

**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 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 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 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).

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.

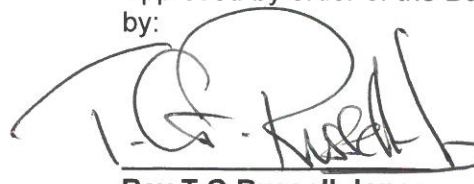
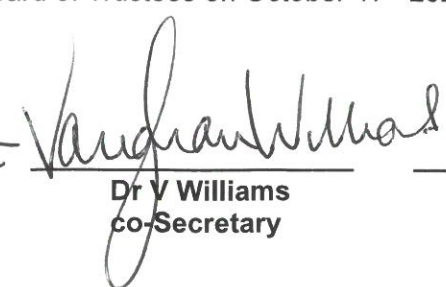
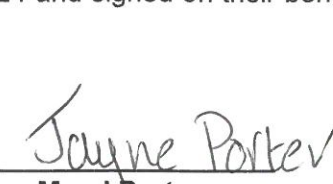
In preparing these Financial Statements, the Trustees are required to:

- 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 Minister	 Dr V Williams co-Secretary	 Mrs J Porter co-Secretary
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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

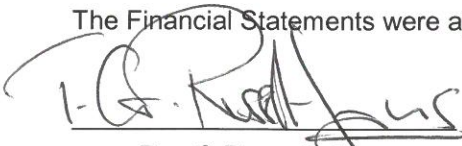
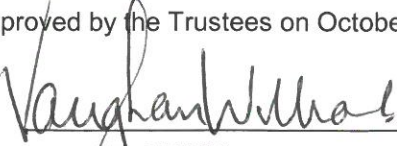

The Statement of Financial Activities includes all gains and losses recognised in the year.

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

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
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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.	<u>(28,749)</u>	<u>307,648</u>
<i>Cash flows from investing activities:</i>			
Purchase and revaluation of fixed and investment assets	11.,12.	<u>(51,816)</u>	<u>(67,703)</u>
Net cash provided by/(used in) investing activities		<u>(51,816)</u>	<u>(67,703)</u>
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.	<u><u>516,536</u></u>	<u><u>597,101</u></u>

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.

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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.

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

	Unrestricted	Restricted	TOTAL	2022 Restated
	£	£	£	£
8. Donations / Grants				
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).

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023.

11. Tangible Fixed Assets

	<u>Unrestricted</u>			<u>Restricted</u>			<u>Total</u>
	<u>Church</u> <u>Property</u> <u>(excluding</u> <u>investment</u> <u>property)</u>	<u>Fixtures,</u> <u>Fittings,</u> <u>Equipment</u> <u>& Plant</u>	<u>Total</u> <u>Unrestricted</u> <u>Church</u> <u>Property</u>	<u>Church</u> <u>Property</u> <u>(excluding</u> <u>investment</u> <u>property)</u>	<u>Fixtures,</u> <u>Fittings,</u> <u>Equipment</u> <u>& Plant</u>	<u>Total</u> <u>Restricted</u> <u>Church</u> <u>Property</u>	<u>Total</u> <u>Church</u> <u>Property</u> <u>(excluding</u> <u>investment</u> <u>property)</u>
	£	£					£
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.

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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

ARARAT BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31st DECEMBER 2023

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

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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.

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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

		2023	2022 Restated
	Note	£	£
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		<u>(28,749)</u>	<u>307,648</u>
 Analysis of Cash and Cash Equivalents			
Cash in hand and in Bank	14.	516,536	597,101
		<u>516,536</u>	<u>597,101</u>

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
	<u>11,101</u>	<u>-</u>	<u>11,101</u>	<u>15,361</u>

ARARAT BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31st DECEMBER 2023

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 <i>(as a result of the change in the basis of valuing these assets - see Note1.11))</i>	(700,526)
Increase in revaluation gains on investment assets <i>(as a result of the change in the basis of valuing these assets - see Note1.13))</i>	14,831
Increase in depreciation charge <i>(as a result of the change in the basis of valuing tangible fixed assets - see Note1.11))</i>	(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	<u>(720,755)</u>
 Original Net Movement of Funds	 729,668
Restated Net Movement of Funds and Reserves	<u>8,913</u>
Decrease in Net Movement of Funds	<u>(720,755)</u>

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