

Charity number: 1136971

MUSWELL HILL BAPTIST CHURCH
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

**MUSWELL HILL BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

CONTENTS

Legal and administrative information	2
Report of the trustees	3-5
Independent examiner's report	6
Receipt and payment accounts	7
Statements of asset and liabilities	8
Notes to the accounts	9-11

**MUSWELL HILL BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

LEGAL AND ADMINISTRATIVE INFORMATION

Name	Muswell Hill Baptist Church (Registered charity no. 1136971)
Registered office	Dukes Avenue, Muswell Hill, London N10 2PT
Trustees	Rev Alexander John Robert (Chair) John Grant Rosemary Pettman Jonathan Ashley- Norman Trevor Ridout Peter Hill-King
Custodian Trustees	London Baptist Property Board Ltd.
Bankers	Barclays Bank Plc COIF Charities Deposit Fund
Independent examiner	Anthony Epton FCA, CTA, FCIE Goldwins Limited 75 Maygrove Road, West Hampstead, London NW6 2EG

MUSWELL HILL BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Purpose

The principal purpose of the Church is *the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.*

Activities

To fulfil the Purpose, the Church engages in a range of activities, either on its own or with others, that vary from time to time with activities being initiated, expanded, or closed, as appropriate.

The Activities may include but are not restricted to:

- Regular public worship, prayer, Bible study, preaching and teaching the Word of God.
- Baptism, as described in the Statement of Faith and the Communion of the Lord's Supper.
- Evangelism and mission, locally, regionally, nationally and internationally.
- Teaching, encouragement, welcome and inclusion of children and young people in a safe environment.
- Nurturing the growth of Christian disciples; education and training for Christian and community service.
- Giving and encouraging pastoral care.
- Supporting and encouraging charitable social action in the United Kingdom and abroad.
- Developing relationships with and supporting Baptists and other Christians.

In this year most of these activities were greatly limited or entirely prevented by Government action to stem the Covid-19 pandemic. However, some meetings prospered by being moved online.

The Church's Vision

Vision

To achieve our Purpose more effectively the Church continued its vision focused on **inviting**. This is encapsulated in the strap line ***Inviting a Great City to a Great Saviour.***

Aims

We will seek to develop

- ✓ **Invitational People**
- ✓ **Invitational Programmes**
- ✓ **Invitational Premises**
- ✓ **Invitational Partnerships**

Values

- We will PRAY and seek the working of the Spirit of God
- We will be COMMITTED to one another in fellowship and in the vision
- We will disciple through PREACHING, TEACHING and WORSHIP

The Church's Life

Invitational People

While the pandemic prevented most opportunities for people to invite others, we continued to learn together online so that we might be better equipped when the national situation improves. We distributed Christmas cards to the neighbourhood.

The church continued to support members' and friends' work in Christian ministries of various kinds in Europe, Africa and among Turkish and East Asian peoples in the United Kingdom. One of our members is a Full-Time Free Church Chaplain in the British Army.

MUSWELL HILL BAPTIST CHURCH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Invitational Programmes

People were invited to fill Christmas Shoeboxes for the Samaritan's Purse charity project Operation Christmas Child. Despite the prevailing limitations, many boxes were completed and delivered for the charity to distribute across the world.

The Muswell Hill Soup Kitchen, under the able leadership of Martin Stone, secured a van thanks to very generous donations from the community. By this means the Soup Kitchen was able to continue its work by delivery – and this has led to some excellent contacts throughout the Borough. Finance beyond the van's purchase has been placed into a development project to develop the effectiveness of the van's usefulness in years to come.

The Church's *YouTube* Channel developed over the year and now contains dozens of videos which are accessed both locally and from much farther afield.

Invitational Premises

The Trustees sought to keep the premises open whenever the Government allowed. This was successfully and safely done. The exception was when the building was closed in January 2021 though not mandated: this closure was requested by the Mayor of London and recommended strongly by the Baptist Union of Great Britain because of the high level of infection and vulnerability to Covid-19 at the time.

Invitational Partnerships

Nationally and across London our partnerships with the Evangelical Alliance, the London Baptist Association and the Baptist Union of Great Britain helped to resource a difficult year. Locally the church engaged online with churches of the Muswell Hill Churches Forum.

We continued to host the popular Rainbow Preschool and the Fortis Green Kids Club (afterschool provision) both of which were able to use the buildings while still closed for public worship.

Finance

The Trustees monitored the financial health of the Charity throughout. In the event, the reduction of expenses, the steady income from residential lettings and the regular, committed giving of the congregation (even when they could not meet) meant that finance was one of the least troubling issues we faced. The Trustees remain confident that this will remain true for the coming uncertain year also. The accounts reflect the one-off receipt of donations for the van and the development of its use.

The Church's Managing Trustees

Mr Jonathan Ashley-Norman [Deacon]

Mr John Grant [Elder and Treasurer]

Mr Peter Hill-King [Deacon]

Mrs Rosemary Pettman [Elder and Church Secretary]

Mr Trevor Ridout [Deacon]

Rev John Roberts [Pastor and Chair of the Trustees]

**MUSWELL HILL BAPTIST CHURCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Responsibilities of trustees

Charity law requires us as trustee to prepare financial statements for each accounting year which record the receipt and payments of the charity for the year. We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011. We are also responsible to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any irregularities.

Approval

This report was approved by the trustee and signed on their behalf by:

Rosemary Pettman (Secretary) and John Grant (Treasurer)

Date:

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MUSWELL HILL BAPTIST CHURCH
FOR THE YEAR ENDED 31 MARCH 2021**

I report to the trustees on my examination of the accounts of Muswell Hill Baptist Church for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity, 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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

Muswell Hill Baptist Church
Receipts and payment accounts
For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income receipts					
Donations and grants		66,026	-	66,026	72,675
Gift aid receipts		12,891	-	12,891	14,549
Rental income		79,779	-	79,779	104,359
Income from charitable activities		-	-	-	1,819
Income from church organisation		-	30,413	30,413	8,798
Bank interest		478	-	478	1,227
Other		515	-	515	302
Total receipts		159,689	30,413	190,102	203,729
Payments					
Payments in relation to charitable activities	2	121,460	5,860	127,320	149,109
Grants paid in relation to charitable activities undertaken by others	3	8,878	-	8,878	12,877
Total payments		130,338	5,860	136,198	161,986
Net receipts/ (payments) for the year		29,351	24,553	53,904	41,743
Transfers between funds		-	-	-	-
Net movement in funds		29,351	24,553	53,904	41,743
Reconciliation of funds:					
Cash funds as at last year end		161,912	13,060	174,972	133,229
Total funds carried forward		191,263	37,613	228,876	174,972

The attached notes form part of these financial statements.

Muswell Hill Baptist Church
Statements of assets and liabilities
For the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Cash Funds					
Current accounts		21,005	36,070	57,075	21,749
Deposit accounts		170,258	1,543	171,801	153,223
		<u>191,263</u>	<u>37,613</u>	<u>228,876</u>	<u>174,972</u>
Other monetary assets					
Gift aid due to charity		5,046	-	5,046	8,017
		<u>5,046</u>	<u>-</u>	<u>5,046</u>	<u>8,017</u>
Liabilities					
Due in under one year:					
Missionary Distributions agreed but not paid		-	-	-	3,578
Pension deficit		2,740	-	2,740	3,573
Fees for Independent Examination		1,750	-	1,750	1,800
Accrued expenses		-	-	-	2,977
		<u>4,490</u>	<u>-</u>	<u>4,490</u>	<u>11,928</u>
Due in over one year:					
Pension deficit		37,060	-	37,060	51,927
		<u>37,060</u>	<u>-</u>	<u>37,060</u>	<u>51,927</u>
Total liabilities		<u>41,550</u>	<u>-</u>	<u>41,550</u>	<u>63,855</u>

Assets retained for charity's own use

	Insurance value	
	2021 £	2020 £
Church Buildings, Dukes Avenue, London NW10 2PT	6,482,612	6,412,131
2 Dukes Avenue (currently 3 flats)	542,486	502,766
Manse at 71 Grasmere Road	508,997	492,265
Content of church premises (Including organ)	172,669	170,792
	<u>7,706,764</u>	<u>7,577,954</u>

The trustee have used insurance values as the trustees are unable to reliably estimate current values; insurances values may differ materially from current values.

Approved by the trustees on2022.
and signed on their behalf by:

John Grant
Treasurer

Rosemary Pettman
Secretary

Charity registration no. 1136971

The attached notes form part of the financial statements.

Muswell Hill Baptist Church
Notes to the financial statements
For the year ended 31 March 2021

1 Accounting policies

The financial statements have been prepared on a receipts and payments basis and comprise a statements that shows the charity's receipts and payments, a statements that summarise the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standard present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectivities of the charity. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals and specific activities and projects.

2 Payments in relation to charitable activities undertaken directly

	Unrestricted	Restricted	2021	2020
	Funds	Funds	Total	Total
	£	£	£	£
Employment costs, training and expenses	39,289	-	39,289	40,248
Church ministry costs	6,364	-	6,364	8,867
Property costs	42,147	-	42,147	37,642
Major repair & restoration expenditure	21,033	-	21,033	20,988
Other organisations	4,777	5,860	10,637	17,864
Other costs	-	-	-	18,968
Admin/sundry	7,850	-	7,850	4,532
	121,460	5,860	127,320	149,109

3 Grants paid in relation to charitable activities undertaken by others

	Unrestricted	Restricted	2021	2020
	Funds	Funds	Total	Total
	£	£	£	£
Organisations:				
Baptist Union	2,959	-	2,959	4,060
Winchester Vineyard	2,959	-	2,959	4,060
OMF	2,959	-	2,959	4,060
Grants < £1,000	-	-	-	257
Gifts to individuals	-	-	-	440
Total	8,878	-	8,878	12,877

4. Transactions with related parties

The Rev, Alexander John Roberts was paid £30,714 (2020: £29,830) plus £5,835 (2020: £5,835) pension contribution during the year in his capacity as a church leader, not for serving as a trustee, these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £6,100 (2020: £6,172) in respect of the provision of accommodation (which is customary for ministers) to Rev. Roberts, who is a trustee so that they could better perform their duties.

Muswell Hill Baptist Church
Notes to the financial statements
For the year ended 31 March 2021

5 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Tuesday Fellowship	2,839	763	(58)	-	3,544
Soup kitchen	8,111	28,054	(5,052)	-	31,113
Little people	207	-	-	-	207
Junior Church (incl Sunday School)	1,903	1,596	(750)	-	2,749
Total restricted funds	13,060	30,413	(5,860)	-	37,613
Total unrestricted funds	161,912	159,689	(130,338)	-	191,263
Total funds	174,972	190,102	(136,198)	-	228,876

Tuesday Fellowship	Meeting for refreshment and devotional time from 2-4pm 40 weeks of year with occasional lunches this group provide friendship and fellowship to members and others.
Soup kitchen	Five nights of a week for 46 weeks of year around 10,000 meals are provided for homeless and those in need for food. It is staffed by volunteers from MHBC and other local churches and others seeking to help
Little people	This was a voluntary parents and tots group for members and friends which has ceased to operate.
Next meal	This was a development of the Soup Kitchen under the control of the church until its inception in April 2019 as a separate charity with its own structure.
Junior Church (incl Sunday School)	This for young children from 4-11 years to provide Christian teaching for them whilst their parents are attending church service.

6 The Baptist Pension Scheme

Background to the disclosure

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

The pension cost shown in the Receipts and Payments Statement comprises contributions to the Defined Contribution Plan and deficiency contributions to the Defined Benefit Plan (see below).

The Minister is eligible to join the Scheme.

The Defined Benefit Plan

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers Pension Fund, started in 1925, but was dosed to future accrual of defined benefits on 31 December 2011.

Muswell Hill Baptist Church
Notes to the financial statements
For the year ended 31 March 2021

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £300 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million. The next actuarial valuation of the DB Plan is due to take place not later than as at 31 December 2022.

Recovery plan

A recovery plan has been agreed to make good the above deficit in assets. Therefore, in addition to the contributions to the DC Plan set out above, the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

For the time being it has been agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Recovery Plan envisages deficiency contributions continuing until 30 June 2026.

To support the DB Plan's reduced income over 2020, BUGB has agreed to bring forward a payment of £0.5m that it was due to make by the end of 2023.

Key assumptions

The key assumptions underlying the actuarial valuation of the DB Plan were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.50
CM price inflation assumption	2.75
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.50
Assumed investment returns	
- Pre-retirement	3.50
- Post retirement	2.25
Deferred pension increases	
- Pre April 2009	3.50
- Post April 2009	2.50
Pension increases	
- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Payments made in the year

	2021 £	2020 £
Defined Contribution Plan:		
Employee contributions	1,200	1,200
Employer contributions	4,635	4,635
	5,835	5,835
Deficiency contributions to Defined Benefit Plan	2,740	3,573
	8,575	9,408

Basis for determining the DB plan pension liability

The pension liability disclosed in the Statement of Assets and Liabilities in respect of the DB Plan is based on an estimate of the amount that the charity would be required to pay should the charity decide to settle the debt immediately; the Baptist Pension Scheme (the 'BPS') have provided this estimate. The BPS is collecting deficit contributions monthly however these deficit contributions have not been calculated by reference to the charity's share of the pension deficit and, based on the current schedule of contributions, it is possible that the sum of all future annual deficit contributions will be significantly less than the liability disclosed in the Statement of Assets and Liabilities. The charity does not foresee any circumstances that could result in immediate payment of the whole debt however the trustees believe that the BPS may ask the church to increase its contributions towards the deficit and therefore, to be prudent, they have chosen to disclose a liability for the employer debt in the Statement of Assets and Liabilities.