

Charity registration number: 1161743

MITCHAM LANE BAPTIST CHURCH CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

MITCHAM LANE BAPTIST CHURCH CIO

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MITCHAM LANE BAPTIST CHURCH CIO

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	D Chambers
	Rev P Stone
	N D Morgan
	H A Chapman
	M Bartimeus
	Rev G Dunning
	J Morgan-Smith
	O Millington
Secretary	D Chambers
Paid staff	Hannah Roberts, Church Manager
	Anne Linsey, Bookkeeper
	Mark Nash, Cleaner
Principal Office	230 Mitcham Lane London SW16 6NT
Charity Registration Number	1161743
Independent Examiner	Ransford Agyei-Boamah Harmer Slater Limited Salatin House 19 Cedar Road Sutton Surrey SM2 5DA

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2021.

Trustees

The trustees who served throughout the year and up to date of authorisation of this report were as follows:

D Chambers, Church Secretary

Rev P Stone

N D Morgan

H A Chapman

M Thomas, Treasurer (resigned 21 October 2021)

M Bartimeus

Rev G Dunning (appointed 1 February 2021)

J Morgan-Smith (appointed 28 February 2021)

E Steele (died 26 October 2021)

O Millington (appointed 30 June 2021)

Objectives and activities

Objects and aims

The principal purpose of Mitcham Lane Baptist Church CIO (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 in other parts of the world.

Significant activities

In fulfilling its purpose, the Church will engage in a range of activities either on its own or with others that will vary from time to time with activities being initiated, expanded, or closed, as appropriate.

The Church's activities include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching;
- baptism, as defined in The Baptist 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;
- working in partnership with the other Furzedown Churches;
- the teaching, encouraging, 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.

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

Public benefit

In planning the activities of the Church, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

Social investment policies

The Church continues to be active in the local community, providing activities for all age groups which are open to all members of the local community on a non profit making basis that are in addition to the more formal church and related services. These have included running a Marriage Course, a Community Gospel Choir, a guitar and bass workshop and a show by a theatre company.

In addition the Church engages with local schools, hosting the carol services for two local primary schools as well as their talent shows, Christmas plays and an Easter Service. The Church contributes financial and staff support to a local youth centre (Furzedown Youth Centre).

As detailed later the Church has taken over from St Pauls the running of the local foodbank.

Office space is provided for the manager of the Furzedown Youth Centre.

Grantmaking

The Church seeks to fulfil its objective of spreading the Christian message throughout the United Kingdom and worldwide by making grants to individual missionaries supported by the Church and to specific independent missionary and charitable organisations whose aims coincide with those of the Church, including the Home Mission Fund of the Baptist Union of Great Britain and BMS World Mission.

Volunteers

A significant proportion of the Church's activities are run by and with the assistance of volunteers who freely give of their time and skills to support the Church in the furtherance of its aims.

Achievements and performance

Charitable activities

The year was impacted greatly by three events - the COVID 19 pandemic, the arrival of Rev Gemma Dunning as our Pastor and the appointment of Olivia-Mae Millington as a Minister in Training.

During the year, the Church continued to deliver Sunday and Holy Day church services open to all as well as regularly meeting either corporately or in small groups for Bible Study, prayer, praise and fellowship. However, the pandemic and Government restrictions meant that from January to August services were held on-line.

The on-line services were very successful with many people logging into the service either when it premiered or later. Furthermore, the format of the services enabled far more people to take part in a variety of ways than at the physical services.

However, many people missed the physical services where worship was together and fellowship enjoyed. Consequently, such services were resumed in September with services recorded for those unable to attend. Services are though different to those held pre-pandemic. The layout is now "café style" with light refreshments available on arrival and services often more interactive than pre pandemic. The changes have generally proved popular with the congregation. It has also proved easier to make new people welcome and involved in the service.

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

The highlight of the year was undoubtedly the arrival of our new Pastor, the Rev Gemma Dunning who took up post on 1 February. Her formal induction on 21 February was a great and joyous occasion despite it having to be held via Zoom. Her ministry is already proving to be a real blessing to the Church and we are looking forward to the many good things God has in store for us in the coming years.

Another highlight was the appointment of Olivia-Mae Millington (nee' Alman) as a Minister in Training. As indicated in the previous Trustees report Olivia had been engaged on a contractual basis to overhaul our on-line ministry, which she had done very successfully whilst at the same time continuing to maintain contact with our Young People.

Over a period of time, Olivia felt God calling her into Christian ministry. This call was affirmed by our Pastor and later by Leadership and Church meetings. After discussion and prayer it was felt right that rather than simply commend Olivia to the Baptist Union and a Training College we should engage her as a Minister in Training. This was confirmed by a Special Church Meeting and on 1 September Olivia took up this position. She spends three days a week at Bristol Baptist College studying and three days working for the Church. Initially she was severely handicapped by catching COVID 19 but although it took some time she has largely recovered and is catching up with her studies.

To keep in contact with Church members and the wider congregation a weekly notice sheet is e-mailed to them and posted to those not on-line. In addition, pastoral care cards are sent to members of the congregation and flowers to those in particular need. When Government restrictions and safety considerations permit it is hoped to restart pastoral visits in 2022.

In September the Youth and Children's work of the Church was restarted. After consultation with the young people it was felt best for them to meet on a Sunday evening. Efforts are being made to make the lounge an appropriate space for them.

Cell (home) groups have continued to meet during the year. Most were on-line but as restrictions eased some now meet in person. Similarly Church business meetings were held on-line and later in person. On 20 May a Special Church meeting amended the constitution to put beyond doubt the ability of the Church to hold Church meetings remotely or by hybrid means as well as to allow Leadership elections to be conducted wholly by post should this be necessary.

During the year two book clubs were started one meeting in the Garden/Church and the other on Zoom. During the summer term the clubs were studying a book on race and diversity and found it enlightening, stimulating at times very challenging. In the Autumn the groups studied a book addressing the theme of violence in the Old Testament. The groups found this helpful and profitable although at times a little hard going.

The Leadership Team has become depleted in numbers. It started the year with two vacancies. At the Church meeting on 28 February Janet Morgan-Smith was elected to the Team who were delighted to welcome her and the skills and experience she brought with her. She took on responsibility for Children's and youth work. Sadly, one of the Team, Ellie Steele, died of cancer on 26 October. We praise God for her life, her testimony to the love of God and her service to the Church. Her faith never wavered and she was looking forward to meeting the Lord she had served so long. Even in her last hours her thoughts were for others.

Also in October at the Church AGM Mei Thomas stood down as Church Treasurer after four years faithful service. We praise God for all her hard work in the role. Unfortunately no one was nominated to fill her position or the other vacancies. This means the Team is now carrying three vacancies and Phil Stone is in addition to his other responsibilities acting as Treasurer. We pray that God will raise up people to fill the vacancies.

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

The normal joint activities with the other Furzedown Churches had to be suspended because of the pandemic. However, there was co-ordination of online services at Easter, during August and at Christmas.

Towards the end of the year the Growing Leaders Course was restarted.

The pandemic and Government restrictions meant that the premises were not available for renting for most of the year. This was a heavy blow to the groups using the premises as well as having a significant adverse effect on the income of the Church. Some hirers returned in September as restrictions eased.

On the positive side from 11 January, our premises became a COVID 19 vaccination centre. During the year thousands of people passed through our premises including the Mayor of London who was vaccinated with a certain amount of publicity on 19 February.

The Garden of Discovery has been well used by the local community. It has been especially popular as an oasis during the pandemic. For a time during the Government lockdown it was open 24 hours a day. Unfortunately, security issues meant that it was necessary to revert to normal opening hours. The popularity of the Garden has caused some excessive wear and tear, which necessitated repairs during the year.

It was decided that it would be good to install a memorial bench in the garden to recognise both those who had died in the pandemic and those who were working in the caring professions during it. So that the community would feel part of this initiative a "Just Giving" page was opened for contributions. The bench was officially opened on 5th September.

Another way the Church has blessed the community is that it has taken over the responsibility for running the local Foodbank from St Pauls with effect from September. This now meets every Thursday morning and is meeting a real need. As the cost of living rises and more people are forced into poverty it is expected that the number of people attending will increase. Our Pastor is currently acting as manager and runs the bank with help from volunteers from both the Church and the community.

In April the Church had its quinquennial survey of the buildings. This identified that significant repairs to the premises were needed. Much of this work was carried out in October, for example all roof rafters and fascias were sanded and painted, the hall porch was repainted as well as other priority work carried out.

In August the long term tenants of the Church's property at Longlands Court moved out. Before the property could be re-let an electrical inspection was required which identified some remedial work. This was done together with associated work and, the premises redecorated. They have now been re-let with a higher rental.

The Church is mindful of other communities throughout the world who have less fortunate circumstances and consequently, despite its reduced income, continues to support financially as well as prayerfully targeted areas and projects in a number of overseas locations.

Nearer home, the Fellowship Fund, set up to alleviate poverty among the congregation, has given assistance to a number of people during the year. In October 2020, the Church expanded the terms of the Fund to allow it to make loans where this would be more appropriate than a grant.

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

Fundraising activities

The Church's activities are principally financed by the voluntary giving of its members and congregation, often supplemented with tax rebates through the Gift Aid scheme, and at cost charges for some of its community activities.

Financial review

The financial position of the Charity is set out in the Statement of Financial Activities and Balance Sheet and the related notes and have been prepared in accordance with the statutory requirements of the Charities Act 2011 and SORP (FRS 102).

Principal funding sources

The principal funding sources of the Church are the voluntary donations and giving by members of the Church's congregation together with the allied income tax rebates under the Gift Aid Scheme. The Church also receives a significant amount from three trust funds which have been left in bequests. The rental income from the Vodafone/Telefonica base station in the Church tower continues to provide a substantial income stream under a 15 year lease that runs until 2026. One of the Church properties was let out for the whole of the year and another for part of the year providing regular monthly income. Hire of the Church premises also provides additional income but as indicated earlier this was substantially reduced this year because of the Government restrictions.

Investment policy and objectives

The Church currently owns four properties. One of these (26 Woodnook Road) is used to provide job related accommodation to the Pastor. Two (22 Pretoria Road and a flat (38) at Longlands Court) are retained in case either might be needed for job related accommodation at a future date and in the meantime provide an income stream to the Church. One of the properties could have been used to provide accommodation for the Minister in Training. As, however, she was content with her current accommodation it was agreed as part of the terms of appointment that the Church would meet the rental on that property using rental income from the property of the Church.

The remaining property is a small block of flats (43 Thrale Road) where the Church owns the freehold but which is subject to long term leases apart from part of the garden and garage/outbuildings which are being retained for potential development. As indicated earlier the Church also receives rent from the letting of the Church tower for use as a telecommunications base station.

Policy on reserves

The Church aims to hold reserves that would cover three months revenue expenditure, legal commitments under contracts of employment and a reserve to meet immediate essential expenditure to the Church's premises necessary to allow the Church to continue to function. At the year-end, the Church had reserves that were considered sufficient to meet its revenue reserves policy. In addition, the Trustees have established a capital reserve to meet any future costs of a capital nature on its freehold assets.

Going concern

The financial statements have been prepared on the ongoing concern basis as in the opinion of the Trustees there are no material uncertainties about the charity's ability to continue in operational existence.

MITCHAM LANE BAPTIST CHURCH CIO

TRUSTEES' REPORT

Future plans

Activities planned to achieve aims

The Churches' new Pastor has been in post for almost a year and as Government restrictions are wound down it is expected that the Leadership Team will want to review the activities of the Church in the light of increased freedoms.

Structure, governance and management

Governing document

Mitcham Lane Baptist Church CIO (the "Church") is a charitable incorporated organisation and constitutes a corporate body with limited liability. It is registered with the Charity Commission under number 1161743. The Church was incorporated on 19 May 2015 and is controlled by its governing document, a constitution and is governed by its Trustees in accordance with that constitution.

Recruitment and appointment of trustees

The day to day running of the Church is under the control of a singular "Leadership Team" comprising the Pastor, Church Secretary, Church Treasurer and up to seven other elected members. This group is synonymous with the trustee body. The Pastor and Minister in Training are office holders appointed by the Church at a Special Church Meeting and is engaged under letters of appointment. The other trustees are appointed in accordance with the Church's constitution.

Organisational structure

The Church appoints Pastor(s) and other paid staff as circumstances require. The Senior Pastor leads the Church community in both spiritual and practical ways and chairs Leadership Team and Church meetings.

The Church employs a part time Manager to oversee day-to-day administrative and financial matters and to manage the premises. It also employs a part time book-keeper to assist the Church Treasurer.

The Church membership elect the Leadership Team (including the Church Secretary and Treasurer) from among themselves to oversee the spiritual and operational aspects of the Church. The Leadership Team meet regularly and administers the Charity by majority decision on behalf of the membership.

Governance code

The Trustees are aware of the updated Charity Governance Code and are considering how the relevant matters can be applied to and implemented by the Church. In this connection the Church recently completed the Baptist Union Governance Health check which did not indicate any matter of concern.

MITCHAM LANE BAPTIST CHURCH CIO

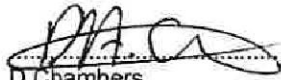
TRUSTEES' REPORT

Wider network

The Church is a member of the Baptist Union of Great Britain and the London Baptist Association. The holding trustee of the Church is the Baptist Union Corporation Limited (Charity No 249635) and which is controlled by the Baptist Union Council. The Baptist Union Corporation Limited also acts as the holding trustee of the church premises themselves.

The Church is also a member of Furzedown Churches Limited. This company is controlled by four Furzedown Churches - three Anglican Churches and this Church, to run joint activities.

The annual report was approved by the trustees of the charity on 24 August 2022 and signed on its behalf by:



D Chambers
Secretary and Trustee



Rev P Stone
Trustee

MITCHAM LANE BAPTIST CHURCH CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES

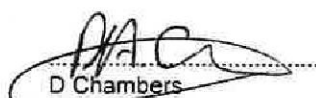
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 24 August 2022 and signed on its behalf by:


D Chambers
Secretary and Trustee



Rev P Stone
Trustee

MITCHAM LANE BAPTIST CHURCH CIO

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MITCHAM LANE BAPTIST CHURCH CIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 11 to 28.

Respective responsibilities of trustees and examiner

As the charity's trustees of Mitcham Lane Baptist Church CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

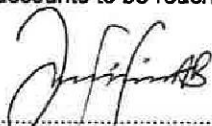
I report in respect of my examination of the Mitcham Lane Baptist Church CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

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



Ransford Agyei-Boamah FCCA ACA
Institute of Chartered Accountants in England and Wales

Harmer Slater Limited
Salatin House
19 Cedar Road
Sutton
Surrey
SM2 5DA

24 August 2022

MITCHAM LANE BAPTIST CHURCH CIO

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted £	Restricted £	Endowment £	Total 2021 £
Income and Endowments from:					
Donations and legacies	2	93,779	16,397	-	110,176
Other trading activities	3	10,728	-	-	10,728
Investment income	4	69,257	1,583	-	70,840
Other income	5	664	-	-	664
Total income		174,428	17,980	-	192,408
Expenditure on:					
Raising funds	6	(12,663)	-	-	(12,663)
Charitable activities	7	(232,251)	(19,504)	-	(251,755)
Total expenditure		(244,914)	(19,504)	-	(264,418)
Net expenditure		(70,486)	(1,524)	-	(72,010)
Gross transfers between funds		(3,394)	3,394	-	-
Net movement in funds		(73,880)	1,870	-	(72,010)
Reconciliation of funds					
Total funds brought forward	16	1,041,046	10,191	3,408,020	4,459,257
Total funds carried forward	16	967,166	12,061	3,408,020	4,387,247

MITCHAM LANE BAPTIST CHURCH CIO

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted £	Restricted £	Endowment £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	95,099	14,696	-	109,795
Other trading activities	3	9,862	-	-	9,862
Investment income	4	103,106	1,452	-	104,558
Other income	5	170	553	-	723
Total income		<u>208,237</u>	<u>16,701</u>	<u>-</u>	<u>224,938</u>
Expenditure on:					
Raising funds	6	(12,652)	-	-	(12,652)
Charitable activities	7	(157,390)	(18,617)	-	(176,007)
Total expenditure		<u>(170,042)</u>	<u>(18,617)</u>	<u>-</u>	<u>(188,659)</u>
Net income/(expenditure)		38,195	(1,916)	-	36,279
Gross transfers between funds		<u>(3,336)</u>	<u>3,336</u>	<u>-</u>	<u>-</u>
Net movement in funds		34,859	1,420	-	36,279
Reconciliation of funds					
Total funds brought forward	16	<u>1,006,187</u>	<u>8,771</u>	<u>3,408,020</u>	<u>4,422,978</u>
Total funds carried forward	16	<u>1,041,046</u>	<u>10,191</u>	<u>3,408,020</u>	<u>4,459,257</u>

All of the charity's activities derive from continuing operations during the above two periods.

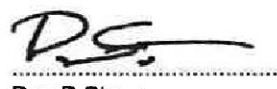
MITCHAM LANE BAPTIST CHURCH CIO

(REGISTRATION NUMBER: 1161743) BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	4,285,659	4,319,118
Current assets			
Receivables	14	22,680	10,561
Cash at bank and in hand		<u>95,268</u>	<u>145,761</u>
		117,948	156,322
Payables: Amounts falling due within one year	15	<u>(16,360)</u>	<u>(16,183)</u>
Net current assets		<u>101,588</u>	<u>140,139</u>
Net assets		<u>4,387,247</u>	<u>4,459,257</u>
Funds of the charity:			
Endowment	16	3,408,020	3,408,020
Restricted	16	12,061	10,191
Unrestricted income funds			
Unrestricted	16	<u>967,166</u>	<u>1,041,046</u>
Total funds	16	<u>4,387,247</u>	<u>4,459,257</u>

The financial statements on pages 11 to 28 were approved by the trustees, and authorised for issue on 24 August 2022 and signed on their behalf by:


D Chambers
Secretary and Trustee


Rev P Stone
Trustee

MITCHAM LANE BAPTIST CHURCH CIO

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

1 Accounting policies

Statement of compliance

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Mitcham Lane Baptist Church CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity has taken advantage of the exemption available under Section 7 'Statement of Cash Flows' of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' in preparing these financial statements. Consequently, no Statement of Cash Flows has been presented. Ireland'

Going Concern

The trustees have considered the impact of COVID-19 on the church's financial position, liquidity and future performance together with financial projections for the church and over the foreseeable future and have also reviewed the availability of banking facilities. After making enquiries, the trustees are satisfied that the church has sufficient resources to continue in operation for the foreseeable future, being at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the church's financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

MITCHAM LANE BAPTIST CHURCH CIO

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

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the purpose and nature of expenditure.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

The Church makes grants to missionaries it directly supports and other individual and organisations whose objectives complement the Church's charitable activities. They are accounted for in the year in which they are paid. The Church also makes donations to local community organisations of staff and volunteer time and other resources.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Most of the local community charitable activities, management and administration of the Church is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

MITCHAM LANE BAPTIST CHURCH CIO

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, fixed assets includes directly attributable incremental costs incurred in their acquisition.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset, other than land, over its estimated useful life.

Asset class	Depreciation method and rate
Freehold property	nil
Fixtures & equipment	20% on cost

The Church premises constitutes an inalienable asset, but not a heritage asset, as, under the terms of the Trust Deed, the church premises are legally required to be retained indefinitely for the Church's own use in achieving its charitable objectives and require external consent before the Church may dispose of the church premises. Reliable cost information is not available for the church premises and conventional valuation approaches lack sufficient reliability. Accordingly the Church premises have been included in the financial statements at insurance value. The freehold houses have been included in the financial statements at depreciated replacement cost as at 1 January 2014 using standard techniques and published information or cost if acquired later.

No depreciation arises in the year on the freehold properties as in the opinion of the trustees the residual value of the properties are not materially different from their carrying amount in the financial statements. An impairment review of the properties was conducted at the year end and the recoverable value was not less than the carrying value.

Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank.

MITCHAM LANE BAPTIST CHURCH CIO

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

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and 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.

2 Income from donations and legacies

	Unrestricted		Total 2021	Total 2020
	General £	Restricted £	£	£
Offerings	78,778	16,397	95,175	92,151
Gift aid	15,001	-	15,001	17,644
	<u>93,779</u>	<u>16,397</u>	<u>110,176</u>	<u>109,795</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

Donations and legacies income receivable in the prior period amounting to £14,696 were restricted.

3 Income from other trading activities

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Hall lettings	10,260	10,260	9,736
Bible notes	468	468	126
	<u>10,728</u>	<u>10,728</u>	<u>9,862</u>

Income from other trading activities receivable in the prior period were unrestricted.

4 Investment income

	Unrestricted			
	General	Restricted	Total	Total
	£	£	2021	2020
			£	£
Rents received - properties	39,553	-	39,553	69,595
Rents received - church tower	17,250	-	17,250	21,255
Trust income	12,283	1,583	13,866	13,428
Deposit account interest	171	-	171	280
	<u>69,257</u>	<u>1,583</u>	<u>70,840</u>	<u>104,558</u>

The Church receives rent from the use of the church tower as a telecommunications base station under a 15 year contract that runs to 25 October 2026.

Investment income receivable in the prior period amounting to £1,452 was restricted.

5 Other income

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Other income	664	664	723

Other income receivable in the prior period amounting to £553 were restricted.

MITCHAM LANE BAPTIST CHURCH CIO

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

6 Expenditure on raising funds

	Note	Unrestricted General £	Total 2021 £	Total 2020 £
Other investment management costs;				
Other property costs		12,663	12,663	12,652
		<u>12,663</u>	<u>12,663</u>	<u>12,652</u>

All expenditure on raising funds relating to the prior period is unrestricted.

7 Expenditure on charitable activities

	Activity undertaken directly £	Grant funding of activity £	Activity support costs £	Total 2021 £	Total 2020 £
Ministry	60,339	-	36,166	96,505	73,643
Local Community	-	10,251	-	10,251	7,677
Mission	-	22,899	-	22,899	29,421
Church and establishment	<u>33,458</u>	<u>-</u>	<u>88,642</u>	<u>122,100</u>	<u>65,266</u>
	<u>93,797</u>	<u>33,150</u>	<u>124,808</u>	<u>251,755</u>	<u>176,007</u>

£157,390 (2020 - £157,390) of the above expenditure was attributable to unrestricted and £18,617 (2020 - £18,617) to restricted.

MITCHAM LANE BAPTIST CHURCH CIO

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

8 Analysis of support costs

Support costs allocated to raising funds

	Property related costs £	Total 2021 £	Total 2020 £
Other costs for generating funds	12,663	12,663	12,652

Support costs allocated to charitable activities

	Governance costs £	Staff costs £	Administration costs £	Premises costs £	Total 2021 £	Total 2020 £
Ministry	-	21,886	12,121	2,159	36,166	33,911
Church and Establishment	1,890	-	-	86,752	88,642	30,408
	<u>1,890</u>	<u>21,886</u>	<u>12,121</u>	<u>88,911</u>	<u>124,808</u>	<u>64,319</u>

9 Grant-making

Analysis of grants

	Grants to institutions		Grants to individuals	
	2021 £	2020 £	2021 £	2020 £
Analysis				
Local Community	5,000	4,225	5,251	3,452
Missions	22,899	29,421	-	-
	<u>27,899</u>	<u>33,646</u>	<u>5,251</u>	<u>3,452</u>

The support costs associated with grant-making are £Nil (31 December 2020 - £Nil).

MITCHAM LANE BAPTIST CHURCH CIO

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

Below are details of material grants made to institutions.

Name of institution	2021 £	2020 £
Baptist Union of Great Britain - Home Mission Fund	4,650	6,975
BMS World Mission	4,650	4,650
LCM	1,500	1,500
Impact Romania/ Associate Casa de dragoste si Mila	10,499	13,922
Christians Against Poverty	-	-
The Furzedown Youth Centre Ltd	5,000	4,999
Furzedown Churches Ltd	1,200	1,200
Christian Solidarity Worldwide	400	400
Other mission support	-	-
	<u>27,899</u>	<u>33,646</u>

10 Trustees remuneration and expenses

	2021 £	2020 £
Trustees' remuneration	34,783	15,692
Trustees' social security	-	481
Trustees' pension scheme	3,683	2,358
	<u>38,466</u>	<u>18,531</u>
Trustees' expenses reimbursed	<u>877</u>	<u>913</u>

No trustees have received any other benefits from the church during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	59,613	40,292
Social security costs	-	481
Pension costs	3,683	2,358
	<u>63,296</u>	<u>43,131</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Pastor	1	1
Administration	2	2
Church cleaner	1	1
	<u>4</u>	<u>4</u>

No employee received emoluments of more than £60,000 during the year

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Freehold properties £	Fixtures & equipment £	Total £
Cost			
At 1 January 2021	<u>4,213,993</u>	<u>222,663</u>	<u>4,436,656</u>
At 31 December 2021	<u>4,213,993</u>	<u>222,663</u>	<u>4,436,656</u>
Depreciation			
At 1 January 2021	-	117,539	117,539
Charge for the year	-	<u>33,458</u>	<u>33,458</u>
At 31 December 2021	-	<u>150,997</u>	<u>150,997</u>
Net book value			
At 31 December 2021	<u>4,213,993</u>	<u>71,666</u>	<u>4,285,659</u>
At 31 December 2020	<u>4,213,993</u>	<u>105,124</u>	<u>4,319,117</u>

The freehold properties above comprises the church, halls and associated gardens together with other residential properties. The church, halls and associated gardens are shown in the balance sheet at depreciated replacement cost based on its insurance value. The other residential properties are shown at the values transferred from the unincorporated association on an historic cost basis. The estimated combined current market valuation of the other residential properties is £2 million based on comparable property values.

MITCHAM LANE BAPTIST CHURCH CIO

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

14 Receivables

	2021	2020
	£	£
Gift aid tax	15,001	6,717
Prepayments	<u>7,679</u>	<u>3,844</u>
	<u>22,680</u>	<u>10,561</u>

15 Payables: amounts falling due within one year

	2021	2020
	£	£
Accruals	2,276	2,099
Income in advance	<u>14,084</u>	<u>14,084</u>
	<u>16,360</u>	<u>16,183</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

16 Funds

	Balance at 1 Jan 21 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 21 £
Unrestricted					
<i>General</i>					
General fund	370,961	162,146	(232,632)	(3,394)	297,081
Manse and other properties	669,725	-	-	-	669,725
Capital projects and equipment	360	-	-	-	360
Alfred Young Trust	-	12,282	(12,282)	-	-
	<u>1,041,046</u>	<u>174,428</u>	<u>(244,914)</u>	<u>(3,394)</u>	<u>967,166</u>
Restricted					
Romania appeal	5,129	8,925	(10,499)	3,000	6,555
Designated giving	421	960	(1,010)	-	371
Fellowship Fund	2,907	645	(1,620)	-	1,932
Garden of discovery	-	4,023	(4,417)	394	-
Youth work	1,734	500	(375)	-	1,859
Alice Mary Young trust	-	810	(810)	-	-
Roland Adams trust	-	773	(773)	-	-
Afghan appeal	-	1,270	-	-	1,270
Foodbank	-	74	-	-	74
Total Restricted	10,191	17,980	(19,504)	3,394	12,061
Endowment					
Church Premises	<u>3,408,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,408,020</u>
Total funds	<u>4,459,257</u>	<u>192,408</u>	<u>(264,418)</u>	<u>-</u>	<u>4,387,247</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

	Balance at 1 Jan 20 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 20 £
Unrestricted					
<i>General</i>					
General fund	336,102	196,261	(158,066)	(3,336)	370,961
Manses and other properties	669,725	-	-	-	669,725
Capital projects and equipment	360	-	-	-	360
Alfred Young Trust	-	11,976	(11,976)	-	-
	<u>1,006,187</u>	<u>208,237</u>	<u>(170,042)</u>	<u>(3,336)</u>	<u>1,041,046</u>
Restricted					
Romania appeal	2,646	13,405	(13,922)	3,000	5,129
Designated giving	421	390	(774)	384	421
Fellowship Fund	3,484	901	(1,478)	-	2,907
Garden of discovery	-	-	(249)	249	-
Youth work	1,734	-	-	-	1,734
Sunshine Toddlers Group	486	553	(742)	(297)	-
Alice Mary Young trust	-	936	(936)	-	-
Roland Adams trust	-	516	(516)	-	-
Total Restricted	8,771	16,701	(18,617)	3,336	10,191
Endowment					
Church Premises	<u>3,408,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,408,020</u>
Total funds	<u>4,422,978</u>	<u>224,938</u>	<u>(188,659)</u>	<u>-</u>	<u>4,459,257</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

The nature and specific purposes for which the funds are to be applied are as follows:

General Reserve

This fund is money set aside in accordance with the Church's reserve policy further details of which are given in the Trustees Report.

Manses and Other Properties

This fund comprises the freehold Manses and other properties owned by the Church.

Capital Projects and Equipment

This fund is for the replacement and upgrading of the Church's premises and the replacement of equipment for use within the Church's premises.

Garden of Discovery

The Church has converted part of its site into a Garden of Discovery to allow members of the congregation and the local community to enjoy a tranquil and natural outdoor site in the context of the Church's urban setting to provide opportunities for learning more about themselves and God.

Designated Giving

This represents money given, either in response to a direct appeal or at the discretion of the individuals concerned, to be used for a pre-defined specific purpose that relates to the activities of the Church.

Fellowship fund

This represents money given, either in response to a direct appeal or at the discretion of the individuals concerned, to be used to meet the immediate financial needs of church members on a confidential basis on discretion of the leadership team.

Trusts

The Alice Mary Young Trust and Roland Adams Trust are will trusts where the funds are held independently from the church. The church is entitled to the income from these trusts which must be used for building work on any building and on the building and fabric of the church premises respectively. The Alfred Young Trust is a will trust whose assets are held independently from the church and whose income is available for the leadership team to use in the manner it determines.

Other funds

The Romania Appeal is a specific mission based overseas project that is supported by the church and is consistent with the church's charitable objectives. Youth work relates to income specifically received in respect of youth work carried out by the church. Other funds relate to donations specifically given for individual projects and charitable purposes.

Endowment Funds

This comprise the church premises and is held on trust by The Baptist Union Corporation Limited to be retained indefinitely as a place of Christian worship.

MITCHAM LANE BAPTIST CHURCH CIO

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

17 Analysis of net assets between funds

	Unrestricted General £	Restricted £	Endowment Permanent £	Total funds £
Analysis of net assets between funds				
Tangible fixed assets	877,639	-	3,408,020	4,285,659
Current assets	109,999	7,949	-	117,948
Current liabilities	(16,360)	-	-	(16,360)
Total net assets	<u>971,278</u>	<u>7,949</u>	<u>3,408,020</u>	<u>4,387,247</u>
	Unrestricted General £	Restricted £	Endowment Permanent £	Total funds £
Analysis of net assets between funds - 2020				
Tangible fixed assets	910,518	580	3,408,020	4,319,118
Current assets	146,711	9,611	-	156,322
Current liabilities	(16,183)	-	-	(16,183)
Total net assets	<u>1,041,046</u>	<u>10,191</u>	<u>3,408,020</u>	<u>4,459,257</u>

MITCHAM LANE BAPTIST CHURCH CIO

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

18 Obligations under leases

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Other		
Within one year	3,117	4,675
Between one and five years	-	3,117
	<u>3,117</u>	<u>7,792</u>

19 Related party transactions

Trustees

The Pastor, who is also a trustee, is appointed under a letter of appointment and was remunerated for her duties as an office-holder, details of which are disclosed in the financial statements. The Church also provided job related accommodation, paid certain property related costs and reimbursed expenses related to her office.

Apart from their individual voluntary giving to the Church and reimbursement to them of specific expenditure directly attributable to the activities of the Church there were no related party transactions between the other trustees and the Church. Apart from the above, no trustee was reimbursed any personal expenses incurred by them for services provided to the Church or received any remuneration from the Church (2019 - Nil).

20 Ultimate controlling party

The Church is controlled by the trustees under the general guidance of the Church Meeting in accordance with the Church's constitution.

21 Events after the financial period

There have been no significant events between the year end and the date of approval of these accounts which would require a change to, or disclosure in, the financial statements.