

HAZEL GROVE BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31st AUGUST 2021

Hazel Grove Baptist Church Year Ended 31st August 2021

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Hazel Grove Baptist Church Year Ended 31st August 2021

Elders and Deacons Report i.e. the Trustees

The Deacons present their report for the year ended 31st August 2021

Elders and Deacons i.e. the Trustees

The table below shows the Elders and Deacons i.e. the Trustees who have served during the year, their responsibilities within the church, the dates of their appointment, re-appointment, or resignation.

ELDERS	RESPONSIBILITY	(RE-) APPOINTED	RENEWAL DATE
Rev. Montgomery	Minister	Employee	
Mark Paddon	Assistant Minister	Employee	
John Bulman	Elder	12 June 2018	12 June 2021
Nigel Tedford	Elder/Evangelism	12 June 2018	12 June 2021

DEACONS	RESPONSIBILITY	(RE-) APPOINTED	RENEWAL DATE
David Beck	Administration	08 November 2016	Cont'd COVID 19
Jean Baker	Community	16 October 2018	16 October 2021
Denise Edge	Finance	08 November 2016	Cont'd COVID 19
Geoff Howard	Children	04 July 2017	Cont'd COVID 19
Cathy Mackay	Personnel	16 October 2018	16 October 2021
Brian Needham	Personnel	08 March 2016	Cont'd COVID 19
Amanda Lamb	Children Youth and family Leader	Employee	

Principal Address

Hazel Grove Baptist Church
Station Street, Hazel Grove, Stockport, Cheshire, SK7 4EX

Principal Bankers

The Royal Bank of Scotland,
Drummond House, 1 Redheughs Avenue, Edinburgh. EH12 9JN

Reporting Accountants

Castletons, Chartered Certified Accountants
The Old Workshop, 12b Kennerleys Lane, Wilmslow, Cheshire, SK9 5EQ

Trustees

North Western Baptist Association
Resource Centre, Fleet Street, Pemberton, Wigan, WN5 0DS

Charity number 1133951

Hazel Grove Baptist Church Year Ended 31st August 2021

Status

HGBC is a Member of the Baptist Union of Great Britain. The Trustees of HGBC are the North Western Baptist Association who were appointed in accordance with the Fairbairn Trusts, agreed at a Church Meeting dated 28th October 1993. The present Constitution of HGBC was adopted at a Special Church Meeting on Tuesday, 20 October 2009.

Aims and Objectives

The aim of the church shall be to serve as the body of Christ in order to extend the Kingdom of God and glorify His Name in the areas of Hazel Grove, Stockport and beyond.

In pursuing this aim, the main objectives shall be those in the church's vision, and captured in the church's mission of:

'Turning ordinary people into extraordinary disciples of Jesus'.

To enable ordinary people to become extraordinary disciples of Jesus, the church engages in:

1. Worship and Prayer
2. Bible Teaching and Fellowship
3. Missionary Evangelism at home and abroad
4. Nurturing Christian believers
5. Encouraging and equipping the congregation
6. Children and Young People's work
7. Pastoral Care
8. Supporting Social Care
9. Meeting certain needs of the Community.
10. Relating to Baptists and other Christians generally, as beneficially as possible.

The Church's aims and objectives are worked out on a daily basis in accordance with the vision God has given to the Church, and as the Holy Spirit directs through the Church Meeting from time to time.

Hazel Grove Baptist Church Year Ended 31st August 2021

Financial Review

The HGBC Leadership are extremely grateful for the continued, outstanding, financial support of its members and church attendees, during the second year of the COVID 19 epidemic which has adversely affected many churches and charities.

The church has been able to support many other Mission works as hoped and planned, both in the UK and abroad, by donating £22,637 to these causes. It has also helped its own members in financial need with Pastoral donations totalling £6,728 along with food parcels where needed.

Income

Total income for this year of £245,907 compared to £253,773 in the previous year.

Expenditure

Total expenditure for this year was £231,579 (including depreciation of £29,985) compared to £266,421 (including depreciation of £30,502) in the previous year.

Reserves Policy

The Trustees have examined the need for free reserves and they consider, that given the nature of the charity's work and its commitments, the level of the free reserves should be approximately 3 month's salary costs as a general rule, whilst acknowledging the leading of the Holy Spirit which would allow reserves to fall below this level.

Reporting Accountant

In preparing this report and these accounts we are grateful to our accountant, Castletons Accountants. The accounts have been prepared in accordance with the Charity Commissioners guidelines for an Independent Examination, and are presented for your approval.

The attached accounts and statements of assets and liabilities relating to year ending 31st August 2021, are as approved by the deacons.

Approved by the Diaconate and signed on its behalf by:

Denise Edge

Deacon Denise Edge Date 06.12.21

Hazel Grove Baptist Church Year Ended 31st August 2021

INDEPENDENT EXAMINERS REPORT TO THE DEACONS AND MEMBERS OF HAZEL GROVE BAPTIST CHURCH

I report on the accounts of the Trust for the year ended 31st August 2021, which are set out on pages 8 – 15.

Respective responsibilities of Deacons and examiner

As the charity's Deacons you are responsible for the presentation of the accounts; you consider that the audit requirement of section 144 (2) of the Charities Act 2011 (the 2011 Act) does not apply and an independent examination is needed.

It is my responsibility to examine the accounts under Section 145 of the 2011 Act, state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 145(5) (b) of the 2011 Act, whether particular matters have come to my attention.

Basis of Independent Examiners Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of the unusual items or disclosures in the accounts, and seeking explanations from you as Deacons concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an opinion on whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below

Independent Examiners Statement

In connection with my examination, no matter has come to my attention:

which gives me reasonable cause to believe that in any material aspect the requirements

- The accounting records were not kept in accordance with section 130 of the 2011 Act; and
- The accounts did not accord with the accounting records or
- The accounts did not comply with the accounting requirements of 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 understanding should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Castletons
JACQUELINE FORD
CASTLETONS
CHARTERED CERTIFIED ACCOUNTANTS
THE OLD WORKSHOP
12B KENNERLEYS LANE
WILMSLOW
CHESHIRE SK9 5EQ

Hazel Grove Baptist Church Year Ended 31st August 2021

Statement of Financial Activities For The Year Ended 31st August 2021

Income & Expenditure Account	NO	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
No. = Note number to accounts							
Incoming Resources		£	£	£	£	£	£
Covenanted Giving		152,069	141,143	0	0	152,069	141,143
General Offerings		28,125	34,277	0	0	28,125	34,277
Donations.		11,330	5,455	0	0	11,330	5,455
Tax refunds		33,271	35,314	0	0	33,271	35,314
Bank Interest Received		13	150	0	0	13	150
Gifts for Specific Needs		0	0	7,975	8,203	7,975	8,203
Miscellaneous Income	3	3,124	14,231	0	0	3,124	14,231
Deaconfield Limited		10,000	15,000	0	0	10,000	15,000
Total Income for Year		237,932	245,570	7,975	8,203	245,907	253,773

Hazel Grove Baptist Church Year Ended 31st August 2021

Statement of Financial Activities For The Year Ended 31st August 2021

Income & Expenditure Account		UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
No. = Note number to accounts	NO	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Total Income for the Year		237,932	245,570	7,975	8,203	245,907	253,773
Resources Expended							
Direct Charitable Expenditure							
Ministerial Salaries & Expenses	4	126,179	142,408	0	0	126,179	142,408
Mission, Donations & Training	5	22,637	22,514	0	0	22,637	22,514
Pastoral Gifts for Specific Needs		0	0	6,728	8,573	6,728	8,573
Miscellaneous Expenses	6	23,871	24,454	0	0	23,871	24,454
Youth, Stationery & Outreach	7	9,635	20,664	0	0	9,635	20,664
Depreciation	8	29,985	30,502	0	0	29,985	30,502
Direct Charitable Expenditure		212,307	240,542	6,728	8,573	219,035	249,115
Other Expenditure							
Building Maintenance Costs	9	10,996	15,770	0	0	10,996	15,770
Accountancy		1,548	1,536	0	0	1,548	1,536
Valuation fee		0	0	0	0	0	0
Non-Charitable Expenditure		12,544	17,306	0	0	12,544	17,306
Total Expenses for the Year		224,851	257,848	6,728	8,573	231,579	266,421
Net Incoming Resources		13,081	-12,278	1,247	-370	14,328	-12,648
Fund Balances at 1.9.2020		951,494	964,142	0	0	951,494	964,142
Transfers		1,247	-370	-1247	370		
Fund Balances at 31.8.2021		965,822	951,494	0	0	965,822	951,494

Hazel Grove Baptist Church Year Ended 31st August 2021

BALANCE SHEET

As At 31st August 2021

BALANCE SHEET : ASSETS		UNRESTRICTED		RESTRICTED		TOTAL FUNDS	
NO. = Note to Balance Sheet	NO	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Fixed Assets: Tangible	2	£	£	£	£	£	£
Freehold on Station St.		660,812	681,188	0	0	660,812	681,188
Fixtures & Equipment		9,951	16,300	0	0	9,951	16,300
Motor Vehicle		0	2,520	0	0	0	2,520
Share of Manse		21,460	22,200	0	0	21,460	22,220
Total Fixed Assets		692,223	722,208	0	0	692,223	722,208
Intangible Fixed Asset	2a	122,000	122,000	0	0	122,000	122,000
Current Assets							
Stock of Stationery		50	50	0	0	50	50
Bank Balances	10	164,297	115,714	0	0	164,297	115,714
Total Current Assets		164,347	115,764	0	0	164,347	115,764
Creditors: ≤ 1 Year	11	12,748	8,478	0	0	12,748	8,478
Net Current Assets		151,599	107,286	0	0	151,599	107,286
Net Assets Before Creditors ≤ 1 Year		965,822	951,494	0	0	965,822	951,494
REPRESENTED BY							
Accumulated Fund							
Balance b/forward		951,494	964,142	0	0	951,494	964,142
Surplus for the year		13,081	-12,278	1,247	-370	14,328	-12,648
Transfer to/from restricted funds		1,247	-370	-1,247	370		
Balances @ Year End		965,822	951,494	0	0	965,822	951,494

Approved by the Deacons on

DENISE EDGE - Treasurer

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

1. ACCOUNTING POLICIES

The financial statements, incorporating a Statement of Financial Activities, have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 together with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.
The particular accounting policies adopted by the Deacons are described below:

i) ACCOUNTING CONVENTION

These financial statements have been prepared under historic cost convention as modified by the revaluation of Fixed Assets.

ii) INCOMING RESOURCES

Gifts received are accounted for as soon as it is prudent and practicable to do so, generally the earlier of the date of notification and receipt.

Covenant giving and general offerings are accounted for on receipt of the funds. Tax rebates are accounted for on receipt.

Gift aid receipt from Deaconfield Limited are accounted for when received.

iii) RESOURCES EXPENDED

Direct Charitable Expenditure, Includes all expenditure directly related to the objects of the church (in accordance with SORP)

iv) PENSION COSTS

The pension costs charged in the financial statements represent the contributions payable by the church during the year. The church makes contributions to the minister's and assistant minister's personal pension plan. The assets of the schemes are held separately from those of the church in independently administered funds.

The pension costs charge represents contributions payable by the church to the funds and amounted to £9,298(2020: £9,252)

v) DEACONS

Deacons are not reimbursed expenses for the work carried out as Deacons.

vi) DEPRECIATION

Tangible fixed assets are capitalised if they cost £1,000 or more. They are stated at cost less their estimated residual value, and are written off over the assets expected useful life, as follows:

Audio Visual Equipment	Useful Life: 5 years
Computer Hardware & Software	Useful Life: 3 years
Motor Vehicles	Useful Life: 5 years
Land & Buildings & Manse	Useful Life: 50 years

vii) CHANGES TO ACCOUNTING ESTIMATES

No changes to accounting estimates have occurred in the reporting period.

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

viii) INTANGIBLE ASSETS

Intangible assets are held that do not have a physical substance but are identifiable and are controlled through custody or legal rights.

No amortisation is charged as it is considered the value of the assets are in excess of the cost.

Intangible assets are included at historical cost.

2. FIXED ASSETS	Church Building	Share of 31 Cheviot Road	Fixture & Equipment	Motor Vehicle	Total Fixed Assets
Cost or Valuation	£	£	£	£	£
Balance @ 1 st September 2020	1,018,809	37,000	191,360	12,600	1,259,769
Additions					
Disposals					
Balance @ 31st August 2021	1,018,809	37,000	191,360	12,600	1,259,769
Depreciation					
Balance @ 1 st September 2020	337,621	14,800	175,060	10,080	537,561
Charge for Year	20,376	740	6,349	2,520	29,985
Eliminated on Disposals					
Balance @ 31st August 2021	357,997	15,540	181,409	12,600	567,546
Net Book Values					
31st August 2021	660,812	21,460	9,951	0	692,223
31st August 2020	681,188	22,200	16,300	2,520	722,208

The Trust deeds to the church building have been deposited with the Baptist Union for safe keeping. The Church owns 29.4% of the Manse. On current Market Value, their share would be worth approximately £147,000.

A valuation was prepared by Trafford Surveyors Limited on 09 October 2018 on the Church Building, the market value of the property was valued at £590,000.

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

2.a. INTANGIBLE FIXED ASSET	INVESTMENT	2021	2020
	100 Ordinary £1 Shares in Deaconfield Limited (100% Holding)	122,000	122,000
31 st August 2021	Cost of Investment at year end	122,000	122,000

The shares in Deaconfield Limited are registered in the name of the church's trustees, North Western Baptist Association, Resource Centre, Fleet Street, Pemberton, Wigan, WN5 0DS.

The acquisition of the 80 £1 ordinary shares in Deaconfield Ltd in 2004 gives the church ownership of the company which owns the land directly behind the Station Street property.

Note 3:	No	UNRESTRICTED		RESTRICTED		TOTAL FUNDS	
Miscellaneous Income		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
		£	£	£	£	£	£
Youth Receipts		0	1,990	0	0	0	1,990
Seedlings		0	1,059	0	0	0	1,059
Theology training		1,000	0	0	0	1,000	0
Mission		840	1,066	0	0	840	1,066
Sundry Income		1,084	3,372	0	0	1,084	3,372
Community		200	1,379	0	0	200	1,379
Church Weekend		0	2,325	0	0	0	2,325
Insurance refund re flood		0	3,040	0	0	0	3,040
	3	3,124	14,231	0	0	3,124	14,231

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

Note 4:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Salaries		£	£	£	£	£	£
Salaries		107,021	121,443	0	0	107,021	121,443
Employers National Insurance		6,347	7,489	0	0	6,347	7,489
Pension Costs		9,298	9,252	0	0	9,298	9,252
Expenses		3,081	2,845	0	0	3,081	2,845
Pension fees		0	72	0	0	0	72
Payroll costs		432	432	0	0	432	432
Recruitment costs		0	875	0	0	0	875
Total for year	4	126,179	142,408	0	0	126,179	142,408

Total average number of employees during the year was 7 (average 2020- 7).

Note 5:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Mission, Donations and Training		£	£	£	£	£	£
Home Missions		11,930	11,855	0	0	11,930	11,855
Overseas Missions		10,707	10,659	0	0	10,707	10,659
Total	5	22,637	22,514	0	0	22,637	22,514

Note 6:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Miscellaneous Expenses		£	£	£	£	£	£
Rent, Licences & Insurance's		6,140	5,051	0	0	6,140	5,051
Gas, Electric and Water		12,890	14,316	0	0	12,890	14,316
Telephone		4,841	5,052	0	0	4,841	5,052
Flowers		0	35	0	0	0	35
Total	6	23,871	24,454	0	0	23,871	24,454

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

Note 7:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Youth, Stationery And Outreach		£	£	£	£	£	£
Signing		0	145	0	0	0	145
Evangelism		975	2,658	0	0	975	2,658
Catering and cleaning		2,894	4,632	0	0	2,894	4,632
Outreach		732	1,881	0	0	732	1,881
Training		0	450	0	0	0	450
Stationery & Comp. Consumables		2,228	2,411	0	0	2,228	2,411
Pulpit Supply		0	150	0	0	0	150
Youth		141	3,151	0	0	141	3,151
Community		1,320	1,920	0	0	1,320	1,920
Church Weekend		0	2,516	0	0	0	2,516
Resources		1,105	650	0	0	1,105	650
Misc		240	100	0	0	240	100
Total	7	9,635	20,664	0	0	9,635	20,664

Note 8:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Depreciation to Fixed Assets (Period to write off)		£	£	£	£	£	£
Ministers Car: (5 years)	2	2,520	2,520	0	0	2,520	2,520
Valuation of Manse: (50 years)	2	740	740	0	0	740	740
Church Freehold: (50 years)	2	20,376	20,376	0	0	20,376	20,376
Computers & Equipment: (3/5 years)	2	6,349	6,866	0	0	6,349	6,866
Total Depreciation for Year	8	29,985	30,502	0	0	29,985	30,502

Note 9:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Repairs to Premises and Building Improvements		£	£	£	£	£	£
General Repairs & Maintenance		10,285	14,358	0	0	10,285	14,358
Equipment repairs		395	1,174	0	0	395	1,174
Assets under £1,000 w/off		316	238	0	0	316	238
Total Improvements for Year	9	10,996	15,770	0	0	10,996	15,770

Hazel Grove Baptist Church Year Ended 31st August 2021

Notes to the Accounts

Note 10:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Bank Balances		£	£	£	£	£	£
Current Account		1,140	865	0	0	1,140	865
Deposit Account		138,814	94,704	0	0	138,814	94,704
Car Replacement Reserve		24,343	20,145	0	0	24,343	20,145
Total Bank and Cash Balances	10	164,297	115,714	0	0	164,297	115,714

Note 11:	No	UNRESTRICTED FUNDS		RESTRICTED FUNDS		TOTAL FUNDS	
Creditors:		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Due in less than one year			£	£	£	£	£
Expense Creditors		0	0	0	0	0	0
Accrual		12,748	8,478	0	0	12,748	8,478
Total Creditors ≤ 1 Year	11	12,748	8,478	0	0	12,748	8,478

Note 12:

Independent Examination

The amount payable to the independent examiner was as follows:

	2021	2020
	£	£
Independent examination	1,548	1,536
Other assurance services	Nil	Nil
Tax advisory services	Nil	Nil
Other financial services	Nil	Nil
	<u>1,548</u>	<u>1,536</u>

Note 13:

Related Party Disclosure

There are no related party transactions in the reporting period which require disclosure.