



NEW RIVER BAPTIST CHURCH

Charity Number: 1161039

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2021

New River Baptist Church

Legal and Administration

Current Trustees:	D Watson	Chair
	R Plummer	
	E Chew appointed 20 June 2021	
	K Beruffi	
	S Hulcoop	Treasurer
	E Green resigned 31 December 2021	
Principal Address:	New River Baptist Church	
	80 Arran Walk	
	Islington	
	London N1 2TL	
Independent Examiner:	M P Fiscal Solutions	
	71-75 Shelton Street	
	Covent Garden	
	London, WC2H 9JQ	
	United Kingdom	
Bankers:	The Co-operative Bank	
	P O Box 250	
	Delf House	
	Skelmersdale	
	WN8 6WT	

New River Baptist Church

Trustees Report

For the year ended 31st December 2021

The trustees present their report and financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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). The board of trustees are satisfied with the performance of the charity during the year and the position at 31st December 2021 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The charity is entered on the Register of Charities with the Registered Charity Number 1161039 and is governed by a constitution. The Charity's Purpose is defined as follows:

The principle 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.

Reference and administrative details of the charity, its trustees and advisers

This is set out on page 2.

Structure, governance and management

The Charity is governed by its trustees, who meet regularly to manage its affairs. The trustees are subject to the directions of, and are appointed by vote by, the Church Members Meeting in relation to decisions concerning church property, the appointment and removal of a Minister or other member of staff, the administration of the membership list, and the closure of the Church and any other decision with a direct financial impact of greater than £3,00 or which might otherwise have a major impact on the operation of the charity. The charity employed the Minister during the year ended 31 December 2021, together with three part-time staff who were engaged in charitable activities, finance and day to day administration. Day to day management is delegated to the church eldership which makes the day to day decisions.

Governing Document

The organisation is an Unincorporated Association, constituted on 11 May 2011. The charity is governed in accordance with the terms of the Constitution.

Recruitment and Appointment of Trustees

The trustees are appointed for an initial three-year term with the opportunity to be nominated for reappointment at the end of each three- year term. The Church Members' Meeting appoints Charity Trustees, via vote, in accordance with the articles of the Constitution.

Current Trustees at the time of audit:

Robin Plummer, Sarah Hulcoop, Daniel Watson (chair), Earn Chew & Kasia Beruffi
Emma Green resigned as a trustee in Dec 2021

Charity law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

New River Baptist Church

Trustees Report

For the year ended 31st December 2021

The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 Charity SORP. 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.

Investment performance

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the charity. In the Financial Review section of this report, there is a description of the investment policies and objectives established by the Trustees and the extent to which social, environmental or ethical considerations are taken into account.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures are being established to mitigate the risks the charity faces, including insurance arrangements. The trustees do not envisage any significant external risks to funding which will not be met by church member donations. Internal control risks are being minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are being put in place to ensure the compliance with health and safety of staff, church members, volunteers, and visitors.

Objectives and activities:

The main purpose of the charity is the promotion and advancement of the Christian faith according to the principles of the Baptist denomination. The charity's secondary purposes are the advancement of education and the carrying out of other charitable purposes in the United Kingdom and/or other parts of the world. The charity expresses these purposes through the activity of the church, whose objectives include evangelism; pastoral care and community building; and worship and instruction in the Christian faith. The church is involved in a number of projects, including: the provision of free English Classes; hosting activities for Over 55s; care and opportunities for children and young families and outreach to the local community and particularly the residents of two nearby housing estates. Much of this work is conducted from its base in Canonbury called The Bridge, a multi-use space that provides on the ground floor a worship hall, industrial kitchen, café and dining area and on the first floor further mixed-use rooms, accommodation for church workers and an office. The church also supports international mission work in diverse areas of the world. There are around 45 adults and up to 30 children and teens attending the Sunday morning services.

Reasons to be thankful:

Changes in our operations due to COVID continued to require creativity and resilience in order to face the challenges and make the most of the opportunities in 2021. We are grateful that none of our church members were either hospitalised or died. Ongoing creative uses of technology often sat alongside restricted opportunities to do things in person. This became a 'hybrid' expression of church and mission enabling us to involve and include as many people as possible whilst managing risk. We recognised the need to recover together from the impact of the pandemic before proceeding to rebuild. We are grateful that the church charity's finances held up through this challenging period and that we continued our pursuit of discipleship through small and larger group activities. We are also pleased that we managed to focus outward at various points in the year, seeking to share our resources and our faith with those nearby and overseas.

What did we manage to do together in 2021?

Hebrews 10:24 'And let us consider how we may spur one another on toward love and good deeds'

The following list is compiled under the headings of our discipleship values: worship (love for God); community (love for one another) and mission (love for the world around us). We also include a further heading of resources used by us in pursuit of these values:

Worship

- We hosted a regular weekly Worship Service at 11am on Sundays - providing a space to grow to-gether in worship. For much of the year we were able to offer both a restricted opportunity for worship in person alongside the ability for those isolating or distanced to engage with our Livestream on YouTube.

New River Baptist Church

Trustees Report

For the year ended 31st December 2021

- Our teaching series supported our aims of corporate and individual recovery and also of ongoing discipleship: 25 weeks of talks were focused on Luke's gospel under the heading: His Story - Salvation for All; 11 weeks were allocated to Ephesians (God is Building A Home - He is Using Us All); further mini-series looked at the Psalms, at Mission, and at Seeking Jesus at Christmas.
- 5 Home Groups met regularly either in person or on Zoom to help one another to follow Jesus - this included an online Wednesday evening home group that was set up to facilitate the discipleship of a diverse group of people who had attended our Alpha Course. Training and support for our home group leaders was provided by the elders and with refineries run twice in the year for all HG leaders
- The team leading sung worship at NRBC expanded to involve new team members and with worship on Sundays led by four different worship leaders. The new team members included both interns and teenagers
- We held a Baptism service for two baptisees and commenced Baptism preparations for two more interested persons
- Our church was represented in Islington church leaders meeting for prayer and mutual support and also in the London Baptists Central District with Robin stepping up to become a District Minister
- Our AV team led by Rick and Rachel adapted to the challenges of recordings and then of hybrid church in helping to produce online live worship resources whilst also facilitating worship in person at The Bridge
- Our Easter worship incorporated Lent prayers; a joint Good Friday service at Cross St, and an Easter Sunday service followed by an outdoor Easter trail for families locally
- Our Christmas program pursued the theme of 'O Seek Him!'
- Corporate prayer was facilitated through a combination of weekday prayers, Sunday 10am prayers, a regular prayer text, church prayer days and several Sunday evening prayer meetings

Community

- We worked to develop our youth ministries and opportunities for teens and pre-teens. This included participation in First Fridays, the Rooted group meeting every other week, Summer 21, serving opportunities on the rota, worship leading development, opportunities for mission and personal development through the Bridge Football Club and youth events organised in conjunction with iNet churches.
- Primary School children were able to attend a new after school club called Fun Jesus Club running on Thursdays from 5-6pm and kids church was organised in various ways as part of the Sunday serslackvice through the year
- Events at The Bridge in person helped us to build community in the second half of 2021 - these include screen showings of The Chosen series about the life of Christ and a Spanish evening
- We participated in the Gratitude Initiative through a Gratitude Sunday service in May
- Church members in need were offered practical assistance through the Bless U Fund
- The Pastoral Care group continued to meet through the year helping the church and the eldership in the provision of prayer, emotional and practical support for church members
- An ethnically diverse small group was formed to interview church members to evaluate the opinions and experiences of church members in relation to multi-ethnic church and church leadership. This move was in response to the events surrounding the death of George Floyd and Black Lives Matter. The plan was for this information to be forwarded to the elders with recommendations ahead of a presentation to the partners. Events with COVID slowed down progress on this and it is envisaged that more work will be undertaken in 2022.

Mission

- Bridge Football Club was able to resume Sunday afternoon sessions in person, but meeting in Rosemary Gardens. The group grew to c. 20 members attending weekly. Bridge FC ran a successful summer tournament attended by three clubs and run in association with YWAM.
- Robin has continued to support the work of YWAM Urban Key as a trustee of the charity
- We supported a local charity, Foodcycle, in the delivery of a weekly community lunch at The Bridge. Foodcycle was able to move from a delivery service during COVID through to resuming in person meals for local residents
- We supported various overseas workers and projects including monthly support for Cleverson in Japan; Peter, Selma and their family as leaders of YWAM Fortaleza in Brazil; an orphan called Milo in Indonesia; church planting initiatives through the Baptist Missionary Society

New River Baptist Church

Trustees Report

For the year ended 31st December 2021

- Dover Soul kids holiday club resumed in person on the Ashby Grove green space with a theme of Around The World and with around 50 children attending and with external support for this project provided by YWAM, St Jude's & St Paul's Church and Summer 21 and with financial support gratefully received from Crossroads Church, Minnesota.
- Online English Classes were offered through much of the year with around 20-30 adults engaging. In the Spring we commenced a monthly 'Pitstop' lunch online to facilitate community among the students and to create an opportunity to grow friendship. In person classes were able to resume on Saturdays with a small group of 6-12 students attending.
- An online Alpha was run in the summer for those wishing to explore faith and was attended by a combination of local and global connections
- Football matches from the Euro 2021 tournament were screened at The Bridge and attended by local residents and those associated with our church and its projects

Resources

- We have continued to work on the Churchsuite database, expanding the administration services to include rotas and bookings
- We were privileged to work with three part-time volunteer interns through 2021: Rick, Jeff and Edward
- Our interns helped us to support wider church and mission initiatives including weekly assistance at the Manna Project for the homeless; support in the delivery and training of worship leading at Cross St Baptist; dance choreography and performances with e.g. E33 Dance Co.; training and planning for Summer 21 with REACH London and iNet. In turn, our interns received support from the London Baptists for their leadership training and financial support for Jeff and Rick's ETM studies at Spurgeons. We undertook a program of monthly interns training from Jan-June on Zoom in conjunction with Restore Church, Loughton.
- Church leaders and interns attended the Ekklesia Conference on Zoom
- We were able to create, advertise, recruit, train and utilise a part-time administration staff member, Felicia, on an initial one-year contract term
- Works were undertaken to keep The Bridge venue fit for purpose. Two new skylights were fitted as replacements for older units. We also erected new blinds in the worship hall and repainted the dining room. Two Building committee meetings were held in the year to oversee buildings matters inc. health and safety.
- 4 Partners Meetings took place either in person or online via Zoom. The number of partners remained at 37 with two partners moving on and two joining
- We raised financial support for church activities and were able to give generously to support mission activities outside of NRBC
- External support for NRBC in various areas was gratefully received from the London Baptists, from REACH London, from iNet, from other local churches and from Islington Council
- Our pastor continued his studies and ministerial support as a BU Newly Accredited Minister, submitting the first of two Spurgeon's College assignments on the subject of Christian leadership
- Our pastor moderated for Victoria Park Baptist Church when they were without a minister. He then went on to mentor a Minister In Training, Angel Tiebas, in his placement at VPBC
- Our children and families worker contributed to the London wide Baptist youth forum
- We were again able to reduce the outstanding monies on our Philpott Loan
- The Charity Trustees continued to work to update and expand our charity policies
- Work was undertaken to paint The Bridge and to safeguard The Manse from subsidence
- We renewed our Visa sponsorship license

Financial review

During the year the charity received incoming resources of £106,866 and had outgoing resources of £123,872 leaving total funds carried forward of £1,339,785 with free reserves carried forward of £77,307.

Reserves Policy

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. They have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be approximately £63,000. Our reserve at the end of 2021 were £77,307.

New River Baptist Church

Trustees Report

For the year ended 31st December 2021

Plans for the Future

We continue to observe the need to be flexible regarding the complexity of how the COVID pandemic will play out in 2022. We are convinced of the importance of enabling our church family to have the time and space to be able to process well what we have been through and to recover before looking too far ahead regarding how we rebuild. It is hoped that the planned Weekend Away in March 2022 will help us with the sense of being together again and of recovering well. The opportunities that exist for hybrid activities that may be accessed both in person and online at the same time are likely to continue to be a feature in 2022 and we will endeavour to develop the skills and technology needed to do this well whilst also reviewing the changing situation with the membership as we proceed through the coming year. The opportunities we have already enjoyed in 2021 to recommence activities in person have shown us that we can expect for our projects and activities to be likely to attract a reduced number of people attending from that experienced before COVID. We are understanding of this fact and wish to run our activities well in order to make the most of the opportunities to connect on a deeper level with a smaller group of people. We hope that these connections may form a solid bedrock for any future growth in numbers. We believe that 2022 can be a strategic moment for reviewing our church's vision and values and to reflect upon the journey thus far which has now marked ten years since the merger of Canonbury Community Baptist Church with New River Church to form NRBC. This review will be undertaken by a joint leadership of trustees and elders and with a plan to also engage our partners in the process through the partners meetings. A rough time-scale of a year has been set for this task beginning in January 2022. The church intends to make it possible for Robin and Cecilia to take a sabbatical in Aug-Oct 2022. We will plan for this to be an opportunity for the serving and leading of our wider leadership and membership to prosper without it becoming a burden on the few. Our interns will finish their internships at the end of the year and we shall look in 2022 to publicise and work toward the creation of new internship opportunities in support of our mission activities commencing January 2023.

1Pet. 2:4 As you come to him, the living Stone—rejected by humans but chosen by God and precious to him—you also, like living stones, are being built into a spiritual house to be a holy priesthood, offering spiritual sacrifices acceptable to God through Jesus Christ.

May Jesus receive all the glory!

Public Benefit

The charity's commitment to promote the Christian faith creates an opportunity for all to hear the gospel, and respond to it. Historically there is much testimony as to the benefit of faith and the lifestyle that goes with it, as it produces those who are willing to love, serve and care for those who may have less opportunities than themselves. This is evidenced in the charity's commitment to work with the elderly, with young children and parents, with those who have English as a second language and those living locally in social housing. Our members are involved in a variety of work that gives rise to public benefit too numerous to mention, and the work of the church is to support them to persevere in it. As it says in Hebrews 10:24 "spur one another on to love and good deeds".

INDEPENDENT EXAMINER

MP Fiscal were appointed as the charity's independent examiners during the year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the Charities Act 2011.

This report was approved by the Trustees on **Oct 27 2022**

Robin Plummer

Robin Plummer
Minister

Independent Examiner's Report to the trustees of New River Baptist Church

I report on the accounts of the Trust for the year ended 31 December 2021, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:-
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and with the methods and principles of the 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)

have not been met; or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Manish Panjabi

Manish Panjabi

71-75 Shelton Street
Covent Garden
London, WC2H 9JQ
United Kingdom

New River Baptist Church

Statement of Financial Activities

(including Income and Expenditure Account)

For the year ended 31st December 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies						
Donations and collections at service		97,128			97,128	95,215
Other trading income	5	7,293			7,293	3,927
Investment income	6	346			346	423
Income from charitable activities				2,100	2,100	1,855
Total income and endowments		104,766	-	2,100	106,866	101,420
Expenditure on:						
Raising funds		2,298			2,298	1,715
Charitable activities	7	86,265	33,735	1,574	121,574	116,345
Total expenditure		88,563	33,735	1,574	123,872	118,060
Net Income/ (Expenditure) before gains and losses on investments		16,203	(33,735)	526	(17,006)	(16,640)
Net gains/(losses) on investments				-	-	-
Net Income/ (Expenditure) for the year		16,203	(33,735)	526	(17,006)	(16,640)
Statement of recognised gains and losses						
Actuarial loss on defined benefit pension scheme		(2,010)		-	(2,010)	(10,765)
Net Income/ (Expenditure) for the year		18,213	(33,735)	526	(14,996)	(5,875)
Transfers between funds		-			-	-
Net movement in funds		18,213	(33,735)	526	(14,996)	(5,875)
Reconciliation of Funds						
Fund balances brought forward at						
1st January		59,094	1,293,284	2,403	1,354,781	1,360,656
Fund balances carried forward at						
31st December		77,307	1,259,549	2,929	1,339,785	1,354,781

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

New River Baptist Church

Statement of Financial Activities

(including Income and Expenditure Account)

For the year ended 31st December 2020

Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Income and endowments from:				
Donations and legacies				
Donations and collections at service	95,215			95,215
Other trading income	3,927			3,927
Investment income	423			423
Income from charitable activities			1,855	1,855
Total income and endowments	99,565	-	1,855	101,420
Expenditure on:				
Raising funds	1,715			1,715
Charitable activities	80,442	34,190	1,713	116,345
Total expenditure	82,157	34,190	1,713	118,060
Net Income/ (Expenditure) before gains and losses on investments	17,408	(34,190)	142	(16,640)
Net gains/(losses) on investments			-	-
Net Income/ (Expenditure) for the year	17,408	(34,190)	142	(16,640)
Statement of recognised gains and losses				
Actuarial loss on defined benefit pension scheme	(10,765)		-	(10,765)
Net Income/ (Expenditure) for the year	28,173	(34,190)	142	(5,875)
Transfers between funds	-			-
Net movement in funds	28,173	(34,190)	142	(5,875)
Reconciliation of Funds				
Fund balances brought forward at 1st January 2020	30,922	1,327,473	2,261	1,360,656
Fund balances carried forward at 31st December 2020	59,094	1,293,284	2,403	1,354,781

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

New River Baptist Church

Balance Sheet at 31st December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Tangible assets	8		1,349,399		1,383,134
Investments			9,000		9,000
Current Assets					
Debtors and prepayments	9	998		946	
Cash at bank and in hand		<u>68,671</u>		<u>59,727</u>	
		69,668		60,672	
Creditors: Amounts falling due within one year	10	<u>(4,099)</u>		<u>(4,716)</u>	
Net Current Assets			<u>65,569</u>		<u>55,956</u>
Creditors: Amounts falling due in more than one year	11		(68,283)		(71,783)
Provisions for liabilities			(15,900)		(21,526)
Net Assets			<u><u>1,339,785</u></u>		<u><u>1,354,781</u></u>
Funds					
Restricted funds			2,929		2,403
Unrestricted Funds					
Designated funds			1,259,549		1,293,284
Free reserves			93,207		80,621
Pension deficit fund	17		(15,900)		(21,526)
			<u><u>1,339,785</u></u>		<u><u>1,354,781</u></u>

Oct 27 2022

Approved by the trustees on _____ and signed on their behalf by:-

Dan Watson

Trustee

Dan Watson

KA Beruffi

Trustee

Kasia Beruffi

New River Baptist Church

Statement of Cash Flow

for the year ended 31st December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	(17,006)	(16,640)
Adjustments for:		
Depreciation of property, plant and equipment	33,735	34,190
Dividends, interest and rents from investments	-	-
Other gains/losses	2,010	10,765
Decrease in trade and other receivables	(52)	1,294
Increase in trade and other payables	(9,742)	(18,448)
Net cash used in operating activities	<u>8,944</u>	<u>11,161</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	-	-
Net cash from investing activities	<u>-</u>	<u>-</u>
Net cash from financing activities		
Net increase in cash and cash equivalents	8,944	11,161
Cash and cash equivalents at the beginning of the year	59,727	48,566
Cash and cash equivalents at the end of the year	<u><u>68,671</u></u>	<u><u>59,727</u></u>
Components of cash and cash equivalents		
Cash and bank balances	68,671	59,727
	<u><u>68,671</u></u>	<u><u>59,727</u></u>

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021

1 Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared 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) - Charities SORP (FRS 102) (effective 1 January 2015) - the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 December 2022, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are amounts which the Executive Committee have decided at their discretion to set aside for use for a specific purpose.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for specific purpose. The cost of raising and administering such funds is charged against the specific fund.

Incoming recognition

Income represents the total income receivable during the year comprising grants, donations and gifts, merchandise and publications, and investment income. Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

1 Accounting Policies (continued)

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in 'legacies and donations'. Goods donated for resale are included in 'Income from other trading activities'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a settlement is required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the fundraising costs and publicity activities incurred seeking donations and grants for the charity and their associated support costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activity. It includes donations made to organisations and costs incurred in the operation of projects and programmes together with their associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance, premises, marketing and general office costs. Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

1 Accounting Policies (continued)

Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives using the following rates:

Land	Not Depreciated
Freehold and long lease hold building	over 50 years
Office equipment & fittings	20% per annum straight line

Leases

Rentals under operating leases are charged to the Statement of Financial Activities as they fall due.

Pension Costs

The charity currently makes payments to personal pension plans of certain employees. The costs are charged to the Statement of Financial Activities for the period to which they relate.

The Church is also 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

Consequent upon the departure of the Minister from the Church in 2011, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. In 2019 the Church entered into a "Deferred Debt Arrangement". Under this arrangement the Church is no longer liable for this debt, but the Church continues to pay the ongoing deficiency contributions as outlined above. There are limited circumstances under the Deferred Debt Arrangement where the Church would become responsible for a debt equal to its share of the current BPS deficit (assessed by reference to the up to date cost of securing benefits by the purchase of annuities)

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with a maturity date of three months or less.

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the represent value of the expected future receipts or payment discounted as a market rate of interest.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

2 Net Movement in Funds	2021 £	2020 £
The net movement in funds is stated after charging:		
Depreciation	33,735	34,190
Independent Examiner's fees	750	800
Other accounting work		100
	<u>34,485</u>	<u>35,090</u>

3 Employees and Staff Costs	2021 Number	2020 Number
In aggregate the number of full and part time persons employed during the year was:		
Staff members - Operations	<u>3</u>	<u>2</u>
Staff costs were as follows:	£	£
Salaries and wages	38,841	35,837
National insurance	-	-
Pension scheme	1,645	4,474
	<u>40,486</u>	<u>40,311</u>

No employee received in excess of £60,000 during the year (2020-£nil).

4 Trustees Remuneration and Reimbursed Expenses

One trustee is employed under a contract of employment, and was paid £24,458 during the year. This appointment is authorised by the governing document of the charity with a formal approval by Charity Commission.

Services were provided by one other trustees (K.A. Beruffi) worth £2,380. The procedures and resolutions required by s185 Charities Act 2011 were completed prior to the provision of these services.

5 Other trading income	2021 £	2020 £
Rental Income	7,293	3,927
	<u>7,293</u>	<u>3,927</u>

6 Investment income	2021 £	2020 £
Bank Interest received	346	423
	<u>346</u>	<u>598</u>

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

7 Analysis of charitable activities

	Direct costs £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Mission/Social Action	16,237	1,505	32,670	50,412	52,228
Pastoral	7,454	1,505	27,143	36,102	33,536
Public Worship / Teaching	922	1,505	32,634	35,061	30,580
	<u>24,613</u>	<u>4,514</u>	<u>92,448</u>	<u>121,574</u>	<u>116,345</u>

8 Tangible Assets

	Freehold Building £	Office Equipment and Fittings £	Total £
Cost			
At 1st January 2021	1,686,749	14,533	1,701,282
Additions			-
Disposals			-
	<u>1,686,749</u>	<u>14,533</u>	<u>1,701,282</u>
At 31st December 2021	<u>1,686,749</u>	<u>14,533</u>	<u>1,701,282</u>
Depreciation			
At 1st January 2021	303,615	14,533	249,487
Charge for the year	33,735		33,735
	<u>337,350</u>	<u>14,533</u>	<u>283,222</u>
At 31st December 2021	<u>337,350</u>	<u>14,533</u>	<u>283,222</u>
Net Book Value			
At 31st December 2021	<u>1,349,399</u>	<u>-</u>	<u>1,349,399</u>
At 31st December 2020	<u>1,416,869</u>	<u>454</u>	<u>1,417,323</u>

9 Debtors

	2021 £	2020 £
Sundry debtors	-	(40)
Prepayments	998	986
	<u>998</u>	<u>2,240</u>

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

10 Creditors: Amounts falling due within one year	2021	2020
	£	£
Sundry creditors	2,549	3,116
Accruals and deferred income	1,550	1,600
	<u>4,099</u>	<u>4,716</u>
11 Creditors: Amounts falling due in more than one year	2021	2020
	£	£
T.W.Philpot Trust - Loan	68,283	71,783
	<u>68,283</u>	<u>71,783</u>

The church entered a loan agreement with the trustees of the T.W. Philpot trust for a free of interest loan of £108,685 on its incubation. Repayments are normally arranged to be in equal installments over 15years. Should the church leave the LBA or close, then the loan would be immediately repayable.

12 Analysis of Restricted Funds

	Balance at 01st Jan. 2021 £	Incoming Resources £	Expenditure £	Transfers £	Balance at 31st Dec. 2021 £
Bless You Fund	1,798	300	(200)		1,898
Gift Fund	10	-	-		10
Grant		500	(500)		
Philpot Fund	-	750	(750)		-
Designated Donations	595	550	(124)		1,021
	<u>2,403</u>	<u>2,100</u>	<u>(1,574)</u>	<u>-</u>	<u>2,929</u>

13 Designated Funds

	Balance at 01st Jan. 2021 £	(Deficit) / Surplus for the year £	Transfers £	Utilised/ Realised £	Balance at 31st Dec. 2021 £
Fixed assets	1,293,284		-	(33,735)	1,259,549
Designated funds	<u>1,293,284</u>	<u>-</u>	<u>-</u>	<u>(33,735)</u>	<u>1,259,549</u>

The fixed asset fund represents the net book value of the fixed assets - excluding those reflected in the Restricted Funds.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

14 Analysis of Net Assets between Funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible assets	1,358,399		1,358,399
Net Current assets	62,640	2,929	65,569
Long term liabilities	(84,183)		(84,183)
Total net assets	<u>1,336,856</u>	<u>2,929</u>	<u>1,339,785</u>

15 Investments	2021 £	2020 £
Green Pastures unsecured loan stock	9,000.00	9000
Additions		
Gains / (Losses) on investments		
Net book value as at 31 December	<u>9,000</u>	<u>9,000</u>

Green Pastures (GP) unsecured loan stock is a type of fixed income that is granted in exchange for a loan and does not offer collateral to guarantee that the loan will be repaid back. GP aims to use the proceeds of unsecured loan stock issues to buy properties to house the homeless.

16 Related Party Transactions

During the year 2021, a salary of £11,897 was paid to Mrs C. Plummer who is related to Mr. Plummer. Mr Plummer is a Trustee and Minister for the charity.

17 Pension costs and provisions

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).

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.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

17 Pension costs and provisions (continued)

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.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70

- Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor $\Lambda=0.5\%$.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

New River Baptist Church

Notes to the Financial Statements

For the year ended 31st December 2021 (Continued)

17 Pension costs and provisions (continued)

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.

Reconciliation of Pension Liability

Year Ending	31-Dec-21	31-Dec-20
Balance sheet liability at year start	21,526	34,453
Minus deficiency contributions paid	(3,695)	(2,724)
Interest cost (recognised in SoFA)	79	563
Actuarial (gains)/losses on re-measurement of liability (re	(2,010)	(10,765)
Balance sheet liability at year end	15,900	21,526

Table of Assumptions for calculating the liability

Accounting date	31-Dec-21	31-Dec-20	31-Dec-19
Discount rate	2.0%	0.4%	1.7%
Future increases to Minimum Pensionable Income	0.0%	3.0%	3.2%

The Church has been advised that the cost for the church to buyout their Pension Scheme liabilities at 31 December 2021 was approximately £15,900

Cessation Event

Consequent upon the departure of the Minister from the Church in 2011, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. In 2019 the Church entered into a "Deferred Debt Arrangement". Under this arrangement the Church is no longer liable for this debt, but the Church continues to pay the ongoing deficiency contributions as outlined above. There are limited circumstances under the Deferred Debt Arrangement where the Church would become responsible for a debt equal to its share of the current BPS deficit (assessed by reference to the up to date cost of securing benefits by the purchase of annuities)