

Kendal Road Baptist Church



Trustees Report – 2023

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1) **Aim**

The church's mission is summarised as "Loving God, and Loving Others, from Longlevens..." and its aim is to provide an environment in which people can, and are encouraged to, express their love for God and others through Christian worship and service. As part of this, the church aims to provide opportunities for people to understand and respond to the Gospel, the Good News of Jesus Christ, as expressed in the Bible.

2) **Leadership & Organisation**

The overall leadership of the church is the responsibility of a core leadership team of 'Elders', the managing trustees, who meet regularly to discuss and decide on matters relating to the church. The Elders are appointed by election from within the church to serve for a term of four years, after which they are eligible for reappointment.

The church is organised into five areas of responsibility:

- Gather
- Grow
- Go
- Support & Enable
- Children & Youth

The leaders and teams responsible for the different functions within these areas meet with the Elders through the year in rotation. The various leaders involved are appointed by election from within the church, at the recommendation of the Eldership, with the key leaders usually serving for a term of three years, after which they are eligible for reappointment.

During the year there are Church Members' meetings and Open Forums, which provide an opportunity for wider consultation within the church and consideration of specific proposals. Whilst decisions at these meetings are usually reached through consensus, a formal voting process is used as appropriate. During 2023 we revised our membership structure in light of our plans to change to a CIO.

The church has various volunteer staff to perform particular roles each of which fits within its leadership and organisation. The church employs paid staff as Pastor, Children & Families' Worker and a Cleaner.

Online systems adopted during the covid pandemic continued to be used where helpful. Sunday worship is now routinely livestreamed and made available thereafter on YouTube. The church Constitution has been amended to allow remote access and participation in church and leadership meetings.

3) Activities

a) Gather

Worship – a public service of Christian worship takes place every Sunday morning, including songs, prayers and a sermon, with communion included once a month (normally the third Sunday of the month). Sunday evenings are used for a variety of discussion, ‘Open Forums’ and ‘Church Members’ Meetings’, as necessary.



Ministry – during the second two-thirds of the Sunday morning service there is usually a sermon, which provides biblical teaching applicable to everyday life. As part of this there is opportunity for people to receive particular prayer and advice with life situations. Six members have shared the preaching responsibilities, occasionally supplemented by guests.

Prayer – prayer is an important part of all church activities, but specific prayer events are organised, including designated seasons of prayer in which everyone is encouraged to participate. The church followed the international “Thy Kingdom Come” prayer initiative. Prayer prompts are circulated by email and WhatsApp.

b) Grow

Fellowship – making meaningful relationships is important, for it is at the heart of the Christian faith, so emphasis is placed on people sharing together (fellowship) both socially and in practical activities. Whilst this takes place naturally, as people take part in general church activities, the church also runs small groups during the week to encourage people to grow together and in their faith.

Pastoral Care – care for individuals within the church takes place at a variety of levels, normally in small groups, natural friendships and fellowship through activities. However, where people have particular needs a network of carers seeks to provide the level of support required, liaising with the Minister and Elders as appropriate. In certain cases links have been established with state support services.

Discipleship – learning about the Christian faith, and putting it into practice, is a vital part of being followers of Jesus, requiring personal responsibility and mutual support. Whilst the Sunday teaching programme plays a significant role, the more informal small-group setting and mutual accountability aims to provide the environment to facilitate growth as a Christian. We held a teaching day with an outside speaker at a venue in the Forest of Dean in Sept, which included a programme for the children.

c) Go

Outreach – the church runs a number of specific groups (e.g. Take A Break, Out to Lunch, Open Door, Repair Café) as well as annual activities (e.g. The Light Party, retro computing), as well as one-off events (e.g. Quiz Night) to serve the local community and encourage people to get involved in the church.

The seniors Out to Lunch has increased in appeal almost to capacity. The city-wide Holiday Activities and Food programme for families, funded nationally but planned through local authorities, continued to be offered in different forms in school holidays. The mothers and babies group, and two carers and toddlers groups continued. Local families speak highly of all these activities.

Welcome – the church encourages the community to visit its regular activities, including Sunday worship and has a ‘welcome team’ to provide newcomers with a warm welcome and help them integrate into the church.

Mission – the church supports a number of missions operating in the UK (e.g. CAP, Food Bank, ECM) and overseas (e.g. BMS World Mission, Wycliffe Bible Translators, Baptist Union in Albania) each with a ‘Mission Champion’ who coordinates the church’s engagement with the mission and encourages people to support them in prayer, relationship and financially. Individuals on mission or training assignments who are known to the church have also been supported.

d) Children & Youth

Junior Church – during the second two-thirds of the Sunday morning service the children up to school year 9 (age 14) have their own age-appropriate activities incorporating worship and teaching. There is a crèche for pre-school children. The Sunday morning schedule includes informal All-age services when whole families are encouraged to worship and learn together.

Kendal Kids and Kendal Youth – on Wednesday and Friday evenings the church runs clubs for primary school aged children and young people aged 11-16 within the community. These groups are focused around a variety of activities, craft, games and fun, they have some Christian content, usually in the form of Christian teaching.

Families – the church aims to provide a link with the parents of those attending children’s activities, offering support where possible and encouraging them to come to the outreach activities.

e) Support & Enable

Finance – the church is almost exclusively financed by the individual giving of its members and the finance team supports and enables the various activities by managing the income and expenditure of the church according to an annual budget agreed by the church.

Facilities – the church occupies its own premises, including a large hall and a small hall with catering facilities. The management and upkeep of the buildings is the responsibility of the facilities team. Some of the facilities are available for hire by the local community.

Administration – the organisation and communication required in the church, which is predominantly run by volunteers, is significant and includes such tasks as maintaining the

membership roll, managing the diary and rotas, general communication and publicity as well as the official secretarial role of the church.

4) Achievements



At year-end counts showed typical numbers of regular weekly contact occasions as:

- children **158**
- young people **33**
- adults **246** .

There were **93** people who were sufficiently active to be eligible to vote at members meetings.

These statistics reflect the return to a regular programme of children's, youth and seniors work following the pandemic. There were no baptisms in the year.

We saw Rita Rimkiene complete her ministerial training and she was ordained this year. We also sent out a couple to the mission field in Asia.

5) Financial Summary

The comprehensive analysis and notes appended to the Statement of Financial Activities (SOFA) show the details from which this financial summary is drawn. Regular offering income decreased by around £5,600 compared to 2022. (In addition, a large one-off donation had been received in 2022 which inflated the offering and donations total.) Expenditure was also reduced resulting in only a small shortfall between income and expenditure. This shortfall was much less than anticipated when the budget for the year was prepared and was covered as planned by drawing from reserves.

	2022	2023
Voluntary Offerings: (excluding gift aid)	£106,951	£92,675
Unrestricted Expenditure: (excluding building improvements)	£115,107	£102,901

Reserves

The Church only maintains specific reserves where a clearly declared purpose has been agreed by the Church. When a purpose has been achieved, or is no longer felt to be achievable, the agreement of Church will be sought to close a specific reserve and use the money in other ways. Money for specific reserves is normally allocated in the budget, but may be topped-up by transfers to Reserves before any end of year surplus is declared. In 2023 a small amount of funds from the Additional Workers fund were required to cover the shortfall in income over expenditure. (This reserve was created to help partially support the cost of employing staff such as the children's and families' worker in addition to the Pastor.) Funds were also spent from the Technology reserve to complete the development of a new church website.

	2022	2023
General Reserve:	£36,954	£36,954
Building Redevelopment Reserve:	£8,919	£8,919
Restricted Redevelopment Fund:	£35,875	£36,772
Additional Workers Reserve:	£53,799	£53,177
Manse Rental Reserve	£15,600	£15,600
Sabbatical Reserve:	£1,149	£1,149
Church Weekend Reserve:	£600	£600
Technology Reserve:	£1,733	£773

6) Administrative Information

a) Charity Information

Name:

Kendal Road Baptist Church, Kendal Road, Gloucester, GL2 0NB.

Registration:

The charity (No. 1132818) was registered on 19th November 2009.

Financial Year

January to December.

Bankers:

HSBC plc, The Cross, Gloucester, GL1 2AP.

Baptist Union Corporation Limited, Baptist House, 129 Broadway, Didcot, OX11 8RT.

Examiner:

Thomas Payne FCCA,

Abaqus Ltd, 49 Brionne Way, Longlevens, Gloucester, GL2 0TW

b) Governance

i) Governing Documents

The affairs of the Church are governed by the Trust Deeds (11th December 1940) and by a Constitution (July 2022) based on the model provided by the Baptist Union following consultations with the Charity Commission. During the year we continued to review the precedent constitution for a Charitable Incorporated Organisation prepared by the Baptist Union.

ii) Trustees

The Baptist Union Corporation acts as Custodian or Holding Trustee for the church property, whilst the day to day running is entrusted to the following who are the Managing Trustees.

- Rev Steve Ayers (Pastor)
- Mr Brian Bruce (stood down 23/06/2024)
- Dr Iain Jarvis (Elder)
- Mr Martin Leckebusch (Elder)
- Rev Rita Rimkiene (Elder commencing 23/06/2024)

7) Public Benefit

The trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary guidance on the advancement of religion for the public benefit, with these being reflected in the presentation and content of this report.

The church has a “Safeguarding Policy” for children and vulnerable adults; as part of this the church obtains ‘Disclosure and Barring Service’ checks for all leaders and helpers involved.

8) Declaration of Approval

In our capacity as charity trustees, we declare that we have approved the above report.

Rev Steve Ayers Signed: Date:

Dr Iain Jarvis Signed:..... Date:

Mr Martin Leckebusch Signed: Date:

Rev Rita Rimkiene Signed: Date:

KENDAL ROAD BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted	Designated	Restricted	Endowment	Total 2023	2022
		£	£	£	£	£	£
Income and endowments from							
Donations and legacies	2	£98,831	£15,098	£8,781	£0	£122,710	£165,271
Investment income	3	£2,560	£0	£922	£0	£3,482	£1,472
Other trading activities							
Charitable activities	4	£0	£11,155	£0	£0	£11,155	£7,899
Other	5	£403	£0	£0	£0	£403	£395
Total income		£101,795	£26,253	£9,703	£0	£137,750	£175,037
Expenditure							
Raising Funds	6	£0	£0	£0	£0	£0	£0
Charitable Activities	7	£102,901	£25,028	£8,806	£0	£136,734	£144,389
Other Expenditure	8	£0	£0	£0	£0	£0	£0
Total Expenditure	10	£102,901	£25,028	£8,806	£0	£136,734	£144,389
Net income / (expenditure) before Gains and losses on investments		-£1,106	£1,225	£897	£0	£1,016	£30,648
Net gains/ (losses) on Investments	13	£0	£0	£0	£0	£0	£0
Net Income / (Expenditure) for the year		-£1,106	£1,225	£897	£0	£1,016	£30,648
Transfers between funds	14	£1,123	-£1,123	£0	£0	£0	£0
Other recognised gains/(losses)							
Net gains/ (losses) on the revaluation of fixed assets							
Actuarial gains/(losses) on defined benefit pensions schemes	28						
Net Movement in Funds		£17	£102	£897	£0	£1,016	£30,648
Reconciliation of Funds:							
Total Funds brought forward		£6,076	£121,280	£36,875	£1,425,477	£1,589,708	£1,559,060
Total Funds carried forward		£6,093	£121,382	£37,772	£1,425,477	£1,590,724	£1,589,708

Comparative figures for each fund are shown in the notes to the accounts

KENDAL ROAD BAPTIST CHURCH

BALANCE SHEET 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	16		£1,431,570		£1,431,553
Investments	17		£0		£0
			<u>£1,431,570</u>		<u>£1,431,553</u>
Current Assets					
Stocks	18	£0		£0	
Debtors	19	£2,621		£2,193	
Investments	20	£0		£0	
Bank and Cash	21	<u>£165,463</u>		<u>£166,455</u>	
		<u>£168,084</u>		<u>£168,648</u>	
Current Liabilities					
Creditors: amounts falling due within one year	22	<u>£8,930</u>		<u>£10,494</u>	
Net Current Assets					
Total assets less current liabilities			<u>£159,154</u>		<u>£158,155</u>
Creditors: amounts falling due after more than one year	23		<u>£0</u>		<u>£0</u>
Net Assets excluding pension liability					
<i>Defined benefit pension scheme</i>					
<i>Asset or liability (£0)</i>					
Total net assets or liabilities			<u>£1,590,724</u>		<u>£1,589,708</u>
Charity Funds					
Endowment	24	£1,425,477		£1,425,477	
Restricted	25	£37,772		£36,875	
Designated	26	£121,382		£121,280	
Unrestricted		£6,093		£6,076	
Total Charity Funds			<u>£1,590,724</u>		<u>£1,589,708</u>

The notes on pages [1-12] form an integral part of these accounts These accounts were approved by the Trustees on xx/xx/24 and signed by:

KENDAL ROAD BAPTIST CHURCH

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

a. Basis of preparation

The accounts are prepared in accordance with the, Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011

Kendal Road Baptist Church is a registered charity, no. 1132818 and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b. Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

c. Donations

Donations are accounted for gross when received. Fixed asset gifts in kind are recognized when receivable and are included at fair value.

d. Legacies

Legacies are accounted for at the earlier of the Estate accounts being finalised and notified and the legacy being received.

e. Investment Income

Investment income is included in the accounts in the year in which it is receivable.

f. Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

g. Costs of raising funds

The Church does not make formal appeals for funds, and expenditure on these items is therefore not material.

h. Grants payable

The Church makes grants to other organisations whose charitable objects complement its work. They are accounted for when the recipient has been notified of the grant and payment is unconditional.

i. Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and include office costs and governance cost. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources. This represents direct expenditure on the governance of the church. Most of the management 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.

j. Fixed Assets

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £1,000. They are initially recognised at cost, or for donated assets, at a reasonable estimate of their value on receipt.

There is no reliable information available for the cost of the church premises and so on first time adoption of FRS102, the insurance value used previously was adopted as deemed cost.

k. Depreciation

Depreciation is provided on all fixed assets, other than freehold land, to write off the cost on a straight-line basis over their expected useful life, at the following rates:

Freehold land	Nil
Buildings	Nil
Furniture and fittings	10%
Computers and equipment	25%

l. Investment Assets

Investments are initially stated at cost. Subsequently they are measured at fair value with changes recognized in the Statement of Financial Activities if the shares are publically traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

m. Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, principally *the church building*. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

n. Employee benefits

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in an independently administered fund.

Prior to 2012 pension provision was made through multi-employer defined benefit pension plans. Where it is not possible for the charity to obtain sufficient information to enable it to account for a plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Where the plan is in deficit and where the charity has agreed, with the plan, to participate in a deficit funding arrangement, the charity recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is shown in Note 28.

2. Donations and Legacies

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Donations and Legacies						
Offerings - Church	£90,739				£90,739	£96,393
Offerings - Sunday School		£0			£0	£0
Directed Gifts			£4,509		£4,509	£2,594
Development Fund Directed Gifts			£0		£0	£25,500
Tax refunds	£5,560	£14,225	£0		£19,784	£25,090
Donations	£1,936	£873			£2,809	£10,558
Grants received	£597		£4,272		£4,869	£5,136
Legacies					£0	£0
Total (to agree with SoFA)	£98,831	£15,098	£8,781	£0	£122,710	£165,271

In 2022 Donations & Legacies income comprised: £111,318 unrestricted, £15,498 designated and £38,455 restricted funds.

3. Investment Income

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Investment Income						
Bank interest	£2,560		£922		£3,482	£1,472
Income from other investments					£0	£0
Total (to agree with SoFA)	£2,560	£0	£922	£0	£3,482	£1,472

In 2022 Investment income was £1467 unrestricted and £5 restricted funds.

4 Income from charitable activities

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Income from other trading activities						
Klubz		£1,405			£1,405	£1,466
Out to Lunch		£5,210			£5,210	£4,198
Take-a-Break		£2,094			£2,094	£1,696
Repair Café		£2,447			£2,447	£0
Community Meals		£0			£0	£540
Total (to agree with SoFA)	£0	£11,155	£0	£0	£11,155	£7,899

In 2022 income from charitable activities was £7,899 designated funds.

5. Other income

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Other income						
Rent received	£403				£403	£395
Total (to agree with SoFA)	£403	£0	£0	£0	£403	£395

In 2022 rental income was £395 unrestricted funds.

6. Raising Funds

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Raising Funds						
N/A						
Total (to agree with SoFA)	£0	£0	£0	£0	£0	£0

7. Charitable Activities

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Charitable Activities						
Ministry	£38,203	£14,225	£0		£52,428	£57,744
Mission - Indirect	£11,613	£0	£4,188	£0	£15,801	£24,751
Mission - Direct	£33,634	£873	£4,514		£39,021	£35,500
Klubz		£1,339			£1,339	£1,490
Out to Lunch		£3,539	£25		£3,564	£3,630
Take-a-Break		£2,021			£2,021	£843
Repair Café		£2,071			£2,071	£0
Community Meals		£0			£0	£444
Establishment	£19,451	£960	£79		£20,490	£19,987
Total (to agree with SoFA)	£102,901	£25,028	£8,806	£0	£136,734	£144,389

Ministry comprises Pastor Stipend, Pension, National Insurance, Travel & Expenses (including Sabbatical), Pulpit supplies, and Manse Utilities and Upkeep costs. The church had a pastor working 5 days a week in 2023. Ministry includes their stipend and other expenses.

Mission- Indirect comprises Gifts and Grants to other causes.

Mission - Direct comprises House Groups, Klubz, Out to Lunch, Outreach, Pastoral, Sunday School, Training, Worship and Young People including the salary of the Children's worker.

Establishment comprises Administration, Church Utilities and Upkeep, Cleaning wages, and Depreciation of Fixtures, Fittings and Equipment.

In 2022 Charitable Activities expenditure was £115,107 unrestricted, £21,697 designated and £7,585 restricted funds.

8. Other Expenditure

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Other Expenditure						
Total (to agree with SoFA)	£0	£0	£0	£0	£0	£0

9. Support costs

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Support costs						
Administrative Costs	£35				£35	£35
Finance	£508				£508	£529
IT	£26				£26	£23
Office costs	£17				£17	£45
Governance costs:						
Independent Examinations costs	£250				£250	£250
Total (to agree with SoFA)	£836	£0	£0	£0	£836	£882

In 2022 support costs were £882 unrestricted funds.

10. Expenditure

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Expenditure						
Ministry	£38,203	£14,225	£0	£0	£52,428	£57,744
Mission - Direct	£33,634	£9,843	£4,539	£0	£48,016	£41,907
Mission - Indirect	£11,613	£0	£4,188	£0	£15,801	£24,751
Establishment	£18,615	£960	£79	£0	£19,654	£19,105
Support costs	£586	£0	£0	£0	£586	£632
Governance costs	£250	£0	£0	£0	£250	£250
Total (to agree with SoFA)	£102,901	£25,028	£8,806	£0	£136,734	£144,389

This note reanalyses all of the costs in the previous notes between direct charitable costs, grants and support costs. The grant funding will agree with note 11 and support costs will agree with note 9.

11. Grants payable

	Unrestricted	Designated	Restricted	Endowment	2023	2022
Grants payable						
BUGB Home Mission	£2,970	£0	£0		£2,970	£3,300
BMS World Mission	£2,970	£0	£0		£2,970	£4,445
Op Mobilisation	£0	£0	£0		£0	£3,690
Albania church support	£1,303	£0	£0		£1,303	£948
Wycliffe Translators	£1,303	£0	£0		£1,303	£948
HCJB-UK	£0	£0	£0		£0	£948
ECM	£1,303	£0	£0		£1,303	£948
Sharp School	£0	£0	£0		£0	£300
Food Bank	£0	£0	£972		£972	£2,896
Gloucester City Mission	£0	£0	£1,035		£1,035	£1,239
Refugee support	£0	£0	£777		£777	£0
Nottingham Ministry training	£0	£0	£0		£0	£1,260
Gloucester CAP	£0	£0	£0		£0	£3,500
YFC Gloucestershire	£460	£0	£0		£460	£0
People International	£1,303	£0	£1,404		£2,707	£329
Total (to agree with SoFA)	£11,613	£0	£4,188	£0	£15,801	£24,751

In 2022 Grants payable were £22,367 unrestricted, £0 designated and £2,384 restricted funds.

2023 2022

Net income for the year

Net income for the year is stated after charging/(crediting) Auditors/independent examiners' remuneration:

Audit/independent examination	£250	£250
Taxation work	£0	£0
Other services	£0	£0
Loss on sale of fixed assets	£0	£0

13 Gains and losses on revaluations and disposals of investment assets

Where a church holds stock exchange investments or buildings used for income purposes rather than the furtherance of the church's objectives, gains and losses will be shown here. These assets should be shown at market value on each balance sheet date, and so there will be a gain or loss each year.

14 Transfers between funds

	Unrestricted	Designated	Restricted	Endowment	Total
Fund					
Unrestricted Funds	£1,123				£1,123
Development Fund (designated)		£0			£0
Expenditure on Building			£0		£0
Development Fund (restricted)					£0
Development Fund (from budget/surplus)					£0
Additional Worker Fund		-£623			-£623
Transfer To Church Property Fund				£0	£0
Out to Lunch					£0
Take A Break		-£500			-£500
Total	£1,123	-£1,123	£0	£0	£0

Unrestricted Funds - Small deficit at end of year covered by drawing from Designated funds.

Church Property Fund- Total capital value added to church building in 2023 (£0)

15 Staff costs and Trustees expenses

		2023	2022
Staff costs and Trustees expenses			
Salaries	Gross salary	£51,626	£56,579
Social security costs	Employers national insurance	£0	£88
Pension costs	Employers pension contributions	£6,150	£7,816
Trustee Travel & Expenses		£0	£0
Pastor Travel & Expenses		£2,018	£1,413
Trainee Youth Worker Course Fees, Travel & Expenses		£4,776	£3,744
Childrens Worker Travel & Expenses		£36	£0
Manse rent		£14,225	£14,728
Other costs	Manse Council tax, water, telephone etc.	£5,405	£2,325
Total		£84,236	£86,693

The average number of employees during the year was 3

No employee received emoluments in excess of £60,000 during the year.

The Minister acts as one of the church's trustees in accordance with e.g. the Trust deed and received remuneration of £25,174 and other benefits in respect of his/her services as Minister, including the provision of manse accommodation rented by the church.

£0 in total was reimbursed to the Trustees in respect of expenses incurred as Trustees (2022 £0).

The Church pays pension contributions for its Minister into a defined contribution scheme and for another staff member into the defined contribution section of the Baptist Pension Scheme. For service up to 2012, the Scheme provided benefits on a defined benefit basis. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the defined benefit section which are attributable to the church. Therefore, in accordance with FRS102 Section 28, the scheme is accounted for as a defined contribution scheme.

Total aggregate remuneration paid to key management personnel during the year was £0 (2022 £0)

16 Tangible Fixed Assets

		Church Premises	Manse	Furniture and fittings	Computers and equipment	Total
Tangible Fixed Assets						
Cost						
	01-Jan-23	£1,425,477	£0	£49,340	£8,551	£1,483,368
Additions		£0	£0	£1,450	£0	£1,450
Disposal		£0	£0	£0	£0	£0
	31-Dec-23	£1,425,477	£0	£50,790	£8,551	£1,484,818
Depreciation						
	01-Jan-23	£0	£0	£44,824	£6,991	£51,815
Charge for the year		£0	£0	£749	£684	£1,433
On disposals		£0	£0	£0	£0	£0
	31-Dec-23	£0	£0	£45,573	£7,675	£53,248
Net book value						
	01-Jan-23	£1,425,477	£0	£4,517	£1,560	£1,431,553
	31-Dec-23	£1,425,477	£0	£5,218	£875	£1,431,570

All of the fixed assets are used for direct charitable purposes.

17 Investments

This note refers to properties and stock exchange and other securities deliberately held on a long term basis, not simply the prudent investment of short term surplus funds.

	2023	2022
Investments		
01-Jan	£0	£0
Additions	£0	£0
Disposal	£0	£0
Gains and losses on investments	£0	£0
31-Dec	£0	£0

The fair value of listed investments is determined by reference to the quote bid price on the relevant stock exchange on the balance sheet date.

18 Stocks

Most churches will not have material stocks of goods. There may however be material stocks within a church bookstall, or in a coffee shop or lunch club.

19 Debtors

	2023	2022
Debtors		
Accrued income	£378	£164
Prepayment and other debtors	£520	£732
Outstanding HMRC Gift Aid Tax	£1,723	£1,297
Other	£0	£0
Total	£2,621	£2,193

20 Investments

These represent short-term listed investments and short term deposits.

21 Bank and cash balances

	2023	2022
Bank and cash balances		
HSBC plc	£40,205	£46,894
Baptist Union Deposit Fund	£120,614	£117,132
Cash	£3,670	£0
Klubz	£720	£654
Repair Café	£40	£0
Out to Lunch	£60	£1,194
Take-a-Break	£154	£581
Total	£165,463	£166,455

22 Creditors: amounts falling due within one year

	2023	2022
Creditors: amounts falling due within one year		
Travel & Expenses	£844	£853
Grants Payable	£3,328	£6,168
PAYE Tax & NI	£1,894	£2,057
Gas & Electricity Bills	£2,353	£1,109
Other Creditors	£512	£306
Total	£8,930	£10,494

23 Creditors: amounts falling due after more than one year

	2023	2023
Creditors: amounts falling due after more than one year		
Loans	£0	£0
Total	£0	£0

24. Endowment Funds

	01-Jan-23	Incoming Resources	Resources expended	Gains and loses	Transfers	31-Dec 2023
Total	£1,425,477	£0	£0	£0	£0	£1,425,477
	Fixed Asset	Investment	Current Asset	Total		
Endowment Funds						
Church building fund	£1,425,477			£1,425,477		
Total	£1,425,477	£0	£0	£1,425,477		

The Church building fund represents the fund value of the church premises.

25. Restricted Funds

	01-Jan-23	Incoming Resources	Resources expended	Gains and loses	Transfers	31-Dec 2023
Restricted Funds						
Building Development Gifts Fund	£35,875	£897	£0	£0	£0	£36,772
Jack Ashmead Trust Fund	£1,000	£25	£25	£0	£0	£1,000
Total	£36,875	£922	£25	£0	£0	£37,772

The Jack Ashmead Trust Fund exists to provide an annual income to the Luncheon Club (Out to Lunch). The £1,000 was invested in a UK Government Bond that matured in 2013 and was then converted into a cash fund.

The Building Development Gifts Fund accounts for restricted income towards building development projects (future purchase of a manse).

	Fixed Asset	Investment	Current Asset	Total
Restricted Funds				
Building Development Gifts Fund			£36,772	£36,772
Jack Ashmead Trust Fund			£1,000	£1,000
Total	£0	£0	£37,772	£37,772

26. Designated Funds

	01-Jan-23	Incoming Resources	Resources expended	Gains and losses	Transfers	31-Dec 2023
Designated Funds						
Sabbatical reserve	£1,149					£1,149
Weekend away reserve	£600					£600
Manse rental	£15,600	£14,225	£14,225			£15,600
Additional workers fund	£53,799				-£623	£53,177
General reserve	£36,954					£36,954
Building development fund	£8,919					£8,919
Klubz	£654	£1,405	£1,339			£720
Take-a-break	£581	£2,094	£2,021		-£500	£154
Out to Lunch	£1,194	£5,210	£3,539			£2,864
Community Meals	£96	£0	£0			£96
Repair Café	£0	£2,447	£2,071			£376
Technology fund	£1,733		£960			£773
Totals	£121,280	£25,380	£24,155	£0	-£1,123	£121,382

The Church maintains Designated Reserves as follows:

The Sabbatical and Church Weekend reserves are used to spread large costs over a number of years.

The Manse rental fund ensures funds are available to cover the expected Manse rent for the following year.

The Additional Workers Fund was established to partially support the staff workers in addition to a Pastor.

The Building Development Fund contains Church money designated to building development projects. Restricted funds specifically raised for building development (future manse purchase) are shown under Building Development Gifts Fund.

The General Reserve is maintained at a level to enable the Church to meet its ministerial/staff commitments in the event of a loss of income.

Klubz are the outreach to young people, consisting of two midweek groups and Take-a-Break is the outreach to Parents with Babies and Toddlers. Some surplus Take-a-Break funds were transferred to general funds to help cover church running costs.
Out to Lunch is the outreach to older people with a monthly lunch.

Repair Café started in 2022 but was not included as a church activity in the 2022 church accounts, so income for 2023 includes the start of year balance of £487.68 from the previous years activity. A substantial proportion of expenditure in 2023 was the cost of installing a defibrillator outside the church building,

Funds were spent from the Technology fund to cover the final invoice for developing a new updated church website.

	Fixed Asset	Investment	Current Asset	Total
Designated Funds				
Sabatical reserve			£1,149	£1,149
Weekend away reserve			£600	£600
Manse rental			£15,600	£15,600
Additional workers fund			£53,177	£53,177
General reserve			£36,954	£36,954
Building development fund			£8,919	£8,919
Klubz			£720	£720
Take-a-break			£154	£154
Out to Lunch			£2,864	£2,864
Community Meals			£96	£96
Repair Café			£376	£376
Technology fund			£773	£773
Totals	£0	£0	£121,382	£121,382

27. Analysis of net assets

	Fixed Asset	Investment	Current Asset	Total
Analysis of net assets				
Endowment Funds per note 24	£1,425,477			£1,425,477
Restricted Funds per note 25			£37,772	£37,772
Designated Funds per note 26			£121,382	£121,382
Unrestricted Funds			£6,093	£6,093
Totals	£1,425,477	£0	£165,247	£1,590,724

28. Pensions

The Church is a participating employer 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.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a 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.

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 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. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.]

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

The Minister and some members of the church staff are eligible to join the Scheme.

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows

Type of assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment above CPI	0.50
Minimum Pensional Income increases (CPI plus 0.5%)	3.20
Assumed investment returns	
Pre-retirement (Gilt yield plus 1.75% pa)	2.95
Post retirement (including benefits matched by the insurance policy) (Gilt yield plus 0.5% pa)	1.70
Deferred pension increases (based on RPI)	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
Based on CPI with an annual floor of 0% and and cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. 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 was due to take place not later than as at 31 December 2022. However, the DB Plan is to be wound up, and the process to wind it up was started with effect from 31 March 2024 and therefore no formal valuation is due to take place.

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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet.

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 table below.

	2023 £	2022 £
Computed liability at year start	£0	£17,100
Minus deficiency contributions paid	£0	-£2,192
Interest cost (recognised in SoFA)	£0	£320
Remaining change to balance sheet liability* (recognised in SoFA)	£0	-£15,228
Computed liability at year end	£0	£0

[This table can be populated using the FRS102 calculator spreadsheet available at www.baptist.org.uk/resources/FRS102]

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	31-Dec-23	31-Dec-22	31-Dec-21
Discount rate	N/A	5.7%	2.0%
Future increases to Minimum Pensionable Income	N/A	0.0%	4.1%

Cessation Event

Consequent upon the departure of the previous Minister from the Church in 2015, the Church had a cessation event under Section 75 of the Pensions Act 1995. However this was avoided by applying for a period of grace until a new staff member was appointed and joined the scheme. A cessation event would have made the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. At present the Church is paying the ongoing deficiency contributions outlined above, and the balance sheet liability is based on those deficiency contributions. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time.

29. Reconciliation of net cash provided by operating activities

	2023	2022
Net income (expenditure)		
Adjustments for:	NA	NA
- Depreciation	NA	NA
- Dividends and interest from investments	NA	NA
- Net gains on sale of fixed assets	NA	NA
- Decrease in stocks	NA	NA
- Increase in debtors	NA	NA
- Increase in creditors	NA	NA
Net cash provided by operating activities	NA	NA

30. Related Charities

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635, and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain, and the West of England Baptist Association. The church made a donation to the Baptist Union Home Mission Scheme as set out in note 11.



Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name
Kendal Road Baptist Church

On accounts for the year
ended

31 December 2023

Charity no
(if any)

1132818

Set out on pages

(remember to include the page numbers of additional sheets)

Responsibilities and
basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2023.

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

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

Independent
examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 accounts to be reached.

* Please delete the words in the brackets if they do not apply.

Signed:

TR Payne

Date:

28/10/2024

Name:

Thomas Payne

Relevant professional
qualification(s) or body
(if any):

FCCA

Address:

49 Brionne Way

Longlevens

Gloucester, GL2 0TW

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.