

VICTORIA PARK BAPTIST CHURCH

CHARITY NUMBER 1146557

REPORT AND ACCOUNTS

**for the year ended
31 March 2024**

**Shruti Soni Limited
Chartered Certified Accountants
117A St Johns Road
Sevenoaks
TN13 3PE**

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VICTORIA PARK BAPTIST CHURCH

ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2024

Trustees/Leadership Team

Olatokunbo Atanda LLB (Hons) Post grad Diploma in Legal Practice. Solicitor Advocate
Adilson Braz
Anne Broad (appointed 26 November 2023)
Pauline Facey NVQ Business Studies
Becky Gbande BSc. DipEd. MA PGCE
Elisabeth Morris RGN RM DN
John Morris BA Dip HE
Neville Reid BA ACA (appointed 26 November 2023)
Bolaji Yoloye BEng. MSc (appointed 26 November 2023)

Property Trustees

The London Baptist Property Board Ltd
235 Shaftesbury Ave
London
WC2H 8EP

Governing Documents

Deed of Trust dated 23 July 1869
Church Constitution adopted by the Church Members' Meeting on 25 May 2011

Charity status

Registered Charity number 1146557

Registered Office

Victoria Park Baptist Church
186 Grove Road
Bow, London
E3 5TG

Bankers

Barclays Bank
Mile End and Bow Group
240 Whitechapel Road
London
E1 1BS

Independent Examiner

Shruti Soni Limited
117A St. Johns Hill
Sevenoaks, TN1 3PE

TRUSTEES' ANNUAL REPORT

The Trustees have pleasure in submitting their Report and Accounts for the year to 31 March 2024.

How Victoria Park Baptist Church is Constituted and its charitable Objectives

The 1869 Trust document states the Chapel is to be used as a place of public religious worship by the society of Protestant Dissenters called the Particular Baptists. The objective stated in the Trust is regular Sunday worship along with the running of a Sunday or other school or schools. The Church in 1999 adopted the Mission Statement "**Victoria Park Baptist Church aims to tell and be Good News in the community.**" The charity's values are linked to the *five core values for a gospel people of the Baptist Union of Great Britain*. These values are: following Jesus as a community which is sacrificial, worshipping, inclusive, prophetic and missionary.

The Victoria Park Baptist Church Constitution of 2011 states "**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."

Organisational Structure and Decision-making processes

The church is a registered charity under the provisions of the Charities Act 2011 and is an unincorporated association. Therefore, its premises and any investments are held by other legal bodies acting as our trustees which in our case are the London Baptist Property Board who hold in trust the church building and the manse. Our reserves are also held with the London Baptist Property Board.

In this church it is the Minister(s) if any and the Leadership Team that form the Board of Trustees. (There is a historic use of the term "Deacon" for those on the Leadership Team who are not Ministers.) This comprises the Church Secretary, Church Treasurer and other appointed Leaders who act as the Trustees chosen from among those who have been Church Members for at least six months. The maximum number of Leaders//Trustees is agreed from time to time by the Church Members' Meeting. The Trustees receive appropriate documentation and are made aware of the legal responsibilities that they are accepting on appointment.

The Church may have a Minister or more than one Minister or no Minister. Where a Minister is appointed it is expected that they will become a Member of the Church.

A Minister of this Church is expected to accept the Baptist Union's *Declaration of Principle* and to be in relationship with the Baptist Union and the Association. This is normally expressed by being on the Baptist Union's Register of *Covenanted Persons Accredited for Ministry*. The Minister, whether or not they are on the Register, will be supportive of the Church's relationships with other Baptist Churches, the Association and the Baptist Union. The Church recognises that the Minister and the Church are in a covenant relationship based on Christian love and trust and mutual accountability. A Minister is appointed or removed by a resolution of the Church Members at a Special Church Members' Meeting at any time.

The Trustees/ Leaders are responsible for the governance of the Church and the fulfilment of the purpose through its activities acting according to the will of God as discerned by the Church Members' Meeting and subject to any specific or general directions of that Meeting. Worship including prayer and the reading of Scripture shall be key features of any meeting of the Charity Trustees whose leadership and administration of the church is to be through mutual accountability, service, and pastoral care, along with strategic thinking and effective management.

The Trustees have specific power but are subject to any general or specific directions of the Church Members' Meeting to apply for and accept grants and to provide security in respect of obligations under grant agreements. They act in accordance with the specific directions of the Church Members' Meeting in

relation to matters relating to church property including any purchase, sale, lease, mortgage or redevelopment of church property. The Charity Trustees have the power to borrow money, receive grants, give guarantees and or security for loans, and to make grants or loans of money. In the event of a charge over land and/or buildings being required this is under the provisions in the trusts for the land and with statute law. The Trustees also have the power to make grants to other charities working elsewhere in the United Kingdom and/or other parts of the world.

The Trustees determine a quorum for their full meetings that is not less than two persons or half of their number whichever is the greater number. They determine when and how frequently they shall meet provided that they shall convene meetings of the whole group not less than once every two months. In addition to regular meetings of the whole group they may meet in such sub-groups as are necessary and convenient. Reports of such subgroup meetings are made to the next full Trustees Meeting. Each Trustee has one vote. Every issue can be determined by a simple majority of votes cast at a meeting of the Trustees but if there is an equality of votes on any matter the resolution will be considered rejected and the matter shall be referred back to the submitter for review and if appropriate resubmission to a subsequent meeting for consideration.

The Church Members meet together in a Church Members' Meeting under the guidance of the Holy Spirit and under the Lordship of Christ to discern the mind of God in the affairs of the Church. The Church Members' Meeting has reserved authority in the appointment and removal of a Minister, the appointment and removal of Charity Trustees, the appointment and removal of staff, and other decisions related to church property including any purchase, sale, lease, mortgage, or redevelopment of property, the administration of the membership list, and the closure of the Church.

The Church Members' Meeting appoints Leaders/Trustees to be responsible for the governance of the Church and where there is a Minister(s) that person is a Charity Trustee because of their role and responsibilities.

The Church Members' Meeting arranges for the appointment of a Church Secretary and Church Treasurer (or equivalents). Charity Trustees shall serve so long as they have the support of the Church Members' Meeting and (except for those in ministerial office) are actively appointed and reappointed at least once every three years. Voting is by secret ballot at an Ordinary Church Members' Meeting

There are two types of formal Church Members' Meetings: Ordinary and Special Church Members' Meetings.

Ordinary Church Members' Meetings are held at regular intervals on not less than four occasions in any calendar year and are an opportunity to consider and review routine matters associated with the life of the Church including issues related to church membership, the appointment and dismissal of the Charity Trustees, the approval of the budget, with opportunities for considering proposals from the Charity Trustees or other Church Members for the development of the Church and the advancement of its purpose through its activities.

One Ordinary Church Members' Meeting each year includes the Annual Church Members' Meeting for the Church Members to receive annual accounts and reports, to appoint Auditors or Independent Examiners, and to consider proposals for the strategy and vision of the church in the coming year, with other appropriate matters.

A Special Church Members' Meeting is convened when necessary to consider the appointment or dismissal of a minister, matters relating to the purchase, sale, lease, mortgage or redevelopment of church property, the closure of the church, or matters considered by the Charity Trustees to be of sufficient importance to require the calling of a Special Members' Meeting. A Special Church Members' Meeting was held on 05/12/21 to agree to applying for a loan from London Baptist Property Board for the replacement of the church roof and associated work.

Joining and becoming a church member is normally through baptism by immersion upon personal profession of faith. The church also operates an open membership so that persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may at the discretion of the Church Members' Meeting be accepted for full membership based on their own public profession of repentance towards God and faith in and obedience to Our Lord Jesus Christ. In November 2023 one member was accepted and in January 2024 two members were accepted into membership.

Church Membership is open to those who:

- accept the Beliefs of the Church;
- meet the Church's qualification on Baptism;
- commit themselves to serving Christ within the Church and beyond;
- abide by the decisions of the Church Members' Meeting;
- acknowledge their responsibilities as Church Members; and
- have their membership application accepted by the Church Members' Meeting.

A person wishing to become a Church Member applies to the Church Members' Meeting. The Church Members' Meeting will consider and vote on the application for membership and if accepted the new member will normally be welcomed publicly.

In order to keep the membership list up to date, this is reviewed at least once every three years when the Church Members' Meeting resolves to make any appropriate deletions. At any time, however, in exceptional circumstances where the conduct of a Member is considered to be contrary to the purpose and beliefs of the Church and/or disruptive to the relationships between Members, then the Leaders/Charity Trustees may recommend to a Church Members' Meeting that the membership of that person be reviewed. The Church Members may, after considering the facts, terminate the membership of that person. The Church Member is allowed to hear what is said at the Church Members' Meeting, to correct any errors of fact and offer any explanation of the circumstances or reasons for their actions, before withdrawing from the meeting so that the Church Members' Meeting may prayerfully and carefully consider whether they should resolve to remove that person's name from the list of Members.

Beliefs and Activities

The Church is a member of the Baptist Union of Great Britain (Baptist Union) and the London Baptist Association (the Association).

As a Member of the Baptist Union the Church subscribes to the Union's Declaration of Principle:

That our Lord and Saviour Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.

That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Spirit, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried, and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

In fulfilling its purpose the Church engages in a range of activities either on its own or with others that varies from time to time with activities being initiated, expanded, or closed, as appropriate both to its membership and to the community generally. *The aim is to tell and be Good News in the community. We will seek do this by being a living community of faith, love and service.*

The Activities may include but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching;
- baptism, as defined in the Union's Declaration of Principle;
- the Communion of the Lord's Supper which shall normally be observed at least once a month;
- evangelism and mission, locally, regionally, nationally and internationally;

- the teaching, encouragement, welcome and inclusion of young people;
- nurture and 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;
- encouraging relationships with and supporting Baptists and other Christians.

The church also promotes and supports the work of the Baptist Union, the Association and BMS World Mission through prayer and through financial contributions. When it is able the Church also supports local Baptist and ecumenical gatherings.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday currently at 10.30 am. On 2 Sundays every month there is also an evening service in partnership with Kahaila Café Church. There are also occasional services at other times which are advertised on the church's internal notice boards and website at www.vpbc.org.uk. There is a children's programme during some morning services. The church seeks to be a friendly and welcoming community and anyone is free to attend any of these services.

The Church runs various courses and Bible studies in small midweek groups for the growth of faith and discipleship. Further details of these can be obtained from the Trustees on request, or at the Sunday services of worship, the web page or the monthly diary sheet.

The church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above and later in this report clearly demonstrate that the charity is providing a benefit to the public. All our activities are open to all members of the public and are not unreasonably restricted by geographical boundaries.

Achievement and Performance Evaluation

1. As a church our purpose is to proclaim the good news of Jesus and that has been a priority. We had major disruptions as a result of work on our building to replace the roof between August 2021 and September 2022, but were still able to meet together in the basement Centre. On completion of the work, we were able to move back to use all areas of our church building. A snagging survey showed areas that require remedial work and this work is being fixed by the builders.
2. Prayer in many forms both individual and corporate was encouraged, and we held a Week of Prayer in the New Year of 2024. This was done online and face to face at the church building, including a prayer walk, and participation was very encouraging.
3. As a church, we are active 52 weeks of every year and growing a responsive faith community. The pandemic and the need to use online methods to reach out to our fellowship meant we had to increase our use of social media. The website and other social media have become a 24/7 tool for communication and advertisement of events and programmes. We maintain paper communication for the decreasing number who do not use a smartphone or PC. The challenge of 2024 and beyond has been to further improve access to belonging and participation.
4. In line with our Core Values, we encourage the Centre and other parts of the building to be hired by groups which benefit the health and wellbeing of the local community. They use the premises at reasonable rates, we benefit from the rent, and sharing/caring communities are built. Following completion of major works which restricted the use of the building, user groups have returned, and some have been able to expand their activities this year.

Continuity and plans for the future: April 2024 and beyond

With a brand new roof on our building, the trustees have reflected on how we can best continue to ensure we tell and be Good News in our community.

- a) Partnerships. With our partners in the *E123 Welcomes Refugees* scheme, we have been involved in helping a refugee family settle in our community. We host *Box Up Crime*, a Dagenham-based charity working to prevent gang membership. It is run by the leader of East End Church on a Friday evening with volunteers from other churches. We aim to continue to nurture existing stakeholder partnerships including *Crossroads Counselling* and *Street Pastors*. From October 2023 to January 2024, we ran a Night Shelter for the homeless in partnership with *GrowTH*, and East End Church continued this in our Centre until April. Another local congregation called Victoria Park Community Church has been holding its main weekly service in our building on Sunday afternoons since April 2024. We are open to explore new potential partnerships which advance the purpose of the church in the community.
- b) Transitioning. We need to be “always reforming” to be relevant in our purpose as a charity for public benefit. In the light of the increase in rental and residential purchasing prices locally we recognise that there is a consistent movement out of East London by some and a movement in by others. We therefore of necessity target to recruit and train new volunteers as Trustees for the future and also volunteers in every area of the church’s life and outreach. London Baptists have negotiated with Paul Unsworth of Kahaila Café Church who is working with VPBC towards this goal.
- c) Giving. We will achieve our mission by being a living community of faith, love and service. Giving is therefore not just about giving money but a willingness to share time, gifts and skills, friendship and resources. Giving is a choice and costly. We will teach and encourage one another to be generous and to each share the resources we have. We have set up a new means of giving by making the church’s bank details known via the weekly notices. We also encourage giving through our annual Thank Offering.
- d) Worship. We encourage each other to understand that worship is a way of living life to the full for the glory of God. Worship includes the sharing of time and gifts for the benefit of others in our Church family and our communities. We will work and pray to see all our Church activities constantly refreshed with new participants and leaders. Our hope and prayer is that our Sunday worship will continue to be EPIC: experiential, participatory, image-rich and connective. We encourage the regular use of percussion instruments including African drums and other personal expression in worship. We will provide opportunities for the sharing of silence to develop reflective and contemplative worship as well as offering loud praises!
- e) Social Media. In addition to the web page, we have Facebook, Twitter and Instagram channels to help the Church achieve our objectives. We will continue to review the social media tools we have in place and improve upon them where necessary.
- f) Access. We have continued to address the need to improve access to the church building for those with disabilities, the elderly and young families. City Bridge Trust (CBT) funded a feasibility study for access throughout the building. This has been done and the report is now with the Trustees who will now seek to implement suggestions raised by the report. This will involve us to develop a strategy for how we can raise funds to improve the access to our building for many in the community. The redevelopment of the building has been a long-time desire for the church. Now more than at any time before progress is being made towards making this happen. We have appointed a project manager and are tendering to select an architect to draw up designs in order to develop our ideas.

Financial review

The church, where possible, seeks to ensure all major community projects and events are fully funded without recourse to limited general funds. This is by a mixture of donations, rental fees and grants as appropriate. Our core funding is from regular and dedicated givers in both small and larger amounts. New donors have been added as others have left but economic austerity has left some with little spare to give.

Income for 2024 was £111,906 (2023: £103,121) while expenditure totalled £70,063 (2023: £341,888) The net surplus amounted to £41,843 (2023: deficit £238,767).

General Reserves at 31 March 2024 comprised positive funds of £26,166, increased in the year from a deficit balance of £3,418 in 2023.

Expenditure for the repairs on the Church roof was fully recorded in the 2023 accounts, although the final certificate of about £41,000 was only paid when due in 2023/24, and a final retention of about £11,000 was still not yet due at the year end. The principal new cost incurred on the buildings was about £16,000 on a series of surveys of a bowing wall at the back of the building; these showed that this wall is stable, and therefore avoided considerably greater expenditure on rebuilding the wall. Some £3,000 was also spent on an accessibility survey, funded by a grant from City Bridge Trust.

Loans from the London Baptist Property Board and the London Baptist Association as at 31 March 2024 stood at £276,500, down from £288,000, with £14,814 interest levied in the year.

Regular freewill offerings via direct credits were lower than the previous year, while cash offerings were higher, giving a combined increase of about £1,000. Other donations were also about £1,000 higher.

The Annual Thank Offering was historically a seven-week internal appeal period running from Easter to Pentecost when people are encouraged to mark their own thanks to God, in addition to their normal regular giving. No Thank Offering took place in 2020 due to the Covid-19 pandemic. However, the Thank Offering launched at Easter 2021 remained open until March 2022, and this pattern was followed in 2022/23 and 2023/24. These Thank Offerings incorporated the former Redevelopment Fund, and funds raised were applied towards the cost of replacing the roof and other building works. The 2023/24 Thank Offering raised £17,170, not including tax relief.

The Gift Aid scheme continues to be an important part of the voluntary income, raising a significant amount of money. This has been further increased by the Gift Aid Small Donations Scheme. The scheme is managed by a volunteer.

The church has been without a minister since 2019, although from October 2021 to June 2022 we had a Minister in Training based at the church. VPBC gives a gift of £75 (formerly £50) to visiting speakers preaching at Sunday services, although some have declined this gift.

The Leaders have let the Manse since the former minister's retirement, raising additional income exceeding £35,000 per annum. This is paid into general funds and has therefore helped to pay for the roof refurbishment.

The church has a lettings policy for external groups which seeks to encourage local community use and a sliding scale of charges dependent on whether it is a community-based project, funded voluntary group, statutory service or commercially run organisation. Before Covid-19, this provided approximately 25% of the total income of the church, but all groups stopped meeting during the pandemic. Most of them have since returned, but church rental income of £12,799 in 2023-24 is still only about 60% of what it used to be.

Various gifts and bursaries were made from our Communion Fund, mainly to individuals known to the church but also including a contribution to the cost of meals served in the night shelter. We also made outward donations to our core charity Crossroads Counselling of £700, collected on a special gift day.

Reserves policy

The Trustees reviewed the reserves policy for the charity last year, noting the Charity Commission's guidance on charity reserves and building in resilience. A lower level of reserves is considered sufficient while the Church does not employ a minister, and holding high cash balances would result in paying unnecessary loan interest. The target level of cash reserves is £16,000, after allowing for payment of creditors when they fall due. This is intended to provide a buffer for three months' operating costs in addition to the balance on restricted funds. The largest operating expenses are the running costs of the church building.

The main form of income for this is voluntary giving and more specifically the core of supporters who give on a regular basis. The general reserve on the balance sheet dropped in 2023 to a deficit of £3,418, but has recovered in 2024 to £26,166. The Trustees consider that the overall position is sufficient as (i) cash flow is more important than the net balance reported under accruals accounting, (ii) the year-end cash balances of £23,500 (2023: £43,691) are sufficient to pay the creditors as they fall due, and (iii) monthly income regularly exceeds running costs, so that reserves are being replenished at a viable rate.

Risk Statement

We have drafted a formal Financial Risk Assessment Policy, which has been reviewed in the year, and the Leaders pay attention to the risks noted.

Through the monthly Leaders meetings, the Leaders/Trustees review and recognise risks where they might occur and are exposed to in the activities of a small charity operating with few employees. Each activity, particularly where it is new/ outdoors, is given regular risk assessments. The work with children has detailed risk assessments linked to Child Protection and Safeguarding. DBS checks, Ofsted voluntary registration and adherence to the Baptist Union safeguarding are in place. Other areas of risk include health and safety procedures particularly around food preparation, lone worker policy, buildings, PAT testing and fire safety, and procedures are in place to address these. We have adopted the Baptist Union's documents on the General Data Protection Regulations from May 2018 until we create our own. There were no related party transactions in the year.

Statement of Trustees' Responsibilities

The Diaconate who are also the Charity Trustees are responsible for preparing 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 & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- e) 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Diaconate on 13 Jun 2025 and signed on its behalf.



Trustee: Becky Gbande

Independent Examiner's Report to the Trustees of Victoria Park Baptist Church

I report to the trustees on my examination of the financial statements of Victoria Park Baptist Church ('the charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 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:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements 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 financial statements to be reached.

Shruti Soni FCCA FCIE

Date: 23/1/2025

Shruti Soni

Shruti Soni Ltd
Chartered Certified Accountants
117A St Johns Road
Sevenoaks
TN13 3PE

VICTORIA PARK BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2024 £	Unrestricted funds	Restricted funds	Endowment funds £	2023
Income from:									
Donations and legacies	2	57,218	5,510	-	62,728	52,345	1,205	-	53,550
Charitable Activities	3								-
Church events		-	-	-	-	-	-	-	-
Rental income and fees		48,198	-	-	48,198	49,026	-	-	49,026
Other trading activities		706	-	-	706	429	-	-	429
									-
Investment income	4	274	-	-	274	116	-	-	116
Other									
Total income		106,396	5,510	-	111,906	101,916	1,205	-	103,121
Expenditure on:									
Charitable activities	5	65,132	4,931	-	70,063	341,244	644	-	341,888
Total expenditure		65,132	4,931	-	70,063	341,244	644	-	341,888
Net income/(expenditure) before transfers		41,264	579	-	41,843	(239,328)	561	-	(238,767)
Transfers between funds	15	(11,953)	453	11,500	-	198,189	(189)	(198,000)	-
Net income / (expenditure) before other recognised gains and losses		29,311	1,032	11,500	41,843	(41,139)	372	(198,000)	(238,767)
Gain on revaluation of fixed asset		-	-	-	-	-	-	-	-
Actuarial gains on defined benefit pension schemes	19	-	-	-	-	16,884	-	-	16,884
Interest cost on DB pension scheme		-	-	-	-	(484)	-	-	(484)
Net movement in funds		29,311	1,032	11,500	41,843	(24,739)	372	(198,000)	(222,367)
Reconciliation of funds:									
Total funds brought forward		1,416,947	1,609	(288,000)	1,130,556	1,441,686	1,237	(90,000)	1,352,923
Total funds carried forward		1,446,259	2,641	(276,500)	1,172,399	1,416,947	1,609	(288,000)	1,130,556

All of the above are derived from continuing activities. There were no other recognised gains or losses other than those stated above.


The notes on the following pages form part of these accounts.

VICTORIA PARK BAPTIST CHURCH

BALANCE SHEET AS AT MARCH 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
		£	£
Fixed assets			
Tangible assets	8	<u>1,420,097</u>	<u>1,420,370</u>
Total fixed assets		<u>1,420,097</u>	<u>1,420,370</u>
Current assets			
Debtors	9	13,136	6,007
Cash at bank and in hand	10	<u>23,500</u>	<u>43,691</u>
Total current assets		<u>36,636</u>	<u>49,698</u>
Creditors: amounts falling due within one year	11	<u>(36,834)</u>	<u>(57,512)</u>
Net current assets/(liabilities)		(198)	(7,814)
Total assets less current liabilities		<u>1,419,899</u>	<u>1,412,556</u>
Creditors: amounts falling due after more than one year	12	<u>(247,500)</u>	<u>(282,000)</u>
Net assets excluding pension asset/(liability)		<u>1,172,399</u>	<u>1,130,556</u>
Defined benefit pension scheme asset/(liability)	18	0	0
Total net assets/(liabilities)	15	<u><u>1,172,399</u></u>	<u><u>1,130,556</u></u>
The funds of the charity:			
Endowment fund		(276,500)	(288,000)
Restricted funds		2,411	1,379
Unrestricted funds:			
Designated		10,322	10,595
Revaluation reserve		1,410,000	1,410,000
Pension reserve	19	0	0
General fund		<u>26,166</u>	<u>(3,418)</u>
Total unrestricted funds		<u>1,446,488</u>	<u>1,417,177</u>
Total charity funds	14	<u><u>1,172,399</u></u>	<u><u>1,130,556</u></u>

These financial statements were approved by the Diaconate (Leadership Team) on 13 January 2025 and signed on its behalf by:


Secretary: Becky Gbande


Treasurer: Neville Reid

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(i) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Church Accounting regulations 2006 together 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) , (Charities SORP FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. The functional currency of the Church is sterling.

The financial statements have been prepared under the historical cost convention, except for the valuation of investment assets, which are shown at market value.

(ii) Public benefit entity

The charity meets the definition of a public entity under FRS 102.

(iii) Going concern

The trustees consider that there are no material doubts about the charity's ability to continue as a going concern. Large projects are only undertaken when the funding is certain.

The trustees consider the general reserve of £26166 at the year end to be sufficient, along with estimated income in the following year, to continue operating.

Options for repaying the building loan include converting it to a long-term loan, which the church could afford to repay over several years; or selling the church's large manse, and purchasing a smaller property with the remaining proceeds of sale.

The charity is no longer carrying a significant Pension liability. The Baptist Pension Scheme has employed measures to mitigate the deficit across the whole fund as a "family solution" . The trustees have taken advice from the Pension Scheme regarding the management of the deficit beyond the retirement of the Minister and are making deficit contribution payments as advised.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material to the carrying amounts of assets and liabilities within the next reporting period.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Accounting policies - continued

(iv) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Tax reclaims on donations and gifts:

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be unrestricted income unless the donor or the terms of the appeal have specified otherwise.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

(v) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

Other income and income from trading activities

Rental income from the letting of church premises and the church Manse property is recognised when the rental is due.

(vi) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

(vii) Fund accounting

Unrestricted Funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Accounting policies - continued

The financial statements include all transactions, assets and liabilities for which the Church is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

(viii) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs.
- Grants payable are accounted for when due.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(ix) Allocation of support and governance costs

Support and governance costs are allocated to unrestricted funds.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

(x) Fixed assets and depreciation:

Fixed assets acquired for use by the charity are capitalised and depreciated over their estimated useful life to their estimated residual value, unless they cost less than £1,000 when they are written off on purchase.

Depreciation periods are as follows:

Freehold land	Not depreciated but valued at NIL since originally purchased in the 19th century.
Freehold buildings	Over 50 years, and hence the church property is fully depreciated since it is over 50 years old. The Manse has previously been depreciated at 2% on estimated cost over its estimated useful life of 50 years and is fully depreciated on that original basis at Mar 2017. Since 2016 the Trustees have had a policy of revaluing the property every 5 years. The Trustees feel that an online search of like local properties is sufficient for revaluation purposes. The current valuation was carried out in 2022. The property valuation cannot be realised by the Church, only by the London Baptist Property Board.
Refurbishment	No depreciation is provided as the estimated residual value is not materially different from the carrying value and its estimated useful life is so long to result in depreciation being immaterial. The 2012 kitchen ceiling refurbishment is depreciated at 2% on cost over its estimated useful life of 50 years.
Equipment	Between 3 and 7 years for items costing over £1000

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Accounting policies - continued

(xi) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(xii) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

(xiii) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(xiv) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(xv) Pension costs:

The charity is part of the Baptist Union Pension Scheme for certain of its employees. Pension premiums are paid to this defined contribution scheme to fulfil the local church's responsibilities and charged to expenditure as they fall due.

2 Income from donations and legacies

	Unrestricted	Restricted	2024	2023
	£	£	£	£
General donations and grants	30,639	-	30,639	30,404
Tax recoverable	8,547	-	8,547	9,030
Thank offerings	17,180	-	17,180	12,911
Other donations and grants	852	5,510	6,362	1,205
	57,218	5,510	62,728	53,550

Income from donations and legacies - prior year comparative

		2023
General donations and grants	30,404	30,404
Tax recoverable	9,030	9,030
Thank offerings	12,911	12,911
Other donations and grants	-	1,205
	52,345	53,550

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

3 Charitable activities	Unrestricted	Restricted	2024	2023
Advancement of religion and education	£	£	£	£
Rental income and fees Church	12,799	-	12,799	10,626
Rental income Manse	35,399	-	35,399	38,400
Other trading activities	706	-	706	429
	48,904	-	48,904	49,455

Charitable activities - prior year comparative

			2023
Rental income and fees Church	10,626	-	10,626
Rental income Manse	38,400	-	38,400
Other trading activities	429	-	429
	49,455	-	49,455

4 Investment income	Unrestricted	Restricted	2024	2023
	£	£	£	£
Bank interest	274	-	274	116

Investment income - prior year comparative

			2023
Bank interest	116	-	116

5(a) Direct Charitable Costs	Unrestricted	Restricted	2024	2023
	£	£	£	£
Employee costs 7	2,728	-	2,728	7,833
Church activity	2,965	913	3,878	2,035
Church property	46,581	3,168	49,749	26,139
Church roof	-	-	-	293,624
Manse property	7,693	-	7,693	7,028
Depreciation 8	273	-	273	273
Grants payable 5 c	-	850	850	644
	60,240	4,931	65,171	337,576

The refurbishment of the Church roof is written off in the year as it replaces the existing roof.

(b) Administration and governance

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Administrative costs	3,152	-	3,152	2,632
Independent examination fee	1,740	-	1,740	1,680
	4,892	-	4,892	4,312
Combined charitable activity cost	65,132	4,931	70,063	341,888

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

	Institutions	Individuals	2024	2023
	£	£	£	£
(c) Grants				
Missionary support	-	-	-	204
Relief of poverty	-	150	150	350
Other grants	700	-	700	90
	700	150	850	644

The church supports missionaries in the UK and internationally. Where a particular missionary has been supported by the church for a number of years, strict compliance with the Charities' Statement of Recommended Practice (SORP) may regard some arrangements as constituting constructive obligations such that future years' support is accounted for in these accounts as a liability. Whilst the support has no final end date in some cases, the church officers assess missionary funding on an annual basis and are confident that the missionaries would not view their support as open ended obligations by the Church.

The main features of the grants made were to:	2024	2023
Baptist Home Mission	£0	£0
Baptist World Mission	£0	£204
Crossroads CCS	£700	£90

5(a) Direct Charitable Costs - prior year comparative	Unrestricted	Restricted	2023
	£	£	£
Employee costs 7	7,833	-	7,833
Church activity	2,035	-	2,035
Church property	26,139	-	26,139
Church roof	293,624	-	293,624
Manse property	7,028	-	7,028
Depreciation 8	273	-	273
Grants payable 5 c	-	644	644
	336,932	644	337,576

(b) Administration and governance	Unrestricted	Restricted	2023
	£	£	£
Administrative costs	2,632	-	2,632
Independent examination fee	1,680	-	1,680
	4,312	-	4,312
Combined charitable activity cost	341,244	644	341,888

	Institutions	Individuals	2023
	£	£	£
(c) Grants			
Missionary support	204	-	204
Relief of poverty	-	350	350
Other grants	90	-	90
	294	350	644

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

6 Net income/(expenditure) for the year	2024	2023
This is stated after charging/(crediting)	£	£
Depreciation	273	273
Interest payable	14,814	9,890
Independent examiners' fee	1,740	1,680
	<u>16,827</u>	<u>11,843</u>

7 Staff and trustees	2024	2023
	£	£
Staff costs were as follows:		
Salaries and wages (includes casual workers)	2,716	6,081
Other employment costs	-	209
Employer deficiency contributions to defined benefit scheme	12	1,258
Employer contributions to defined contribution pension scheme	-	285
Total	<u>2,728</u>	<u>7,833</u>

The charity has no full time equivalent employed staff at the year end (2023: 0.5 employed staff in the first financial quarter of the year).

No staff received salaries at a rate of more than £60,000 per annum (2023: nil)

The Minister retired during 2020 and a minister in training was in post until June 2022 , no stipend was paid in 2024 (2023: £3,019) and deficiency contributions were paid to the pension scheme of £12, no other pension contributions were made (2023: £293).

The Trustees are the Key Management Personnel.

No remuneration or reimbursement of expenses were paid to any trustee during the year nor to any person connected to them (2023: £810 to A Braz for regular cleaning in the Church prior to becoming a trustee).

In the year, an aggregate of £25,043 was donated to the Church by Trustees (2023: £18,970).

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

8 Tangible fixed assets	Building refurbishment	Equipment & fittings	Manse	Total 2024
	£	£	£	£
Cost				
At 1 April 2023	13,647	24,178	1,414,000	1,451,825
Additions	-	-	-	-
At 31 March 2024	13,647	24,178	1,414,000	1,451,825
Accumulated Depreciation				
At 1 April 2023	3,277	24,178	4,000	31,455
Charge for the year	273	-	-	273
At 31 March 2024	3,550	24,178	4,000	31,728
Net book value				
At 31 March 2024	10,097	-	1,410,000	1,420,097
At 31 March 2023	10,370	-	1,410,000	1,420,370

Freehold land - church Valued at NIL since originally purchased in the 19th century.

Freehold buildings - church The church property is fully depreciated since it is over 50 years old.

Freehold buildings - Manse The Manse was valued at estimated original cost in 1967 of £4,000.
In 2022 the building was revalued using average value from an online valuation tool, valuing the property at c£1,410,000. The Manse cannot be sold without the purchase of equivalent accommodation.

The properties are believed to be held as endowment property (see notes 14&15). The endowment fund matches to loans raised against the properties to carry out refurbishment works.

9 Debtors and prepayments	2024	2023
	£	£
Sundry debtors	960	1,783
Tax recoverable	8,300	3,000
Accrued income	3,168	-
Prepayments	708	1,224
	13,136	6,007

10 Cash at bank and in hand	2024	2023
	£	£
Bank operating accounts	11,051	37,517
Bank deposits	12,449	6,174
	23,500	43,691

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

11 Creditors: liabilities falling due within one year	2024	2023
	£	£
Sundry creditors	719	45,458
Payroll taxes	-	-
Interest on loan	3,744	3,634
London Baptists long term loans	29,000	6,000
Accruals	3,371	2,420
	<u>36,834</u>	<u>57,512</u>

12 Creditors: liabilities falling due after one year	2024	2023
	£	£
London Baptists long term loans		
Due after one year	247,500	282,000
Total balance due	<u>247,500</u>	<u>282,000</u>

The Church took out a loan of £60,000 for the purpose of replacing the Church roof. This loan is interest free & repayable over 10 years in monthly instalments.

The Church took out a further drawdown loan of up to £500,000 also for the purpose of replacing the Church roof. The drawdown was completed in 2023 (£201,000) with a total of £231,000 of the potential £500,000 loan being borrowed. The loan will carry interest at the LBPB's variable rate as shown on the LBA website <https://www.londonbaptist.org.uk/property-board>. The interest is payable quarterly. The loan is now treated as £225,000, repayable in quarterly instalments over 10 years. The LBPB, as Church trustee, is authorised to sell, mortgage or charge all or any part of the Church's properties in order to raise or secure such principal sum and interest as may be outstanding.

13 Pension schemes

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). See below note 19 for the pensions disclosure note in full.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

14 Movements in funds

	At 1 April <u>2023</u> £	Incoming <u>resources</u> £	Outgoing <u>resources</u> £	<u>Transfers</u> £	At 31 March <u>2024</u> £
Endowment fund	(288,000)	-	-	11,500	(276,500)
Restricted funds					
Other restricted funds	734	4,298	(4,781)	452	703
Communion Fund	645	1,212	(150)	1	1,708
Total restricted funds	1,379	5,510	(4,931)	453	2,411
Unrestricted funds					
Designated funds					
<u>Long term funds</u>					
Capital values fund	10,370	-	(273)	-	10,097
<u>Short term funds</u>					
Church events	225	-	-	-	225
Total designated funds	10,595	-	(273)	-	10,322
Pension reserve	-	-	-	-	-
Revaluation reserve	1,410,000	-	-	-	1,410,000
General reserves	(3,418)	106,396	(64,859)	(11,953)	26,166
Total unrestricted funds	1,417,177	106,396	(65,132)	(11,953)	1,446,488
Total funds	1,130,556	111,906	(70,063)	-	1,172,399

Purpose of endowment funds

When the Church borrows money from London Baptists to carry out essential repairs and refurbishment to the church, an amount equivalent to the loan is transferred to an endowment fund which is reduced each year by an amount equivalent to the amount of loan repaid.

Under the terms of the original endowment, it is believed that the proceeds of sale of the assets, should this occur, could only be used for equivalent capital purchases such as the repayment of property loans or the purchase of new buildings.

Endowment Funds are required to match the Church's loans, therefore a transfer from General Funds to Endowment Funds is necessary.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

14 Movements in funds - continued

Purpose of designated funds

Capital Values Fund represents the accounting value of refurbishment works for the endowment property (the Church building and Manse).

The revaluation reserve reflects the average market value of the Manse property in July 2022.

The Pension reserve is to reflect the DB Pension liability required under FRS102.

Purpose of restricted funds

The restricted funds represent amounts received for specific purposes.

Transfers represent amounts moved to and from general reserve to fund specific activities per the terms of the funds.

Movements in funds - prior year

	<u>At 1 April</u> <u>2022</u> £	<u>Incoming</u> <u>resources</u> £	<u>Outgoing</u> <u>resources</u> £	<u>Transfers</u> £	<u>At 31 March</u> <u>2023</u> £
Endowment fund	(90,000)	-	-	(198,000)	(288,000)
Restricted funds					
Other restricted funds	923	434	(434)	(189)	734
Communion Fund	85	770	(210)		645
Total restricted funds	1,008	1,204	(644)	(189)	1,379
Unrestricted funds					
Designated funds					
<u>Long term funds</u>					
Redevelopment fund	12,878	-	-	(12,878)	-
Capital values fund	10,643	-	(273)		10,370
	23,521	-	(273)	(12,878)	10,370
<u>Short term funds</u>					
Church events	225	-	-	-	225
Total designated funds	23,746	-	(273)	(12,878)	10,595
Pension reserve	(16,400)	-	16,400	-	-
Revaluation reserve	1,410,000	-	-	-	1,410,000
General reserves	24,569	101,917	(340,971)	211,067	(3,418)
Total unrestricted funds	1,441,915	101,917	(324,844)	198,189	1,417,177
Total funds	1,352,923	103,121	(325,488)	-	1,130,556

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

15 Analysis of net assets between funds at 31 March 2024

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank and cash £	Other net assets £	Long-term liabilities £	Total £
<u>Restricted funds</u>					
Church funds	-	2,411	-	-	2,411
	-	2,411	-	-	2,411
<u>Endowment funds</u>	-	-	-	(276,500)	(276,500)
<u>Unrestricted funds</u>					
Designated funds	10,097	225	-	-	10,322
Pension reserve	-	-	-	-	-
Revaluation reserve	1,410,000	-	-	-	1,410,000
General funds	-	20,864	(23,698)	29,000	26,166
	1,420,097	21,089	(23,698)	(247,500)	1,169,988
Total funds	1,420,097	23,500	(23,698)	(247,500)	1,172,399

Analysis of net assets between funds - prior year 31 March 2023

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank and cash £	Other net assets £	Long-term liabilities £	Total £
<u>Restricted funds</u>					
Church funds	-	1,379	-	-	1,379
	-	1,379	-	-	1,379
<u>Endowment funds</u>	-	-	-	(288,000)	(288,000)
<u>Unrestricted funds</u>					
Designated funds	10,370	225	-	-	10,595
Pension reserve	-	-	-	-	-
Revaluation reserve	1,410,000	-	-	-	1,410,000
General funds	-	42,087	(51,505)	6,000	(3,418)
	1,420,370	42,312	(51,505)	(282,000)	1,129,177
Total funds	1,420,370	43,691	(51,505)	(282,000)	1,130,556

16 Related party transactions

There were no payments to related parties during the year (2023: £810 to A Braz for regular cleaning in the Church prior to becoming a trustee).

In the year an aggregate of £25,043 was donated to the Church by Trustees, (2023 £18,970).

17 Taxation

The charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

18 Contingent Asset

Helen Cammish left a legacy to VPBC to be fulfilled when the property she jointly owned is sold.

This is noted as a contingent asset in VPBC accounts, but as the legacy will not be received until an undetermined time in the future, it cannot be quantified.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

19 FRS102 pensions disclosure

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 Limited). 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.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme’s assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Minister(s) is eligible to join the Scheme.

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 Legal and General Life Assurance Society Limited. 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 in the event that 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 Unum Limited. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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 closed to future accrual of defined benefits on 31 December 2011.

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 £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

VICTORIA PARK BAPTIST CHURCH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Assumptions

Annual future increase in Pensionable income	4.95%
Assumption for annual increase in Pensionable income used for prior year	3.18%
Assumption for annual increase in Pensionable income for 2 years prior	3.29%
Discount Rate at financial year end date	3.02%
Discount Rate assumption used in accounts for prior year	1.84%
Discount Rate assumption used in accounts for 2 years prior	3.06%

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.

At the end of June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was announced in July 2022 with deficit contributions from each participating employer in the DB Plan reducing to just £1 per month from August 2022.

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.

Accounting date (year ending):	31 March 2024	31 March 2023
Balance sheet liability at year start	£0	£16,400
Minus deficiency contributions paid	£0	-£1,258
Interest cost (recognised in SoFA)	£0	£484
Remaining change to balance sheet liability* (recognised in SoFA)	£0	-£15,626
Balance sheet liability at year end	£0	£0

* 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:

Accounting date	31 March 2024	31 March 2023	31 March 2022
Discount rate	0.0%	5.6%	3.0%
Future increases to Minimum Pensionable Income	0.0%	0.0%	3.2%