

Charity registration number 1134216

**GUNNERSBURY BAPTIST CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# GUNNERSBURY BAPTIST CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Rob Wilkinson (Elder and Chair)  
James Davey (Deacon)  
Bruce Duguid (Deacon and  
Secretary)  
Barry McGovern (Deacon)  
Tim Manson (Elder)  
Paul Vogt (Elder)  
Michael Williams (Elder)  
Philip Bubb (Deacon and Treasurer)

### Charity number

1134216

### Principal address

34 Burlington Road  
Chiswick  
London  
W4 4BE

### Auditor

Warner Wilde Limited  
4 Marigold Drive  
Bisley  
Surrey  
United Kingdom  
GU24 9SF

### Bankers

The Co-operative Bank  
P.O. Box 250  
Dell House  
Southway  
Skelmersdale  
WN8 6WT

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# GUNNERSBURY BAPTIST CHURCH

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# **GUNNERSBURY BAPTIST CHURCH**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The Trustees present their annual report and financial statements for the year ended 31 December 2021.

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 Church'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)".

#### **Objectives and activities**

The principal purpose of the Church is the advancement of the Christian faith according to the principles of its doctrinal basis. The Church may also advance education and carry out other charitable purposes in the United Kingdom and other parts of the world.

We meet these objectives by:

- Offering public services of worship to the local community
- Enabling an understanding of the Bible through regular teaching, sermons and Bible studies.
- Making Christianity clear for those who are investigating questions of faith.
- Supporting individuals, other Christian groups and Churches with the same aims to our own.

We provide regular opportunities for worship, together with a youth group and Sunday school. We support our mission partners in the UK and overseas and other initiatives in accordance with our aims. We undertake a number of outreach activities including English language conversation classes and 'Friday Friends' for pre-school children and parents, both of which provide an opportunity to bring the word of God to the wider community. All our activities resumed during 2021 as COVID-19 restrictions were eased.

The Trustees have paid due regard to the guidance on public benefit issued by the Charity Commission.

#### **Offering public service of worship**

As the COVID-19 restrictions eased throughout the year, we continued to offer two services on a Sunday in person, as Government guidance allowed, with most of the services also being offered on-line via Facebook and YouTube for those who were still feeling vulnerable to meet in person. We strictly adhered to the Government guidelines when meeting in person, using the 'GOV.UK COVID-19 – Places of Worship' guidelines until they were dissolved later in the year. During this time, we welcomed several new visitors, many of whom now regularly attend our services. We continued to offer a Sunday school, open to all children in school years 1 to 6. For all levels of school-age children we have regular groups which meet at different times during the week.

#### **Enabling an understanding of the Bible**

In addition to the regular Bible teaching during our Sunday services, which we make available on the Church website, six discipleship groups met regularly for Bible study and fellowship. We also offered a hybrid 'in-person/on Zoom' group for those who were still feeling vulnerable to meet in person.

#### **Making Christianity clear for those who are investigating questions of faith**

We also hold 'Christianity Explored' courses for those wishing to learn about Christianity, and 'Christianity Explained' courses for those who have recently come to faith. We encourage newcomers to talk to the elders and the pastorate.

#### **Supporting individuals, other Christian groups and Churches with the same aims as our own**

We continue to support our elderly and vulnerable members, for example: making regular phone calls; organizing their shopping; organizing a Christmas hamper etc.

We continued our support for each of our mission partners. We also had one Special collection at Christmas to support London City Mission and Operation Mobilisation (£7,635 in total including tax). In addition to our mission partners, we made small donations which are detailed in the accounts.

# **GUNNERSBURY BAPTIST CHURCH**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **Financial review**

Unrestricted income (General Fund) via donations of £140k was £5k lower than 2020, primarily as a result of the coronavirus pandemic either with members' income being reduced or due to not meeting as a church for most of the year. In addition to the regular giving, we saw £130k Restricted donations towards our imminent building project and £8k in Special restricted collections for London City Mission and Operation Mobilisation; and £10.5k for a Restricted fund devoted to our new Intern program.

Investment income of £31k was £1k lower than last year, essentially due to a reduction in interest rates.

Total Charitable activities costs were higher than 2020 due to the recruitment of a Ministry Support staff member (from 1st July), building project costs and youth events, the latter being largely financed by event income.

Total Raising funds costs of 8k were up by £4k compared to last year, essentially due to investment property maintenance costs.

Overall, the church has a healthy long-term financial position, with total net assets of £4.8m. A significant proportion of these assets is represented by properties. This enables the church to move forward with confidence from a financial perspective and use these resources to support our objectives.

From January 2022 and for most of 2022, we are proceeding with a significant building redevelopment project, which has required the sale of one property in 2020, financial donations, the use of legacy funds and utilising excess surplus General Funds.

The Constitution provides that the trustees should hold reserves against future expenditure. The trustees consider the level of unrestricted reserves excluding property and specific designated funds set aside for the short term. The trustees aim to set aside the higher of £85K and one half of one year's church running expenditure. This reserves calculation was revised during the year.

The Trustees have established systems and procedures to mitigate the risks to which the Church is exposed, in particular, but not exclusive to, child protection, holding of appropriate insurance, health and safety and financial risk. From a financial control perspective, a monthly financial report is submitted to the Trustees and a Trustee other than the Treasurer reviews and signs a sheet which reconciles all bank balances with Xero.

The Constitution provides that the trustees should hold reserves against future expenditure. The trustees consider the level of unrestricted reserves excluding property and specific designated funds set aside for the short term. The trustees aim to set aside one half of one year's church running expenditure plus an allowance for major repairs.

The Trustees have established systems and procedures to mitigate the risks to which the Church is exposed, in particular, but not exclusive to, child protection, holding of appropriate insurance, health and safety and financial risk.

The Church plans to continue its present activities.

### **Structure, governance and management**

Gunnersbury Baptist Church is a registered charity, number 1134216 and is constituted under a trust deed dated 17 May 1887 under which the London Baptist Property Board is the Holding Trustee ("trustee in perpetuity") in respect of the GBC Trust. It also holds a number of properties on behalf of the church under two manse trusts.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Rob Wilkinson (Elder and Chair)

James Davey (Deacon)

# GUNNERSBURY BAPTIST CHURCH

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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Bruce Duguid (Deacon and Secretary)

Barry McGovern (Deacon)

Tim Manson (Elder)

Paul Vogt (Elder)

Michael Williams (Elder)

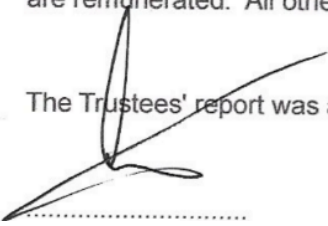
Philip Bubb (Deacon and Treasurer)

New Trustees are appointed by a vote of the members for a term of three years. The Constitution provides for a minimum of six trustees.

The Trustees meet quarterly to discuss pastoral and administrative issues, such as finance, risk management and property management. There are a number of sub-committees that advise the Trustees but have no executive authority.

### **Key Personnel**

The Trustees consider the Pastor and Assistant Pastor as the key management personnel. These positions are remunerated. All other trustees provide their services free of charge.

The Trustees' report was approved by the Board of Trustees.

**Rob Wilkinson (Elder and Chair)**

Trustee

Dated: 16<sup>th</sup> June 2022

# **GUNNERSBURY BAPTIST CHURCH**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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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 Church and of the incoming resources and application of resources of the Church 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 Church 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 Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# GUNNERSBURY BAPTIST CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF GUNNERSBURY BAPTIST CHURCH

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#### Opinion

We have audited the financial statements of Gunnersbury Baptist Church (the 'Church') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Church's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# **GUNNERSBURY BAPTIST CHURCH**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF GUNNERSBURY BAPTIST CHURCH**

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#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Church's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **GUNNERSBURY BAPTIST CHURCH**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF GUNNERSBURY BAPTIST CHURCH**

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As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

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

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

# GUNNERSBURY BAPTIST CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF GUNNERSBURY BAPTIST CHURCH

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This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**FJ Wilde (Senior Statutory Auditor)**  
**for and on behalf of Warner Wilde Limited**

20 June 2022  
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**Chartered Certified Accountants**  
**Statutory Auditor**

4 Marigold Drive  
Bisley  
Surrey  
United Kingdom  
GU24 9SF

Warner Wilde Limited is eligible for appointment as auditor of the Church by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# GUNNERSBURY BAPTIST CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

### Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	139,772	-	147,735	287,507	270,134
Charitable activities	4	17,840	-	-	17,840	1,077
Investments	5	30,999	-	-	30,999	32,185
Other income	6	-	-	-	-	250
<b>Total income</b>		<b>188,611</b>	<b>-</b>	<b>147,735</b>	<b>336,346</b>	<b>303,646</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	8,761	-	-	8,761	4,323
Charitable activities	8	159,650	3,157	28,797	191,604	146,048
<b>Total expenditure</b>		<b>168,411</b>	<b>3,157</b>	<b>28,797</b>	<b>200,365</b>	<b>150,371</b>
Net gains/(losses) on investments	13	-	300,000	-	300,000	82,278
<b>Net incoming resources before transfers</b>		<b>20,200</b>	<b>296,843</b>	<b>118,938</b>	<b>435,981</b>	<b>235,553</b>
<b>Net incoming resources before transfers</b>		<b>20,200</b>	<b>296,843</b>	<b>118,938</b>	<b>435,981</b>	<b>235,553</b>
Gross transfers between funds		(207,423)	207,423	-	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(187,223)</b>	<b>504,266</b>	<b>118,938</b>	<b>435,981</b>	<b>235,553</b>
Fund balances at 1 January 2021		272,223	3,727,647	404,399	4,404,269	4,168,716
<b>Fund balances at 31 December 2021</b>		<b>85,000</b>	<b>4,231,913</b>	<b>523,337</b>	<b>4,840,250</b>	<b>4,404,269</b>

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

All income and expenditure derive from continuing activities.

# GUNNERSBURY BAPTIST CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	145,429	-	124,705	270,134
Charitable activities	4	1,077	-	-	1,077
Investments	5	32,185	-	-	32,185
Other income	6	250	-	-	250
<b>Total income</b>		178,941	-	124,705	303,646
<b><u>Expenditure on:</u></b>					
Raising funds	7	4,323	-	-	4,323
Charitable activities	8	136,122	3,650	6,276	146,048
<b>Total expenditure</b>		140,445	3,650	6,276	150,371
Net gains/(losses) on investments	13	-	82,278	-	82,278
<b>Net incoming resources before transfers</b>		38,496	78,628	118,429	235,553
Gross transfers between funds		(2,374)	2,374	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		36,122	81,002	118,429	235,553
Fund balances at 1 January 2020		236,101	3,646,645	285,970	4,168,716
<b>Fund balances at 31 December 2020</b>		272,223	3,727,647	404,399	4,404,269

# GUNNERSBURY BAPTIST CHURCH

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	14	1,989,859		1,939,000	
Investment properties	15	1,300,000		1,000,000	
		<u>3,289,859</u>		<u>2,939,000</u>	
<b>Current assets</b>					
Debtors	16	31,007		20,275	
Cash at bank and in hand		1,538,499		1,455,150	
		<u>1,569,506</u>		<u>1,475,425</u>	
<b>Creditors: amounts falling due within one year</b>	17	(19,115)		(10,156)	
Net current assets		<u>1,550,391</u>		<u>1,465,269</u>	
<b>Total assets less current liabilities</b>		<u>4,840,250</u>		<u>4,404,269</u>	
<b>Income funds</b>					
Restricted funds	19	523,337		404,399	
<u>Unrestricted funds</u>					
Designated funds	20	4,231,923		3,727,647	
General unrestricted funds		85,000		272,223	
		<u>4,316,913</u>		<u>3,999,870</u>	
		<u>4,840,250</u>		<u>4,404,269</u>	

The financial statements were approved by the Trustees on 16 Jan 22

Philip Bubb (Deacon and Treasurer)  
Trustee

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Charity information

Gunnersbury Baptist Church is a charity governed by a constitution adopted 24 June 2009 as amended from time to time.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Church's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Church. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Church has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds represent income received with no specific instructions from the donor for its use. Such income is applied in accordance with the objects of the GBC Trust and constitution.

Designated funds are those which the Trustees have allocated for a specific purpose. This designation can be reversed by the Trustees at any time and some or all of the balances returned to the unrestricted fund.

Restricted funds are those received where the donor makes a direction as to the use of the funds. The wishes of the donor must be observed and the Trustees cannot apply these funds to any other purpose without the permission of the donor. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Church.

#### 1.4 Income

All income, with the exception of tax recoverable on voluntary giving, is accounted for when received unless an obligation has been created. Tax recoverable on voluntary giving is accrued.

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### Donated services and facilities

Donated goods and services are recognised when receipt of the goods or services is probable and the benefit can be measured reliably. The basis of the value of the gift to the charity is the amount the church would have been willing to pay to obtain those services or facilities on the open market. A corresponding amount is then recognised as expenditure in the period of receipt.

Only time that is not classified as general volunteer time is valued, and included to the extent that the service would otherwise have had to be paid for.

#### Investment income

Investment income is recognised when the amount is measurable, it is probable it will be received and the church is entitled to it.

#### 1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Church and it is probable that settlement will be required and the obligation can be reasonably estimated.

#### Grants payable

From time to time the Church makes grants to other organisations whose charitable objects complement its work. They are accounted for in the year in which they are paid unless an irrevocable obligation to future payment is created.

Irrecoverable VAT is charged against the expense against which it was applied.

#### 1.6 Tangible fixed assets

Fixed assets with an acquisition cost in excess of £1,000 are capitalised at historic cost. Non-investment properties are not depreciated but an impairment evaluation is made each year. Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment losses.

The Church premises and 34 Burlington Road are included in the Balance Sheet at a valuation figure taken in 1994. Under the terms of the Charities Act this property is identified as an inalienable asset and as such it is not subject to revaluation. All improvements to these properties are written off as incurred.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Impairment review
Fixtures and fittings	10 - 15 years
Computers	5 - 10 years



# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Debtors are subsequently carried at their recoverable amounts.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Pension contributions paid in respect of defined contribution schemes are charges to the Statement of Financial Activities as they fall due. The Church does not operate any defined benefit schemes.

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Critical accounting estimates and judgements

In the application of the Church's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	139,772	147,735	287,507	145,429	124,705	270,134
<b>Donations and gifts</b>						
Individual giving	116,550	133,276	249,826	120,569	105,561	226,130
Tax recovered	23,222	14,459	37,681	24,860	19,144	44,004
	139,772	147,735	287,507	145,429	124,705	270,134

### 4 Charitable activities

	Sundry charitable income 2021 £	Sundry charitable income 2020 £
Sales within charitable activities	17,840	1,077

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	30,116	29,346
Interest receivable	883	2,839
	<u>30,999</u>	<u>32,185</u>

### 6 Other income

	Total 2021 £	Unrestricted funds general 2020 £
Other income	-	250
	<u>-</u>	<u>250</u>

### 7 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Trading costs</u>		
Other trading activities	9	25
	<u>9</u>	<u>25</u>
<u>Investment management</u>	8,752	4,298
	<u>8,761</u>	<u>4,323</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Charitable activities

	Charitable activities 2021 £	Building Project 2021 £	Total 2021 £	Charitable activities 2020 £
Staff costs	78,513	14,820	93,333	71,685
Depreciation and impairment	3,157	-	3,157	3,650
Accommodation expenses	9,663	-	9,663	14,555
Book and phone allowances	1,316	-	1,316	1,000
Conference expenses and subscriptions	255	-	255	2,682
Guest speakers	738	-	738	545
Other ministry expenses	591	-	591	1,453
Other costs associated with church activities	23,967	-	23,967	2,916
Building costs - disruption	-	1,735	1,735	-
	<u>118,200</u>	<u>16,555</u>	<u>134,755</u>	<u>98,486</u>
Grant funding of activities (see note 9)	18,585	-	18,585	9,634
Share of support costs (see note 10)	33,716	-	33,716	32,420
Share of governance costs (see note 10)	4,548	-	4,548	5,508
	<u>175,049</u>	<u>16,555</u>	<u>191,604</u>	<u>146,048</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	159,650	-	159,650	136,122
Unrestricted funds - designated	3,157	-	3,157	3,650
Restricted funds	12,242	16,555	28,797	6,276
	<u>175,049</u>	<u>16,555</u>	<u>191,604</u>	<u>146,048</u>

### 9 Grants payable

	2021 £	2020 £
Grants to institutions:		
UFM Worldwide: Newhams	2,700	2,700
JCL: T & A Williams	1,800	-
UFM Worldwide: McMasters	1,800	1,800
Special Collections - LCM	3,843	-
Special Collections - OM	3,793	-
Chichiwasha	-	1,867
	<u>13,936</u>	<u>6,367</u>
Grants to individuals	4,649	3,267
	<u>18,585</u>	<u>9,634</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Grants payable

(Continued)

### 10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	9,999	-	9,999	4,412	-	4,412
Ministry support	2,794	-	2,794	3,053	-	3,053
Equipment	1,260	-	1,260	1,698	-	1,698
Church and hall overhead and maintenance	15,629	-	15,629	18,558	-	18,558
Office administration	4,034	-	4,034	4,699	-	4,699
Audit fees	-	4,548	4,548	-	5,508	5,508
	<u>33,716</u>	<u>4,548</u>	<u>38,264</u>	<u>32,420</u>	<u>5,508</u>	<u>37,928</u>
Analysed between Charitable activities	<u>33,716</u>	<u>4,548</u>	<u>38,264</u>	<u>32,420</u>	<u>5,508</u>	<u>37,928</u>

Governance costs includes the audit accrual of £4,680 plus VAT (2020: £4,880 plus VAT) .

### 11 Trustees

The following trustees received remuneration and expenses as detailed below:

		2021 £	2020 £
T Manson	Salary	35,500	34,392
	Pension	7,104	6,879
	Expenses	1,210	572
M Williams	Salary	24,015	22,810
	Pension	6,364	6,123
	Expenses	360	428

Two trustees receive remuneration as permitted by a provision in the Charity's Constitution.

### 12 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>4</u>	<u>3</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	87,776	61,615
Social security costs	2,088	1,480
Other pension costs	13,468	13,002
	<u>103,332</u>	<u>76,097</u>

The church employed five people during the year. Two people were not employed for the whole year and three were part time.

There were no employees whose annual remuneration was more than £60,000.

### 13 Net gains/(losses) on investments

	Unrestricted funds designated 2021 £	Unrestricted funds designated 2020 £
Gain/(loss) on sale of investments	-	(17,722)
Revaluation of investment properties	300,000	100,000
	<u>300,000</u>	<u>82,278</u>

### 14 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 January 2021	1,927,593	40,137	31,001	1,998,731
Additions	53,397	-	619	54,016
	<u>1,980,990</u>	<u>40,137</u>	<u>31,620</u>	<u>2,052,747</u>
<b>At 31 December 2021</b>				
<b>Depreciation and impairment</b>				
At 1 January 2021	-	34,108	25,623	59,731
Depreciation charged in the year	-	1,776	1,381	3,157
	<u>-</u>	<u>35,884</u>	<u>27,004</u>	<u>62,888</u>
<b>At 31 December 2021</b>				
<b>Carrying amount</b>				
At 31 December 2021	<u>1,980,990</u>	<u>4,253</u>	<u>4,616</u>	<u>1,989,859</u>
At 31 December 2020	<u>1,927,593</u>	<u>6,029</u>	<u>5,378</u>	<u>1,939,000</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Tangible fixed assets

(Continued)

### 15 Investment property

2021  
£

#### Fair value

At 1 January 2021	1,000,000
Net gains or losses through fair value adjustments	300,000

At 31 December 2021	1,300,000
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Investment property comprises one (2020: one) residential property. The fair value of the investment property was been arrived at on the basis of a valuation carried out in February 2021 by Mr R Howard of Fletcher's Estate Agents and Residential Letting Agents, who are not connected with the Church. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. Subsequent to that, the building was revalued again in April 2022 by Mr B McGovern, the church's property manager, based on detailed local knowledge and comparison with similar properties.

The carrying value of land included in investment properties comprises:

	2021 £	2020 £
Freehold	650,000	500,000
Long leasehold	-	-
Short leasehold	-	-
	<u>650,000</u>	<u>500,000</u>

### 16 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	31,007	20,275
	<u>31,007</u>	<u>20,275</u>

### 17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Deferred income	18	2,042	1,242
Accruals		17,073	8,914
		<u>19,115</u>	<u>10,156</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 18 Deferred income

	2021 £	2020 £
Other deferred income	2,042	1,242
	<u>2,042</u>	<u>1,242</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Deferred income is included within:		
Current liabilities	2,042	1,242
	<u>2,042</u>	<u>1,242</u>
Movements in the year:		
Deferred income at 1 January 2021	1,242	1,242
Resources deferred in the year	800	-
	<u>800</u>	<u>-</u>
Deferred income at 31 December 2021	2,042	1,242
	<u>2,042</u>	<u>1,242</u>



# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£	£
Mission fund	5,646	-	(2,397)	(3,249)	-	-	-	-
Special Collections	-	1,867	(1,867)	-	-	7,635	(7,635)	-
Building Project	280,324	120,000	-	-	400,324	129,600	(16,555)	513,369
Good Samaritan	-	2,838	(2,012)	3,249	4,075	-	(231)	3,844
Intern fund	-	-	-	-	-	10,500	(4,376)	6,124
	<u>285,970</u>	<u>124,705</u>	<u>(6,276)</u>	<u>-</u>	<u>404,399</u>	<u>147,735</u>	<u>(28,797)</u>	<u>523,337</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 January 2021	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
Property	3,172,126	-	(326,811)	82,278	2,927,593	-	207,423	300,000	3,435,016
Fixed assets	11,252	(3,302)	2,374	-	10,324	(2,871)	-	-	7,453
Legacies	461,839	-	326,811	-	788,650	-	-	-	788,650
Defibrillator	1,428	(348)	-	-	1,080	(287)	-	-	793
	<u>3,646,645</u>	<u>(3,650)</u>	<u>2,374</u>	<u>82,278</u>	<u>3,727,647</u>	<u>(3,158)</u>	<u>207,423</u>	<u>300,000</u>	<u>4,231,912</u>

#### Property fund

To hold assets and reserves against future property expenditure outside general funds

#### Fixed assets

To hold fixed assets and reserves against replacement costs of these assets outside general funds

#### Legacies

To hold legacy funds earmarked by the Trustees to be used for specific purposes at present these are largely held to finance the building project.

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

### 21 Analysis of net assets between funds

	Unrestricted 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Designated 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:								
Tangible assets	-	1,989,859	-	1,989,859	-	1,939,000	-	1,939,000
Investment properties	-	1,300,000	-	1,300,000	-	1,000,000	-	1,000,000
Current assets/(liabilities)	85,000	942,054	523,337	1,550,391	272,223	788,647	404,399	1,465,269
	<u>85,000</u>	<u>4,231,913</u>	<u>523,337</u>	<u>4,840,250</u>	<u>272,223</u>	<u>3,727,647</u>	<u>404,399</u>	<u>4,404,269</u>

# GUNNERSBURY BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **22 Related party transactions**

#### **Transactions with related parties**

During the year the Church entered into the following transactions with related parties:

During the year no (2020: one) trustee had tuition fees paid on their behalf £nil (2020: £2,672).