.

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.

At the year end there was one member of staff in the Scheme.

Private Pension Schemes

The Minister has his own Defined Contribution private pension schemes into which he and the Church make monthly contributions.

21. Related Parties

(1) The Custodian Trustee of the Church is the Baptist Union Corporation Limited, a charity (number 249635) controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Wales Baptist Association (charity number 1102735).

(2) The Church made a donation of £9,499 *(2022 £9,500)* to Baptist Union Home Mission (Note 8.) and paid £1,080 in annual subscriptions to the Baptist Union *(2022 £838)*.

(3) The Church paid £700 in annual subscriptions to the South Wales Baptist Association *(2022 £513)*.

(4) The Church made donations to the following affiliated Baptist organisations: (Note 8.)
Baptist Missionary Society World Mission £10,500 *(2022 £10,500)*
Baptist Missionary Society World Mission £815 *(2022 £550)* from the Church Harvest Collection
Cardiff Baptist College £2,499 *(2022 £2,500)*

(5) Rev G Russell-Jones (Minister) is a Trustee. Details of remuneration etc are in Note 9.

(6) Mrs Alyson Burnell, Ark Manager until January 2023, is the wife of Mr Paul Burnell, who was a Trustee at that time. During January she received a total salary of £1,416 *(2022 £11,632)*

(7) In the year, no Trustees and related parties *(2022 - 6)* received any payment *(2022 - £770)* for services at weddings and funerals.

No amounts were outstanding during the current or prior year regarding the transactions above.

22. Post Balance Sheet Events

(1) The major structural survey in July 2023 reported that although the original 1915 building was largely in good structural order, a programme of repairs was recommended. The main works are to replace part of the sanctuary roof natural slates and all lead sheeting, remedial work to the other 5 roof areas, gable and parapet walls, and replacement of all rainwater gutters and downpipes. In March 2024, members accepted a tender of £192,000 +VAT for the work, which is expected to start in July 2024, with a time frame of 3-4 months. Total costs of the project, likely to be approximately £250,000, will be met from the Restricted legacy.

(2) In April 2024, Hannah Buckley, Trainee Minister, resigned her post to continue studies at Cardiff Baptist College.

23. Custodian Asset

A leasehold property at Blandon Way, Whitchurch was bequeathed in Trust to the Church in June 1999, on condition that the property would pass to the Church only when it became vacant following the named current tenant, who is still in residence. The lease of the property expires in 2078.

24. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	Note	2023	2022 Restated
		£	£
Net income/(expenditure) for the reporting period (as in the Statement of Financial Activities)		(90,832)	8,913
Adjustments for:			
- Depreciation	11.,12.	46,896	42,294
- (Increase) / decrease in debtors	13.	(4,933)	269,466
- (Increase) / decrease in stock		410	(668)
- (Decrease) / increase in creditors	15.	19,710	(12,357)
Net cash provided by /(used in) operating activities		**(28,749)**	**307,648**
Analysis of Cash and Cash Equivalents			
Cash in hand and in Bank	14.	516,536	597,101
		516,536	**597,101**

25. Operating Leases

	Unrestricted	Restricted	Total	2022 Restated
	£	£	£	£
The following operational leases were in existence at 31st December 2023				
Due in less than 1 year	4,509	-	4,509	4,260
Due in 2–5 years	6,592	-	6,592	11,101
	11,101	**-**	**11,101**	**15,361**

26. Prior Year Adjustments

The published Financial Statements for 2022 have been restated for a number of reasons, the net effect being a decrease in Net Movement of Funds and Reserves of £720,755

The reasons for this decrease are set out below.

	£
Reduction in revaluation gains on tangible fixed assets *(as a result of the change in the basis of valuing these assets - see Note1.11))*	(700,526)
Increase in revaluation gains on investment assets *(as a result of the change in the basis of valuing these assets - see Note1.13))*	14,831
Increase in depreciation charge *(as a result of the change in the basis of valuing tangible fixed assets - see Note1.11))*	(35,707)
Gift Aid claim made in December 2022 not treated as accrued income for 2022	(3,918)
Various insurance policies for 2023 not treated as a prepayment in 2022	4,465
Minor corrections	100
Decrease in Net Movement of Funds and Reserves	**(720,755)**

Original Net Movement of Funds	729,668
Restated Net Movement of Funds and Reserves	8,913
Decrease in Net Movement of Funds	**(720,755)**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2023

27. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2022 (Restated)

	Unrestricted	Restricted	TOTAL
	£	£	£
Income			
Donations & Legacies	120,681	6,543	127,224
Charitable Activities	94,082	-	94,082
Investment Income	14,178	456	14,634
Other Income	1,765	-	1,765
Total Income	**230,706**	**6,999**	**237,705**
Expenditure			
Charitable Activities	274,959	14,825	289,784
Total Expenditure	**274,959**	**14,825**	**289,784**
Net income /(expenditure) for the year	(44,253)	(7,826)	(52,079)
Other recognised gains / (losses)			
Revaluation gains/(losses) on fixed assets	-	-	-
Revaluation gains on investment assets	60,992	-	60,992
Net Movement in Funds	**16,739**	**(7,826)**	**8,913**
Reconciliation of Funds			
Total Funds brought forward restated	3,248,877	361,355	3,610,232
Total Funds carried forward	**3,265,616**	**353,529**	**3,619,145**

ARARAT BAPTIST CHURCH

England & Wales - Charity number 1132808

Accounts

Charity registration number: 1132808

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES &
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Azets Audit Services
Chartered Accountants & Statutory Auditors
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

ARARAT BAPTIST CHURCH

YEAR ENDED 31 DECEMBER 2022

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ARARAT BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and accounts for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The Constitution of the Church was adopted on 25th June 2009. The Church registered with the Charity Commission on 19th November 2009. Ararat Baptist Church is an unincorporated charity.

OBJECTIVES AND ACTIVITIES

Objective and Aims

The principal purpose of the Church 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 Church occupies premises that are held by the Baptist Union Corporation Limited on a trust which is entirely compatible with the above objectives. Ararat is committed to enabling as many people as possible to worship at the Church and to become part of the Fellowship. Services and worship put faith into practice through prayer, scripture, music and participating in Holy Communion (Eucharist). Ararat aims to provide a facility where Christians, or those who wish to know more about the Christian faith, can come together to worship and learn and have fellowship together, and also to provide a community facility open to everyone – whether locally from Whitchurch or further afield.

Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities should be undertaken by the Church and, in particular, the specific guidance for the advancement of religion for the public benefit. The community facilities at Ararat are widely used by the local community, external organisations, support groups, fitness and exercise classes. The new extension, now named the Ark, was funded and built with the aim of providing improved facilities for community use, and somewhere in the region of 1,000 people visit each week. The public in general can benefit from the facilities as a meeting place in a friendly and supportive environment. There are no restrictions on anyone attending the Church or community activities and a warm welcome is given to all visitors and friends. Welcoming, companionship and support has been available to those who are lonely and isolated in the community, thereby helping to tackle some of the challenges of lockdown: the wellbeing and mental health of many individuals (some of whom had no contact with Ararat previously) has been helped and improved in this way.

ARARAT BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE

Rev. Gethin Russell-Jones, the church minister, is supported in the governance of the Church by the Trustees. Since the global pandemic, Ararat has discovered new ways of reaching out to the community using electronic means. Services and meetings are regularly broadcast on Zoom, YouTube and by creating podcasts. The Trustees also meet on "Zoom" for strategic planning once a month.

Ararat provides a range of family activities throughout the week. These range from a dynamic Sunday programme focused on faith and worship, through to five Toddler groups held on week days and attended by dozens of carers and children. Ararat also has thriving Girls and Boys Brigade companies, helping young people with their development and growth.

The Ark Café is busy, providing hospitality and friendship to hundreds of customers each week.

The Renew Wellbeing Café and Miss Tilley's Pop-Up Café.

Renew provides a quiet, safe space where "it's OK not to be OK" and with the aim of contributing to the good mental health of those who attend the sessions; Miss Tilley's is a charity working with young people who have learning difficulties and the relationship between the Church and this team is a close and loving one.

The Ark and Community Centre have gone from strength to strength, becoming a vital place of hospitality and friendship for many hundreds of people.

FINANCIAL REVIEW

2022 was a more usual year as the Church recovered strongly from the Covid-19 pandemic and income was back at its former level without any exceptional receipts from legacies or major donations.

Expenditure slightly exceeded income by a little over £17,000.

Total Charity Funds rose significantly however. The Church's insurer provided valuations which increased the values of the Church buildings and contents by £700,526 and the value of the investment property by £46,161. In consequence, total Charity Funds to £6,618,826 (2021: £5,889,158).

Financial Reserves Policy

During 2021, the Trustees reviewed and amended the Financial Reserves policy to state that they considered it prudent to hold a reserve of at least £40,000 which would cover two months of essential expenditure. At the year-end, although the bank balance in the various Current Accounts was £38,787, the Trustees consider the position to be satisfactory as there was a further £85,720 held at the Kingdom Bank and £472,478 on deposit.

2019 Legacy

As at 1 January 2022, £157,934 remained unused from the £600,000 legacy received in 2019. During 2022, this balance was used to continue funding the salary of the Ark Team Leader; the auditor's fee for work on the 2021 accounts; and to buy new and more secure laptops for staff.

The legacy balance stood at £123,535 at 31 December 2022 (Note 18 on Designated Funds refers).

2021 Legacy

During 2021, the Trustees were informed that a deceased member had bequeathed £350,000 to the Church, of which £80,000 had been received from the solicitors by 31 December 2021. The remaining £270,000 was received in 2022 (though – correctly – recognised as income in the 2021 financial statements).

The terms of the Will express the member's wish that the legacy should be used for maintenance and building works. A small amount from this legacy was utilised on major repair works in December 2021.

At the beginning of 2022, the unused amount of this legacy was £348,766. During the year, it was drawn upon for a lighting upgrade, repairs to the Church and the investment property, and for professional fees.

The legacy balance stood at £336,593 at 31 December 2022 (note 16 on Restricted Funds refers).

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Having assessed the risks, the Trustees are satisfied that systems are in place to mitigate exposure to the major ones. Internal control risks are minimised by the implementation of procedures for all transactions and projects. Procedures are also in place to ensure compliance with the health and safety of staff, volunteers and visitors to the Church, Community Centre and the Church Café.

PLANS FOR FUTURE PERIODS

Going Forward

The next two years are likely to be exciting in the life and witness of Ararat.

Having consulted with Church members, the Sanctury will start to be remodelled during 2023. This will see the downstairs pews being removed and replaced by a much more flexible seating arrangement allowing the space to be used in different and more creative ways. Adaptations to the Sanctury will make it a worship space for both Ararat and the community more suitable for both current and future generations. They will also allow the Church to extend its heart into the wider community and welcome the community into the heart of the Church. The legacy received in 2021 will provide funds for these works and also for a professional survey of the Church roof which is beginning to show signs of its age, having been an original part of the current building since it opened in 1915.

We will also recruit an Operations Manager who will take responsibility for all matters relating to the financial and general administration of the large and complex entity which Ararat has now become.

In 2024, the 200th Anniversary of Ararat's establishment will be celebrated, and the Trustees are prayerfully considering the ways to commemorate this. We also expect to start a programme of major building repairs , beginning with those needed on the roof.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making

The Church is governed by the Trustees who are appointed by the Church membership. The Trustees serve for a period of three years. They normally meet on a bi-monthly basis and are responsible for the strategic direction of the Church, although delegated authority is given to the Ministers and Church Secretary to take decisions. When appropriate, the specialist expertise of Church members and friends is also utilised to assist in decision-making, e.g. building matters, safeguarding, finance. Shortly after their meetings, the Trustees report to the Church members' meeting each month (except August and December).

Baptism by immersion upon personal profession of faith is the normal mode of entry into the membership of a Baptist church, although anyone seeking membership who has not been baptised in the manner described in the Baptist Union of Great Britian's Declaration of Principle may, at the discretion of a Church members' meeting, be accepted for full membership based on their own public profession of faith.

Any person who accepts an invitation to stand for election as a Trustee must have been a Church member for one continuous year. Before an election, those who are eligible to stand will meet with the ministers to discuss the work and responsibilities of trusteeship. Trustees have access to all agreed policies of the Church and the Baptist Union of Great Britain's resources and guidance materials. All members are encouraged to take part in the spiritual and practical tasks involved in the furtherance of the charitable objectives. The Constitution permits decisions to be made at the Church meetings by appropriate majorities, although working by consensus is the preferred option.

The Finance Team consists of volunteers who are responsible to the Trustees for keeping proper accounting records and ensuring compliance with the Charities Act 2011, and the relevant accounting requirements for charities in the Annual Financial Statements. These are reviewed and approved by the Trustees and presented for acceptance by Church members at the Annual General Meeting. The Trustees review the salaries of staff on an annual basis (without the presence of any member of staff or interested party). When determining ministers' salaries, the Trustees give consideration to the Baptist Union's guidelines: employees are paid above the National Living Wage.

ARARAT BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number
1132808

Principal Office:
Plas Treoda, Whitchurch, Cardiff, CF14 1PT

Trustees as at 31 December 2022
Rev G Russell-Jones (Minister)
Mrs S Conway (Secretary)
Mrs C Higgins (Deacon)
Mr H Carey – Resigned 31/12/2022
Mrs H Evans - Resigned 31/12/2022
Mrs J Lewis - Resigned 31/12/2022
Mrs S Rees - Resigned 31/12/2022
Mr G Witts - Resigned 31/12/2022
Mr V Williams – Appointed 1/12/2023
Ms J Porter – Appointed 1/12/2023
Ms R Scott – Appointed 1/12/2023
Ms J Gibbs – Appointed 1/12/2023

Mr P Burnell (Deacon)

Property Trustees
The Baptist Union Corporation Ltd, Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8RT

Bankers
The Co-operative Bank plc, PO Box 101, Balloon Street, Manchester, M60 4EP6

Independent Examiners
Azets Audit Services, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, CF23 8AB

ARARAT BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees' Responsibilities in Relation to the Financial Statements
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the Executive Board of the Trustees on 14.01.24 and signed on their behalf by:

Signed:

Rev T G Russell-Jones

Mrs S Conway

INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF ARARAT BAPTIST CHURCH

I report to the trustees on my examination of the financial statements of Ararat Baptist Church (the charity) for the year ended 31 December 2022.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. 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.

Responsibilities and basis of report
As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

Independent examiner's statement
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 respect of the charity as required by section 130 of the 2011 Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Claire Thompson

Claire Thompson FCCA DChA
Independent Examiner
Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Date 16-1-2024

ARARAT BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Donations and legacies	2	**124,599**	**6,542**	**131,141**	495,508
Charitable activities	3	**94,848**	**-**	**94,848**	63,435
Investments	4	**14,179**	**455**	**14,634**	13,239
Other income	5	**1,000**	**-**	**1,000**	12,544
Total income and endowments		**234,626**	**6,997**	**241,623**	584,726
Expenditure on:					
Charitable activities	6	**243,892**	**14,750**	**258,642**	268,684
Total expenditure		**243,892**	**14,750**	**258,642**	268,684
Net income/(expenditure)		**(9,266)**	**(7,753)**	**(17,019)**	316,042
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets		**700,526**	**-**	**700,526**	315,401
Gains/(losses) on revaluation of investment assets		**46,161**	**-**	**46,161**	26,911
Net movement in funds		**737,421**	**(7,753)**	**729,668**	658,354
Reconciliation of Funds					
Total funds brought forward	16,17	**5,527,804**	**361,354**	**5,889,158**	5,230,804
Total funds carried forward	17,19	**6,265,225**	**353,601**	**6,618,826**	5,889,158

All incoming resources and resources expended derive from continuing activities

The statement of financial activities includes all gains and losses recognised in the year

The notes on pages 13 - 32 form part of the Financial Statements

ARARAT BAPTIST CHURCH
BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets:					
Tangible fixed assets	11		**5,741,605**		5,040,567
Investments	12		**285,169**		239,395
			6,026,774		5,279,962
Current assets:					
Stocks		**978**		411	
Debtors & prepayments	13	**6,733**		272,337	
Cash at bank and in hand		**597,101**		357,156	
		604,812		629,904	
Liabilities:					
Creditors: Amounts falling due within one year	15	**(12,760)**		(20,708)	
Net assets			**592,052**		609,196
Net current assets			**6,618,826**		5,889,158
The funds of the charity:					
Restricted income funds	16		**353,601**		361,354
Unrestricted funds:					
General funds	17	**6,024,684**		5,262,074	
Designated funds	18	**240,541**		265,730	
			6,265,225		5,527,804
Total charity funds			**6,618,826**		5,889,158

The financial statements were approved by the Trustees on 14.01.24

Trustee
T G Russell-Jones

Trustee
Mrs S Conway

The notes on pages 13-20 form part of the Financial Statements

ARARAT BAPTIST CHURCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2016	2015
		£	£
Net cash provided by/(used in) operating activities		**993,243**	595,754
Cash flows from investing activities:			
Purchase and revaluation of fixed and investment assets		**(753,396)**	(353,490)
Net cash provided by (used in) investing activities		**(753,396)**	(353,490)
Change in cash and cash equivalents in the reporting period		**239,847**	242,264
Cash and cash equivalents at the beginning of the reporting period		**357,256**	114,892
Cash and cash equivalents at the end of the reporting period		**597,103**	357,156

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

1.1 Charity Information

Ararat Baptist Church is an unincorporated charity whose registered address is Plas Treoda, Whitchurch, Cardiff CF14 1PT

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The Financial Statements have been prepared under the historical cost convention apart from values associated with Church buildings and related fixtures and fittings.

The Church constitutes a Public Benefit Entity as defined by FRS 102.

1.3 Going Concern

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

1.4 Critical Accounting Estimates and Judgements

The preparation of the Financial Statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other relevant factors. However, the nature of estimation means that actual outcomes could be different.

1.5 Income Recognition

Income is recognised in the Statement of Financial Activities on the following basis:

(a) Planned giving, collections and donations are recognised when the Church has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Church is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Church and it is probable that those conditions will be fulfilled in the reporting period.

(b) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church, normally on notification by the bank.

(c) Income Tax recoverable on donations under Gift Aid is recognised only when it has been received from HMRC.

(d) Legacies are recognised either on receipt, or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, or conditions are attached which have not been fulfilled, the legacy is treated as a contingent asset.

(e) Government grants, e.g. Furlough grants, are recognised only when they have been received.

(f) Rent, room hire and fees for weddings and funerals are recognised on a receivable basis.

1.6 Expenditure Recognition

(a) Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

(b) Expenditure is accounted for on an accruals basis.

(c) Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

1.7 Raising funds

Raising funds includes all expenditure incurred by the Church to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading, and an apportionment of support and governance costs.

1.8 Charitable activities

Costs of charitable activities cover all expenditure relating to the furtherance of the Church's objectives, including an apportionment of support and governance costs.

1.9 Support and Governance costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office and associated costs.

Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice, including audit and legal fees.

Most of the management of the Church is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

1.10 Apportionment of Support and Governance costs

Support and governance costs have been apportioned to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

1.11 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised.

Value of Church Buildings

The Church buildings have historically been accounted for at insurance value. This approach has been adopted because there is no reliable cost information available. As a result of the transition to FRS 102 the Trustees have taken the insurance cost for Church buildings and related Fixtures and Fittings (but excluding the Investment Property) of £2,491,145 as at transition date (1st April 2014) and used this as deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for Church buildings and related Fixtures and Fittings at 31st December 2019, and at 31st December 2020.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

Impairment of assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Depreciation

No depreciation is provided on freehold land as insurance valuations are regularly updated.

Furniture, Fixtures, Fittings & Equipment are depreciated over 6 years.

Plant is depreciated over 10 years.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

1.12 Stocks

Stocks of unsold catering supplies in The Ark are valued at cost.

1.13 Investment Property

The former Church manse at Plas Treoda has been let for rental as two flats for a number of years, and is classed as an investment property. The valuation in the Balance Sheet is consistent with that of the main Church buildings, with the insurance cost of £177,440 as at transition date to FRS 102 (1st April 2014) being the deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for the investment property at 31st December 2019, and at 31st December 2020.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

1.14 Taxation

The Church is exempt from tax on its charitable activities.

1.15 Fund accounting

Unrestricted "General" funds can be used in accordance with the charitable objectives of the Church at the discretion of the Trustees.

Designated funds are unrestricted funds put aside for a specific project or aim: they can be returned to the General unrestricted funds at any time provided the decision is taken by a quorum of members at the Church meeting. For reporting purposes they are combined with unrestricted funds and termed "Unrestricted".

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the Notes to the Financial Statements.

1.16 Pension costs and other post-retirement benefits

The Church operates Defined Contribution plans for its employees, with various separate pension providers. Once the agreed contributions have been paid the Church has no further payment obligations. The contributions are recognised as an expense when they are due: amounts not paid at the year end are shown in creditors in the Balance Sheet.

1.17 Groups

There are a number of organisations (Groups) operating within the church which are consolidated as part of charitable activities, as they provide local outreach from the Church premises. Their funds are classified as Designated. The Church Trustees have overall responsibility for the management of these Groups.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Offerings	**83,456**	**4,191**	**87,647**	96,535
Tax refunds	**27,019**	**1,411**	**28,430**	19,542
Donations	**14,124**	**940**	**15,064**	14,343
Legacies	**-**	**-**	**-**	365,088
	124,599	**6,542**	**131,141**	495,508

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Local Mission Events	**1,522**	**-**	**1,522**	676
Children & Families' Ministry	**9,603**	**-**	**9,603**	6,009
Community Centre – room hire	**26,414**	**-**	**26,414**	12,750
Income from The Ark (incl Renew)	**50,099**	**-**	**50,099**	27,321
Fees for weddings and funerals	**3,155**	**-**	**3,155**	4,165
Group activities (see note 20)	**3,290**	**-**	**3,290**	2,385
Secondment income	**675**	**-**	**675**	9,900
Other charitable income	**90**	**-**	**90**	229
	94,848	**-**	**94,848**	63,435

4. INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Rent received	**13,284**	**-**	**13,284**	13,186
Bank interest	**895**	**455**	**1,350**	53
	14,179	**455**	**14,634**	13,239

5. INCOME FROM OTHER SOURCES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Grants	1,000	-	1,000	12,544
	1,000	-	1,000	12,544

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Ministerial	56,099	-	56,099	96,712
Mission	89,854	58	89,912	84,740
Group activities (note 20)	2,320	-	2,320	1,954
Donations/grants (note 10)	22,500	-	22,500	22,500
Establishment	28,762	9,763	38,525	24,939
Maintaining investment	1,697	2,775	4,472	1,204
Miscellaneous	1,375	-	1,375	214
	202,607	12,596	215,203	232,263
Support and governance (Note 9)	41,285	2,154	43,439	36,421
	243,892	14,750	258,642	268,684

7. SUPPORT COSTS

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Staffing	11,617	-	11,617	11,666
Telephone & IT	9,834	904	10,738	4,604
Postage & stationery	1,457	-	1,457	809
Leases, licences & subscriptions	4,899	-	4,899	5,988
Equipment & sundry costs	5,498	316	5,814	4,877
Depreciation	5,266	934	6,200	2,477
Finance costs	14	-	14	-
	38,585	2,154	40,739	30,421
Governance costs				
Audit/Independent Examination	2,700	-	2,700	6,000
	2,700	-	2,700	6,000

8. DONATIONS/GRANTS

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
BMS World Mission	**10,500**	-	**10,500**	10,500
Baptist Union Home Mission	**9,500**	-	**9,500**	9,500
South Wales Baptist College	**2,500**	-	**2,500**	2,500
	22,500	-	**22,500**	22,500

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £	2021 £
Wages & salaries	**105,087**	125,392
Social security costs	**2,760**	7,157
Pension costs	**7,527**	10,262
	115,374	142,811

Rev N Dickerson and Rev G Russell-Jones (Trustees) received renumeration (including gross salary, employer's national insurance and employer's pension contributions) totalling £51,465 (2021 £96,712) for their services as Ministers during the year. During January, to the time of her resignation late that month, Rev Naomi Dickerson was seconded part-time to the South Wales Baptist Association to develop Renew Wellbeing Cymru: £675 was received as income for the secondment (2021 £9,900).

The key management personal comprise the Trustees and the Ministers.

No employee received more than £60,000 during the year.

During the year, no Trustees received expenses in connection with their roles as Trustees.

During the year, £16,715 was received in donations from 9 Trustees and related parties (2021 £13,589 from 10 Trustees and related parties).

Pension
Pension contributions are paid to Defined Benefit private pension schemes on behalf of the Ministers. The total amount paid into these schemes by the Church was £7,527 (2021 £8,867).

One staff member is in the Baptist Pension Scheme which is a Defined Contribution scheme. The amount paid into this scheme was £1,044 (2021 £1,994)

10. STAFF NUMBERS

The average number of employees during the year was:

	Full-time	Part-time	Total 2022	Total 2021
Ministerial	1	-	1	2
Mission	1	3	4	2
Establishment	-	1	1	1
Support	-	-	-	1
	2	**4**	**6**	6

11. TANGIBLE FIXED ASSETS

	Unrestricted			Restricted	Total
	Church property (excluding investment property)	Fixtures, Fittings, Equipment & Plant	Total Unrestricted		
	£	£	£	£	£
Cost					
At 1 January 2022	**4,859,746**	**184,680**	**5,044,426**	**-**	**5,044,426**
Additions	**-**	**1,111**	**1,111**	**5,600**	**6,711**
Revaluation gain	**684,442**	**16,085**	**700,527**	**-**	**700,527**
At 31 December 2022	**5,544,188**	**201,876**	**5,746,064**	**5,600**	**5,751,664**
Depreciation					
At 1 January 2022	**-**	**3,859**	**3,859**	**-**	**3,859**
Charge for year	**-**	**5,266**	**5,266**	**934**	**6,200**
At 31 December 2022	**-**	**9,125**	**9,125**	**934**	**10,059**
Net Book Value					
31 December 2022	**5,544,188**	**192,751**	**5,736,939**	**4,666**	**5,741,605**
31 December 2021	4,859,746	180,821	5,040,567	-	5,040,567

Accounting policy 1.11 states that property is shown at insurance valuation.

The insurance valuation for buildings at 31 December 2022 was £5,544,188 which represents a revaluation gain of £684,442 during the year.

The insurance value for contents at 31 December 2022 was £206,496 which created a revaluation gain of £16,085 during the year in relation to the Net Book Values of furniture, fittings, equipment and plant. Reductions were then made to reflect the post-balance sheet disposal of the downstairs pews when the remodelling of the Sanctury began in May 2023 (see note 27) and for some low-value acquisitions which were deemed to be revenue items.

12. INVESTMENTS

	Property £	Fixtures, fittings, equipment & plant (included in property) £	Total £
Cost			
At 1 December 2022	**237,045**	**2,350**	**239,395**
Revaluation gain	**46,161**	**-**	**46,161**
At 31 December 2022	**283,206**	**2,350**	**285,556**
Depreciation			
At 1 December 2022	**-**	**-**	**-**
Charge for the year	**-**	**387**	**387**
At 31 December 2022	**-**	**387**	**387**
Net book value			
At 31 December 2022	**283,206**	**1,963**	**285,169**
At 31 December 2021	237,045	2,350	239,395

The investment consists of a property, the former manse at Plas Treoda, let for rental as two flats.

The insurance valuation for the buildings at 31st December 2022 was £283,206 which represented a revaluation gain of £46,161 during the year.

13. DEBTORS

	2022 £	2021 £
Trade debtors	**1,454**	1,743
Other debtors	**-**	270,000
Accrued income	**4,483**	-
Prepayments	**796**	594
	6,733	272,337

14. BANK BALANCES

	2022	2021
	£	£
Petty cash	**116**	139
Current Accounts	**38,787**	24,698
Deposit Reserve Accounts	**558,198**	332,319
	597,101	357,156

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other taxation and social security	**1,845**	2,690
Other creditors	**902**	1,034
Trade creditors and accruals	**10,013**	16,984
	12,760	20,708

16. RESTRICTED FUNDS

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Sycamore fund	1,970	**440**	**(58)**	**2,352**
Renovation & building	359,384	**6,557**	**(14,692)**	**351,249**
	361,354	**6,997**	**(14,750)**	**353,601**

Sycamore
This is a Restricted Fund bequeathed by Doris and Bert Brewer to the Church for use in supporting members of the Church in need, and which is regularly replenished by donations at Communion Services.

Renovation & buildings
This is the net value of Church property financed by funds provided for that specific purpose only. Such restricted funds in previous years have been legacies, donations and gifts, grants, loans received (plus contributions towards their repayment). In 2022, Restricted Funds comprised the 2021 legacy (£336,593 remaining at 31 December) as well as offerings for ongoing maintenance (Maintenance Fund).

Previous year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Sycamore fund	2,434	236	(700)	-	1,970
Renovation & building	5,354	357,281	(3,171)	(80)	359,384
	7,788	357,517	(3,871)	(80)	361,354

17. UNRESTRICTED FUNDS

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	5,262,074	**926,522**	**(163,912)**	**6,024,684**
Designated funds	265,730	**54,791**	**(79,980)**	**240,541**
	5,527,804	**981,313**	**(243,892)**	**6,265,225**

Description of Funds

Unrestricted Funds

General:
These are funds available to the Church for unrestricted use in furtherance of its charitable aims and objectives. These funds may be revenue (income and expenditure) or tied up in assets eg the Church buildings, extensions and renovations, fixtures and fittings, plant and computer/audio visual equipment.

Designated Fund (note 18 also refers):
These funds outlined below have been designated by the Trustees for the purposes shown whereas, legally, they are unrestricted. For reporting purposes throughout these Financial Statements they are therefore combined together as "Unrestricted".

Previous year - Balances Highlighted have been restated.

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General fund	5,115,687	562,084	(262,859)	(152,838)	5,262,074
Designated funds	107,329	7,437	(1,954)	152,918	265,730
	5,223,016	569,521	(264,813)	80	5,527,804

18. DESIGNATED FUNDS

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Group activities	1,080	**2,798**	**(2,889)**	**989**
Legacy incl Kingdom Bank	242,934	**894**	**(34,573)**	**209,255**
Donations for Youth Worker	5,000	**-**	**-**	**5,000**
Ark including Asda grant	16,716	**51,099**	**(42,518)**	**25,297**
	265,730	**54,791**	**(79,980)**	**240,541**

Groups - These Groups provide local outreach from the Church premises and have their own bank accounts administered by their officers (note 20). The Trustees have overall responsibility for the management of the Groups.

Legacy - A substantial legacy (referred to as the 'Williams' legacy') was received in 2019 and, with approval of Church members, the Trustees decided to set aside a significant portion of it to be available for future projects. £123,535 remained at 31 December 2022.

Kingdom Bank - £85,000 is held as a long-term reserve. The account balance stood at £85,720 at 31 December 2022).

Youth Worker - A donation was received during 2021 to assist with the costs of employing a Youth Worker.

The Ark - The café, open six days a week, which welcomes the general public and is used for community activities.

Previous year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Group activities	3,938	2,385	(1,954)	(3,289)	1,080
Legacy incl Kingdom Bank	86,675	52	-	156,207	242,934
Donations for Youth Worker	-	5,000	-	-	5,000
Ark	16716	-	-	-	16,716
	107,329	7,437	(1,954)	152,918	265,730

The activities of groups are considered to be integral to the activities of the Church for local outreach. (The Luncheon Club was merged with the Ark back in June 2021).

19. ANALYSIS OF BALANCE SHEET

	Unrestricted £	Restricted £	Total £
Tangible Net Assets	**5,736,938**	**4,666**	**5,741,604**
Investments	**285,169**	**-**	**285,169**
Bank	**248,166**	**348,935**	**597,101**
Net current liabilities	**(5,048)**	**-**	**(5,048)**
	6,265,225	**353,601**	**6,618,826**

Previous year

	Unrestricted £	Restricted £	Total £
Tangible Net Assets	5,040,567	-	5,040,567
Investments	239,395	-	239,395
Bank	265,802	91,354	357,156
Net current liabilities	(17,960)	270,000	252,040
	5,527,804	361,354	5,889,158

20. RETIREMENT PENSION SCHEMES

The Church is an employer participating in a Defined Contribution pension scheme known as the Baptist Pension Scheme ("the Scheme), which is administered by the Baptist Pension Trust Limited as Pension Trustee.

The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

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

In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva pic.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme.

The pension costs charged to the Statement Of Financial Activities in the year are contributions towards benefits and expenses accrued in that year.

At the year end there was one member of staff in the Scheme.

Defined Benefit Plan
Benefits in respect of service prior to 1st January 2012 were provided through the Defined Benefit Plan within the Scheme: it was closed to future accrual of defined benefits on 31st December 2011.

In 2020 the Trustees agreed to buy out their Pension Scheme liabilities in the Defined Benefit Scheme at a cost of £65,449. The excess of this amount over the calculated Balance Sheet liability at the start of the year (£44,101) was £21,348, and this was recorded in the Statement of Financial Activities as £23,866 (including the deficiency contributions of £2,518 already paid during the year)

Private Pension Schemes
The two Ministers have their own Defined Contribution private pension schemes into which they and the Church make monthly contributions.

21. RELATED PARTIES

1. The Custodian Trustee of the Church is the Baptist Union Corporation Ltd, a charity (number 249635) controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Wales Baptist Association (charity number 1102735).

2. The Church made a donation of £9,500 (2021 £9,500) to Baptist Union Home Mission (Note 10.) and paid £838 in annual subscriptions to the Baptist Union (2021 £817).

3. The Church paid £513 in annual subscriptions to the South Wales Baptist Association (2021: £516).

4. The Church made donations to the following affiliated Baptist organisations: (Note 10.) Baptist Missionary Society World Mission £10,500 (2021 £10,500) Baptist Missionary Society World Mission £500 from the Church Harvest Collection South Wales Baptist College £2,500 (2021 £2,500)

5. Rev N Dickerson and Rev G Russell-Jones (Minister) is a Trustee, as was Rev N Dickerson until the time of her resignation in January. Details of remuneration etc are in Note 11.

6. Mrs Alyson Burnell, former Ark Manager until her resignation in January 2023, is the wife of Mr Paul Burnell, a Trustee. During the year she received a total salary of £11,632 (2021: £10,637)

7. In the year, 6 Trustees and related parties (2021 - 5) received a total of £770 (2021 - £1,101) for services at weddings and funerals.

No amounts were outstanding during the current or prior year regarding the transactions above.

22. POST BALANCE SHEET EVENTS

In February 2023, a structural survey was commissioned. The Surveyor's report was received in July. While the original building is around 100 years old now, it is largely in good structural order. The Surveyor recommended a programme of repairs and Trustees expect these to be completed over the next two years. The main and earliest works will be to replace parts of the roof, upgrade the structures for rainwater dispersal, and replace defective rendering on the parapet work. Later works will address repairs to the Hall and Ark once the source of water ingress has been investigated. There will also be improvements to heating, ventilation and insulation. The Surveyor estimated a total cost in the region of £150,000 and this will be covered by the two major legacies received in recent years.

In May 2023, the first phase of the Sanctuary remodelling was done. All of the downstairs pews were removed and replaced by new stackable chairs. This enables the space to be used more flexibily and allow for a much greater variety of events, many of them income-generating. The cost for this first phase was in the region of £27,000 and met from one of the legacies. An adjustment has been made to reduce the Net Book Value of Church furniture by £4,500 given the Trustees decision to remove the downstairs pews which were found to have no resale value.

In the Autumn of 2023, other immediate repair works were identified: £12,000 of electrical works following an inspection and £15,000 to repair the lift in the Centre.

23. CONTINGENT ASSET

A leasehold property at Blandon Way, Whitchurch was bequeathed in Trust to the Church in June 1999,on condition that the property would pass to the Church only when it became vacant following the named current tenant, who is still in residence. The lease of the property expires in 2078.

24. CONTINGENT LIABILITY

The original church building is around 100 years old. A structural survey was undertaken by a specialist surveyor in the Spring of 2023 and the report advised a programme of renovations with an estimated cost of £150,000, including a contingency. The most significant work entails repairs to the church roof and the Trustees intend to have this carried out during 2024 by utilising legacy funds.

25. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**729,668**	658,354
Adjustments for:		
Depreciation charges	**6,587**	2,477
(Increase)/decrease in stocks	**668**	411
(Increase)/decrease in debtors	**265,604**	75,778
Increase/(decrease) in creditors	**7,948**	11,112
Net cash provided by/(used in) operating activities	**993,243**	595,754
Analysis of Cash and Cash Equivalents		
Cash in hand	**597,101**	357,156
Total Cash and Cash Equivalents	**597,101**	357,156

26. OPERATING LEASES

	Unrestricted	Restricted	Total	2021
	£	£	£	£
The following operating leases were in existence at the year end				
Due in less than 1 year	**2,271**	-	**2,271**	2,271
Due in 2 -5 years	**4,085**	-	**4,085**	6,156
	6,156	-	**6,156**	8,427

27. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2021)

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	137,992	357,516	495,508
Charitable activities	63,435	-	63,435
Investments	13,238	1	13,239
Other income	12,544	-	12,544
Total income and endowments	227,209	357,517	584,726
Expenditure on:			
Charitable activities	264,813	3,871	268,684
Total expenditure	264,813	3,871	268,684
Net income/(expenditure)	(37,604)	353,646	316,042
Transfers between funds	80	(80)	-
Other recognised gains/(losses):			
Gains/(losses) on revaluation of fixed assets	315,401	-	315,401
Gains/(losses) on revaluation of investment assets	26,911	-	26,911
Net movement in funds	304,788	353,566	658,354
Reconciliation of Funds			
Total funds brought forward	5,223,016	7,788	5,230,804
Total funds carried forward	5,527,804	361,354	5,889,158

ARARAT BAPTIST CHURCH

England & Wales - Charity number 1132808

Accounts

Ararat Baptist Church

Year End 31st December 2021

Charity Number:
1132808

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING 31st DECEMBER 2021

The Constitution of the Church was adopted on 25th June 2009. The Church registered with the Charity Commission on 19th November 2009. Ararat Baptist Church is an unincorporated charity.

Organisational Structure and Decision Making

The Church is governed by the Trustees who are appointed by the Church membership. The Trustees serve for a period of three years. They normally meet on a monthly basis although during 2021 this was much more frequently: they are responsible for the strategic direction of the Church, although delegated authority is given to the Ministers and Church Secretary to take decisions. When appropriate, the specialist expertise of Church members and friends is also utilised to assist in decision-making, e.g. building matters, safeguarding, finance.

No election for Trustees was held in late 2020 (for 2021 vacancies) because of the difficulties posed by online general meetings and the provision for secret voting. In May 2021, a Special General Meeting was held to amend the Constitution (using guidance supplied by the Baptist Union of Great Britain) to allow meetings to be held in person, by electronic means or by a combination of physical attendance and electronic.

Under normal circumstances, shortly after their meetings, the Trustees report to the Church members' meeting each month (except August and December). During 2021, however, although the Trustees held frequent meetings either in person or on "Zoom", members' meetings were only held on 4 occasions, either in person or on "Zoom". Members were, however, provided with a weekly update of relevant matters.

Baptism by immersion upon personal profession of faith is the normal mode of entry into the membership of a Baptist church, although anyone seeking membership who has not been baptised in the manner described in the Union's Declaration of Principle may, at the discretion of a Church members' meeting, be accepted for full membership based on their own public profession of faith.

Any person who accepts an invitation to stand for election as a Trustee must have been a Church member for one continuous year. Before an election, those who are eligible to stand will meet with the ministers to discuss the work and responsibilities of trusteeship. Trustees have access to all agreed policies of the Church and the Baptist Union of Great Britain's resources and guidance materials.

All members are encouraged to take part in the spiritual and practical tasks involved in the furtherance of the charitable objectives. The Constitution permits decisions to be made at the Church meetings by appropriate majorities, although working by consensus is the preferred option.

The Finance Team consists of volunteers who are responsible to the Trustees for keeping proper accounting records and ensuring compliance with the Charities Act 2011, and the relevant accounting requirements for charities in the Annual Financial Statements. These are reviewed and approved by the Trustees and presented for acceptance by Church members at the Annual General Meeting.

The Trustees review the salaries of staff on an annual basis (without the presence of any member of staff or interested party). When determining ministers' salaries, the Trustees give consideration to the Baptist Union's guidelines: employees are paid above the National Living Wage.

Objectives and Aims

The principal purpose of the Church 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 Church occupies premises that are held by the Baptist Union Corporation Limited on a trust which is entirely compatible with the above objectives.

Ararat is committed to enabling as many people as possible to worship at the Church and to become part of the Fellowship. Services and worship put faith into practice through prayer, scripture, music and participating in Communion.

Ararat aims to provide a facility where Christians, or those who wish to know more about the Christian faith, can come together to worship and learn and have fellowship together, and also to provide a community facility open to everyone – whether locally from Whitchurch or further afield.

Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities should be undertaken by the Church and, in particular, the specific guidance for the advancement of religion for the public benefit.

The community facilities at Ararat are widely used by the local community, external organisations, support groups, fitness and exercise classes, etc. The new extension was funded and built with the aim of providing improved facilities for community use and prior to the lockdowns it was usual to have over 1,000 visitors a week.

The public in general can benefit from the facilities as a meeting place in a friendly and supportive environment. There are no restrictions on anyone attending the Church or community activities and a warm welcome is given to all visitors and friends.

During 2021 with the constraints and effects of Covid-19, the importance of the extension and Church Café (the Ark) facility has clearly been in evidence. Welcoming companionship and support has been available to those who are lonely and isolated in the community, thereby helping to tackle some of the challenges of lockdown: the wellbeing and mental health of many individuals (some of whom had no contact with Ararat previously) has been helped and improved in this way.

Activities and Achievements

The co-ministers, Rev. Naomi Dickerson and Rev. Gethin Russell-Jones, are supported in the governance of the Church by the Trustees. In late January 2022, however, Rev. Naomi Dickerson resigned as a co-minister of the Church.

During a year of living in a global pandemic, Ararat continued to reach out to the community with the Christian message of love and forgiveness and, in so doing, found new ways to serve and build relationships.

During the period of lockdown, Sunday services were streamed on YouTube and Facebook with a midweek service on "Zoom"; activity packs for children were made available online for families to download.

The Trustees met weekly on "Zoom" for strategic planning and to ensure that, despite the unprecedented circumstances, aims and objectives were being met. The Church members' meeting, in which the activities of the church are discussed and decided upon, met on "Zoom". The Children and Families' Worker was un-furloughed for a period of time each week in order to reach out digitally to families within the Church and community.

Throughout this difficult time of lockdown, the Pastoral Team kept in touch with numerous people on a daily basis, with those known to be living alone being especially cared for.

Having been closed for the earlier months, at the beginning of May, the Church Café re-opened to serve outdoor refreshments in the Church grounds. This became a favourite meeting place for so many from the local community who had endured loneliness during the previous months.

Later in May, the Community Centre re-opened. This enabled the Church to provide greater help for families, such as Baby and Toddler groups, and at the same time, enabled the Church Café to provide indoor hospitality. Many from the community who live alone especially enjoyed the opportunity to have a meal with others.

The indoor opening of the Church Café also enabled two regular weekly groups to re-start – the Renew Wellbeing Café and Miss Tilley's Pop-Up Café. Renew provides a quiet, safe space where "it's OK not to be OK" and with the aim of contributing to the good mental health of those who attend the sessions; Miss Tilley's is a charity working with young people who have learning difficulties and the relationship between the Church and this team is a close and loving one.

The end of most restrictions was marked by Church services together with times of celebration and remembrance for Church and community. Harvest and Christmas services and events continued these themes and regular gifts to Cardiff Foodbank and Barnardo's were made as usual.

The past year has posed innumerable challenges for everyone. As individuals, in our families and in our Church community, we have all been affected. Thanks to our astonishingly dedicated staff and volunteers, Ararat has stayed open since last Easter. We have adapted to multiple Sunday morning services and welcomed many new families and faces to the Church. The Church Café and Community Centre have gone from strength to strength, becoming a vital place of hospitality and friendship for many hundreds of people.

Financial Review

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

The detailed financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying Financial Statements. The net overall result for the year showed a surplus of £658,354 whereas in 2020 there had been a deficit of £86,455. As in 2019, the main elements in this surplus were a legacy (£350,000) and insurance revaluation of assets (£342,312). In 2021 as the buildings were closed for several months because of the Covid-19 restrictions, potential regular income from most sources was reduced. Furthermore, some £40,000 of the expenditure incurred in 2021 could be solely attributed to the utilisation of the 2019 legacy funds.

The reserves of the Church at the end of the year were £5,889,158 *(2020 £5,230,804).*

During 2021, the remaining £199,000 of the 2019 legacy was received from the solicitors.

Members and friends of Ararat donate on a voluntary basis as part of their commitment to the Church. The Trustees are very grateful to members and friends for their continued generous offerings and donations throughout 2021, despite the effects of Covid-19. No wider public appeal was made for funds.

The level of income in 2021 required a full statutory audit: after a tender exercise, Azets Audit Services Limited were appointed as auditors.

Financial Reserves Policy

During the year, the Trustees reviewed and amended the Financial Reserves policy to state that they considered it prudent to hold £35,000 to maintain the religious and charitable work of the Church. This

is equivalent to at least two months of essential expenditure. At the year-end, although the bank balance in Current Accounts was £16,788, the Trustees consider the position to be satisfactory as there was a further £157,934 immediately available in the Reserve Bank Account.

2019 Legacy

During 2021, members approved the use of part of the £600,000 legacy funds on the following:

- increasing the hours of the part-time Children & Families' Worker to enable more activities and local support for children and young people;
- tithing 10% of the legacy (over a three-year period) to other charities and organisations such as those working with the homeless, refugees, and supporting people in poverty: £30,000 was donated in this way in 2021;
- underwriting any operating deficit in 2021.

Further strategic plans for the legacy will be considered by the Trustees during 2022.

2021 Legacy

During 2021, the Trustees were informed that a deceased member had bequeathed £350,000 to the Church, of which £80,000 had been received from the solicitors by year-end. The terms of the Will express the wish of the member that the legacy should be used for maintenance and building works. A small amount from this legacy was utilised on major repair works in December 2021.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Having assessed the risks, the Trustees are satisfied that the systems are in place to mitigate exposure to the major ones. Internal control risks are minimised by the implementation of procedures for all transactions and projects. Procedures are also in place to ensure compliance with health and safety of staff, volunteers and visitors to the Church, Community Centre and Church Café.

Much of 2021 was spent dealing with the risks and operational difficulties of carrying on through Covid-19. As far as possible, and in conjunction with guidance from the Baptist Union of Great Britain, the rules and regulations set out by the Welsh Government were adhered to: services were not held in person for several months, and then only with restrictions, e.g. wearing of face coverings, social distancing and use of Perspex screens: the Community Centre and Church Café were also closed for several months. When the buildings reopened, in addition to following to the regulations for personal contact, sanitisers and hand wash guidance were provided for all users.

Going Forward

2022 and the following couple of years are likely to be exciting in the life and witness of Ararat. In 2024 the 200th Anniversary of its establishment will be celebrated, and the Trustees are prayerfully considering the way to commemorate this.

In order to extend further the vision of extending the heart of the Church into the community and receive the community into the heart of the Church, members are being consulted on significant adaptations to the sanctuary to make it a worship space for both Ararat and the community, which is suitable for the current and future generations. The 2021 Legacy (referred to above) will provide the funds for this work.

The roof, like the sanctuary, was part of the original building when it opened in 1915 and consequently is beginning to show signs of its age. If a buildings survey shows a need for the roof to be replaced, the Trustees will recommend to the members that part of the 2021 legacy is used for this purpose.

Following the departure of Rev Naomi Dickerson in January 2022, and with the approval of members the Trustees have commenced a recruitment process for a specialised Youth Worker to be in place by the end of 2022.

During 2022, members have agreed that, in the coming months, consideration would be given to the appointment of an Operations Manager who would take responsibility for all matters relating to finance and general administration of the large and complex entity which is now Ararat.

To develop further the success of the Church Café, an Assistant Manager was appointed in January 2022 so that its opening hours could be extended. The post is initially being funded from the 2019 Legacy (referred to above).

Attempts continue to attract further income from hire of the rooms in the Community Centre and past successful social events held in the Centre and Café will be developed further in the coming year.

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING 31st DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number: 1132808

Principal Office: Plas Treoda, Whitchurch, Cardiff, CF14 1PT

Trustees as at 31st December 2021

Rev N Dickerson (Minister) left employment on 23/01/2022

Rev G Russell-Jones (Minister)

Mrs S Conway (Secretary)

Mr P Burnell (Deacon)

Mr H Carey (Deacon)

Mrs H Evans (Deacon)

Mrs C Higgins (Deacon) term of office ended 31/12/2021, but re-elected

Mrs J Lewis (Deacon)

Mrs S Rees (Deacon) term of office ended 31/12/2021*

Mr G Witts (Deacon)

* although the full six year term was reached, under the exceptional circumstances' provision in the Church Constitution, this was temporarily extended into 2022

Property Trustees

The Baptist Union Corporation Ltd, Baptist House, 129 Broadway, Didcot, Oxfordshire OX11 8RT

Bankers

The Co-operative Bank plc, P.O. Box 101, 1 Balloon Street, Manchester, M60 4EP6.

Auditors

Azets Audit Services Limited, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB

Approved by order of the board of Trustees on 25th July 2022 and signed on its behalf by Rev T G Russell-Jones and Mrs S Conway

T. G. Russell-Jones

S E Conway

ARARAT BAPTIST CHURCH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ARARAT BAPTIST CHURCH

Opinion

We have audited the financial statements of Ararat Baptist Church (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the statement of trustees' responsibilities, the trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matters
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

02-08-2022

Azets Audit Services

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

ARARAT BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2021

	Note	Unrestricted	Restricted	TOTAL	2020
		£	£	£	£
Income					
Donations & Legacies	2.	137,992	357,516	495,508	146,235
Charitable Activities	3.	63,435	-	63,435	29,074
Investment Income	4.	13,238	1	13,239	13,602
Other Income	5.	12,544	-	12,544	10,658
Total Income		**227,209**	**357,517**	**584,726**	**199,569**
Expenditure					
Raising Funds	6.	-	-	-	-
Charitable Activities	7.	264,813	3,871	268,684	262,158
Total Expenditure		**264,813**	**3,871**	**268,684**	**262,158**
Income /(expenditure) for the year		(37,604)	353,646	316,042	(62,589)
Other recognised gains / (losses)					
Revaluation gains on fixed assets	13.	315,401	-	315,401	-
Revaluation gains on investment assets	14.	26,911	-	26,911	-
Actuarial gains / (losses) on defined benefit pension schemes	25.	-	-	-	(23,866)
Net Income /(expenditure) for the year		**304,708**	**353,646**	**658,354**	**(86,455)**
Transfers between funds	22.,23.	80	(80)	-	-
Net Movement in Funds		**304,788**	**353,566**	**658,354**	**(86,455)**
Reconciliation of Funds					
Total Funds brought forward restated	22.,23.	5,223,016	7,788	5,230,804	5,317,259
Total Charity Funds carried forward	22.,23.	**5,527,804**	**361,354**	**5,889,158**	**5,230,804**

Comparative figures for 2020 are in Note 30.

ARARAT BAPTIST CHURCH

BALANCE SHEET

YEAR ENDED 31st DECEMBER 2021

	Note	Unrestricted	Restricted	TOTAL	2020
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	13.	5,040,567	-	5,040,567	4,718,815
Investments	14.	239,395	-	239,395	210,134
		5,279,962	**-**	**5,279,962**	**4,928,949**
Current Assets					
Debtors & Prepayments	15.	2,337	270,000	272,337	196,559
Stock	16.	411	-	411	-
Bank	17.	265,802	91,354	357,156	114,892
		268,550	**361,354**	**629,904**	**311,451**
Current Liabilities due within one year					
Creditors	19.	(20,708)	-	(20,708)	(9,596)
		(20,708)	**-**	**(20,708)**	**(9,596)**
Net Current Assets		**247,842**	**361,354**	**609,196**	**301,855**
Total Net Assets		**5,527,804**	**361,354**	**5,889,158**	**5,230,804**
Charity Funds					
Total Funds brought forward restated	22.,23.	5,223,016	7,788	5,230,804	5,317,259
Surplus (deficit) for year		304,788	353,566	658,354	(86,455)
Total Charity Funds carried forward	22.,23.	**5,527,804**	**361,354**	**5,889,158**	**5,230,804**

The Financial Statements were approved by the Trustees on 25th July 2022

Rev T G Russell-Jones

Mrs S Conway

ARARAT BAPTIST CHURCH

STATEMENT OF CASH FLOWS

YEAR ENDED 31st DECEMBER 2021

	Note	2021		2020	
		£	£	£	£
Reconciliation of net cash provided by operating activities					
Net income (expenditure)		658,354		(86,455)	
Adjustments for:					
- Depreciation	8.	2,477		1,382	
- (Increase) / decrease in debtors	15.	(75,778)		(30,607)	
- (Increase) / decrease in stock	16.	(411)			
- (Decrease) / increase in creditors	19.,25.	11,112		(126,453)	
Net cash provided by operating activities			**595,754**		**(242,133)**
Cash flows from investing Activities:					
Purchase and revaluation of fixed and investment assets	13.	(353,490)		(22,590)	
Net cash provided by investing activities			(353,490)		(22,590)
Changes in cash and cash equivalents			242,264		(264,723)
Cash and cash equivalents brought forward	16.		114,892		379,615
Cash and cash equivalents carried forward	16.		**357,156**		**114,892**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

1. Accounting Policies

1.1 Charity Information

Ararat Baptist Church is an unincorporated charity whose registered address is Plas Treoda, Whitchurch, Cardiff CF14 1PT

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
(effective 1 January 2019)".

The Financial Statements have been prepared under the historical cost convention apart from values associated with Church buildings and related fixtures and fittings.

The Church constitutes a Public Benefit Entity as defined by FRS 102.

1.3 Going Concern

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

1.4 Critical Accounting Estimates and Judgements

The preparation of the Financial Statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other relevant factors. However, the nature of estimation means that actual outcomes could be different.

1.5 Income Recognition

Income is recognised in the Statement of Financial Activities on the following basis:

(a) Planned giving, collections and donations are recognised when the Church has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Church is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Church and it is probable that those conditions will be fulfilled in the reporting period.

(b) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church, normally on notification by the bank.

(c) Income Tax recoverable on donations under Gift Aid is recognised only when it has been received from HMRC.

(d) Legacies are recognised either on receipt, or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, or conditions are attached which have not been fulfilled, the legacy is treated as a contingent asset.

(e) Government grants, e.g. Furlough grants, are recognised only when they have been received.

(f) Rent, room hire and fees for weddings and funerals are recognised on a receivable basis.

1.6 Expenditure Recognition

(a) Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

(b) Expenditure is accounted for on an accruals basis.

1. Accounting Policies (continued)

1.6 Expenditure Recognition (continued)

(c) Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

1.7 Raising funds

Raising funds includes all expenditure incurred by the Church to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading, and an apportionment of support and governance costs.

1.8 Charitable activities

Costs of charitable activities cover all expenditure relating to the furtherance of the Church's objectives, including an apportionment of support and governance costs.

1.9 Support and Governance costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office and associated costs.

Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice, including audit and legal fees.

Most of the management of the Church is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

1.10 Apportionment of Support and Governance costs

Support and governance costs have been apportioned to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

1.11 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised.

Value of Church Buildings

The Church buildings have historically been accounted for at insurance value. This approach has been adopted because there is no reliable cost information available. As a result of the transition to FRS 102 the Trustees have taken the insurance cost for Church buildings and related Fixtures and Fittings (but excluding the Investment Property) of £2,491,145 as at transition date (1st April 2014) and used this as deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for Church buildings and related Fixtures and Fittings at 31st December 2019, and at 31st December 2020.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

Impairment of assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Depreciation

No depreciation is provided on freehold land as insurance valuations are regularly updated.

Furniture, Fixtures, Fittings & Equipment are depreciated over 6 years.

Plant is depreciated over 10 years.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

1. Accounting Policies (continued)

1.12 Stocks

Stocks of unsold catering supplies in The Ark are valued at cost.

1.13 Investment Property

The former Church manse at Plas Treoda has been let for rental as two flats for a number of years, and is classed as an investment property. The valuation in the Balance Sheet is consistent with that of the main Church buildings, with the insurance cost £177,440 as at transition date to FRS 102 (1st April 2014) being the deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for the investment property at 31st December 2019, and at 31st December 2020.

The insurance values at the annual renewal are adopted if the changes on the previous year are deemed to be material.

1.14 Taxation

The Church is exempt from tax on its charitable activities.

1.15 Fund accounting

Unrestricted "General" funds can be used in accordance with the charitable objectives of the Church at the discretion of the Trustees.

Designated funds are unrestricted funds put aside for a specific project or aim: they can be returned to the General unrestricted funds at any time provided the decision is taken by a quorum of members at the Church meeting. For reporting purposes they are combined with unrestricted funds and termed "Unrestricted".

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the Notes to the Financial Statements.

1.16 Pension costs and other post-retirement benefits

The Church operates Defined Contribution plans for its employees, with various separate pension providers. Once the agreed contributions have been paid the Church has no further payment obligations. The contributions are recognised as an expense when they are due: amounts not paid at the year end are shown in creditors in the Balance Sheet.

1.17 Groups

There are a number of organisations ("Groups") operating within the church which are consolidated as part of charitable activities, as they provide local outreach from the Church premises. Their funds are classified as Designated. The Church Trustees have overall responsibility for the management of these Groups.

	Unrestricted	Restricted	TOTAL	2020
2. Donations and Legacies	£	£	£	£
Offerings	90,864	5,671	96,535	89,783
Tax refunds	18,233	1,309	19,542	19,508
Donations	13,807	536	14,343	6,594
Legacies	15,088	350,000	365,088	30,350
Total	**137,992**	**357,516**	**495,508**	**146,235**
3. Charitable Activities	£	£	£	£
Local Mission events	676	-	676	-
Children & Families' Ministry	6,009	-	6,009	3,398
Community Centre – room hire	12,750	-	12,750	3,936
Income from The Ark	27,321	-	27,321	10,965
Fees for weddings and funerals	4,165	-	4,165	2,565
Group activities (Note 20.)	2,385	-	2,385	3,579
Secondment income	9,900	-	9,900	4,500
Other charitable income	229	-	229	131
Total	**63,435**	**-**	**63,435**	**29,074**
4. Investment Income	£	£	£	£
Rent received	13,186	-	13,186	12,900
Bank interest	52	1	53	702
Total	**13,238**	**1**	**13,239**	**13,602**
5. Other Income	£	£	£	£
HMRC Furlough grants	12,544	-	12,544	10,658
	12,544	**-**	**12,544**	**10,658**
6. Raising Funds	£	£	£	£
Cost of events	-	-	-	-
Support + Governance costs (Note 9.)	-	-	-	-
Total	**-**	**-**	**-**	**-**
7. Charitable Activities	£	£	£	£
Ministerial	96,712	-	96,712	97,665
Mission	84,040	700	84,740	55,737
Group activities (Note 20.)	1,954	-	1,954	3,204
Donations / grants (Note 10.)	22,500	-	22,500	22,500
Establishment	22,561	2,378	24,939	48,918
Maintaining investment	1,204	-	1,204	2,289
Miscellaneous	214	-	214	2,325
	229,185	**3,078**	**232,263**	**232,638**
Support + Governance costs (Note 9.)	35,628	793	36,421	29,520
Total	**264,813**	**3,871**	**268,684**	**262,158**

	Unrestricted	Restricted	TOTAL	2020
8. Support Costs	£	£	£	£
Staffing	11,666	-	11,666	11,687
Telephone & IT	4,604	-	4,604	4,429
Postage & stationery	809	-	809	1,747
Leases, licences & subscriptions	5,988	-	5,988	5,541
Equipment & sundry costs	4,084	793	4,877	558
Depreciation	2,477	-	2,477	1,382
Finance costs	-	-	-	3,036
Total	**29,628**	**793**	**30,421**	**28,380**
9. Governance Costs	£	£	£	£
Audit / Independent Examination	6,000	-	6,000	1,140
Other governance costs	-	-	-	-
Total	**6,000**	**-**	**6,000**	**1,140**
Support + Governance Costs apportioned to (based on use of resources by cost):	£	£	£	£
Raising Funds	-	-	-	-
Charitable Activities	35,628	793	36,421	29,520
	35,628	**793**	**36,421**	**29,520**
10. Donations / Grants	£	£	£	£
BMS World Mission	10,500	-	10,500	10,500
Baptist Union Home Mission	9,500	-	9,500	9,500
South Wales Baptist College	2,500	-	2,500	2,500
	22,500	**-**	**22,500**	**22,500**

11. Trustees' Remuneration and Benefits

Rev N Dickerson and Rev G Russell-Jones (Trustees) received remuneration (including gross salary, employer's national insurance and employer's pension contributions) totalling £96,712 *(2020 £97,614)* for their services as Ministers during the year. Throughout the year, Rev Naomi Dickerson was seconded part time to the South Wales Baptist Association to develop Renew Wellbeing Cymru: £9,900 has been received as income for this secondment *(2020 £4,500)*.

The key management personnel comprise the Trustees and the Ministers.

During the year, no Trustees received expenses in connection with their roles as Trustees.

During the year, £13,589 was received in donations from 10 Trustees and related parties *(2020 £11,720 13 Trustees and related parties)*.

Rev N Dickerson resigned in late January 2022.

12. Employees	£		£
Wages and salaries	125,392	No employee received more than £60,000 during the year.	126,211
Social security	7,157		6,915
Other pension costs	10,262		10,861
	142,811		**143,987**

12. Employees (continued)

The average number of employees during the year was:

	Full Time	Part Time	Total	2020
Ministerial	2	-	2	2
Mission	1	1	2	2
Establishment	-	1	1	1
Support	-	1	1	1
	3	3	6	6

Pension contributions are paid to Defined Contribution private pension schemes on behalf of the Ministers. The total amount paid into these schemes by the Church was £8,867 *(2019 £7,629)*.

One staff member is in the Baptist Pension Scheme which is a Defined Contribution scheme. The amount paid into this Scheme was £1,994 *(2020 £1,994)*.

13. Fixed Assets

	Unrestricted			Restricted	Total Church Property (excluding investment property)
	Church Property (excluding investment property)	Fixtures, Fittings, Equipment & Plant	Total Unrestricted Church Property	Church Property (excluding investment property)	
	£	£			£
Cost or valuation					
At 1st January 2021	3,831,749	191,108	4,022,857	697,340	4,720,197
Transfer (see note below)	697,340	-	697,340	(697,340)	-
Restated at 1st January 2021	4,529,089	191,108	4,720,197	-	4,720,197
Additions	4,740	4,088	8,828	-	8,828
	4,533,829	195,196	4,729,025	-	4,729,025
Revaluation gain / (loss)	325,917	(10,516)	315,401	-	315,401
At 31st December 2021	**4,859,746**	**184,680**	**5,044,426**	**-**	**5,044,426**
Depreciation					
At 1st January 2021	-	1,382	1,382	-	1,382
Charge	-	2,477	2,477	-	2,477
At 31st December 2021	**-**	**3,859**	**3,859**	**-**	**3,859**
Net Book Value					
At 31st December 2021	**4,859,746**	**180,821**	**5,040,567**	**-**	**5,040,567**
At 31st December 2020	**3,831,749**	**189,726**	**4,021,475**	**697,340**	**4,718,815**

Accounting Policy 1.11 states that property is shown at insurance value.

The insurance valuation for buildings at 31st December 2021 was £4,859,746 which represented a revaluation gain of £325,917

The insurance valuation for contents at 31st December 2021 was £180,821, which created a revaluation loss of £10,516 in relation to the net book value of £191,337 before the revaluation.

13. Fixed Assets (continued)

The Trustees have decided that from 1st January 2021, the part of the Church property primarily funded from a restricted legacy in 2017 and therefore classed as Restricted funds, should be reclassified as Unrestricted funds, because the terms of the legacy had been fully met and the associated loan from the Baptist Union repaid. The value at 31st December 2020 of the property reclassified was £697,340.

14. Investments

	Property	Fixtures, Fittings, Equipment & Plant	TOTAL
	£	£	£
Cost or valuation			
At 1st January 2021	210,134	included in property	210,134
Revaluation	26,911	-	26,911
Additions	-	2,350	2,350
At 31st December 2021	**237,045**	**2,350**	**239,395**
Depreciation			
At 1st January 2021	-	-	-
Charge	-	-	-
At 31st December 2021	**-**	**-**	**-**
Net Book Value			
At 31st December 2021	**237,045**	**2,350**	**239,395**
At 31st December 2020	**210,134**	included in property	**210,134**

The investment consists of a property, the former manse at Plas Treoda, let for rental as two flats.

The insurance valuation for buildings at 31st December 2021 was £237,045 which represented a revaluation gain of £26,911

15. Debtors & Prepayments: amounts falling due within one year:

	Unrestricted	Restricted	TOTAL	2020
	£	£	£	£
Trade debtors	1,743	-	1,743	220
Other debtors	-	270,000	270,000	196,339
	1,743	270,000	271,743	196,559
Prepayments	594	-	594	-
	2,337	**270,000**	**272,337**	**196,559**

16. Stock

Catering supplies in The Ark	411	-	411	-
	411	**-**	**411**	**-**

17. Bank Balances

	Unrestricted	Restricted	TOTAL	2020
	£	£	£	£
Petty Cash	139	-	139	100
Current Accounts	22,729	1,969	24,698	22,763
Deposit Reserve Accounts	242,934	89,385	332,319	92,029
	265,802	**91,354**	**357,156**	**114,892**

18. Operating Leases

The following operational leases were in existence at 31st December 2021

Due in less than 1 year	2,271	-	2,271	654
Due in 2–5 years (per year)	2,271	-	2,271	-

19. Creditors: amounts falling due within one year

	£	£	£	£
Other taxation and social security	2,690	-	2,690	-
Other creditors	1,034	-	1,034	1,033
Trade creditors and accruals	16,984	-	16,984	8,563
	20,708	**-**	**20,708**	**9,596**

20. Group Activities (Designated Funds only)

	Income	Designated Expenditure	TOTAL	2020
	£	£	£	£
Luncheon Club	-	-	-	563
Mid Week Meeting	2,310	1,914	396	(29)
Christians Against Torture	75	40	35	(359)
	2,385	1,954	431	175
less gift to the Church from the Mid Week Meeting (deemed an internal transaction)	-	(300)	300	200
	2,385	**1,654**	**731**	**375**

The activities of Groups are considered to be integral to the activities of the Church for local outreach. The Luncheon Club was merged with The Ark in June 2021, which is part of the normal Church activities.

	Bank Balance / Reserves	2020
	£	£
Luncheon Club	-	3,289
Mid Week Meeting	1,004	609
Christians Against Torture	76	40
	1,080	**3,938**

In June 2021 the balance on the Luncheon Club Bank Account (£3,289) was transferred into The Ark Bank Account, which is included in the total Bank Accounts of the Church.

21. Analysis of Net Assets Between Funds

	Unrestricted	Restricted	TOTAL	2020
	£	£	£	£
Tangible Net Assets	5,040,567	-	5,040,567	4,718,815
Investments	239,395	-	239,395	210,134
Bank	265,802	91,354	357,156	114,892
Other net current assets	(17,960)	270,000	252,040	186,963
	5,527,804	**361,354**	**5,889,158**	**5,230,804**

22. Movement in Unrestricted Funds

Unrestricted Funds	01/01/2021	Incoming Resources	Resources Expended	Transfers	31/12/2021
	£	£	£	£	£
General	4,435,063	562,084	(262,859)	(152,838)	4,581,450
Restatement of Restricted Fixed Assets	697,340	-	-	-	697,340
	5,132,403	**562,084**	**(262,859)**	**(152,838)**	**5,278,790**

Designated Funds	01/01/2021	Incoming Resources	Resources Expended	Transfers	31/12/2021
	£	£	£	£	£
Group Activities	3,938	2,385	(1,954)	(3,289)	1,080
Legacy	86,675	52	-	156,207	242,934
Donations	-	5,000	-	-	5,000
	90,613	**7,437**	**(1,954)**	**152,918**	**249,014**

Total Restated Unrestricted Funds	01/01/2021	Incoming Resources	Resources Expended	Transfers	31/12/2021
	5,223,016	**569,521**	**(264,813)**	**80**	**5,527,804**

Comparative figures for 2020 are in Note 29.

Description of funds

Unrestricted Funds

General:

These are funds available to the Church for unrestricted use in the furtherance of its charitable aims and objectives. These funds may be revenue (income & expenditure) items or tied up in assets, e.g. the Church buildings, extensions and renovations, fixture and fittings, computer equipment.

22. Movement in Unrestricted Funds (continued)

Designated Funds

These funds outlined below have been designated by the Trustees for the purposes shown whereas, legally, they are unrestricted. For reporting purposes throughout these Financial Statements they are therefore combined together as "Unrestricted".

Groups: (Note 20.)	These Groups provide local outreach from the Church premises and have their own bank accounts administered by their officers. The Trustees have overall responsibility for the management of the Groups.
Legacy:	A substantial legacy was received in 2019 and, with approval of Church members, the Trustees decided to set aside a significant portion of it to be available for future projects, yet to be determined.
Youth Worker:	A donation was received during the year to assist with the costs of employing a Youth Worker.

23. Movement in Restricted Funds

	01/01/2021	Incoming Resources	Resources Expended	Transfers	31/12/2021
	£	£	£	£	£
Sycamore Fund	2,434	236	(700)	-	1,970
Renovation & Building	702,694	357,281	(3,171)	(80)	1,056,724
Restatement of Fixed Assets	(697,340)	-	-	-	(697,340)
	5,354	357,281	(3,171)	(80)	359,384
	7,788	**357,517**	**(3,871)**	**(80)**	**361,354**

Comparative figures for 2020 are in Note 29.

Description of funds

Restricted Funds

Sycamore:	This is a Restricted fund bequeathed by Doris and Burt Brewer to the Church for use in supporting members of the Church in need, and which is regularly replenished by donations at Communion Services.
Renovation and Building:	This is the net value of Church property financed by funds provided for that specific purpose only. Such Restricted funds in previous years have been legacies, donations and gifts, grants, loans received (plus contributions towards their repayment). In 2021, Restricted funds comprised a legacy and offerings for ongoing maintenance (Maintenance Fund).

24. Financial Instruments

	2021	2020
	£	£
Instruments measured at fair value through profit or loss:		
Tangible Fixed Assets	5,040,567	4,718,815
Investment Assets	239,395	210,134
	5,279,962	**4,928,949**

25. Retirement Pension Schemes

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

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

In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva plc.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the Statement Of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year.

At the year end there was one member of staff in the Scheme.

Defined Benefit Plan

Benefits in respect of service prior to 1st January 2012 were provided through the Defined Benefit Plan within the Scheme: it was closed to future accrual of defined benefits on 31st December 2011.

In 2020 the Trustees agreed to buy out their Pension Scheme liabilities in the Defined Benefit Scheme at a cost of £65,449. The excess of this amount over the calculated Balance Sheet liability at the start of the year (£44,101) was £21,348, and this was recorded in the Statement Of Financial Activities as £23,866 (including the deficiency contributions of £2,518 already paid during the year)

Private Pension Schemes

The two Ministers have their own Defined Contribution private pension schemes into which they and the Church make monthly contributions.

26. Related Parties

(1) The Custodian Trustee of the Church is the Baptist Union Corporation Ltd, a charity (number 249635) controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Wales Baptist Association (charity number 1102735).

(2) The Church made a donation of £9,500 *(2020 £9,500)* to Baptist Union Home Mission (Note 10.) and paid £817 in annual subscriptions to the Baptist Union *(2020 £949)*.

(3) The Church paid £516 in annual subscriptions to the South Wales Baptist Association *(2020 £570).*

(4) The Church made donations to the following affiliated Baptist organisations: (Note 10.)
Baptist Missionary Society World Mission £10,500 *(2020 £10,500)*
Baptist Missionary Society World Mission £550 from the Church Harvest Collection
South Wales Baptist College £2,500 *(2020 £2,500)*

(5) Rev N Dickerson and Rev G Russell-Jones (Ministers) are Trustees. Details of remuneration etc are in Note 11.

(6) Mrs Alyson Burnell, Ark Manager, is the wife of Mr Paul Burnell, a Trustee. During the year she received a total salary of £10,637 *(2019 £8,523)*

26. Related Parties (continued)

(7) In the year, 5 Trustees and related parties *(2020 - 4)* received a total of £1,101 *(2020 - £935)* for services at weddings and funerals.

No amounts were outstanding during the current or prior year regarding the transactions above.

27. Post Balance Sheet Events

(1) The impact of the Covid-19 pandemic during the year and for 2022 is described in the Trustees' Annual Report. The Trustees believe that the reserves of the Church are sufficient to meet the demands of this exceptional situation.

(2) Rev Naomi Dickerson resigned as a Minister of the Church in late January 2022.

28. Contingent Asset

A leasehold property at Blandon Way, Whitchurch was bequeathed in Trust to the Church in June 1999, on condition that the property would pass to the Church only when it became vacant following the named current tenant, who is still in residence. The lease of the property expires in 2078.

29. COMPARATIVE STATEMENT OF MOVEMENT IN FUNDS

YEAR ENDED 31st DECEMBER 2020

Movement in Funds

Unrestricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
General	4,358,725	186,808	(278,857)	168,387	4,435,063
	4,358,725	**186,808**	**(278,857)**	**168,387**	**4,435,063**

Designated Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
Group Activities	3,763	3,579	(3,204)	(200)	3,938
Legacy	325,000	249	-	(238,574)	86,675
	328,763	**3,828**	**(3,204)**	**(238,774)**	**90,613**

Total Unrestricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	4,687,488	**190,636**	**(282,061)**	**(70,387)**	**4,525,676**

Restricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
Sycamore Fund	2,823	11	(400)	-	2,434
Renovation & Building	626,948	8,922	(3,563)	70,387	702,694
	629,771	**8,933**	**(3,963)**	**70,387**	**705,128**

30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2020

	Unrestricted	Restricted	TOTAL	2019
	£	£	£	£
Income				
Donations & Legacies	137,755	8,480	146,235	717,553
Charitable Activities	29,074	-	29,074	62,822
Investment Income	13,149	453	13,602	12,900
Other Income	10,658	-	10,658	-
Total Income	**190,636**	**8,933**	**199,569**	**793,275**
Expenditure				
Raising Funds	-	-	-	680
Charitable Activities	258,195	3,963	262,158	264,829
Total Expenditure	**258,195**	**3,963**	**262,158**	**265,509**
Net income /(expenditure) for the year	(67,559)	4,970	(62,589)	527,766
Other recognised gains / (losses)				
Surplus on revaluation of assets	-	-	-	1,786,686
Actuarial gains / (losses) on defined benefit pension schemes	(23,866)	-	(23,866)	(621)
	(91,425)	**4,970**	**(86,455)**	**2,313,831**
Transfers between funds	(70,387)	70,387	-	-
Net Movement in Funds	**(161,812)**	**75,357**	**(86,455)**	**2,313,831**
Reconciliation of Funds				
Total Funds brought forward	4,687,488	629,771	5,317,259	3,003,428
Total Funds carried forward	**4,525,676**	**705,128**	**5,230,804**	**5,317,259**
Total Funds carried forward restated	**5,223,016**	**7,788**	**5,230,804**	**5,317,259**

ARARAT BAPTIST CHURCH

England & Wales - Charity number 1132808

Accounts

Ararat Baptist Church

Year End 31st December 2020

Charity Number: 1132808

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING 31st DECEMBER 2020

The Constitution of the Church was adopted on 25th June 2009. The Church registered with the Charity Commission on 19th November 2009. Ararat Baptist Church is an unincorporated charity.

Organisational Structure and Decision Making

The Church is governed by the Trustees who are appointed by the Church membership. The Trustees serve for a period of three years. They meet on a monthly basis and are responsible for the strategic direction of the charity. Authority is given to the Ministers and Church Secretary to take decisions and they would seek to make contact with each other before doing so. When appropriate, the specialist expertise of Church members and friends is also utilised to assist in decision making, for example, building matters, safeguarding, finance.

No election for Trustees was held in late 2020 (for 2021 vacancies) because of the difficulties posed by online general meetings and the provision for secret voting. In May 2021, a Special General Meeting was held to amend the Constitution (using guidance supplied by the Baptist Union of Great Britain) to allow meetings to be held in person, by electronic means or by a combination of physical and electronic.

Under normal circumstances, shortly after their meetings the Trustees report to the Church members' meeting each month (except August and December). During 2020, however, the Trustees held "Zoom" meetings at almost fortnightly intervals but the only members' meeting in person was in February. Members were, however, provided electronically with a weekly update of relevant matters.

The Trustees review the salaries of staff on an annual basis (without the presence of any member of staff or interested party). The salary of Ararat Ministers is above the stipend recommended by the Baptist Union of Great Britain. When determining ministers' salaries, Trustees give consideration to the Baptist Union's suggested annual pay increase. Employees are paid higher than the living wage.

Baptism by immersion upon personal profession of faith is the normal mode of entry into the membership of a Baptist church. But persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may at the discretion of the Church Members' Meeting be accepted for full membership based on their own public profession of faith.

Any person who accepts an invitation to stand for election as a Trustee must have been a church member for one continuous year. Before an election those who are eligible to stand will meet with the ministers to discuss the work and responsibilities of trusteeship. Trustees have access to all agreed policies of the church and the Baptist Union of Great Britain's resources and guidance materials.

All members are encouraged to take part in the spiritual and practical tasks involved in the furtherance of the charitable objectives. The Constitution permits decisions to be made at the Church Meetings by appropriate majorities although the Church seeks to work by consensus wherever possible.

The Finance Team, all volunteers, is responsible to the Trustees for keeping proper accounting records and ensuring compliance with the Charities Act 2011, and the relevant accounting requirements for charities in Annual Financial Statements. These are reviewed and approved by the Trustees and presented for acceptance by the Church members at the Annual General Meeting.

Objectives and aims

The principal purpose of the Church 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 Church occupies premises that are held by the Baptist Union Corporation Limited on trust which are entirely compatible with the above objectives.

Ararat Baptist Church is committed to enabling as many people as possible to worship at our Church and to become part of our fellowship. Our services and worship put faith into practice through prayer, scripture, music and communion.

Our dual aims remain to provide a facility where Christians, or those who wish to know more about our faith, can come together to worship, learn about their religion and commune together and to provide a community facility open to all the local inhabitants of Whitchurch, Cardiff and to those from further afield.

Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and, in particular, the specific guidance for the advancement of religion for the public benefit.

The community facilities at Ararat Baptist Church are widely used by the local community, external organisations, support groups, fitness and exercise classes, etc. Our new extension was funded and built with the aim of providing improved facilities for community use and prior to the lockdowns during 2020 it was usual to have over 1,000 visitors a week.

The public in general can benefit from our facilities as a meeting place in a friendly and supportive environment. We make no restrictions on anyone attending our Church or community activities and give a warm welcome to all visitors and friends.

Even during 2020 with the constraints of Covid-19 we have seen the importance of the extension and The Ark (café) facility enabling us to support those who are lonely and isolated in the community, thereby helping to tackle some of the challenges of lockdown and improve people's wellbeing and mental health.

Activities and Achievements

As previously mentioned, Ararat Church and Centre aims to be at the centre of the local community. During January and February 2020, our activities included Parent & Toddler groups, weekly Luncheon Club for the elderly and Messy Church for families. Our fairly-new Ark café served refreshments as well as providing a safe space for time alone or with friends. The Renew Wellbeing café, held in the Ark, continued to try and meet the needs of those who would benefit from periods of rest and reflection. An innovation in January was a special celebration of St Dwynwen's Day, the Welsh Valentine's Day. Rooms in the Centre were hired out throughout the week to special interest groups and social gatherings from within the community.

In March, the first lockdown came into force and life as we knew it for both Church and Centre came to an end. From the beginning of the lockdown, our aims were to maintain links with the community and to provide support at this unprecedented time. The Trustees' monthly meetings increased to fortnightly, sometimes weekly, in order to set up ways of achieving these aims.

The first task was to move online our services, weekly times of reflection, children's activities and the Renew Wellbeing session. When restrictions allowed, the Ark café opened and provided a meeting place for those who had been isolated for long periods. Many members of the community commented

on how safe they felt coming to Ararat at this time due to the rigorous safety measures we had put in place. During periods outside of lockdown, soft play sessions were organised by our Children & Families Worker. About 50 sessions were held with up to 40 families attending weekly.

During the summer months, we were able to make use of the lovely grounds in which the Church stands to hold many activities outside. These included Sunday services and a children's Bear Hunt plus a Sheep Trail. Over 50 children attended these special events together with their families.

Ararat always takes part in the Whitchurch Festival and did so again in 2020. Although the festival format was much-changed due to restrictions, the Church concentrated on helping children and families to enjoy the occasion by distributing 50 bags containing activities for the children.

As Christmas approached an afternoon tea with activities was held for families plus a Christmas tea for adults. Christmas hampers were also distributed to families in need. Sadly, our 'Bubble up to Bethlehem' in which people in their respective 'bubbles' would move around scenes from the Nativity, had to be cancelled when a further lockdown was announced at short notice. Our candlelight carol service, always well attended by the community, was held online.

Throughout the year Ararat's Pastoral Team, unable to make visits, kept in touch with people by means of phone calls and letters. This contact was especially appreciated by those who were shielding or self-isolating alone.

It has been an unprecedented year in the life of the Church but many new ways have been found to fulfil our aim of being at the heart of the community – ways which we intend to build on and develop in the days ahead.

Financial Review

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

The detailed financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying Financial Statements. The net overall result for the year showed a deficit of £86,455, whereas in 2019 there had been a surplus of nearly £2,314,000 caused primarily by a legacy of £565,000 and an insurance revaluation of assets of £1,738,000. In 2020 the closing the buildings because of the Covid-19 restrictions reduced potential income from personal attendance (envelopes and loose collections) and hiring out rooms by some £55,000 (offset by furlough grants of £11,000). Furthermore, some £73,000 of the expenditure incurred could be solely attributed to the utilisation of legacy funds.

The reserves of the Church at the end of the year were £5,230,804 *(2019 £5,317,259).*

Members and friends of Ararat donate on a voluntary basis to the charity as part of their commitment to the Church. The Trustees are very grateful to members and friends for their continued generous offerings and donations throughout 2020, despite the effects of the Covid-19 pandemic. No wider public appeal was made for funds.

During the year, the specific fund established for regular offerings from members and friends was utilised, in addition to legacy funds, to repay the Baptist Union loan. Following this, the contributors agreed to continue similarly restricted purpose offerings, to accumulate a Maintenance Fund for future repairs to the buildings.

The level of income in 2020 did not require an audit only an independent examination. Steve Ellum of Steve Ellum & Associates Limited, Chartered Accountants, was appointed as Independent Examiner.

Financial Reserves Policy

In early 2021, the Trustees reviewed and amended the financial reserves policy to state that they consider it prudent to hold £35,000 to maintain the religious and charitable work of the Church. This is equivalent to at least two months of essential expenditure. At the year end, although the bank balance of unrestricted funds was less than this at £16,391, the Trustees consider the position satisfactory as there was a further £86,675 immediately available in the Reserve Bank Account. In addition, over £196,000 of the legacy was still to be received from the solicitors as at 31st December 2020.

2019 Legacy

During 2020, members approved the use of part of the £400,000 legacy funds actually received in 2019, on the following.

- underwriting the operating deficit in 2019;
- urgent repairs to roof, windows and doors;
- replacement boilers;
- increasing the hours of the part-time Children & Families' Worker to enable more activities and local support for children and young people;
- tithing 10% of the legacy (over a three-year period) to other charities and organisations such as those working with the homeless, refugees, and supporting people in poverty;
- settling the remaining balance on the Baptist Union loan;
- buying out the Church's liability within the deficit of the Baptist Ministers' Pension Fund;
- underwriting the operating deficit in 2020.

Further strategic plans for the legacy will be considered by the Trustees during 2021.

The outstanding balance of the legacy was received from the solicitors on 23rd March 2021.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees assess the risks to which the Church is exposed and are satisfied that the systems are in place to mitigate exposure to major risks. Internal control risks are minimised by the implementation of procedures for all transactions and projects. Procedures are also in place to ensure compliance with health and safety of staff, volunteers and visitors to the Church, Community Centre and Ark.

Much of 2020 was spent dealing with the risks and operational difficulties of carrying on through Covid-19. In March, action was taken to halt some regular activities at the Church and Community Centre where there were vulnerable young or elderly people taking part: sanitisers and hand wash guidance were provided for all users. When it was legally possible, outdoor Sunday morning services were held with only the permitted numbers attending, and later in the year, these services were held indoors in the Memorial Hall (with social distancing and plastic screens). The Ark was also opened when permissible, but with strict social distancing and anti-infection measures.

ARARAT BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDING 31st DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number: 1132808

Principal Office: Plas Treoda, Whitchurch, Cardiff, CF14 1PT

Trustees as at 31st December 2020

Rev N Dickerson (Minister)

Rev G Russell-Jones (Minister)

Mrs S Conway (Secretary)

Mr P Burnell (Deacon)

Mr H Carey (Deacon)

Ms H Capelin (Deacon) term of office ended 31/12/2020

Mrs H Evans (Deacon)

Mrs C Higgins (Deacon)

Mrs J Lewis (Deacon)

Mrs S Rees (Deacon)

Mr A Pasley (Deacon) term of office ended 31/12/2020

Mr G Witts (Deacon)

Property Trustees

The Baptist Union Corporation Ltd, Baptist House, 129 Broadway, Didcot, Oxfordshire OX11 8RT

Bankers

The Co-operative Bank plc, P.O. Box 101, 1 Balloon Street, Manchester, M60 4EP6.

Independent Examiner

Steve Ellum & Associates Limited, Chartered Accountants, Adulam House, Glan Yr Afon, Llanelli SA15 3QB

Approved by order of the Board of Trustees on 16th August 2021 and signed on its behalf by Rev N Dickerson and Rev G Russell-Jones

N Dickerson

Rev N Dickerson

Rev G Russell-Jones

Independent Examiner's Report
To the trustees of Ararat Baptist Church
For the Year to 31 December 2020

Independent examiner's report to the trustees on the unaudited financial statements of Ararat Baptist Church.

I report on the accounts of Ararat Baptist Church for the year ended 31 December 2020 set out on pages 1 to 23.

Respective responsibilities of trustees and independent examiner
As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act) does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act; to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement
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:

(i) which gives me reasonable cause to believe that in any material respect the requirements:
   - to keep proper accounting records in accordance with section 130 of the Act; and
   - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Steve Ellum
for and on behalf of Steve Ellum & Associates Ltd
Chartered Accountants
Adulam House
Glan Yr Afon
SA15 3QB

16 August 2021

ARARAT BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2020

	Note	Unrestricted	Restricted	TOTAL	2019
		£	£	£	£
Income					
Donations & Legacies	2.	137,755	8,480	146,235	717,553
Charitable Activities	3.	29,074	-	29,074	62,822
Investment Income	4.	13,149	453	13,602	12,900
Other Income	5.	10,658	-	10,658	-
Total Income		**190,636**	**8,933**	**199,569**	**793,275**
Expenditure					
Raising Funds	6.		-		680
Charitable Activities	7.	258,195	3,963	262,158	264,829
Total Expenditure		**258,195**	**3,963**	**262,158**	**265,509**
Income /(expenditure) for the year		(67,559)	4,970	(62,589)	527,766
Other recognised gains / (losses)					
Surplus on revaluation of assets	13.,14.	-	-	-	1,786,686
Actuarial gains / (losses) on defined benefit pension schemes	24.	(23,866)	-	(23,866)	(621)
Net Income /(expenditure) for the year		**(91,425)**	**4,970**	**(86,455)**	**2,313,831**
Transfers between funds	22.,23.	(70,387)	70,387		
Net Movement in Funds		**(161,812)**	**75,357**	**(86,455)**	**2,313,831**
Reconciliation of Funds					
Total Funds brought forward	22.,23.	4,687,488	629,771	5,317,259	3,003,428
Total Charity Funds carried forward	22.,23.	**4,525,676**	**705,128**	**5,230,804**	**5,317,259**

ARARAT BAPTIST CHURCH

BALANCE SHEET

YEAR ENDED 31st DECEMBER 2020

	Note	Unrestricted	Restricted	TOTAL	2019
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	13.	4,021,475	697,340	4,718,815	4,697,607
Investments	14.	210,134	-	210,134	210,134
		4,231,609	**697,340**	**4,928,949**	**4,907,741**
Current Assets					
Debtors	15.	196,559	-	196,559	165,952
Bank	16.	107,104	7,788	114,892	379,615
		303,663	**7,788**	**311,451**	**545,567**
Current Liabilities due within one year					
Loan	18.	-	-	-	(83,300)
Creditors	19.	(9,596)	-	(9,596)	(8,648)
		(9,596)		**(9,596)**	**(91,948)**
Net Current Assets		**294,067**	**7,788**	**301,855**	**453,619**
Net Assets excluding pension liability		**4,525,676**	**705,128**	**5,230,804**	**5,361,360**
Defined pension scheme liability	24.	-	-	-	(44,101)
Total Net Assets		**4,525,676**	**705,128**	**5,230,804**	**5,317,259**
Charity Funds					
Total Funds brought forward	22.,23	4,687,488	629,771	5,317,259	3,003,428
Surplus (deficit) for year		(161,812)	75,357	(86,455)	2,313,831
Total Charity Funds carried forward	22.,23	**4,525,676**	**705,128**	**5,230,804**	**5,317,259**

The Financial Statements were approved by the Trustees on 16th August 2021

N Dickerson

Rev N Dickerson

Rev G Russell-Jones

ARARAT BAPTIST CHURCH

STATEMENT OF CASH FLOWS

YEAR ENDED 31st DECEMBER 2020

	Note	2020		2019	
		£	£	£	£
Reconciliation of net cash provided by operating activities					
Net income (expenditure)		(86,455)		2,313,831	
Adjustments for:					
- Depreciation	8.	1,382			
- (Increase) / decrease in debtors	15.	(30,607)		(165,952)	
- (Decrease) / increase in creditors	19.,24.	(126,453)		(7,370)	
Net cash provided by operating activities			**(242,133)**		**2,140,509**
Cash flows from investing Activities:					
Purchase and revaluation of fixed and investment assets	13.	(22,590)		(1,786,686)	
Net cash provided by investing activities			(22,590)		(1,786,686)
Changes in cash and cash equivalents			(264,723)		353,823
Cash and cash equivalents brought forward	16.		379,615		25,792
Cash and cash equivalents carried forward	16.		**114,892**		**379,615**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2020

1. Accounting Policies

1.1 Charity Information

Ararat Baptist Church is an unincorporated charity whose registered address is Plas Treoda, Whitchurch, Cardiff CF14 1PT

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
(effective 1 January 2019)".
The Financial Statements have been prepared under the historical cost convention apart from values associated with Church buildings and related fixtures and fittings.
The Church constitutes a Public Benefit Entity as defined by FRS 102.

1.3 Going Concern

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

1.4 Critical Accounting Estimates and Judgements

The preparation of the Financial Statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other relevant factors. However, the nature of estimation means that actual outcomes could be different.

1.5 Income Recognition

Income is recognised in the Statement of Financial Activities on the following basis:

(a) Planned giving, collections and donations are recognised when the Church has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Church is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Church and it is probable that those conditions will be fulfilled in the reporting period.

(b) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Church, normally on notification by the bank.

(c) Income Tax recoverable on donations under Gift Aid is recognised only when it has been received from HMRC.

(d) Legacies are recognised on receipt or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

(e) Rent, room hire and fees for weddings and funerals are recognised on a receivable basis.

1.6 Expenditure Recognition

(a) Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

(b) Expenditure is accounted for on an accruals basis.

(c) Grants payable are payments made to third parties in the furtherance of the charitable objects of the Church. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.
Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing or amount of the grant.

1. Accounting Policies (continued)

1.7 Raising funds

Raising funds includes all expenditure incurred by the Church to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading, and an apportionment of support and governance costs.

1.8 Charitable activities

Costs of charitable activities cover all expenditure relating to the furtherance of the Church's objectives, including an apportionment of support and governance costs.

1.9 Support and Governance costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office and associated costs.

Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice, including audit and legal fees.

Most of the management of the Church is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

1.10 Apportionment of Support and Governance costs

Support and governance costs have been apportioned to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

1.11 Tangible Fixed Assets

All assets costing more than £1,000 are capitalised.

Value of Church Buildings

The Church buildings have historically been accounted for at insurance value. This approach has been adopted because there is no reliable cost information available. As a result of the transition to FRS 102 the Trustees have taken the insurance cost for Church buildings and related Fixtures and Fittings (but excluding the Investment Property) of £2,491,145 as at transition date (1st April 2014) and used this as deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for Church buildings and related Fixtures and Fittings at 31st December 2019, and at 31st December 2020.

Impairment of assets

At each reporting end date, the Church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Depreciation

No depreciation is provided on freehold land as insurance valuations are regularly updated.

Furniture, Fixtures, Fittings & Equipment are depreciated over 6 years.

Plant is depreciated over 10 years

1.12 Investment Property

The former Church manse at Plas Treoda has been let for rental as two flats for a number of years, and is classed as an investment property. The valuation in the Balance Sheet is consistent with that of the main Church buildings, with the insurance cost £177,440 as at transition date to FRS 102 (1st April 2014) being the deemed cost going forward. A full valuation was undertaken by the Church insurers in January 2020, and the Trustees have accepted this as the fair value for the investment property at 31st December 2019, and at 31st December 2020.

1. Accounting Policies (continued)

1.13 Taxation

The Church is exempt from tax on its charitable activities.

1.14 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives of the Church at the discretion of the Trustees.

Designated funds are unrestricted funds put aside for a specific project or aim: they can be returned to the General unrestricted funds at any time provided the decision is taken by a quorum of members at the Church meeting.For reporting purposes they are combined with unrestricted funds and termed "Unrestricted".

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the Notes to the Financial Statements.

1.15 Pension costs and other post-retirement benefits

The Church operates Defined Contribution plans for its employees, with various separate pension providers. Once the agreed contributions have been paid the Church has no further payment obligations. The contributions are recognised as an expense when they are due: amounts not paid at the year end are shown in creditors in the Balance Sheet.

Prior to 2012 pension provision could be made through a multi-employer defined benefit pension plan ("Baptist Ministers' Pension Scheme"). Where this is in deficit the Church Trustees have agreed to participate in a deficit funding arrangement and the Church recognises a liability for this obligation in the Financial Statements.

The amount recognised is the net present value of the contributions payable under the agreement that relates to the deficit, and is shown as an expense in the Statement of Financial Activities and liability in the Balance Sheet.

1.16 Groups

There are a number of organisations (“Groups”) operating within the church which are consolidated as part of charitable activities, as they provide local outreach from the Church premises. Their funds are classified as Designated. The Church Trustees have overall responsibility for the management of these Groups.

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2020

	Unrestricted	Restricted	TOTAL	2019
2. Donations and Legacies	£	£	£	£
Offerings	82,743	7,040	89,783	115,520
Tax refunds	18,079	1,429	19,508	22,354
Donations	6,583	11	6,594	13,932
Legacies	30,350		30,350	565,747
Total	**137,755**	**8,480**	**146,235**	**717,553**
3. Charitable Activities	£	£	£	£
Children & Families' Ministry	3,398		3,398	5,442
Community Centre – room hire	3,936		3,936	27,927
Income from The Ark	10,965		10,965	9,613
Fees for weddings and funerals	2,565		2,565	5,563
Group activities (Note 20.)	3,579		3,579	13,115
Secondment income	4,500		4,500	-
Other charitable income	131		131	1,162
Total	**29,074**	**-**	**29,074**	**62,822**
4. Investment Income	£	£	£	£
Rent received	12,900		12,900	12,900
Bank interest	249	453	702	-
Total	**13,149**	**453**	**13,602**	**12,900**
5. Other Income	£	£	£	£
HMRC Furlough grants	10,658		10,658	-
	10,658	**-**	**10,658**	**-**
6. Raising Funds	£	£	£	£
Cost of events	-		-	562
				562
Support + Governance costs (Note 9.)			-	118
Total	**-**	**-**	**-**	**680**
7. Charitable Activities	£	£	£	£
Ministerial	97,665		97,665	92,610
Mission	55,337	400	55,737	41,530
Group activities (Note 20.)	3,204		3,204	11,925
Donations / grants (Note 10.)	22,500		22,500	22,500
Establishment	48,355	563	48,918	50,622
Maintaining investment	2,289		2,289	1,244
Miscellaneous	2,325		2,325	949
	231,675	**963**	**232,638**	**221,380**
Support + Governance costs (Note 9.)	26,520	3,000	29,520	43,449
Total	**258,195**	**3,963**	**262,158**	**264,829**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2020

	Unrestricted	Restricted	TOTAL	2019
8. Support Costs	£	£	£	£
Staffing	11,687		11,687	20,610
Telephone & IT	4,429		4,429	3,670
Postage & stationery	1,747		1,747	3,089
Leases, licences & subscriptions	5,541		5,541	6,545
Equipment & sundry costs	558		558	3,958
Depreciation	1,382		1,382	
Finance costs	36	3,000	3,036	
Total	**25,380**	**3,000**	**28,380**	**37,872**
9. Governance Costs	£	£	£	£
Audit / Independent Examination	1,140		1,140	3,840
Other governance costs			-	1,855
Total	**1,140**	**-**	**1,140**	**5,695**
Support + Governance Costs apportioned (based on use of resources by cost) to:	£	£	£	£
Raising Funds			-	118
Charitable Activities	26,520	3,000	29,520	43,449
	26,520	**3,000**	**29,520**	**43,567**
10. Donations / Grants	£	£	£	£
BMS World Mission	10,500		10,500	10,500
Baptist Union Home Mission	9,500		9,500	9,500
South Wales Baptist College	2,500		2,500	2,500
	22,500	**-**	**22,500**	**22,500**

11. Trustees' Remuneration and Benefits

Rev N Dickerson and Rev G Russell-Jones (Trustees) received remuneration (including gross salary, employer's national insurance and employer's pension contributions) totalling £97,614 *(2019 £92,479)* for their services as Ministers during the year. From August 2020, Rev Naomi Dickerson was seconded part time to the South Wales Baptist Association to develop Renew Wellbeing Cymru: £4,500 has been received as income for

The key management personnel comprise the Trustees and the Ministers.

During the year, no Trustees received expenses in connection with their roles as Trustees.

During the year, £11,720 was received in donations from 13 Trustees and related parties *(2019 £16,224 11 Trustees and related parties)*

12. Employees

	£	£
Wages and salaries	126,211	119,866
Social security	6,915	7,894
Other pension costs	10,861	11,308
	143,987	**139,068**

No employee received more than £60,000 during the year

12. Employees (continued)

The average number of employees during the year was:

	Full Time	Part Time	Total	2019
Ministerial	2		2	2
Mission	1	1	2	2
Establishment		1	1	1
Support		1	1	1
	3	3	6	6

Pension contributions are paid to Defined Contribution private pension schemes on behalf of the Ministers. The total amount paid into these schemes by the Church was £8,867 *(2019 £7,629)* .
One staff member is in the Baptist Pension Scheme which is a Defined Contribution scheme. The amount paid into this Scheme was £1,994 *(2019 £1,975).*

The Church paid off its deficiency contribution liability of £65,449 during the year and also £2,518 *(2019 £4,548)* in relation to former ministers in the Baptist Ministers' Pension Scheme (a Defined Benefit Scheme closed in December 2011). (see Note 24.)

13. Fixed Assets

	Unrestricted			Restricted	
	Church Property (excluding investment property)	**Fixtures, Fittings, Equipment & Plant**	**Total Unrestricted Church Property**	**Church Property**	**Total Church Property (excluding investment property)**
	£	£	£	£	£
Cost or valuation					
At 1st January 2020	3,831,749	168,518	4,000,267	697,340	4,697,607
Revaluation					
Additions		22,590	22,590		22,590
At 31st December 2020	**3,831,749**	**191,108**	**4,022,857**	**697,340**	**4,720,197**
Depreciation					
At 1st January 2020					
Charge		1,382	1,382		1,382
At 31st December 2020	**-**	**1,382**	**1,382**	**-**	**1,382**
Net Book Value					
At 31st December 2020	**3,831,749**	**189,726**	**4,021,475**	**697,340**	**4,718,815**
At 31st December 2019	**3,831,749**	**168,518**	**4,000,267**	**697,340**	**4,697,607**
Revaluation 2019	1,390,309	110,661	1,500,970	253,022	1,753,992
Additions & revaluation to 2018	139,151	(130,999)	8,152	444,318	452,470
Deemed Cost 1st April 2014	**2,302,289**	**188,856**	**2,491,145**	**-**	**2,491,145**

Analysis of Revaluation Surplus 2019	Property (excluding Investment) (as above)	1,753,992
	Investment Property (Note 14.)	32,694
	Total Revaluation Surplus (SOFA)	**1,786,686**

13. Fixed Assets (continued)

Accounting Policy 1.11 states that property is shown at insurance value. A valuation undertaken by Ecclesiastical Insurance plc (formerly Baptist Insurance) in January 2020 was used at 31st December 2019 and 31st December 2020, resulting in an increased valuation of £1,643,331 on Church buildings. However, no sub-division was made between the main Church building and Community Centre, and the newer extension for "The Ark". This extension was funded by a restricted use legacy, loan from the Baptist Union Corporation and individual donations, and was classed as Restricted funds in 2017 and 2018. A pro-rata calculation has been made based on the respective values of the main building and extension, as shown in the 2018 Balance Sheet (£2,441,440 + £444,318). The net result is that 84.60% of the increase (£1,390,309) is attributed to the main building (Unrestricted) and 15.40%(£253,022) to the extension (Restricted).

The insurance valuation has also been used for fixtures and related fittings rather than the 2014 valuation plus additions less depreciation.

14. Investments

	£
Cost or valuation	
At 1st January 2020	210,134
Revaluation	
At 31st December 2020	**210,134**
Depreciation	
At 1st January 2020	
Charge	
At 31st December 2020	**-**
Net Book Value	
At 31st December 2020	**210,134**
At 31st December 2019	**210,134**
Revaluation 2019	32,694
Deemed Cost 1st April 2014	**177,440**

The investment consists of a property – the former manse at Plas Treoda, let for rental as two flats.

Accounting Policy 1.12 states that property is shown at insurance value. A valuation undertaken by Ecclesiastical Insurance plc (formerly Baptist Insurance) in January 2020 was used at 31st December 2019 and 31st December 2020, resulting in an increased valuation of £32,694 on this property.

15. Debtors: amounts falling due within one year:

	Unrestricted	Restricted	TOTAL	2019
	£	£	£	£
Trade debtors	220		220	1,205
Other debtors	196,339		196,339	164,747
	196,559	**-**	**196,559**	**165,952**

16. Bank Balances

	£	£	£	£
Petty Cash	100		100	
Current Accounts	20,329	2,434	22,763	41,707
Reserve Account	86,675	5,354	92,029	337,908
	107,104	**7,788**	**114,892**	**379,615**

	Unrestricted	Restricted	TOTAL	2019
	£	£	£	£

17. Operating Leases

The following operational leases were in existence at 31st December 2020:

Due in less than 1 year	654			2,900
Due in 2–5 years (per year)	-			2,511

18. Loans (Restricted Funds only)

	£	£
Loan from Baptist Union Corporation	-	83,300
Payable within one year (Note 19.)	-	83,300

The loan of £98,000 in 2017 was to part fund the construction of "The Ark" extension, repayable interest free over 10 years with a gift in lieu of interest at completion. In April 2020, it was repaid in full, plus a gift of £3,000 in lieu of interest.

19. Creditors: amounts falling due within one year

	£	£	£	£
Loan (Note 18.)			-	83,300
Other taxation and social security			-	2,426
Other creditors	1,033		1,033	213
Trade creditors and accruals	8,563		8,563	6,009
	9,596	**-**	**9,596**	**91,948**

20. Group Activities (Designated Funds only)

	Income	Designated Expenditure	TOTAL	2019
	£	£	£	£
Luncheon Club	2,382	1,819	563	10
Mid Week Meeting	1,157	1,186	(29)	(95)
Christians Against Torture	40	399	(359)	(25)
	3,579	3,404	175	(110)
less gifts to Church (deemed as internal transactions)		(200)	200	1,300
	3,579	**3,204**	**375**	**1,190**

The activities of Groups are considered to be integral to the activities of the Church for local outreach.

	Bank Balance / Reserves	2019
	£	£
Luncheon Club	3,289	2,726
Mid Week Meeting	609	638
Christians Against Torture	40	399
	3,938	**3,763**

21. Analysis of Net Assets Between Funds

	Unrestricted	Restricted	TOTAL	2019
	£	£	£	£
Tangible Net Assets	4,021,475	697,340	4,718,815	4,697,607
Investments	210,134		210,134	210,134
Bank	107,104	7,788	114,892	379,615
Other net current assets	186,963		186,963	29,903
	4,525,676	**705,128**	**5,230,804**	**5,317,259**

22. Movement in Unrestricted Funds

Unrestricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
General	4,358,725	186,808	(278,857)	168,387	4,435,063
	4,358,725	**186,808**	**(278,857)**	**168,387**	**4,435,063**

Designated Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
Group Activities	3,763	3,579	(3,204)	(200)	3,938
Legacy	325,000	249		(238,574)	86,675
	328,763	**3,828**	**(3,204)**	**(238,774)**	**90,613**

Total Unrestricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	4,687,488	**190,636**	**(282,061)**	**(70,387)**	**4,525,676**

Comparative figures for 2019 are in Note 27.

Description of funds

Unrestricted Funds

General:

These are funds available to the Church for unrestricted use in the furtherance of its charitable aims and objectives. These funds may be revenue (income & expenditure) items or tied up in assets, e.g. the Church buildings, extensions and renovations, fixture and fittings, computer equipment.

Designated Funds

These funds outlined below have been designated by the Trustees for the purposes shown whereas, legally, they are unrestricted. For reporting purposes throughout these Financial Statements they are therefore combined together as "Unrestricted".

Groups: (Note 20.)	These Groups provide local outreach from the Church premises and have their own bank accounts administered by their officers. The Trustees have overall responsibility for the management of the Groups.
Legacy:	A substantial legacy was received in 2019, and with approval of Church members, the Trustees decided to set aside a significant portion of it to be available for future projects, yet to be determined.

23. Movement in Restricted Funds

Restricted Funds	01/01/2020	Incoming Resources	Resources Expended	Transfers	31/12/2020
	£	£	£	£	£
Sycamore Fund	2,823	11	(400)		2,434
Renovation & Building	626,948	8,922	(3,563)	70,387	702,694
	629,771	**8,933**	**(3,963)**	**70,387**	**705,128**

Comparative figures for 2019 are in Note 27.

Description of funds

Restricted Funds

Sycamore: This is a Restricted fund bequeathed by Doris and Burt Brewer to the Church for use in supporting members of the Church in need, and which is regularly replenished by donations at Communion Services.

Renovation and Building: This is the net value of Church property financed by funds provided for that specific purpose only. Such restricted funds have been legacies, donations and gifts, grants, loans received (plus contributions towards their repayment) and, currently, offerings for ongoing maintenance (Maintenance Fund).

Transfers between funds

In 2020 there are two separate elements:

▪The portion of the legacy transferred from Unrestricted to Designated and the subsequent reverse transfer to Unrestricted in order to fund approved expenditure (see Note 22.). This expenditure may be of a revenue or capital nature (e.g. acquisition of an asset or extinguishing of a liability), both reflected in the SOFA.as a total of £70,187.

▪The donation of £200 from one of the Groups to the Renovation and Building Fund treated as an internal transfer, by reduction of both Group expenditure (Designated) and offerings received (Restricted) (see Note 20.).

24. Retirement Pension Schemes

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

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

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

At the year end there was one member of staff in the Scheme.

24. Retirement Pension Schemes (continued)

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva plc.

Defined Benefit (DB) Plan

Benefits in respect of service prior to 1st January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31st December 2011.

Actuarial valuation as at 31st December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31st December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	**% pa**
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.50

Type of financial assumption (continued)	**% pa**
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70

▪ Post–retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%..

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31st December 2022.

24. Retirement Pension Schemes (continued)

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the previous Recovery Plan dated 16th December 2018 and not superseded until 30th September 2020 , deficiency contributions were payable until 31st December 2028. These contributions were broadly based on the employer's membership at 31st December 2014 and increased annually in line with increases to Minimum Pensionable Income as defined in the Rules.

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 following table.

Year ended:	**31/12/2020**	**31/12//2019**
	£	£
Balance sheet liability at year start	44,101	46,955
Minus deficiency contributions paid	(2,518)	(4,548)
Buy out of liabilities	(65,449)	
Interest cost (recognised in the SoFA)		1,073
Remaining change to balance sheet liability* (recognised in the SoFA)	23,866	621
Balance sheet liability at year end	**-**	**44,101**

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

During the year the Trustees agreed to buy out their Pension Scheme liabilities at a cost of £65,449. The excess of this amount over the calculated Balance Sheet liability at the start of the year was £21,348, and this is recorded in the SoFA as £23,866 (including the deficiency contributions of £2,518 already paid during the year)

25. Related Parties

(1) The Custodian Trustee of the Church is the Baptist Union Corporation Ltd, a charity (number 249635) controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Wales Baptist Association (charity number 1102735).

(2) The Church received a loan of £98,000 in 2017 from the Baptist Union Corporation to part fund the construction of "The Ark" extension. It is repayable interest free over 10 years with a gift in lieu of interest at completion.
It was fully repaid in April 2020. (Note 18.)

(3) The Church made a donation of £9,500 *(2019 £9,500)* to Baptist Union Home Mission (Note 10.) and paid £949 in annual subscriptions to the Baptist Union *(2019 £879)* .

(4) The Church paid £570 in annual subscriptions to the South Wales Baptist Association

(5) The Church made donations to the following affiliated Baptist organisations: (Note 10.)
Baptist Missionary Society World Mission £10,500 *(2019 £10,500)*
South Wales Baptist College £2,500 *(2019 £2,500)*

(6) Rev N Dickerson and Rev G Russell-Jones (Ministers) are Trustees. Details of remuneration etc are in Note 11.

25. Related Parties (continued)

(7) Mrs Alyson Burnell, Ark Manager, is the wife of Mr Paul Burnell, a Trustee. During the year she received a total salary of £8,523 *(2019 £1,423 (2 months))* .

(8) Break Every Chain Productions, a media company run by Ms Helen Capelin, a Trustee, was paid £2,079 *(2019 nil)* during the year to provide post-production facilities for online Sunday services.

No amounts were outstanding during the current or prior year regarding the transactions above, apart from the Baptist Union Corporation loan (in 2019 only).

26. Post Balance Sheet Event

The impact of the Covid-19 pandemic during the year and for 2021 is described in the Trustees' Annual Report. The Trustees believe that the reserves of the Church are sufficient to meet the demands of this exceptional situation.

27.

COMPARATIVE STATEMENT OF MOVEMENT IN FUNDS

YEAR ENDED 31st DECEMBER 2019

Movement in Funds

Unrestricted Funds	**01/01/2019**	**Incoming Resources**	**Resources Expended**	**Transfers**	**31/12/2019**
	£	£	£	£	£
General	2,631,908	770,631	(252,478)	(325,000)	2,825,061
Revaluation		1,533,664			1,533,664
	2,631,908	**2,304,295**	**(252,478)**	**(325,000)**	**4,358,725**

Designated Funds	**01/01/2019**	**Incoming Resources**	**Resources Expended**	**Transfers**	**31/12/2019**
	£	£	£	£	£
Group Activities	3,873	13,115	(11,925)	(1,300)	3,763
Legacy				325,000	325,000
	3,873	**13,115**	**(11,925)**	**323,700**	**328,763**

Total Unrestricted Funds	**01/01/2019**	**Incoming Resources**	**Resources Expended**	**Transfers**	**31/12/2019**
	2,635,781	**2,317,410**	**(264,403)**	**(1,300)**	**4,687,488**

Restricted Funds	**01/01/2019**	**Incoming Resources**	**Resources Expended**	**Transfers**	**31/12/2019**
	£	£	£	£	£
Sycamore Fund	3,995	555	(1,727)		2,823
Renovation & Building	363,652	8,974		1,300	373,926
Revaluation		253,022			253,022
	367,647	**262,551**	**(1,727)**	**1,300**	**629,771**

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2020

28. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2019

	Unrestricted	Restricted	TOTAL	2018
	£	£	£	£
Income				
Donations & Legacies	708,024	9,529	717,553	154,675
Charitable Activities	62,822		62,822	46,640
Investment Income	12,900		12,900	12,900
Total Income	**783,746**	**9,529**	**793,275**	**214,215**
Expenditure				
Raising Funds	680		680	430
Charitable Activities	263,102	1,727	264,829	232,464
Total Expenditure	**263,782**	**1,727**	**265,509**	**232,894**
Net income /(expenditure) for the year	519,964	7,802	527,766	(18,679)
Other recognised gains / (losses)				
Surplus on revaluation of assets	1,533,664	253,022	1,786,686	
Actuarial gains / (losses) on defined benefit	(621)		(621)	33,195
	2,053,007	**260,824**	**2,313,831**	**14,516**
Transfers between funds	(1,300)	1,300		
Net Movement in Funds	**2,051,707**	**262,124**	**2,313,831**	**14,516**
Reconciliation of Funds				
Total Funds brought forward	2,635,781	367,647	3,003,428	2,988,912
Total Funds carried forward	**4,687,488**	**629,771**	**5,317,259**	**3,003,428**