

Waypoint

England & Wales · Charity number 1168433

Details

Other names	LHFC, LOCKS HEATH FREE CHURCH, WAYPOINT-CHURCH, WAYPOINT CHURCH
Status	Registered
Legal form	CIO
Registered	2016-07-26
Register	View on the Charity Commission register

Contact

Address	Waypoint Church 255 Hunts Pond Road Fareham PO14 4PG
Phone	01489579669
Email	admin@waypointchurch.org.uk
Website	www.waypointchurch.org.uk

Activities

Objects: THE PRINCIPAL PURPOSE OF THE CHURCH IS THE ADVANCEMENT OF THE CHRISTIAN FAITH ACCORDING TO THE PRINCIPLES OF THE BAPTIST DENOMINATION. THE CHURCH MAY ALSO ADVANCE EDUCATION AND CARRY OUT OTHER CHARITABLE PURPOSES IN THE UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD.

Activities: 2 Sunday services. Activities for children aged 0-18 throughout week. Parent & Toddler group. Small groups for adults. Mission abroad and UK inc. supporting missions in Ukraine and Greece. Schools work. Community projects. Messy Church and Holiday Club for children. Alpha Course. Seniors work. Debt counselling. Parenting Courses. Marriage support.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£689,183	£630,179	£4,404,390	4
2023-12-31	£661,955	£599,733	£4,345,386	4
2022-12-31	£539,148	£538,253	£4,283,164	7
2021-12-31	£557,571	£563,556	£4,236,557	5
2020-12-31	£577,926	£485,752	£4,197,542	10

Trustees

Name	Role	Appointed
Adam Roseblade		2023-06-28
Charles Paul Murray Douglas		2024-11-27
JAMES IAIN PRIVETT		2008-07-12
Jonathan Stephen Brown		2024-04-24
Nena Nweke Nwabueze		2026-04-29
PAUL SYDNEY WARNER		2017-11-22
Peter John Wilkinson		2024-04-24
Sarah Mirzaians		2023-09-27

Waypoint

England & Wales - Charity number 1168433

Accounts



WAYPOINT
operating as
WAYPOINT CHURCH
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT
and
AUDITED FINANCIAL STATEMENTS

31 December 2024

WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

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WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS

31 December 2024

THE CHARITY

Registered name: Waypoint
Operating name: Locks Heath Free Church to August 2019/
Waypoint Church from September 2019
Legal structure: Charitable Incorporated Organisation
Operating address: 255 Hunts Pond Road, Titchfield Common,
Fareham, Hampshire, PO14 4PG
Registered charity number: 1168433 (England and Wales)
Telephone number: 01489 579669
Website: www.waypointchurch.org.uk
Email address: admin@waypointchurch.org.uk

BOARD OF TRUSTEES

Pastorate

Pastor (Team Leader): Jim Privett *
Pastor Adam Roseblade *

Other elected trustees

Church Secretary: Felicity Shaw
Church Treasurer: Sarah Mirzaians
Facilities Team Leader: Paul Warner
Peter Loughborough (appointed April 2024)
Peter Wilkinson (appointed April 2024)
John Brown (appointed April 2024)
Charles Douglas (appointed November 2024)
Andy Banes (resigned April 2024)
Graham Griffiths (resigned April 2024)
Rachel Keen (resigned February 2024)
Kevin Leech (resigned April 2024)
Emily Downing (resigned April 2024)
Mark Palmer (resigned April 2024)
Hub & Community Team Leader: Claire Johnson * (resigned April 2024)

Elders

Andy Banes (resigned November 2024)
Emily Downing
Graham Griffiths
Rachel Keen
Kevin Leech
Mark Palmer

Following the adoption of a new Constitution in April 2024, the Elders ceased being members of the Board of Trustees.

* Staff member

PROFESSIONAL ADVISERS

Bankers **CAF Bank Ltd,**

25 Kings Hill Avenue, Kings Hill, West Malling,
Kent, ME19 4JQ

Auditor **MC Audit Limited,** Chartered Accountant and Statutory
Auditor,

Station House, North St, Havant PO9 1QU

Solicitors **Anthony Collins Solicitors LLP,**

134 Edmund Street,
Birmingham, B3 2ES

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT

Year ended 31 December 2024

The Trustees have pleasure in submitting their annual report and the financial statements of Waypoint (the Church) as at and for the year ended 31 December 2024.

SECTION 1 – OBJECTIVES AND ACTIVITIES

Description of the Church's Trust

The principal objective of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination including the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

Aims

In order to achieve this objective, Waypoint provides a variety of activities both to its membership and to the community. The aim is to show the love of Jesus Christ and to bring people into a closer relationship with Him. In fulfilling this purpose, the Church engages in a range of activities either on its own or with others. Our Mission Statement is "Learning to live and love like Jesus".

Strategies to achieve aims

Central to the work and witness of Waypoint is the provision of regular public services of Christian worship.

These services take place each Sunday and include preaching, teaching and Communion. A programme for children and young people aged 0-16 years is available during the service. There are also occasional All Age Services.

Waypoint has a deep passion for reaching the community and anybody is free to attend our services. Church services, events and activities are regularly advertised on our website at www.waypointchurch.org.uk.

Sunday services are held simultaneously for two congregations. There is a traditional-styled worship and a contemporary-styled worship both sharing the main Bible Reading and same sermon.

The service is usually streamed to the Church YouTube channel. Our channel has over 500 subscribers and the services are viewed by more than 100 people watching from local and international addresses.

Our streaming service developed at the time of Covid lockdowns and has proved a valuable resource to members and visitors to Waypoint.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

Strategies to achieve aims (continued)

Waypoint runs life groups. These are small groups aimed at developing faith and discipleship and providing pastoral care. More than half of our attendees are in a Life Group and we hope to expand this in the coming years.

The Church leadership places great importance on reaching the local community in a variety of ways as can be seen from the activities undertaken set out below.

SECTION 1 – OBJECTIVES AND ACTIVITIES

Measurement of attainments

Although numbers do not reflect the spiritual strength of a church, they do give an indication of growth. During 2024, 25 people were received into membership and 3 people were baptised. The membership stood at 234 on 31 December 2024.

We hope to see the number of people attending Waypoint Church to increase but (and more difficult to measure) to see Christians deepening their Faith and following Christ's teaching in all aspects of their lives.

The footfall of people crossing the threshold of Waypoint Church exceeds 800 in a typical week and The Waypoint Hub which includes a community pantry, foodbank, coffee lounge, Citizens Advice Bureau station and relational support assists over 120 families locally. We expect to see this number grow year on year.

The Trustees believe that 2024 was a positive year in the life of the Church.

Activities vary from time to time. Review of specific aims by the Leadership is made throughout the year with activities being initiated, expanded, or ended, as judged appropriate.

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE

In addition to Sunday activities, Waypoint hosts Small Group Activities for our youth ("Connect") and Waypoint Tots – a Tuesday morning event which is a community resource for babies and pre-school children and their parents or carers.

Activities for senior citizens ("seniors") are provided regularly. "Oasis" is a regular meeting sharing Faith Hope and Love and occasional afternoon teas. We welcome Seniors in a warm, loving and friendly environment.

Events were held during 2024 for our Members, attendees and the wider community which included a Summer Fun Day, Glow in the Dark Party and Summer and Christmas Craft Fayres.

Christmas services were held throughout December offering our congregation and community a variety of opportunities to celebrate Christmas with different styles of music and teaching.

WAYPOINT

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE (continued)

Waypoint has a pastoral team that supports Church Members and attendees in times of difficulty. Their work fulfils our Mission “Learning to live and love like Jesus”.

Waypoint is dependent on its membership serving as volunteers in all aspects of the Church’s activities.

The Alpha Course runs for people who would like to explore the Christian faith. This is a welcoming small group designed to help anyone exploring ideas to answer the big questions about life in a safe and supportive environment.

We have a group called Kintsugi Hope. This runs a course designed for equipping people with skills to support and improve their mental health and wellbeing.

The Church runs a Golf Society and Football Team and encourages membership from within the Church and from the local community.

The Church supports three mission projects; Enable the Children in Sierra Leone, Rock Projects in Uganda and Hands at Work in South Africa. The Church supported a Church Member who was a missionary based in South Africa and working across countries in sub-Saharan Africa. Towards the end of the year we supported their transition back to the UK. The Church also supported Reality Outreach in their work to reach people through an evangelistic drama in various countries, and supported Open Doors in their work with persecuted Christians around the world. The Church sent some members out to build our relationship with Hands at Work in South Africa and to explore further partnership with them in Zimbabwe. The Church sent a member to Congo to explore mission opportunities there through family connections.

Many of our Church Members volunteer regularly in one, some or many ministries. It is through our volunteers that we stock and maintain and deliver food through Waypoint Hub. It is through our volunteers that we serve the “Seniors” within the Church and serve the Children and Young People. Our Café is staffed mainly by volunteers. Additionally, volunteers maintain the grounds, serve refreshments, keep the building up to standard, visit the sick and provide music or technical services for our Sunday Services and Events.

The Church supported the Baptist Union’s Missionary Society and Home Mission Fund as well. The Church supported emergency disaster appeals of Compassion in their work giving the gift of water to communities, Hands at Work in their drought appeal for South Africa, and Hope Now in their work in Ukraine during the war.

WAYPOINT

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

SECTION 2- ACHEIVEMENTS AND PERFORMANCE (continued)

Waypoint also supported Time for Marriage, a charity that offers support and resources to help renew and strengthen marriages. This team have been able to provide marriage support as needs arise. This team is used for pre-marriage work and to strengthen relationships. Sometimes it has been used to help couples experiencing relationship difficulty.

Church Members served as volunteers in many other local charities and organisations.

Rooms in the premises are hired by an independent pre-school, the NHS for blood donation services, the local council as a polling station and community groups and clubs. Waypoint hosted the 2024 Fareham Borough Council Mayor Investiture.

Waypoint Café is open for three days and one evening per week. This provides food, drink and wi-fi in a friendly environment. It is staffed by volunteers who are all appropriately trained in food hygiene and café policies.

Some of the team members within our ministries are paid but most members are volunteers.

Waypoint Hub (The Hub) has continued to grow and help increasing numbers of people in need, predominantly within the Western Wards of Fareham. Two drop-in sessions were held each week. Key services offered were:

- 1) A community pantry called 'More 4 Less' which is a donation-based scheme offering families the opportunity to shop for essential weekly groceries for a small payment.
- 2) a Foodbank giving out free emergency food parcels.
- 3) A coffee lounge and warm space offering people support, relationship, signposting to professional services, breakfast, and welcome.
- 4) The hosting of Citizens Advice who join weekly for advice and support on a no-appointment based scheme.
- 5) Sign-posting to other professional services.

On average in 2024 we supported 120 households each week, either using our pantry or foodbank, and gave out a total of 902 emergency food parcels.

The Hub's foodbank provision is partnered with Trussell (formally known as Trussell Trust) and also works closely with local schools, local and county councils, Citizens Advice and other local statutory and voluntary organisations. Grant funding and donations of food and finances from trusts, local organisations, businesses and individuals in our church and the community continue to sustain this ministry.

The Hub is considered a key part of our local mission "Learning to live and love like Jesus" beyond the buildings of Waypoint.

WAYPOINT

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

SECTION 3 - FINANCIAL REVIEW

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The Church generated a surplus on General Fund operations of £43,204.91. The net movement in unrestricted funds for 2024 was a surplus of £43,204.91 (2023: £44,110).

The Church's total reserves at 31 December 2024 were £4,404,390.27 (2023: £4,345,386) of which the Waypoint Hub restricted fund was £70,755.36 (2023: £54,956). Designated funds related to the properties totalled £3,822,339.93 (2022: £3,919,998), the decrease relating to the buildings depreciation charge, partially offset by the value of capital repayments of the mortgage loan. This fund can only be realised by the disposal of the properties to which it relates.

The Church's reserves on general fund at the balance sheet date amounted to £511,294.98 compared with £370,432 at 31 December 2023. Liquid resources increased to £368,330.27 in 2024 from £298,431 at 31 December 2023.

It is the intention of the Church to hold a cash reserve equivalent to a minimum of six and a maximum of nine months' general running costs (including salaries and mortgage payments but excluding depreciation) to cover unforeseen emergencies.

The Waypoint Hub is a restricted income fund that provides food and other household necessities to the needy in the local community. The activity has grown since its inception from March 2020 and is funded by personal donations and grants (see Notes 11 and 12). Its total income in the year amounted to £114,711.07 (2023: £181,107) and its direct expenditure to £98,911.71 (2023: £161,395).

The Church's total reserves on general fund amount to £511,294.98 (2023: £370,432).

WAYPOINT

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

SECTION 3 - FINANCIAL REVIEW (continued)

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities. The Trustees consider that it is impractical to place an economic value on such service.

SECTION 4 – PLANS FOR FUTURE PERIODS AND SUBSEQUENT EVENTS

Future commitments

Completion of the South Building was confirmed by Building Control inspectors in 2019. Certain finishing works outside the scope of Building Control regulations continued throughout 2020. The Church is continuing to fundraise for further fitting out works that are expected to cost around £280,000 but no firm timetable has been set for when these works are to be carried out. Completion of these works will enable the Church to provide further activities, courses and services for the Church congregation and for the community on its premises.

We recognise that hiring out our buildings is a helpful source of revenue and with that in mind, we have plans to upgrade the North Building Auditorium and the North Building Kitchen. The projects will only begin when we have identified financial resources to complete them.

We currently have regular bookings from community groups, dance and sports groups, an after school club and we hope to attract further interest.

Waypoint Café is currently open three days a week and one evening per week. We hope to extend these opening hours on these days and to add a fourth day in 2025. The limiting factor in this is the availability of our volunteers to serve.

As Waypoint grows in numbers (footfall and membership), we recognise the need to keep people connected and plan to do this by strengthening our Small Group structures⁴ and to encourage discipleship pairing. The purposes of these strategies are to deepen the relationships between members and visitors and help them mature in their faith.

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

Legal structure

The Church is a Charitable Incorporated Organisation (CIO) which is governed by a Constitution that was filed with the Charity Commission on 26 July 2016 as part of the incorporation process. This constitution follows the model agreed by The Baptist Union Corporation of Great Britain and approved by the Church members in Special meeting. A revised constitution was enacted on 24th April 2024.

The Trustees are elected by a Special Church Members' Meeting on a three-year rotation. The board of the elected Trustees is known as the Full Leadership Team and all operating decisions are made by them.

Governance concerning Church membership

Members of the Church are accepted in accordance with the Governing Constitution which requires them:

- to be or to have been publicly baptised on the profession of faith in Jesus Christ;
- or, following other modes of baptism to renew their public profession of faith in Jesus Christ;
- or,
- who may be considering baptism.

Members' Meetings normally take place five times per year. The members' meeting has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Elders and Trustees together with the Ministers (Pastors), Church Secretary and Treasurer, and collectively known as the Full Leadership Team, were responsible for the day-to-day running of the Church's work and witness and for the financial and legal aspects of the Church until the adoption of a revised constitution in April 2024. The effect of this revised constitution has been to separate the functions of the eldership and the board of trustees, the former being responsible for the Church's spiritual development and the latter responsible for the day-to-day management of the Church. As a result of this change, the elders are no longer Charity trustees.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in furtherance of the Church's aims.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in Church Meetings for further consideration by the Trustees. Though the revised constitution permits important decisions to be made at quorate Church Meetings by appropriate majorities, the Church always seeks to work by consensus wherever if possible.

WAYPOINT

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TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2024

SECTION 5 – STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Other governance matters

The Church is affiliated to the Baptist Union of Great Britain (the BU) and receives guidance from them on a range of regulatory matters which the Church implements as appropriate. However, the BU has no direct influence upon the operating policies of the Church.

All decisions are taken by Trustees who are accountable to the Church Meeting and work within agreed budgets.

The Church follows the Charity Commission guidance concerning the induction and training of Trustees.

Staff salaries including Ministers' stipends are reviewed annually by a pay review committee formed of unremunerated Trustees and other Church Members and their deliberations are reported to the Trustees.

The Church operates a Safeguarding Policy and has put systems in place to ensure that all people working with those under 18 are appropriately vetted, and undergo the necessary Disclosure and Barring Service (DBS) checks. This policy also applies to people working with Adults at Risk.

The Church ensures good practice in First Aid, Food Safety and Food Hygiene by making training available.

The Church holds Insurance with the Baptist Insurance Company including Employer's Liability Insurance.

Responsibilities relating to the financial statements

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each accounting period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the financial period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Other responsibilities:

The Trustees are also responsible for:

- keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011.
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- the maintenance and integrity of the Charity and financial information included on the Charity's website.
- the maintenance and integrity of the Charity and the financial information included on the Charity's website.
- safeguarding children, young people and adults who may be at risk.
- safe data processing and storage under GDPR. Waypoint is registered with the ICO.
- human resources which includes the employment of nine people.
- entering into contracts for service and management of our facilities.
- health and safety of staff, volunteers and other visitors to Waypoint premises.

By order of the Board of Trustees,



F Shaw (Dr)

Church Secretary

Date 17/10/2025

To the Board of Trustees
Waypoint, operating as Waypoint Church
255 Hunts Pond Road
Titchfield Common, Fareham,
Hampshire PO14 4PG

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WAYPOINT CHURCH

Opinion

We have audited the financial statements of Waypoint Church (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other matter

The financial statements of Waypoint Church for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 8 October 2024

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WAYPOINT CHURCH

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Underwood (Senior Statutory Auditor)

For and behalf of MC Audit Limited

Statutory Auditors

Station House

North Street

Havant

Hampshire

PO9 1QU

P J Underwood

P J Underwood (Oct 21, 2025 09:33:16 GMT+1)

21/10/2025

Date:

WAYPOINT
(a charitable incorporated organisation)
BALANCE SHEET
31 December 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	6	5,246,512.31	5,301,556.00
		-----	-----
CURRENT ASSETS			
Debtors	7	51,728.79	30,780.00
Cash and cash equivalents		368,330.27	298,431.00
		-----	-----
Total current assets		420,059.06	329,211.00
LIABILITIES			
Creditors: Amounts falling due within one year	8	- 60,943.29 -	53,021.00
		-----	-----
Net current assets		359,115.77	276,190.00
		-----	-----
Total assets, less current liabilities		5,605,628.08	5,577,746.00
Creditors: Amounts falling due after more than one year	9	- 1,201,237.81 -	1,232,360.00
		-----	-----
NET ASSETS	23	4,404,390.27	4,345,386.00
		=====	=====
THE FUNDS OF THE CHARITY	10		
Unrestricted funds		4,333,634.91	4,290,430.00
Restricted income funds		70,755.36	54,956.00
		-----	-----
TOTAL CHARITY FUNDS		4,404,390.27	4,345,386.00
		=====	=====

Approved by the Board of Trustees for issue on
and signed on its behalf by:

S Mirzaiaans

[S Mirzaiaans \(Oct 20, 2025 12:59:08 GMT+1\)](#)

Treasurer
S Mirzaiaans

The notes set out on pages 21 to 40 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

Statement of Financial Activities
(Incorporating an Income and
Expenditure Account)
31 December 2024

	Note	2024			2023		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
INCOME FROM							
Donations and legacies	11	480,100.79	93,711.07	573,811.86	402,218.00	107,515.00	509,733.00
Charitable activities	12	56,064.76	21,000.00	77,064.76	47,958.00	73,592.00	121,550.00
Other trading	13	34,110.77	-	34,110.77	27,896.00		27,896.00
Investments	14	4,195.96	-	4,195.96	2,776.00		2,776.00
Total income		574,472.28	114,711.07	689,183.35	480,848.00	181,107.00	661,955.00
EXPENDITURE ON							
Charitable activities	15	407,735.68	98,911.71	506,647.39	357,851.00	161,395.00	519,246.00
Other trading	16	10,907.74	-	10,907.74	17,225.00		17,225.00
Other expenditure	19	112,623.95	-	112,623.95	104,956.00		104,956.00
Release of provision for defined benefit pension deficit no longer required		-	-	-	41,694.00	-	41,694.00
Total expenditure		531,267.37	98,911.71	630,179.08	438,338.00	161,395.00	599,733.00
NET OPERATING INCOME		43,204.91	15,799.36	59,004.27	42,510.00	19,712.00	62,222.00
NET INCOME		43,204.91	15,799.36	59,004.27	42,510.00	19,712.00	62,222.00
TRANSFERS BETWEEN FUNDS	22			-	1,600.00	1,600.00	-
NET MOVEMENT IN FUNDS		43,204.91	15,799.36	59,004.27	44,110.00	18,112.00	62,222.00
RECONCILIATION OF FUNDS							
Total funds brought forward	10	4,290,430.00	54,956.00	4,345,386.00	4,246,320.00	36,844.00	4,283,164.00
TOTAL FUNDS CARRIED FORWARD	10	4,333,634.91	70,755.36	4,404,390.27	4,290,430.00	54,956.00	4,345,386.00

WAYPOINT**(a charitable incorporated organisation)****STATEMENT OF CASH FLOWS****31 December 2024**

	2024		2023	
	£		£	
Cash flows arising from charitable operating activities				
Net operating income for the year (as per statement of financial activities)	59,004.27		62,222.00	
Adjustments for:				
Depreciation charges and losses on disposal of tangible fixed assets	77,624.93		83,673.00	
Mortgage interest	97,658.07		97,388.00	
Hire purchase and capital lease interest	-		265.00	
Decrease in debtors	-	-	18,596.00	
Increase in debtors	-	20,948.76	-	
Increase/(decrease) in creditors		3,442.37	7,873.00	
Pension provision no longer required		-	41,694.00	
	-----		-----	
Net cash provided by charitable operating activities	216,780.88		191,131.00	
	-----		-----	
Cash flows from investing activities				
Refund re construction of South Building			-	
Purchases of furniture and equipment	-	22,581.61	-	2,687.00
Proceeds of disposal of investment property			-	
	-----		-----	
Cash (used in) provided by investing activities	-	22,581.61	-	2,687.00
	-----		-----	
Cash flows from financing activities				
Deficiency contributions paid in respect of defined benefit pension liability		-	12.00	
Mortgage loan repayments	-	124,300.00	-	123,338.00
Hire purchase and capital lease payments		-	-	2,120.00
	-----		-----	
Cash provided by (used in) finance activities	-	124,300.00	-	125,470.00
	-----		-----	
Increase (decrease) in cash and cash equivalents in the year		69,899.27		62,974.00
Cash and cash equivalents at the beginning of the year		298,431.00		235,457.00
		-----		-----
Cash and cash equivalents at the end of the year		368,330.27		298,431.00
		=====		=====
Analysis of cash and cash equivalents				
Cash in hand		100.00		804.00
Cash at bank on call		357,613.40		289,133.00
Cash on deposit at 60 days' notice		10,616.87		8,494.00
		-----		-----
		368,330.27		298,431.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 1 — LEGAL STATUS, OBJECTIVES AND AFFILIATION OF WAYPOINT

Waypoint (the Church) is a charitable incorporated organisation (CIO) incorporated in 255 Hunts Pond Road, Fareham, PO14 4PG and is governed by a constitution with the objects to:

- fulfil the role of a Christian Church in the Western Wards of Fareham, Hampshire and surrounding area, and
- provide help to others promoting the Christian faith in the UK and overseas.

The Church is a Public Benefit Entity within the meaning of FRS 102 and is a member church of the Baptist Union of Great Britain (BUGB), an unincorporated charitable trust registration no. 1125912.

NOTE 2 - ACCOUNTING FRAMEWORK AND COMPLIANCE

The financial statements have been set out in accordance with the accounting framework required under:

- the Charities (Accounts and Reports) Regulations 2008;
- the accounting regulations set out under the Charities Act 2011;
- Financial Reporting Standard 102 (FRS 102);
- the Statement of Recommended Practice (the SORP).

There were no material departures from those standards.

NOTE 3 —NATURE AND PURPOSE OF PRINCIPAL FUNDS

The principal designated and restricted funds are as follows:

Designated funds

- (a) *Functional premises* - funds representing the carrying value of the North and South buildings, net of related mortgage loan.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 3 — NATURE AND PURPOSE OF PRINCIPAL FUNDS (continued)

(b) Waypoint Hub – for the provision of social welfare including food, clothing and other essentials to the needy in the local community funded by local authority and community grants; corporate and personal donations; and contributions from beneficiaries.

NOTE 4 — ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements set out below have remained unchanged from the previous year and been consistently applied in the year under review.

(a) Basis and content of the financial statements

The financial statements have been prepared on the basis of historical cost.

The financial statements are expressed in pounds Sterling rounded to the nearest pound and include all the assets and liabilities under the control of the Trustees of the Church.

(b) Going concern

The Church's financial statements are prepared on the going concern basis of accounting unless the Trustees intend to cease operations or have no realistic alternative but to do so. In assessing whether the going concern basis of accounting is appropriate, the Trustees take into account all available information about the future, which is at least, but not limited to, twelve months from the date the financial statements are authorised for issue.

(c) Tangible fixed assets and depreciation

Functional freehold properties

The Church premises have been capitalised at cost (estimated where actual cost information is no longer available) and are being depreciated over their economic lives at 1% straight line p.a. from the date the properties were first brought into use.

Sums considered to represent significant enhancement expenditures but which do not extend the useful lives of the buildings are capitalised and depreciated over the remainder of the original term. Expenditures on bringing the properties and facilities up to a modern acceptable standard are charged to the Statement of Financial Activities (SOFA) as incurred.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

NOTE 4 — ACCOUNTING POLICIES (continued)

Furniture, fittings and equipment

Individual items of furniture, fittings and equipment costing not less than £750 (2023: £500) or groups of items (such as seating) costing in total not less than £2,000 are capitalised and depreciated over their estimated economic lives at rates between 6.7% and 25% on a straight-line basis from the date the assets are brought into use. Lesser sums are charged to the SOFA as incurred.

Impairment losses

Any impairment provision considered necessary against the carrying value of functional properties or furniture, fittings and equipment is charged to the SOFA in the accounting period in which the impairment loss is recognised.

(d) Debtors

Gift Aid recoverable represents amounts due from HM Revenue & Customs in relation to eligible donations made before the balance sheet date.

Debtors are initially recognised at the amount expected to be recovered, which is equivalent to cost, and are subsequently reviewed for recoverability at each reporting date.

Prepayments are recorded for the proportion of the time-based expenditures attributable to the ensuing year.

(e) Cash and cash equivalents

Cash and cash equivalents comprise the amounts held in bank current accounts and cash in hand together with bank deposits on less than 90 days' notice at the balance sheet date.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

(g) Liabilities

1 *Generally*

Liabilities are recognised as soon as an outflow of economic benefits is considered more likely than not to occur under a legal or constructive obligation committing the Church to pay out resources. Creditors that are current liabilities, other than the Church's defined benefit commitment to the Baptist Pension Scheme, are recognised at the settlement amount expected to be paid at the balance sheet date.

2 *Deferral of income*

Income received in advance of the provision of related goods or services, or which does not meet the recognition criteria at the balance sheet date under FRS 102 and the Charities SORP (FRS 102), is deferred and recognised as a current liability

3 *Defined benefit pension contributions*

A minister was a participant in a section of the Baptist Pension Scheme until ceasing to act effective 31 July 2021. This scheme is a multi-employer scheme that provided defined benefit (DB) pensions up to 31 December 2011 when the Scheme was closed to future DB accrual. Since the Church no longer has a member in the Scheme, in accordance with the Scheme rules a 'cessation event' has been triggered. As a consequence, it is required that an annuity is purchased that meets the Church's employer debt. The Church had provided for the whole cost of this debt including the professional fees related thereto as notified by the Scheme trustee as at 31 December 2023. However, other factors notified by the Scheme are likely to eliminate this liability in its entirety. Fuller details of the circumstances are provided in Note 27.

(h) Funds

Tithes, donations and grants received for non-specific purposes or general funding are available for utilisation at the discretion of the Trustees and are dealt with through the General Fund.

Certain designated funds have been created by the Trustees to ring-fence resources that are (1) not considered to be readily expendable or (2) held for specific nonrestricted future purposes.

Grants and donations received for specific charitable projects are treated as restricted income funds available only for use on such specified projects. Restricted fund deficits are carried forward provided the Trustees are satisfied that future funding will cover such deficits on a last-in-first-out basis.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

NOTE 4 — ACCOUNTING POLICIES (continued)

(i) Contingencies

1 Contingent assets

Contingent assets (including reductions to known recorded liabilities) are not recognised in the financial statements unless the benefit is virtually certain to be obtained. Where an inflow of economic benefits is probable, a description of the nature of the contingent asset is made in the Notes to the Financial Statements together with an estimate of the financial effect where this is practical to ascertain. No disclosure is made of less certain contingent assets.

2 Contingent liabilities

A description of a possible but uncertain obligation or a present obligation that cannot be reliably estimated is made in the Notes to the Financial Statements providing where practical:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and, the possibility of any reimbursement.

(j) Income recognition

Income is brought into account when it is more likely than not that the economic benefit will accrue to the Church.

1 Tithes and donations

General tithes and donations received without pre-conditions attached are recognised on receipt. Gifts subject to performance-related or other conditions are recognised when such conditions are fulfilled and all the donors' associated requirements concerning them have been complied with.

2 Grants receivable

A grant that becomes receivable on the occurrence of a specified event is recognised when that event has occurred and all the grantor's requirements with it have been complied with.

3 Gift Aid

Tax refunds receivable under gift aid arrangements are recognised by reference to the date of the related gift. Gift aid recoverable on donations to trust and special funds is credited to the General Fund.

4 Legacies

Incoming resources from legacies are recognised when there is reasonable certainty that the legacy will be received and the value can be reliably measured.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

NOTE 4 — ACCOUNTING POLICIES (continued)

(j) Income recognition (continued)

5 Other operating income

- Trading income is recorded separately from other income and is recognised as sales are made.
- Charges for hire of rooms and facilities to third parties are recognised in accordance with the period of letting per the related hire agreement.

6 Investment income

- Interest receivable is recognised in the period in which it was earned.

7 Gifts in kind and intangible income

Tangible assets received as gifts for use by the Church with a market value of not less than £750 (2023: £500) are treated as incoming resources at their actual or estimated value, including VAT where appropriate at the date the gift was made. Gifts of fixed assets are correspondingly capitalised in accordance with policy (c) above. Donated assets with a value of less than £750 (2023: £500) are not accounted for.

The estimated value of food and household consumables donated to the Waypoint Hub (see Note 3(c)) is recorded as voluntary income and an equal amount recorded as purchases of supplies. Donated facilities and services are recognised as incoming resources insofar as another party is bearing the financial cost of the resources supplied and the benefit is quantifiable and measurable. An equivalent cost is recorded under the appropriate expenditure caption in the SOFA.

The Church is dependent on its congregation serving as volunteers in a wide variety of Church activities. The value of volunteers' time is not recognised in the financial statements since there is no measurable cost for their services.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

(k) Expenditure

Expenditure is recognised when a liability is incurred or a constructive obligation arises that results in a payment being unavoidable or a commitment to pay that is intended to be acted upon.

1 Charitable grant expenditure and donations

Mission support contributions are made to organisations and individuals engaged in projects that the Church supports. Such contributions are recognised as expenditure at the earlier of payment or when they are communicated to the prospective recipient. The individual amounts defrayed, included in the *Church life, outreach and mission* caption in Note 16, are disclosed only when they are considered to be material in the context of the Church's overall charitable activities.

2 Payroll cost

Payroll cost includes the gross salaries, employer's national insurance and pension contributions of Church ministers and staff. Staff termination costs are recognised at the contractual date of severance.

3 Fundraising and publicity costs

The Church does not engage in making formal appeals outside the Church congregation that involve incurring significant costs to generate the related income. The Church has applied for grants from outside sources towards the Waypoint Hub but no external costs are incurred in making such applications.

4 Material expenditure

Where it is necessary to provide an understanding of the Church's financial results, the nature of expenditure (including reversals of expenditure recorded in previous financial years) are recorded separately on the face of the SOFA.

5 Other expenditure

Insofar as it is necessary to disclose separately different elements of income, related expenditure is also disclosed separately.

6 Defined contribution pension arrangements

The Church operates defined pension contribution arrangements for ministers and certain staff. These contributions are charged as expenditure when they fall due and are invested separately from the Church's assets.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

NOTE 4 — ACCOUNTING POLICIES (continued)

(k) Expenditure (continued)

7 Defined benefit pension arrangements

The present value (PV) of deficiency contributions required by the Scheme reduces the DB liability at PV carried in the balance sheet. The implicit finance cost representing the difference between deficiency contributions paid and their respective PVs is charged to the SOFA but this ceased to apply from 31 July 2021 when a cessation event occurred. Since then, the liability to purchase the required annuity was deferred in accordance with Scheme rules but deficiency contributions required by the Scheme continued until August 2023. Since then, the Scheme moved into a surplus position and deficiency contributions have been reduced to a nominal sum. See Note 28 for further details.

(l) Value added tax

Since the Church is not registered for VAT, the cost of all input VAT charged to the Church is included with the expense to which it relates.

The Trustees consider that Church is the recipient of services for a relevant charitable purpose otherwise in the course or furtherance of business and, subject to the critical judgement explained in Note 5(a) continues to be entitled to zero-rating for VAT.

(m) Charitable support and administration

All central costs for charitable support and administrative charges are met from general funds. A charge has been made to Waypoint Hub for partial recovery of salary and occupancy costs borne by the General Fund (see Note 22).

(n) Corporation tax

The Church is exempted under tax legislation from liability to corporation tax on its operating surpluses, investment income or capital gains whilst it pursues its charitable objectives.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL
STATEMENTS 31 December 2024

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

Judgements

In preparing these financial statements, the only judgements that have been made in applying the Church's accounting policies, other than estimation uncertainties (see below) that have a significant effect on the amounts recognised in the financial statements, are:

(a) Consideration of possible impairment of functional freehold properties

The Trustees consider that the North and South Buildings each meet their intended service potential expectations and, accordingly, in their judgement the value in use of these premises to the Church is not impaired at 31 December 2024.

Estimation uncertainties

The key sources of estimation uncertainty that represent a significant risk to the carrying value of assets and liabilities within the next financial year are:

(a) Depreciation of freehold buildings

Freehold properties other than freehold land are depreciated over their estimated useful lives as stated in accounting policy Note 4(c) taking into account factors affecting operating longevity, regular maintenance programmes and residual values where appropriate. The Church's policy is to write off the construction cost of functional Church buildings over 100 years. However, this policy is reviewed annually by the Trustees and may require re-assessment for factors such as technical innovation, building regulations and changes in user preferences that could affect the future charges for depreciation.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

Note 6: Tangible assets

	Functional freehold properties £	Furniture, fittings & equipment £	Total £
<u>Year ended 31 December 2024</u>			
Cost or valuation			
At beginning of year	5,681,146.00	254,113.00	5,935,259.00
Additions during year		22,581.61	22,581.61
	-----	-----	-----
At 31 December 2024	5,681,146.00	276,694.61	5,957,840.61
	-----	-----	-----
Depreciation			
At beginning of period	497,482.00	136,221.00	633,703.00
Charge for year	53,402.09	24,223.21	77,625.30
	-----	-----	-----
At 31 December 2024	550,884.09	160,444.21	711,328.30
Net book value At 31 December 2024	5,130,261.91	116,250.40	5,246,512.31
	=====	=====	=====
<u>Year ended 31 December 2023</u>			
Cost or valuation			
At beginning of year	5,681,146.00	251,426.00	5,932,572.00
Additions during year		2,687.00	
At 31 December 2023	5,681,146.00	254,113.00	5,935,259.00
	-----	-----	-----
Depreciation			
At beginning of period	441,364.00	108,666.00	550,030.00
Charge for year	56,118.00	27,555.00	83,673.00
	-----	-----	-----
At 31 December 2023	497,482.00	136,221.00	633,703.00
Net book value At 31 December 2023	5,183,664.00	117,892.00	5,301,556.00
	=====	=====	=====

The mortgage loan facility described in Note 9 is secured by a first legal mortgage and charge dated 20 June 2018 against the Church's functional freehold properties that have a combined carrying value at 31 December 2024 and 31 December 2023 of £5,130,261.91 and £5,183,664 respectively.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 7 — DEBTORS:

	2024	2023
	£	£
Gift Aid tax recoverable	47,467.71	26,211.00
Prepayments	4,261.08	4,569.00
	51,728.79	30,780.00

NOTE 8 — CREDITORS:

Amounts falling due within one year

	2024	2023
	£	£
Short term portion of:		
Mortgage loan	35,784.74	31,305.00
Defined benefit pension liability	-	11.00
Suppliers' accounts payable	3,029.63	6,279.00
Taxation and social security	2,517.78	5,474.00
Other creditors	901.61	877.00
Accrued charges	18,709.53	9,075.00
	60,943.29	53,021.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 9 – CREDITORS:

Amounts falling due after more than one year

	2024	2023
Long term portion of:		
Mortgage Loan	1,201,237.81	1,232,360.00
	1,201,237.81	1,232,360.00

These long term liabilities fall due:

- between the second and fifth years inclusive	149,632.32	147,636.00
- after more than five years	1,051,605.49	1,084,724.00
	1,201,237.81	1,232,360.00

The assets pledged as security for the mortgage loan are described at the foot of Note 6.

NOTE 10 – MOVEMENTS ON FUNDS

	Funds brought forward £	Incoming resources £	Resources expended £	Fund transfers £	Funds carried forward £
Year ended 31 December 2024					
Unrestricted funds					
General fund	370,432.00	574,472.28	- 433,609.30	-	511,294.98
Designated funds:					
Functional premises	3,919,998.00	-	- 97,658.07	-	3,822,339.93
	4,290,430.00	574,472.28	- 531,267.37	-	4,333,634.91
Restricted income fund					
Waypoint Hub	54,956.00	114,711.07	- 98,911.71	-	70,755.36
	4,345,386.00	689,183.35	- 630,179.08	-	4,404,390.27
Year ended 31 December 2023					
Unrestricted funds					
General fund	296,153.00	480,848.00	- 382,220.00	- 24,349.00	370,432.00
Designated funds:					
Functional premises	3,950,167.00	-	- 56,118.00	25,949.00	3,919,998.00
	4,246,320.00	480,848.00	- 438,338.00	1,600.00	4,290,430.00
Restricted income fund					
Waypoint Hub	36,844.00	181,107.00	- 161,395.00	- 1,600.00	54,956.00
	4,283,164.00	661,955.00	- 599,733.00	-	4,345,386.00

Reason for fund transfers:

Last year, one of the grants received by the Hub included a specific allocation of £1,600 towards payroll costs. Since these costs are covered by the Church rather than the Hub, the Hub transferred the £1,600 to the Church as a contribution towards the Hub leader's salary.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 11 — DONATIONS AND LEGACIES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Monetary offerings and donations	367,804.90	32,882.69	400,687.59	338,316.00	53,867.00	392,183.00
Contributions received from beneficiaries	-	31,893.17	31,893.17	-	26,191.00	26,191.00
Gift Aid tax refundable	59,056.79	-	59,056.79	61,402.00	-	61,402.00
Estimated value of gifts in kind	-	28,935.21	28,935.21	2,500.00	27,457.00	29,957.00
Building Fundraising	53,239.10	-	53,239.10	-	-	-
	480,100.79	93,711.07	573,811.86	402,218.00	107,515.00	509,733.00

NOTE 12 — INCOME FROM CHARITABLE ACTIVITIES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Room hire	50,490.32	-	50,490.32	35,326.00	-	35,326.00
Service user contributions	488.50	-	488.50	297.00	-	297.00
Grants & donations received	-	21,000.00	21,000.00	-	73,592.00	73,592.00
Church life, outreach and mission	2,215.09	-	2,215.09	7,928.00	-	7,928.00
Children's and youth ministries	2,870.85	-	2,870.85	4,407.00	-	4,407.00
	56,064.76	21,000.00	77,064.76	47,958.00	73,592.00	121,550.00

NOTE 13 — OTHER TRADING INCOME

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Waypoint Café sales	29,452.26	-	29,452.26	27,896.00	-	27,896.00
Events Income	1,100.75	-	1,100.75	-	-	-
Other Revenue	980.03	-	980.03	-	-	-
Tots Subs	2,577.73	-	2,577.73	-	-	-
	34,110.77	-	34,110.77	27,896.00	-	27,896.00

NOTE 14 — INCOME FROM INVESTMENTS

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Bank interest received	4,195.96	-	4,195.96	2,776.00	-	2,776.00
	4,195.96	-	4,195.96	2,776.00	-	2,776.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 15 — EXPENDITURE ON CHARITABLE ACTIVITIES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Payroll cost (Note 21)	155,370.75	-	155,370.75	120,984.00	-	120,984.00
Ministers' accommodation and expenses	7,094.81	-	7,094.81	3,874.00	-	3,874.00
Occupancy costs (Note 17)	104,893.56	-	104,893.56	73,900.00	-	73,900.00
Conferences, training and literature	5,852.53	-	5,852.53	4,981.00	-	4,981.00
Office and general expenses (Note 18)	9,367.10	-	9,367.10	23,707.00	160.00	23,867.00
Provision of supplies for Waypoint Hub	-	98,094.71	98,094.71	-	160,656.00	160,656.00
Church life, outreach and mission	40,437.34	-	40,437.34	39,317.00	-	39,317.00
Children's and youth ministries	8,636.66	-	8,636.66	8,798.00	-	8,798.00
Depreciation and loss on disposal of fixed assets	76,082.93	817.00	76,899.93	82,369.00	579.00	82,948.00
	407,735.68	98,911.71	506,647.39	357,930.00	161,395.00	519,325.00

NOTE 16 – OTHER TRADING EXPENSES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<u>Waypoint Café expenditure</u>						
Purchases of café supplies	-	-	-	10,700.00	-	10,700.00
Repairs, maintenance and equipment expensed	-	-	-	937.00	-	937.00
Contribution to energy and payroll costs	-	-	-	3,600.00	-	3,600.00
Bank and card charges	-	-	-	381.00	-	381.00
Other	10,182.74	-	10,182.74	882.00	-	882.00
Depreciation of equipment	725.00	-	725.00	725.00	-	725.00
	10,907.74	-	10,907.74	17,225.00	-	17,225.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 17 – ANALYSIS OF OCCUPANCY COSTS

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Light, heat and power	48,303.67	-	48,303.67	33,275.00	-	33,275.00
Water and sewerage	1,826.98	-	1,826.98	1,520.00	-	1,520.00
Buildings insurance	7,768.12	-	7,768.12	6,358.00	-	6,358.00
Building repairs and maint.	33,306.30	-	33,306.30	16,987.00	-	16,987.00
Cleaning & consumable stores	13,688.49	-	13,688.49	15,760.00	-	15,760.00
	104,893.56	-	104,893.56	73,900.00	-	73,900.00

NOTE 18 – ANALYSIS OF OFFICE AND GENERAL EXPENSES

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Printing, photocopying, stationery and postage	2,349.32	-	2,349.32	2,394.00	-	2,394.00
Telephone and internet	2,853.25	-	2,853.25	923.00	-	923.00
General insurance	-	-	-	1,300.00	-	1,300.00
Equipment testing, repairs and servicing	-	-	-	5,161.00	-	5,161.00
Equipment expensed	-	-	-	6,163.00	-	6,163.00
Waste removal	967.55	-	967.55	2,003.00	-	2,003.00
Subscriptions and licences	1,912.63	-	1,912.63	3,300.00	-	3,300.00
Finance and management software	546.75	-	546.75	1,644.00	-	1,644.00
Bank charges & interest	554.51	-	554.51	185.00	-	185.00
Miscellaneous	183.09	-	183.09	634.00	160.00	794.00
	9,367.10	-	9,367.10	23,707.00	160.00	23,867.00

NOTE 19 – OTHER EXPENDITURE

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Accountancy fees	2,634.00	-	2,634.00	2,878.00	-	2,878.00
Audit fees	7,200.00	-	7,200.00	2,600.00	-	2,600.00
VAT consultancy & legal fees	222.00	-	222.00	1,188.00	-	1,188.00
Finance costs (see Note 20)	97,658.07	-	97,658.07	98,290.00	-	98,290.00
Sabbatical	710.00	-	710.00	-	-	-
Caretaker	318.35	-	318.35	-	-	-
Volunteer and staff appreciation Expenditure	960.41	-	960.41	-	-	-
Postage, Freight & Courier	43.05	-	43.05	-	-	-
Rental - Direct Costs	11.44	-	11.44	-	-	-
Events Expenditure	2,850.08	-	2,850.08	-	-	-
Other Events	16.55	-	16.55	-	-	-
	112,623.95	-	112,623.95	104,956.00	-	104,956.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 20 – FINANCE COSTS

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Mortgage interest	97,658.07	-	97,658.07	98,025.00	-	98,025.00
Hire purchase and capital lease interest	-	-	-	265.00	-	265.00
	97,658.07	-	97,658.07	98,290.00	-	98,290.00

NOTE 21 - PAYROLL AND STAFFING

Staff cost is analysed below according to staff members' main duties set out in their contracts of employment.

Year ended 31 December 2024

	No. of staff	Gross wages & salaries £	Employers' national insurance £	Pension contributions £	Total £
Ministers	2	68,743.36	6,976.04	798.40	76,517.80
Other staff	8	78,965.39	2,310.86	2,576.70	83,852.95
	10	147,708.75	9,286.90	3,375.10	160,370.75
Less: Employer's NIC allowance				-	5,000.00
					155,370.75

Year ended 31 December 2023

	No. of staff	Gross wages & salaries £	Employers' national insurance £	Pension contributions £	Total £
Ministers	2	47,300.00	4,625.00	1,750.00	53,675.00
Other staff	7	68,384.00	2,125.00	1,720.00	72,229.00
	9	115,684.00	6,750.00	3,470.00	125,904.00
Less: Employer's NIC allowance				-	5,000.00
					120,904.00

The average number of full-time equivalent staff is 4.3 (2023: 4.3). No employee received emoluments (excluding employer pension costs) exceeding £60,000 p.a.

WAYPOINT
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NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 22 – TRANSFER BETWEEN FUNDS

The following transfers were made from Waypoint Hub to the General Fund to partially recoup the salary and occupancy costs related to the Hub's activities that were borne by the Church in the years ended 31 December 2023 and no transfers between funds were made during the year ended 31 December 2024.

	2024	2023
	£	£
Salary of Hub leader	-	1,600.00
Occupancy of North building	-	-
	-	1,600.00

NOTE 23 – ANALYSIS OF NET ASSETS BETWEEN FUNDS

31-Dec-24

	Fixed assets £	Net current assets £	Other liabilities £	Net assets £
Unrestricted funds				
General fund	113,643.40	315,001.30		428,644.70
Designated fund:				
Functional freehold properties	5,130,261.91	- 35,784.74	- 1,201,237.81	3,893,239.36
	5,243,905.31	279,216.56	- 1,201,237.81	4,321,884.06
Restricted income fund				
Waypoint Hub	2,607.00	79,899.21		82,506.21
FUNDS AT 31 DECEMBER 2024	5,246,512.31	359,115.77	- 1,201,237.81	4,404,391.00

31-Dec-23

	Fixed assets £	Net current assets £	Other liabilities £	Net assets £
Unrestricted funds				
General fund	115,286.00	255,146.00		370,432.00
Designated fund:				
Functional freehold properties	5,183,663.00	- 31,305.00	- 1,232,360.00	3,919,998.00
	5,298,949.00	223,841.00	- 1,232,360.00	4,290,430.00
Restricted income fund				
Waypoint Hub	2,607.00	52,349.00		54,956.00
FUNDS AT 31 DECEMBER 2023	5,301,556.00	276,190.00	- 1,232,360.00	4,345,386.00

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 24 – RELATED PARTY TRANSACTIONS

Certain individuals connected with Church trustees received reward for services or reimbursement of expenses from the Church during the year as follows:

<u>Name of related party</u>	<u>Nature of relationship</u>	<u>Nature of provision</u>	<u>2024</u>	<u>2023</u>
Mr A Banes*	Church trustee	Ministry Support	500.00	-

* Payable to Time For Marriage Ministry, a charitable company of which Mr A Banes is a Trustee.

No related party transactions occurred during the financial year 2023. For comparative information, related party transactions in 2022 are disclosed in the financial statements for that year.

NOTE 25 – TRUSTEES’ REMUNERATION, BENEFITS AND EXPENSES

As permitted by the Church’s governing document, certain trustees and persons connected with them received remuneration, benefits and reimbursement of expenses for employment services rendered in the year as follows:

Year ended 31 December 2024

	Service rendered	Total	Gross salary	Accommodation	Pension	Payments/ expenses
		£	£	£	£	£
J Privett	Pastor	40,921.39	35,890.04	2,526.94	1,452.48	1,051.93
A Roseblade	Pastor	38,755.26	32,853.32	1,362.92	798.40	3,740.62
C Johnson	Waypoint Hub leader	11,921.45	11,111.45	-	810.00	-
P Griffiths*	Administrator	10,217.71	10,101.84	-	115.87	-
H Palmer*	Administrator	12,706.60	12,518.25	-	188.35	-
		114,522.41	102,474.90	3,889.86	3,365.10	4,792.55

Year ended 31 December 2023

	Service rendered	Total	Gross salary	Accommodation	Pension	Payments/ expenses
		£	£	£	£	£
J Privett	Pastor	40,445.00	35,300.00	3,070.00	1,452.00	623.00
A Roseblade	Pastor	13,010.00	12,000.00	-	298.00	712.00
C Johnson	Waypoint Hub leader	19,651.00	18,369.00	-	1,282.00	-
P Griffiths*	Administrator	11,325.00	11,134.00	-	191.00	-
H Palmer*	Administrator	5,850.00	5,720.00	-	130.00	-
		90,281.00	82,523.00	3,070.00	3,353.00	1,335.00

* Spouse of trustee

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 26 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees listed in Note 25 above excluding spouses of trustees comprise all the key management personnel. The total employee benefits received by them including employer's national insurance amounted to £98,574.14 (2023: £77,645).

NOTE 27 - PENSION OBLIGATIONS

In the 2021 reporting period the employment of the Church's sole active participant in the DB section of the Scheme was severed effective 31 July 2021 and, in accordance with the Scheme rules, a 'cessation event' was triggered. As a consequence, the rules required that an annuity be purchased that meets the Church's employer debt and the whole cost thereof including professional fees related thereto as notified by the Scheme trustee was provided for at 31 December 2021, with a provision continuing at 31 December 2022.

A 2023 update by the Scheme confirmed that an agreement has been signed with a UK insurance company (the Provider) that specialises in 'buying out' pension scheme liabilities and the other associated risks. It was confirmed that at that point, as regards Waypoint, all liability relating to the scheme would end. On the basis of this information received from the Scheme's trustee board, the Church trustees were satisfied that no further significant financial risk concerning the DB Scheme existed at the date of the 2023 report and, consequently the provision was released to the SOFA at 31 December 2023. In November 2024, it was confirmed that the scheme had been wound up at a surplus, and Waypoint had no further liability towards the scheme. As such, at 31 December 2024, we continue to hold no provision towards this scheme.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

NOTE 27 – PENSION OBLIGATIONS (continued)

The pension contributions borne by the Church in the year are:

	2024	2023
	£	£
DCs paid and payable in respect of employees in the year	-	3,470.00
DB deficit recovery contributions paid in the year	-	12.00
	<u>-</u>	<u>3,482.00</u>

The movements in the DB liability for the current and previous financial years are:

	2024	2023
Balance at 1 January,	-	41,717.00
Deficiency contributions paid in the year	-	- 12.00
Provision for deficiency contributions payable in 2024	-	- 11.00
Release of provision for defined benefit pension deficit no longer required	-	- 41,694.00
	<u>-</u>	<u>-</u>
Liability for pension deficit at 31 December,	<u>-</u>	<u>-</u>

NOTE 29 – GOING CONCERN

The Church constructed a building on land adjacent to the existing Church premises and arranged a commercial loan facility as part of the funding arrangements. In addition to the capital repayments, in 2022 the mortgage loan was further reduced by the net proceeds of sale of the Church's investment property (see Note 6). An outstanding balance remains at 31 December 2024 of £1,237,022.55 (2023: £1,263,665).

The trustees consider the existing level of repayments to be affordable out of recurring income since planned giving of the Church congregation increased significantly in 2024 and into 2025.

At present the Church's existing liquid resources supplemented by recurring tithes, offerings and other income in 2025 will be sufficient to meet Church outgoings for a period of at least twelve months from the date of issue of these financial statements.

Taking all known factors into account, the Trustees are satisfied that the Church will be a going concern for the foreseeable future.

Waypoint Church Charity Accounts - 31 December 2024 (Final)

Final Audit Report

2025-10-21

Created:	2025-10-17
By:	Luke Hawes (luke@neataccounting.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAALi4y7s2UukuF3VnBi-nXqYvLHf5b8xnd

"Waypoint Church Charity Accounts - 31 December 2024 (Final)" History

-  Document created by Luke Hawes (luke@neataccounting.co.uk)
2025-10-17 - 2:59:08 PM GMT- IP address: 86.137.145.202
-  Document emailed to fliss@doctors.org.uk for signature
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-  Signer fliss@doctors.org.uk entered name at signing as F R Shaw
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Signature Date: 2025-10-17 - 4:38:14 PM GMT - Time Source: server- IP address: 145.40.187.215
-  Document emailed to treasurer@waypointchurch.org.uk for signature
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-  Signer treasurer@waypointchurch.org.uk entered name at signing as S Mirzaians
2025-10-20 - 11:59:06 AM GMT- IP address: 82.71.63.113
-  Document e-signed by S Mirzaians (treasurer@waypointchurch.org.uk)
Signature Date: 2025-10-20 - 11:59:08 AM GMT - Time Source: server- IP address: 82.71.63.113
-  Document emailed to p.underwood@morriscrocker.co.uk for signature
2025-10-20 - 11:59:11 AM GMT

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 Signer p.underwood@morriscrocker.co.uk entered name at signing as P J Underwood

2025-10-21 - 8:33:14 AM GMT- IP address: 20.108.247.124

 Document e-signed by P J Underwood (p.underwood@morriscrocker.co.uk)

Signature Date: 2025-10-21 - 8:33:16 AM GMT - Time Source: server- IP address: 20.108.247.124

 Agreement completed.

2025-10-21 - 8:33:16 AM GMT

Waypoint

England & Wales - Charity number 1168433

Accounts



WAYPOINT
operating as
WAYPOINT CHURCH
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT
and
AUDITED FINANCIAL STATEMENTS

31 December 2023

WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

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31 December 2023

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WAYPOINT operating as WAYPOINT CHURCH
(a charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS

31 December 2023

THE CHARITY

Registered name	Waypoint
Operating name	Waypoint Church
Legal structure	Charitable Incorporated Organisation
Operating address	255 Hunts Pond Road, Titchfield Common, Fareham, Hampshire, PO14 4PG
Registered charity number	1168433 (England and Wales)
Telephone number	01489 579669
Website	www.waypointchurch.org.uk
Email address	admin@waypointchurch.org.uk

BOARD OF TRUSTEES

Pastorate

Pastor (team leader)	Jim Privett*
Pastor (teaching)	Adam Roseblade* (appointed June 2023)

Elders

Andy Banes Emily Downing (appointed June 2023) Graham Griffiths Rachel Keen
Kevin Leech Mark Palmer (appointed June 2023) Dan Richards (resigned June 2023)

Other elected trustees

Church Treasurer	Graham Woodyet (resigned September 2023) Sarah Mirzaians (appointed September 2023)
Church Secretary	Felicity Shaw
Facilities Team Leader	Paul Warner
Waypoint Hub Leader	Claire Johnson*

Following the adoption of a new Constitution in April 2024, the Elders ceased being members of the Board of Trustees.

The Trustees at the date of this report are:

Jonathan Brown Pete Loughborough Sarah Mirzaians Jim Privett* Adam Roseblade*
Felicity Shaw Paul Warner Peter Wilkinson

* Staff member

PROFESSIONAL ADVISERS

Bankers **CAF Bank Ltd,**

25 Kings Hill Avenue, Kings Hill, West Malling,
Kent, ME19 4JQ

Auditor **Mr S G Talati FCA,** Chartered Accountant and Statutory Auditor,

17 St George's Road, Southsea, Hampshire, PO4 9PL

Solicitors **Anthony Collins Solicitors LLP,**

134 Edmund Street,
Birmingham, B3 2ES

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT

Year ended 31 December 2023

The Trustees have pleasure in submitting their annual report and the financial statements of Waypoint (the Church) as at and for the year ended 31 December 2023.

SECTION 1 – OBJECTIVES AND ACTIVITIES

Description of the Church's Trust

The principal objective of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination including the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

Aims

In order to achieve this objective, Waypoint provides a variety of activities both to its membership and to the community. The aim is to show the love of Jesus Christ and to bring people into a closer relationship with Him. In fulfilling this purpose, the Church engages in a range of activities either on its own or with others. Our Mission Statement is "Learning to live and love like Jesus".

Strategies to achieve aims

Central to the work and witness of Waypoint is the provision of regular public services of Christian worship.

These services take place each Sunday and include preaching, teaching and Communion. A programme for children and young people aged 0-16 years is available during the service. There are also occasional All Age Services.

Waypoint has a passion for reaching the community and anybody is free to attend our services. Church services, events and activities are advertised on our website at www.waypointchurch.org.uk.

Sunday services are held simultaneously for two congregations. There is a traditional-styled worship and a contemporary-styled worship both sharing the main Bible Reading and same sermon.

The service is usually streamed to the Church YouTube channel. Our channel has over 500 subscribers and the services are viewed by more than 100 people watching from local and international addresses.

This weblink is an example of one of our streamed services in 2023.

<https://www.youtube.com/watch?v=1tPt6xzFLWQ>

Our streaming service developed at the time of Covid lockdowns and has proved a valuable resource to members and visitors to Waypoint.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

Strategies to achieve aims (continued)

Waypoint runs life groups. These are small groups aimed at developing faith and discipleship and providing pastoral care. More than half of our attendees are in a Life Group and we hope to expand this in the coming years.

The Church leadership places great importance on reaching the local community in a variety of ways as can be seen from the activities undertaken set out below.

SECTION 1 – OBJECTIVES AND ACTIVITIES

Measurement of attainments

Although numbers do not reflect the spiritual strength of a church, they do give an indication of growth. During 2023, 25 people were received into membership and 5 people were baptised. The membership stood at 235 on 31 December 2023.

We hope to see the number of people attending Waypoint Church to increase but (and more difficult to measure) to see Christians deepening their Faith and following Christ's teaching in all aspects of their lives.

The footfall of people crossing the threshold of Waypoint Church exceeds 400 in a typical week and our Community Foodbank (Waypoint Hub) assists over 120 families locally. We expect to see this number grow year on year.

The Trustees believe that 2023 was a positive year in the life of the Church.

Activities vary from time to time. Review of specific aims by the Leadership is made throughout the year with activities being initiated, expanded, or ended, as judged appropriate.

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE

In addition to Sunday activities, Waypoint hosts Small Group Activities for our youth ("Connect") and Waypoint Tots – a Tuesday morning event which is a community resource for babies and pre-school children and their parents or carers.

Activities for senior citizens ("seniors") are provided regularly. "Oasis" is a regular meeting sharing Faith Hope and Love and occasional afternoon teas. We welcome Seniors in a warm, loving and friendly environment.

Events were held during 2023 for our Members, attendees and the wider community which included a Summer Fun Day and Christmas Craft Fayre.

Christmas services were held throughout December offering our congregation and community a variety of opportunities to celebrate Christmas with different styles of music and teaching.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE (continued)

Waypoint has a pastoral team that supports Church Members and attendees in times of difficulty. Their work fulfils our Mission “Learning to live and love like Jesus”.

Waypoint is dependent on its membership serving as volunteers in all aspects of the Church’s activities.

The Alpha Course runs for people who would like to explore the Christian faith. This is a welcoming small group designed to help anyone exploring ideas to answer the big questions about life in a safe and supportive environment.

We have a group called Kintsugi Hope. This runs a course designed for equipping people with skills to support and improve their mental health and wellbeing.

The Church runs a Golf Society and Football Team and encourages membership from within the Church and from the local community.

The Church supports three mission projects; Enable the Children in Sierra Leone, Rock Projects in Uganda and Hands at Work in South Africa.

The Church supports a Church Member who is a missionary based in South Africa and working across countries in sub-Saharan Africa.

The Church also supported an a Member who links with a School in a deprived town in RSA to supply reading books and equipment.

The Church sent out a team of Volunteers to Uganda to join Rock Projects in the refurbishment of a Children’s Activity Centre and to support health and dental care to that community.

Many of our Church Members volunteer regularly in one, some or many ministries. It is through our volunteers that we stock and maintain and deliver food through our foodbank. It is through our volunteers that we serve the “Seniors” within the Church and serve the Children and Young People. Our Café is staffed mainly by volunteers. Additionally, volunteers maintain the grounds, serve refreshments, keep the building up to standard, visit the sick and provide music or technical services for our Sunday Services and Events.

The Church supported the Baptist Union’s Missionary Society and Home Mission Fund as well

The Church supported emergency disaster appeals of Tearfund in their Pakistan humanitarian crisis appeal, Hope Now in their work in Ukraine during the war and World Vision in their Somalia famine appeal.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

SECTION 2- ACHEIVEMENTS AND PERFORMANCE (continued)

Waypoint also supported Time for Marriage, a charity that offers support and resources to help renew and strengthen marriages. This team have been able to provide marriage support as needs arise. This team is used for pre-marriage work and to strengthen relationships. Sometimes it has been used to help couples experiencing relationship difficulty.

Church Members served as volunteers in many other local charities and organisations.

Rooms in the premises are hired by an independent pre-school, the NHS for blood donation services, the local council as a polling station and community groups. Waypoint hosted the 2023 Fareham Borough Council Mayor Investiture. Waypoint has also hosted the local PCN for the meeting of GPs and other Healthcare Professionals in the area.

Waypoint Café is open for three days and one evening per week. This provides food, drink and wi-fi in a friendly environment. It is staffed by volunteers who are all appropriately trained in food hygiene and café policies. Our funds allowed us to appoint a salaried part-time Café manager in July 2023.

Some of the team members within our ministries are paid but most members are volunteers.

Waypoint Hub (the Hub) has continued to grow and help increasing numbers of people in need, predominantly within the Western Wards of Fareham. Three drop-in sessions were held each week. Two services are offered:

- 1) a Foodbank giving out free emergency food parcels.
- 2) "More 4 Less" a donation-based scheme.

On average in 2023 we supported 120 households each week and gave out a total of 6,040 food parcels.

The Hub is partnered with the Trussell Trust and also works closely with local schools, local and county councils, Citizens Advice and other local statutory and voluntary organisations. Grant funding and donations of food and finances from trusts, local organisations, businesses and individuals in our church and the community continue to sustain this ministry.

The Hub is considered a key part of our local mission "Learning to live and love like Jesus" beyond the buildings of Waypoint.

The Trustees confirm they have complied with the duty imposed by the Charities Act 2011 and have given due regard to the guidance in respect of public benefit.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

SECTION 3 - FINANCIAL REVIEW

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The Church generated a surplus on General Fund operations of £42,510, adjusted to £44,110 after a £1,600 fund transfer towards payroll costs from the Hub. This surplus includes the £41,694 release of the provision for the defined benefit pension deficit no longer required (see Note 29). The surplus before this exceptional release and transfer amounted to £2,416. In 2022 the Church sustained a deficit in General Fund operations of £12,507, improved to a shortfall of just £7 following a £12,500 transfer from the Hub. This was then further improved by the gain on investment assets (see Note 7). The net movement in unrestricted funds for 2023 was a surplus of £44,110 (2022: £45,705).

The Church's total reserves at 31 December 2023 were £4,345,386 (2022: £4,283,164) of which the Waypoint Hub restricted fund was £54,956 (2022: £36,844). Designated funds related to the properties totalled £3,919,998 (2022: £3,950,167), the decrease relating to the buildings depreciation charge, partially offset by the value of capital repayments of the mortgage loan. This fund can only be realised by the disposal of the properties to which it relates.

The Church's reserves on general fund at the balance sheet date amounted to £370,432 compared with £296,153 at 31 December 2022. Liquid resources increased to £298,431 in 2023 from £235,457 at 31 December 2022.

Details of Waypoint Café trading income and expenses are set out in Notes 14 and 17. In 2023 a small salary payment was started to the café manager to reflect the time invested in the operation. The day-to-day operation remains entirely volunteer run. The net contribution to Church funds in the year amounted to £10,671 (2022: £14,981).

It is the intention of the Church to hold a cash reserve equivalent to a minimum of six and a maximum of nine months' general running costs (including salaries and mortgage payments but excluding depreciation) to cover unforeseen emergencies.

The Waypoint Hub is a restricted income fund that provides food and other household necessities to the needy in the local community. The activity has grown since its inception from March 2020 and is funded by personal donations and grants (see Notes 12 and 13). Its total income in the year amounted to £181,107 (2022: £124,513) and its direct expenditure to £161,395 (2022: £111,111).

The Church's total reserves on general fund amount to £370,432 (2022: £296,153) of which £255,146 (2022: £196,981) is expendable.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

SECTION 3 - FINANCIAL REVIEW (continued)

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities. The Trustees consider that it is impractical to place an economic value on such service.

SECTION 4 – PLANS FOR FUTURE PERIODS AND SUBSEQUENT EVENTS

Future commitments

Completion of the South Building was confirmed by Building Control inspectors in 2019. Certain finishing works outside the scope of Building Control regulations continued throughout 2020. The Church is continuing to fundraise for further fitting out works that are expected to cost around £280,000 but no firm timetable has been set for when these works are to be carried out. Completion of these works will enable the Church to provide further activities, courses and services for the Church congregation and for the community on its premises.

We recognise that hiring out our buildings is a helpful source of revenue and with that in mind, we have plans to upgrade the North Building Auditorium and the North Building Kitchen. The projects will only begin when we have identified financial resources to complete them.

We currently have regular bookings from community groups, local Health groups and sports groups and we hope to attract further interest and plan to host Fareham Borough Council for the investiture of the Mayor again alongside new sports groups and new community groups.

Waypoint Café is currently open three days a week and one evening per week. We hope to extend these opening hours on these days and to add a fourth day in 2024. The limiting factor in this is the availability of our volunteers to serve.

As Waypoint grows in numbers (footfall and membership), we recognise the need to keep people connected and plan to do this by strengthening our Small Group structures⁴ and to encourage discipleship pairing. The purposes of these strategies are to deepen the relationships between members and visitors and help them mature in their faith.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

Legal structure

The Church is a Charitable Incorporated Organisation (CIO) which is governed by a Constitution that was filed with the Charity Commission on 26 July 2016 as part of the incorporation process. This constitution follows the model agreed by The Baptist Union Corporation of Great Britain and approved by the Church members in Special meeting.

The Trustees are elected by a Special Church Members' Meeting on a three-year rotation. The board of the elected Trustees is known as the Full Leadership Team and all operating decisions are made by them.

Governance concerning Church membership

Members of the Church are accepted in accordance with the Governing Constitution which requires them:

- to be or to have been publicly baptised on the profession of faith in Jesus Christ;
- or, following other modes of baptism to renew their public profession of faith in Jesus Christ; or,
- who may be considering baptism.

Members' Meetings normally take place five times per year. The members' meeting has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Elders and Trustees together with the Ministers (Pastors), Church Secretary and Treasurer, and collectively known as the Full Leadership Team, were responsible for the day-to-day running of the Church's work and witness and for the financial and legal aspects of the Church until the adoption of a revised constitution in April 2024. The effect of this revised constitution has been to separate the functions of the eldership and the board of trustees, the former being responsible for the Church's spiritual development and the latter responsible for the day-to-day management of the Church. As a result of this change, the elders are no longer Charity trustees.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in furtherance of the Church's aims.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in Church Meetings for further consideration by the Trustees. Though the revised constitution permits decisions to be made at quorate Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

SECTION 5 – STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Other governance matters

The Church is affiliated to the Baptist Union of Great Britain (the BU) and receives guidance from them on a range of regulatory matters which the Church implements as appropriate. However, the BU has no direct influence upon the operating policies of the Church.

All decisions are taken by Trustees who are accountable to the Church Meeting and work within agreed budgets.

The Church follows the Charity Commission guidance concerning the induction and training of Trustees.

Staff salaries including Ministers' stipends are reviewed annually by a pay review committee formed of unremunerated Trustees and other Church Members and their deliberations are reported to the Trustees.

The Church operates a Safeguarding Policy and has put systems in place to ensure that all people working with those under 18 are appropriately vetted, and undergo the necessary Disclosure and Barring Service (DBS) checks. This policy also applies to people working with Adults at Risk.

The Church ensures good practice in First Aid, Food Safety and Food Hygiene by making training available.

The Church holds Insurance with the Baptist Insurance Company including Employer's Liability Insurance.

By order of the Board of Trustees,

.....
F Shaw (Dr)
Church Secretary

8 October 2024

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Responsibilities relating to the financial statements

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each accounting period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the financial period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Other responsibilities

The Trustees are also responsible for:

- keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011.
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- the maintenance and integrity of the Charity and financial information included on the Charity's website.
- the maintenance and integrity of the Charity and the financial information included on the Charity's website.
- safeguarding children, young people and adults who may be at risk.
- safe data processing and storage under GDPR. Waypoint is registered with the ICO.
- human resources which includes the employment of nine people.
- entering into contracts for service and management of our facilities.
- the health and safety of staff, volunteers and other visitors to Waypoint premises.

To The Board of Trustees
Waypoint *operating as* Waypoint Church
255 Hunts Pond Road
Titchfield Common, Fareham,
Hampshire PO14 4PG

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT

(a charitable incorporated organisation)

Opinion

I have audited the financial statements of Waypoint (the Church) for the year ended 31 December 2023 which comprise the balance sheet, statement of financial activities, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK' (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Church's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 (the Act).

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of my report. I am independent of the Church in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Ethical Standard of Financial Reporting Council (FRC), and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to have been materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Matters on which I am required to report by exception

In the light of the knowledge and understanding of the Church and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 13, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Auditor responsibilities for the audit of the financial statements (continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I designed procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below.

I gained an understanding of the legal and regulatory framework applicable to the Church and considered the risk of acts by the Church which were contrary to applicable laws and regulations, including fraud. These included compliance with the Act and United Kingdom accounting standards. I discussed compliance with this framework through discussions with management and performed audit procedures on these areas as considered necessary. My procedures involved review of the reporting to the Trustees with respect to compliance with laws and regulations and the review of minutes of Trustees and other meetings.

I focused on laws and regulations that could give rise to a material misstatement in the Church financial statements. My tests included:

- agreement of the financial statement disclosures to the underlying supporting documentation;
- enquiries of management;
- testing of journal postings during the year to identify potential override of controls;
- review of minutes of Trustee and other meetings available to me; and,
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

My audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one due to error, as fraud may involve deliberate concealment by, for example, forgery misrepresentations through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely I am to become aware of it.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

I have been appointed as auditor under section 144 of the Act and report in accordance with it and the relevant regulations made or having effect thereunder. I am eligible for appointment to act as statutory auditor under section 1212 of the Companies Act 2006.

In the previous accounting year, I considered that evidence of donations of goods and cash received by Waypoint Hub (the Hub) was not sufficiently verifiable by conventional audit procedures and, as a result, was not capable of detecting irregularities (should any exist). However, since the adoption of the internal control procedures introduced from November 2022 when the Hub entered into an association with the Trussell Trust, I consider that the risk of financial irregularity in this activity in year under review has been reduced to a level that no longer requires comment in this report.

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

Use of my report

This report is made to the Trustees as a body, in accordance with section 144 and regulations made under section 154 of the Act. My audit work has been undertaken so that I might state to the Church's Trustees those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Church and the Church's Trustees as a body, for my audit work, for this report, or for the opinions I have formed.

.....
S G Talati FCA
Statutory Auditor

8 October 2024

Chartered Accountant,
17 St George's Road,
Southsea,
Hampshire PO4 9PL

WAYPOINT
(a charitable incorporated organisation)

BALANCE SHEET

31 December 2023

	<u>Note</u>	<u>2023</u> £	<u>2022</u> £
FIXED ASSETS			
Tangible assets	6	<u>5,301,556</u>	<u>5,382,542</u>
CURRENT ASSETS			
Debtors	8	30,780	12,184
Cash and cash equivalents		<u>298,431</u>	<u>235,457</u>
Total current assets		329,211	247,641
LIABILITIES			
Creditors: Amounts falling due within one year	9	<u>(53,021)</u>	<u>(45,039)</u>
Net current assets		<u>276,190</u>	<u>202,602</u>
Total assets, less current liabilities		5,557,746	5,585,144
Creditors: Amounts falling due after more than one year	10	<u>(1,232,360)</u>	<u>(1,301,980)</u>
NET ASSETS	24	<u>£4,345,386</u>	<u>£4,283,164</u>
THE FUNDS OF THE CHARITY	11		
Unrestricted funds		4,290,430	4,246,320
Restricted income funds		<u>54,956</u>	<u>36,844</u>
TOTAL CHARITY FUNDS		<u>£4,345,386</u>	<u>£4,283,164</u>

Approved by the Board of Trustees for issue on
8 October 2024 and signed on its behalf by:

..... Treasurer
S Mirzaians

The notes set out on pages 21 to 40 form part of these financial statements.

WAYPOINT

(a charitable incorporated organisation)

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2023

		2023			2022		
	Note	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
INCOME FROM							
Donations and legacies	12	402,218	107,515	509,733	350,802	55,602	406,404
Charitable activities	13	47,958	73,592	121,550	29,076	68,880	97,956
Other trading	14	27,896		27,896	26,689		26,689
Investments	15	2,776		2,776	8,068	31	8,099
Total income		480,848	181,107	661,955	414,635	124,513	539,148
EXPENDITURE ON							
Charitable activities	16	357,851	161,395	519,246	327,893	111,111	439,004
Other trading	17	17,225		17,225	11,708		11,708
Other expenditure	20	104,956		104,956	87,541		87,541
Release of provision for defined benefit pension deficit no longer required		(41,694)		(41,694)			-
Total expenditure		438,338	161,395	599,733	427,142	111,111	538,253
NET OPERATING INCOME		42,510	19,712	62,222	(12,507)	13,402	895
GAIN ON INVESTMENT ASSET	7			-	45,712	-	45,712
NET INCOME		42,510	19,712	62,222	33,205	13,402	46,607
TRANSFERS BETWEEN FUNDS	23	1,600	(1,600)	-	12,500	(12,500)	-
NET MOVEMENT IN FUNDS		44,110	18,112	62,222	45,705	902	46,607
RECONCILIATION OF FUNDS							
Total funds brought forward	11	4,246,320	36,844	4,283,164	4,200,615	35,942	4,236,557
TOTAL FUNDS CARRIED FORWARD	11	£4,290,430	£ 54,956	£4,345,386	£4,246,320	£ 36,844	£4,283,164

The notes set out on pages 21 to 40 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)
STATEMENT OF CASH FLOWS
31 December 2023

	<u>2023</u> £	<u>2022</u> £
Cash flows arising from charitable operating activities		
Net operating income for the year (as per statement of financial activities)	62,222	895
Adjustments for:		
Depreciation charges and losses on disposal of tangible fixed assets	83,673	84,167
Mortgage interest	97,388	76,420
Hire purchase and capital lease interest	265	303
Decrease in debtors	(18,596)	2,075
Increase/(decrease) in creditors	7,873	(3,436)
Pension provision no longer required	(41,694)	-
Net cash provided by charitable operating activities	<u>191,131</u>	<u>160,424</u>
Cash flows from investing activities		
Refund re construction of South Building	-	8,920
Purchases of furniture and equipment	(2,687)	(1,890)
Proceeds of disposal of investment property	-	510,712
Cash (used in) provided by investing activities	<u>(2,687)</u>	<u>517,742</u>
Cash flows from financing activities		
Deficiency contributions paid in respect of defined benefit pension liability	(12)	(4,782)
Mortgage loan repayments	(123,338)	(638,975)
Hire purchase and capital lease payments	(2,120)	(4,465)
Cash provided by (used in) finance activities	<u>(125,470)</u>	<u>(648,222)</u>
Increase (decrease) in cash and cash equivalents in the year	62,974	29,944
Cash and cash equivalents at the beginning of the year	<u>235,457</u>	<u>205,513</u>
Cash and cash equivalents at the end of the year	<u><u>£298,431</u></u>	<u><u>£235,457</u></u>
Analysis of cash and cash equivalents		
Cash in hand	804	101
Cash at bank on call	289,133	227,068
Cash on deposit at 60 days' notice	8,494	8,288
	<u><u>£298,431</u></u>	<u><u>£235,457</u></u>

The notes set out on pages 21 to 40 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 1 — LEGAL STATUS, OBJECTIVES AND AFFILIATION OF WAYPOINT

Waypoint (the Church) is a charitable incorporated organisation (CIO) incorporated in England and Wales and is governed by a constitution with the objects to:

- fulfil the role of a Christian Church in the Western Wards of Fareham, Hampshire and surrounding area, and
- provide help to others promoting the Christian faith in the UK and overseas.

The Church is a Public Benefit Entity within the meaning of FRS 102 and is a member church of the Baptist Union of Great Britain (BUGB), an unincorporated charitable trust registration no. 1125912.

NOTE 2 – ACCOUNTING FRAMEWORK AND COMPLIANCE

The financial statements have been set out in accordance with the accounting framework required under:

- the Charities (Accounts and Reports) Regulations 2008;
- the accounting regulations set out under the Charities Act 2011;
- Financial Reporting Standard 102 (FRS 102);
- the Statement of Recommended Practice (the SORP).

There were no material departures from those standards.

To assist the Church's compliance with this framework, the Auditor provides accountancy services permitted under the FRC Ethical Standard 6 – Provisions Available to Auditors of Small Entities. These services are conducted on the basis that the Church has informed management who understand and approve the accountancy work the Auditor carries out.

NOTE 3 — NATURE AND PURPOSE OF PRINCIPAL FUNDS

The principal designated and restricted funds are as follows:

Designated funds

- (a) *Functional premises* – funds representing the carrying value of the North and South buildings, net of related mortgage loan.
- (b) *Investment property* – funds representing the fair value of a former manse that was commercially let until June 2022. The property was sold on 15 November 2022 and this fund was closed on that date.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 3 — NATURE AND PURPOSE OF PRINCIPAL FUNDS (continued)

(c) Waypoint Hub – for the provision of social welfare including food, clothing and other essentials to the needy in the local community funded by local authority and community grants; corporate and personal donations; and contributions from beneficiaries.

NOTE 4 — ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements set out below have remained unchanged from the previous year and been consistently applied in the year under review.

(a) Basis and content of the financial statements

The financial statements have been prepared on the basis of historical cost as modified by the fair valuation of its investment property until its sale (see Note 3(b) above).

The financial statements are expressed in pounds Sterling rounded to the nearest pound and include all the assets and liabilities under the control of the Trustees of the Church.

(b) Going concern

The Church's financial statements are prepared on the going concern basis of accounting unless the Trustees intend to cease operations or have no realistic alternative but to do so. In assessing whether the going concern basis of accounting is appropriate, the Trustees take into account all available information about the future, which is at least, but not limited to, twelve months from the date the financial statements are authorised for issue.

(c) Tangible fixed assets and depreciation

Functional freehold properties

The Church premises have been capitalised at cost (estimated where actual cost information is no longer available) and are being depreciated over their economic lives at 1% straight line p.a. from the date the properties were first brought into use.

Sums considered to represent significant enhancement expenditures but which do not extend the useful lives of the buildings are capitalised and depreciated over the remainder of the original term. Expenditures on bringing the properties and facilities up to a modern acceptable standard are charged to the SOFA as incurred.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 4 — ACCOUNTING POLICIES (continued)

Furniture, fittings and equipment

Individual items of furniture, fittings and equipment costing not less than £750 (2022: £500) or groups of items (such as seating) costing in total not less than £2,000 are capitalised and depreciated over their estimated economic lives at rates between 6.7% and 25% on a straight-line basis from the date the assets are brought into use. Lesser sums are charged to the SOFA as incurred.

Impairment losses

Any impairment provision considered necessary against the carrying value of functional properties or furniture, fittings and equipment is charged to the SOFA in the accounting period in which the impairment loss is recognised.

Investment property

The property was valued at its fair value (defined in FRS 102) as estimated by the Trustees in consultation with the letting agent at the balance sheet date. This property was sold in 2022 (see Note 7).

(d) Stock

Stocks of Café and Hub supplies are not counted or valued since the quantities held are limited and the stock turnover is rapid.

(e) Debtors

Debtors are stated at the amounts due to the Church at the balance sheet date. Prepayments are recorded for the proportion of the time-based expenditures attributable to the ensuing year.

(f) Cash and cash equivalents

Cash and cash equivalents comprise the amounts held in bank current accounts and cash in hand together with bank deposits on less than 90 days' notice at the balance sheet date.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

(g) Liabilities

1 Generally

Liabilities are recognised as soon as an outflow of economic benefits is considered more likely than not to occur under a legal or constructive obligation committing the Church to pay out resources. Creditors that are current liabilities, other than the Church's defined benefit commitment to the Baptist Pension Scheme, are recognised at the settlement amount expected to be paid at the balance sheet date.

2 Deferral of income

Income received which cannot be recognised at the balance sheet date is deferred as a current liability.

3 Defined benefit pension contributions

A minister was a participant in a section of the Baptist Pension Scheme until ceasing to act effective 31 July 2021. This scheme is a multi-employer scheme that provided defined benefit (DB) pensions up to 31 December 2011 when the Scheme was closed to future DB accrual. Since the Church no longer has a member in the Scheme, in accordance with the Scheme rules a 'cessation event' has been triggered. As a consequence, it is required that an annuity is purchased that meets the Church's employer debt. The Church had provided for the whole cost of this debt including the professional fees related thereto as notified by the Scheme trustee as at 31 December 2022. However, other factors notified by the Scheme are likely to eliminate this liability in its entirety. Fuller details of the circumstances are provided in Note 29.

(h) Funds

Tithes, donations and grants received for non-specific purposes or general funding are available for utilisation at the discretion of the Trustees and are dealt with through the General Fund.

Certain designated funds have been created by the Trustees to ring-fence resources that are (1) not considered to be readily expendable or (2) held for specific non-restricted future purposes.

Grants and donations received for specific charitable projects are treated as restricted income funds available only for use on such specified projects. Restricted fund deficits are carried forward provided the Trustees are satisfied that future funding will cover such deficits on a last-in-first-out basis.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 4 — ACCOUNTING POLICIES (continued)

(i) Contingencies

1 Contingent assets

Contingent assets (including reductions to known recorded liabilities) are not recognised in the financial statements unless the benefit is virtually certain to be obtained. Where an inflow of economic benefits is probable, a description of the nature of the contingent asset is made in the Notes to the Financial Statements together with an estimate of the financial effect where this is practical to ascertain. No disclosure is made of less certain contingent assets.

2 Contingent liabilities

A description of a possible but uncertain obligation or a present obligation that cannot be reliably estimated is made in the Notes to the Financial Statements providing where practical:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and, the possibility of any reimbursement.

(j) Income recognition

Income is brought into account when it is more likely than not that the economic benefit will accrue to the Church.

1 Tithes and donations

General tithes and donations received without pre-conditions attached are recognised on receipt. Gifts subject to performance-related or other conditions are recognised when such conditions are fulfilled and all the donors' associated requirements concerning them have been complied with.

2 Grants receivable

A grant that becomes receivable on the occurrence of a specified event is recognised when that event has occurred and all the grantor's requirements with it have been complied with.

3 Gift Aid

Tax refunds receivable under gift aid arrangements are recognised by reference to the date of the related gift. Gift aid recoverable on donations to trust and special funds is credited to the General Fund.

4 Legacies

Incoming resources from legacies are recognised when there is reasonable certainty that the legacy will be received and the value can be reliably measured.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 4 — ACCOUNTING POLICIES (continued)

(j) Income recognition (continued)

5 Other operating income

- Trading income is recorded separately from other income and is recognised as sales are made.
- Charges for hire of rooms and facilities to third parties are recognised in accordance with the period of letting per the related hire agreement.

6 Investment income

- Property rental income is recognised in accordance with the period of letting specified in the related shorthold tenancy agreement.
- Interest receivable is recognised in the period in which it was earned.

7 Deferral of income

See policy note (g)2.

8 Gifts in kind and intangible income

Tangible assets received as gifts for use by the Church with a market value of not less than £750 (2022: £500) are treated as incoming resources at their actual or estimated value, including VAT where appropriate at the date the gift was made. Gifts of fixed assets are correspondingly capitalised in accordance with policy (c) above. Donated assets with a value of less than £750 (2022: £500) are not accounted for.

The estimated value of food and household consumables donated to the Waypoint Hub (see Note 3(c)) is recorded as voluntary income and an equal amount recorded as purchases of supplies. Donated facilities and services are recognised as incoming resources insofar as another party is bearing the financial cost of the resources supplied and the benefit is quantifiable and measurable. An equivalent cost is recorded under the appropriate expenditure caption in the SOFA.

The Church is dependent on its congregation serving as volunteers in a wide variety of Church activities. The value of volunteers' time is not recognised in the financial statements since there is no measurable cost for their services.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

(k) Expenditure

Expenditure is recognised when a liability is incurred or a constructive obligation arises that results in a payment being unavoidable or a commitment to pay that is intended to be acted upon.

1 Charitable grant expenditure and donations

Mission support contributions are made to organisations and individuals engaged in projects that the Church supports. Such contributions are recognised as expenditure at the earlier of payment or when they are communicated to the prospective recipient. The individual amounts defrayed, included in the *Church life, outreach and mission* caption in Note 16, are disclosed only when they are considered to be material in the context of the Church's overall charitable activities.

2 Payroll cost

Payroll cost includes the gross salaries, employer's national insurance and pension contributions of Church ministers and staff. Staff termination costs are recognised at the contractual date of severance.

3 Fundraising and publicity costs

The Church does not engage in making formal appeals outside the Church congregation that involve incurring significant costs to generate the related income. The Church has applied for grants from outside sources towards the Waypoint Hub but no external costs are incurred in making such applications.

4 Material expenditure

Where it is necessary to provide an understanding of the Church's financial results, the nature of expenditure (including reversals of expenditure recorded in previous financial years) are recorded separately on the face of the SOFA.

5 Other expenditure

Insofar as it is necessary to disclose separately different elements of income, related expenditure is also disclosed separately.

6 Defined contribution pension arrangements

The Church operates defined pension contribution arrangements for ministers and certain staff. These contributions are charged as expenditure when they fall due and are invested separately from the Church's assets.

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NOTE 4 — ACCOUNTING POLICIES (continued)

(k) Expenditure (continued)

7 Defined benefit pension arrangements

The present value (PV) of deficiency contributions required by the Scheme reduces the DB liability at PV carried in the balance sheet. The implicit finance cost representing the difference between deficiency contributions paid and their respective PVs is charged to the SOFA but this ceased to apply from 31 July 2021 when a cessation event occurred. Since then, the liability to purchase the required annuity was deferred in accordance with Scheme rules but deficiency contributions required by the Scheme continued until August 2022. Since then, the Scheme moved into a surplus position and deficiency contributions have been reduced to a nominal sum. See Note 29 for further details.

(l) Value added tax

Since the Church is not registered for VAT, the cost of all input VAT charged to the Church is included with the expense to which it relates.

Regarding the construction of the South Building referred to in (c) above, the Trustees consider that Church is the recipient of services for a relevant charitable purpose otherwise in the course or furtherance of business and, subject to the critical judgement explained in Note 5(a) continues to be entitled to zero-rating for VAT.

As explained in Note 6, the Church has disclaimed its zero-rating entitlement attributable to the area used by Waypoint Café for trading purposes.

(m) Charitable support and administration

All central costs for charitable support and administrative charges are met from general funds. A charge has been made to Waypoint Hub for partial recovery of salary and occupancy costs borne by the General Fund (see Note 23).

(n) Corporation tax

The Church is exempted under tax legislation from liability to corporation tax on its operating surpluses, investment income or capital gains whilst it pursues its charitable objectives.

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

Judgements

In preparing these financial statements, the only judgements that have been made in applying the Church's accounting policies, other than estimation uncertainties (see below) that have a significant effect on the amounts recognised in the financial statements, are:

(a) VAT zero-rating on construction of the South Building

As stated in Note 4(l), the Church has claimed VAT zero-rating on the new build at a saving of approximately £700,000. It is open to HM Revenue and Customs to dispute the Church's claim and seek to recover this saving plus penalties. The Trustees are aware of this risk and have made every effort to ensure compliance with the zero-rating requirements. Accordingly, the Trustees consider that the prospect of HMRC successfully disputing the Church's claim to be remote.

(b) Consideration of possible impairment of functional freehold properties

The Trustees consider that the North and South Buildings each meet their intended service potential expectations and, accordingly, in their judgement the value in use of these premises to the Church is not impaired at 31 December 2023.

Estimation uncertainties

The key sources of estimation uncertainty that represent a significant risk to the carrying value of assets and liabilities within the next financial year are:

(a) Depreciation of freehold buildings

Freehold properties other than freehold land are depreciated over their estimated useful lives as stated in accounting policy Note 4(c) taking into account factors affecting operating longevity, regular maintenance programmes and residual values where appropriate. The Church's policy is to write off the construction cost of functional Church buildings over 100 years. However, this policy is reviewed annually by the Trustees and may require re-assessment for factors such as technical innovation, building regulations and changes in user preferences that could affect the future charges for depreciation.

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NOTE 6 — TANGIBLE FIXED ASSETS

	<u>Functional freehold properties</u> £	<u>Furniture, fittings & equipment</u> £	<u>Total</u> £
<u>Year ended 31 December 2023</u>			
Cost or valuation			
At beginning of year	5,681,146	251,426	5,932,572
Additions during year		2,687	2,687
At 31 December 2023	<u>5,681,146</u>	<u>254,113</u>	<u>5,935,259</u>
Depreciation			
At beginning of period	441,364	108,666	550,030
Charge for year	56,118	27,555	83,673
At 31 December 2023	<u>497,482</u>	<u>136,221</u>	<u>633,703</u>
Net book value			
At 31 December 2023	<u>£5,183,664</u>	<u>£117,892</u>	<u>£5,301,556</u>
<u>Year ended 31 December 2022</u>			
Cost or valuation			
At beginning of year	5,690,066	249,536	5,939,602
Additions during year (cost recovery)	(8,920)	1,890	(7,030)
At 31 December 2022	<u>5,681,146</u>	<u>251,426</u>	<u>5,932,572</u>
Depreciation			
At beginning of period	385,246	80,617	465,863
Charge for year	56,118	28,049	84,167
At 31 December 2022	<u>441,364</u>	<u>108,666</u>	<u>550,030</u>
Net book value			
At 31 December 2022	<u>£5,239,782</u>	<u>£142,760</u>	<u>£5,382,542</u>

The mortgage loan facility described in Note 10 is secured by a first legal mortgage and charge dated 20 June 2018 against the Church's functional freehold properties that have a combined carrying value at 31 December 2023 and 31 December 2022 of £5,183,664 and £5,239,782 respectively.

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NOTE 7 — INVESTMENT PROPERTY

Residential property for commercial letting:

	<u>2023</u>	<u>2022</u>
	£	£
Fair value at beginning of year	-	465,000
Disposal on 15 November 2022	-	(465,000)
	<u>£ -</u>	<u>£ -</u>
Capital gain on disposal		£
Gross proceeds of sale		515,000
Selling costs		(4,288)
Net proceeds of sale		510,712
Fair value at beginning of year		(465,000)
Gain on disposal		<u>£ 45,712</u>

NOTE 8 — DEBTORS

	<u>2023</u>	<u>2022</u>
	£	£
Gift Aid tax recoverable	26,211	9,529
Prepayments	4,569	2,655
	<u>£30,780</u>	<u>£12,184</u>

NOTE 9 — CREDITORS:

Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
	£	£
Short term portion of:		
- Mortgage loan	31,305	29,340
- Hire purchase and capital lease commitments	-	1,855
- Defined benefit pension liability (see Note 29)	11	12
Suppliers' accounts payable	6,279	5,295
Taxation and social security	5,474	1,911
Other creditors	877	432
Accrued charges	9,075	6,194
	<u>£53,021</u>	<u>£45,039</u>

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NOTE 10 – CREDITORS:

Amounts falling due after more than one year

	<u>2023</u> £	<u>2022</u> £
Long term portion of:		
- Mortgage loan	1,232,360	1,260,275
- Defined benefit pension liability	-	41,705
	<u>£1,232,360</u>	<u>£1,301,980</u>
These long term liabilities fall due:		
- between the second and fifth years inclusive	147,636	180,074
- after more than five years	1,084,724	1,121,906
	<u>£1,232,360</u>	<u>£1,301,980</u>

The assets pledged as security for the mortgage loan are described at the foot of Note 6.

NOTE 11 – MOVEMENTS ON FUNDS

	<u>Funds brought forward</u> £	<u>Incoming resources</u> £	<u>Resources expended</u> £	<u>Fund transfers</u> £	<u>Funds carried forward</u> £
Year ended 31 December 2023					
Unrestricted funds					
General fund	296,153	480,848	(382,220)	(24,349)	370,432
Designated funds:					
Functional premises	3,950,167		(56,118)	25,949	3,919,998
	<u>4,246,320</u>	<u>480,848</u>	<u>(438,338)</u>	<u>1,600</u>	<u>4,290,430</u>
Restricted income fund					
Waypoint Hub	36,844	181,107	(161,395)	(1,600)	54,956
	<u>£4,283,164</u>	<u>£661,955</u>	<u>£(599,733)</u>	<u>£ -</u>	<u>£4,345,386</u>
Year ended 31 December 2022					
Unrestricted funds					
General fund	282,615	459,912	(372,435)	(73,939)	296,153
Designated funds:					
Functional premises	3,452,650		(54,707)	552,224	3,950,167
Investment property	465,000			(465,000)	-
Parent and Toddler	350	435		(785)	-
	<u>4,200,615</u>	<u>460,347</u>	<u>(427,142)</u>	<u>12,500</u>	<u>4,246,320</u>
Restricted income fund					
Waypoint Hub	35,942	124,513	(111,111)	(12,500)	36,844
	<u>£4,236,557</u>	<u>£584,860</u>	<u>£(538,253)</u>	<u>£ -</u>	<u>£4,283,164</u>

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NOTE 12 — DONATIONS AND LEGACIES

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Monetary offerings and donations	338,316	53,867	392,183	295,244	43,317	338,561
Contributions received from beneficiaries		26,191	26,191		2,250	2,250
Gift Aid tax refundable	61,402		61,402	55,558		55,558
Estimated value of gifts in kind	2,500	27,457	29,957		10,035	10,035
	<u>£402,218</u>	<u>£107,515</u>	<u>£509,733</u>	<u>£350,802</u>	<u>£55,602</u>	<u>£406,404</u>

NOTE 13 — INCOME FROM CHARITABLE ACTIVITIES

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Room hire	35,326		35,326	24,236		24,236
Service user contributions	297		297	1,231		1,231
Grants & donations received		73,592	73,592	500	68,880	69,380
Church life, outreach and mission	7,928		7,928			-
Children's and youth ministries	4,407		4,407	3,109		3,109
	<u>£47,958</u>	<u>£73,592</u>	<u>£121,550</u>	<u>£29,076</u>	<u>£68,880</u>	<u>£97,956</u>

NOTE 14 – OTHER TRADING INCOME

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
<u>Waypoint Café</u>						
Café sales	<u>£27,896</u>	<u>£ -</u>	<u>£27,896</u>	<u>£26,689</u>	<u>£ -</u>	<u>£26,689</u>

NOTE 15 — INCOME FROM INVESTMENTS

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Investment property rental			-	7,613		7,613
Bank interest received	2,776		2,776	455	31	486
	<u>£2,776</u>	<u>£ -</u>	<u>£2,776</u>	<u>£8,068</u>	<u>£ 31</u>	<u>£8,099</u>

The investment property was sold in the year ended 31 December 2022 (see Note 7).

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NOTE 16 — EXPENDITURE ON CHARITABLE ACTIVITIES

	2023			2022		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Payroll cost (Note 22)	120,984		120,904	110,699		110,699
Ministers' accommodation and expenses	3,874		3,874	2,674		2,674
Occupancy costs (Note 18)	73,900		73,900	60,839		60,839
Conferences, training and literature	4,981		4,981	6,887		6,887
Website and publicity costs			-	994		994
Office and general expenses (Note 19)	23,707	160	23,867	26,378	1,751	28,129
Provision of supplies for Waypoint Hub		160,656	160,656		108,862	108,862
Church life, outreach and mission	39,317		39,317	30,864		30,864
Children's and youth ministries	8,798		8,798	5,614		5,614
Depreciation and loss on disposal of fixed assets	82,369	579	82,948	82,944	498	83,442
	<u>£357,850</u>	<u>£161,395</u>	<u>£519,245</u>	<u>£327,893</u>	<u>£111,111</u>	<u>£439,004</u>

NOTE 17 – OTHER TRADING EXPENSES

	2023			2022		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
<u>Waypoint Café expenditure</u>						
Purchases of café supplies	10,700		10,700	8,861		8,861
Repairs, maintenance and equipment expensed	937		937	1,019		1,019
Contribution to energy and payroll costs	3,600		3,600			-
Bank and card charges	381		381	348		348
Other	882		882	755		755
Depreciation of equipment	725		725	725		725
	<u>£17,225</u>	<u>£ -</u>	<u>£17,225</u>	<u>£11,708</u>	<u>£ -</u>	<u>£11,708</u>

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NOTE 18 – ANALYSIS OF OCCUPANCY COSTS

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Light, heat and power	33,275		33,275	22,450		22,450
Water and sewerage	1,520		1,520	1,337		1,337
Buildings insurance	6,358		6,358	7,056		7,056
Building repairs and maint.	16,987		16,987	11,930		11,930
Cleaning & consumable stores	15,760		15,760	18,066		18,066
	<u>£73,900</u>	<u>£ -</u>	<u>£73,900</u>	<u>£60,839</u>	<u>£ -</u>	<u>£60,839</u>

NOTE 19 – ANALYSIS OF OFFICE AND GENERAL EXPENSES

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Printing, photocopying, stationery and postage	2,394		2,394	1,403	345	1,748
Telephone and internet	923		923	685		685
General insurance	1,300		1,300	1,350		1,350
Equipment testing, repairs and servicing	5,161		5,161	6,146		6,146
Equipment expensed	6,163		6,163	6,845	1,041	7,886
Waste removal	2,003		2,003	756		756
Subscriptions and licences	3,300		3,300	3,313	251	3,564
Finance and management software	1,644		1,644	1,218		1,218
Church secretary costs			-	3,468		3,468
Bank charges	185		185	279	114	393
Miscellaneous	634	160	794	915		915
	<u>£23,707</u>	<u>£160</u>	<u>£23,867</u>	<u>£26,378</u>	<u>£1,751</u>	<u>£28,129</u>

NOTE 20 – OTHER EXPENDITURE

	2023			2022		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Property rental expenses			-	2,798		2,728
Accountancy fees	2,878		2,878	2,400		2,400
Audit fees	2,600		2,600	2,400		2,400
VAT consultancy & legal fees	1,188		1,188	2,280		2,280
Finance costs (see Note 21)	98,290		98,290	77,663		77,663
	<u>£104,956</u>	<u>£ -</u>	<u>£104,956</u>	<u>£87,541</u>	<u>£ -</u>	<u>£87,541</u>

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NOTE 21 – FINANCE COSTS

	2023			2022		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Mortgage interest	98,025		98,025	77,360		77,360
Hire purchase and capital lease interest	265		265	303		303
	<u>£98,290</u>	<u>£ -</u>	<u>£98,290</u>	<u>£77,663</u>	<u>£ -</u>	<u>£77,663</u>

NOTE 22 - PAYROLL AND STAFFING

Staff cost is analysed below according to staff members' main duties set out in their contracts of employment.

Year ended 31 December 2023

	<u>No. of staff</u>	<u>Gross wages & salaries</u>	<u>Employers' national insurance</u>	<u>Pension contri- butions</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Ministers	2	47,300	4,625	1,750	53,675
Other staff	7	68,384	2,125	1,720	72,229
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	9	£115,684	£6,750	£3,470	125,904
	<u>=</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Less: Employer's NIC allowance					(5,000)
					<u>£120,904</u>

Year ended 31 December 2022

	<u>No. of staff</u>	<u>Gross wages & salaries</u>	<u>Employers' national insurance</u>	<u>Pension contri- butions</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Minister	1	33,103	3,496	1,484	38,083
Other staff	6	72,405	3,702	1,509	77,616
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	7	£105,508	£7,198	£2,993	115,699
	<u>=</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Less: Employer's NIC allowance					(5,000)
					<u>£110,699</u>

The average number of full-time equivalent staff is 4.3 (2022: 3.6). No employee received emoluments (excluding employer pension costs) exceeding £60,000 p.a.

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NOTE 23 – TRANSFER BETWEEN FUNDS

The following transfers were made from Waypoint Hub to the General Fund to partially recoup the salary and occupancy costs related to the Hub's activities that were borne by the Church in the years ended 31 December 2023 and 2022.

	<u>2023</u> £	<u>2022</u> £
Salary of Hub leader	1,600	10,000
Occupancy of North building	-	2,500
	<u>£1,600</u>	<u>£12,500</u>

NOTE 24 – ANALYSIS OF NET ASSETS BETWEEN FUNDS

31 December 2023

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds				
General fund	115,286	255,146		370,432
Designated fund:				
Functional freehold properties	5,183,663	(31,305)	(1,232,360)	3,919,998
	<u>5,298,949</u>	<u>223,841</u>	<u>(1,232,360)</u>	<u>4,290,430</u>
Restricted income fund				
Waypoint Hub	2,607	52,349		54,956
	<u>2,607</u>	<u>52,349</u>		<u>54,956</u>
FUNDS AT 31 DECEMBER 2023	<u><u>£5,301,556</u></u>	<u><u>£276,190</u></u>	<u><u>£(1,232,360)</u></u>	<u><u>£4,345,386</u></u>

31 December 2022

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds				
General fund	140,877	196,981	(41,705)	296,153
Designated fund:				
Functional freehold properties	5,239,782	(29,340)	(1,260,275)	3,950,167
	<u>5,380,659</u>	<u>167,641</u>	<u>(1,301,980)</u>	<u>4,246,320</u>
Restricted income fund				
Waypoint Hub	1,883	34,961		36,844
	<u>1,883</u>	<u>34,961</u>		<u>36,844</u>
FUNDS AT 31 DECEMBER 2022	<u><u>£5,382,542</u></u>	<u><u>£202,602</u></u>	<u><u>£(1,301,980)</u></u>	<u><u>£4,283,164</u></u>

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NOTE 25 – RELATED PARTY TRANSACTIONS

Certain individuals connected with Church trustees received reward for services or reimbursement of expenses from the Church during the year as follows:

<u>Name of related party</u>	<u>Nature of relationship</u>	<u>Nature of provision</u>	<u>2023</u> £	<u>2022</u> £
Mr C Snook*	Church trustee until November 2022	Mission support	-	500
Mrs R Keen**	Church trustee	Operational management	-	3,468
		Goods for Waypoint Hub	-	125
Mr A Banes***	Church trustee	Ministry Support	-	500

* Paid to Reality Outreach Ministries International of which Mr Snook is Drama Director.

** Paid to Printed Edge, Mrs Keen's sole trade.

*** Paid to Time For Marriage Ministries, a charitable company of which Mr Banes is a Trustee.

In addition, in 2022 a total of £3,574, net of participants' contributions, was defrayed for a leaders' retreat and training days.

NOTE 26 – TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

As permitted by the Church's governing document, certain trustees and persons connected with them received remuneration, benefits and reimbursement of expenses for employment services rendered in the year as follows:

Year ended 31 December 2023

	<u>Service rendered</u>	<u>Total</u> £	<u>Gross salary</u> £	<u>Accommodation</u> £	<u>Pension</u> £	<u>Payments/expenses</u> £
J Privett	Pastor	40,445	35,300	3,070	1,452	623
A Roseblade	Pastor	13,010	12,000		298	712
C Johnson	Waypoint Hub leader	19,651	18,369		1,282	
P Griffiths*	Administrator	11,325	11,134		191	
H Palmer*	Administrator	5,850	5,720		130	
		<u>£90,281</u>	<u>£82,523</u>	<u>£3,070</u>	<u>£3,353</u>	<u>£1,335</u>

Year ended 31 December 2022

	<u>Service rendered</u>	<u>Total</u> £	<u>Gross salary</u> £	<u>Accommodation</u> £	<u>Pension</u> £	<u>Payments/expenses</u> £
J Privett	Pastor	37,229	33,103	2,476	1,452	198
C Johnson	Waypoint Hub leader	32,168	30,684		1,484	
P Griffiths*	Administrator	11,188	10,801		387	
		<u>£80,585</u>	<u>£74,588</u>	<u>£2,476</u>	<u>£3,323</u>	<u>£198</u>

* Spouse of trustee

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NOTE 27 – REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees listed in Note 26 above excluding spouses of trustees comprise all the key management personnel. The total employee benefits received by them including employer's national insurance amounted to £77,645 (2022: £76,397).

NOTE 28 – TRUSTEE DONATIONS

The total donations received from Trustees including persons connected with them amounted to £31,170 (2022: £40,455). None of these donations attached conditions that would or might require the Church to significantly change the nature of its existing activities.

NOTE 29 – PENSION OBLIGATIONS

Until 31 July 2021, the Church was an employer participating in the Defined Benefits (DB) section of The Baptist Pension Scheme (the Scheme) which is administered by its pension trustee, Baptist Pension Trust Limited. The Scheme is a separate legal entity and its assets are held separately from those of the Church and the other participating employers

Since it is not possible to attribute the Scheme's assets and liabilities to specific employers, it is treated as a multi-employer scheme as described in FRS 102 section 28.11A. As a consequence, the contributions are accounted for as if the Scheme were a Defined Contribution (DC) scheme where the contributions payable for benefits and expenses accruing in a year are charged to that year's SOFA together with the impact of "deficit recovery contributions" (see below).

In the previous reporting period the employment of the Church's sole active participant in the DB section of the Scheme was severed effective 31 July 2021 and, in accordance with the Scheme rules, a 'cessation event' was triggered. As a consequence, the rules required that an annuity be purchased that meets the Church's employer debt and the whole cost thereof including professional fees related thereto as notified by the Scheme trustee was provided for at 31 December 2022.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

NOTE 29 – PENSION OBLIGATIONS (continued)

A current update by the Scheme confirms that an agreement has been signed with a UK insurance company (the Provider) that specialises in ‘buying out’ pension scheme liabilities and the other associated risks. Recent information indicates that this Buy Out will be completed by the end of 2024 and, at that time, as regards Waypoint, all liability relating to the Scheme will end. On the basis of this information received from the Scheme’s trustee board, the Church trustees are satisfied that no further significant financial risk concerning the DB Scheme exists at the date of this report and, consequently the provision has been released to the SOFA at 31 December 2023.

The pension contributions borne by the Church in the year are:

	<u>2023</u>	<u>2022</u>
	£	£
DCs paid and payable in respect of employees in the year	3,470	2,993
DB deficit recovery contributions paid in the year	12	4,783
	<u>£3,482</u>	<u>£7,776</u>

The movements in the DB liability for the current and previous financial years are:

	<u>2023</u>	<u>2022</u>
	£	£
Balance at 1 January,	41,717	46,500
Deficiency contributions paid in the year	(12)	(4,783)
Provision for deficiency contributions payable in 2024	(11)	
Release of provision for defined benefit pension deficit no longer required	(41,694)	-
Liability for pension deficit at 31 December,	<u>£ -</u>	<u>£41,717</u>

NOTE 30 – GOING CONCERN

The Church constructed a building on land adjacent to the existing Church premises and arranged a commercial loan facility as part of the funding arrangements. In addition to the capital repayments, in 2022 the mortgage loan was further reduced by the net proceeds of sale of the Church’s investment property (see Note 7). An outstanding balance remains at 31 December 2023 of £1,263,665 (2022: £1,289,615).

The trustees consider the existing level of repayments to be affordable out of recurring income since planned giving of the Church congregation increased significantly in 2023 and into 2024.

At present the Church’s existing liquid resources supplemented by recurring tithes, offerings and other income in 2024 will be sufficient to meet Church outgoings for a period of at least twelve months from the date of issue of these financial statements.

Taking all known factors into account, the Trustees are satisfied that the Church will be a going concern for the foreseeable future.

Waypoint

England & Wales - Charity number 1168433

Accounts



WAYPOINT CHURCH

WAYPOINT

operating as

WAYPOINT CHURCH

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT

and

AUDITED FINANCIAL STATEMENTS

31 December 2022

Charity registration number: 1168433

WAYPOINT operating as WAYPOINT CHURCH
(a charitable incorporated organisation)
31 December 2022

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WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS

31 December 2022

THE CHARITY

Registered name: Waypoint
Operating name: Locks Heath Free Church to August 2019/
Waypoint Church from September 2019
Legal structure: Charitable Incorporated Organisation
Operating address: 255 Hunts Pond Road, Titchfield Common,
Fareham, Hampshire, PO14 4PG
Registered charity number: 1168433 (England and Wales)
Telephone number: 01489 579669
Website: www.waypointchurch.org.uk
Email address: admin@waypointchurch.org.uk

BOARD OF TRUSTEES

Ministers

Pastor (Team Leader): Jim Privett (Associate Minister until June 2022)

Elders

Andy Banes
Graham Griffiths
Rachel Keen
Kevin Leech
Dan Richards
Chris Snook (until November 2022)

Other elected trustees

Church Secretary: Rachel Keen (until April 2022) Felicity Shaw (from April 2022)
Church Treasurer: Graham Woodyet
Facilities Team Leader: Paul Warner
Mission Team Leader: Pete McNulty (until June 2022)
Hub & Community
Team Leader: Claire Johnson

There were no changes in the membership of the Board of Trustees at the date of approval of this report.

PROFESSIONAL ADVISERS

Bankers: CAF Bank Ltd,
25 Kings Hill Avenue,
Kings Hill,
West Malling,
Kent, ME19 4JQ

Auditors: Mr S G Talati FCA,
Chartered Accountant and Statutory Auditor,
17 St George's Road, Southsea, Hampshire, PO4 9PL

Solicitors: Anthony Collins Solicitors LLP,
134 Edmund Street,
Birmingham, B3 2ES

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT
Year ended 31 December 2022

The Trustees have pleasure in submitting their annual report and the financial statements of Waypoint (the Church) as at and for the year ended 31 December 2022.

SECTION 1 – OBJECTIVES AND ACTIVITIES

Description of the Church's Trust

The principal objective of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination including the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

Aims

In order to achieve this objective, Waypoint provides a variety of activities both to its membership and to the community. The aim is to show the love of Jesus Christ and to bring people into a closer relationship with Him. In fulfilling this purpose, the Church engages in a range of activities either on its own or with others. Our Mission Statement is "Learning to live and love like Jesus".

Strategies to achieve aims

Central to the work and witness of Waypoint is the provision of regular public services of Christian worship.

These services take place each Sunday and include preaching, teaching and Communion. A programme for children and young people aged 0-16 years is available during the service. There are also occasional All Age Services.

Waypoint has a passion for reaching the community and anybody is free to attend our services. Church services, events and activities are advertised on our website at www.waypointchurch.org.uk.

Sunday services are held simultaneously for two congregations. There is a traditional-styled worship and a contemporary-styled worship both sharing the main Bible Reading and same sermon.

The service is usually streamed to the Church YouTube channel and viewed by more than 100 people watching from local addresses and international addresses.

WAYPOINT
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TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 1 – OBJECTIVES AND ACTIVITIES (Continued)

This weblink is an example of one of our streamed services in 2022.

<https://www.youtube.com/watch?v=Mx2xqgrkpQQ>.

Our streaming service developed at the time of Covid lockdowns and has proved a valuable resource to members and visitors to Waypoint.

Waypoint runs life groups. These are small groups aimed at developing faith and discipleship and providing pastoral care. About half of our attendees are in a Life Group and we hope to expand this in the coming years.

The Church leadership places great importance on reaching the local community in a variety of ways as can be seen from the activities undertaken set out below.

Measurement of attainments

Although numbers do not reflect the spiritual strength of a church, they do give an indication of growth. During 2022, 27 people were received into membership and 9 people were baptised. The membership stood at 221 on 31 December 2022.

The Trustees believe that 2022 was a positive year in the life of the Church.

Activities vary from time to time. Review of specific aims by the Leadership is made throughout the year with activities being initiated, expanded, or ended, as judged appropriate.

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE

In addition to Sunday activities, Waypoint hosts Small Group Activities for our youth ("Connect") and Waypoint Tots – a Tuesday morning event which is a community resource for babies and preschool children and their parents or carers.

We ran our annual Summer Holiday Club over 5 days, plus 2 one day events in October and December. Each session included a fun lively celebration, games and activities for all ages with Christian Teaching at the core of all activities. These were enjoyed by the children and the parents/carers who attended.

Activities for senior citizens ("seniors") are provided regularly. There were some changes as we re-established activities post-COVID lockdown and re-established "Oasis" a regular meeting sharing Faith Hope and Love and occasional afternoon teas. We welcome Seniors in a warm, loving and friendly environment.

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE (Continued)

Christmas services were held throughout December offering our congregation and community a variety of opportunities to celebrate Christmas with different styles of music and teaching.

Waypoint has a pastoral team that supports Church Members and attendees in times of difficulty. Their work fulfils our Mission “Learning to live and love like Jesus”.

Waypoint is dependent on its membership serving as volunteers in all aspects of the Church’s activities.

The Alpha Course runs for people who would like to explore the Christian faith. This is a welcoming small group designed to help anyone exploring ideas to answer the big questions about life in a safe and supportive environment.

We have a group called Kintsugi Hope. This runs a course designed for equipping people with skills to support and improve their mental health and wellbeing.

The Church runs a Golf Society and Football Team and encourages membership from within the Church and from the local community.

The Church supports three mission projects; Enable the Children in Sierra Leone, Rocks Project in Uganda and Hands at Work in South Africa.

The Church supports a Church Member who is a missionary based in South Africa and working across countries in sub-Saharan Africa.

The Church also supported a person as they volunteered as a leader on Youth With A Mission’s leadership programme based in Vancouver, Canada.

The Church also supported an effort to supply reading books and equipment to a school in a deprived town in South Africa.

The Church supported the Baptist Union’s Missionary Society and Home Mission Fund as well as Open Doors (serving persecuted Christians around the world).

The Church supported emergency disaster appeals of Tearfund in their Pakistan humanitarian crisis appeal, Hope Now in their work in Ukraine during the war and World Vision in their Somalia famine appeal.

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE (Continued)

Waypoint also supported Time for Marriage, a charity that offers support and resources to help renew and strengthen marriages. This team have been able to provide marriage support as needs arise. This team is used for pre-marriage work and to strengthen relationships. Sometimes it has been used to help couples experiencing relationship difficulty.

Church Members served as volunteers in many other local charities and organisations.

Rooms in the premises are hired by an independent Pre-school, the NHS for blood donation services, the local council as a polling station and community groups. Waypoint hosted the 2022 Fareham Borough Council Mayor Investiture. Waypoint has also hosted the local PCN for the meeting of GPs and other Healthcare Professionals in the area.

Waypoint Café is open for three days and one evening per week. This provides food, drink and wi-fi in a friendly environment. It is entirely staffed by volunteers who are all appropriately trained in food hygiene and café policies.

A team from The Leadership of Waypoint attended a further training conference for large UK churches. This has continued to help the Leadership discern the future plans for serving God within our Community and strengthening the teams within Waypoint. Some of the team members within our ministries are paid but most members are volunteers.

The Trustees confirm they have complied with the duty imposed by the Charities Act 2011 and have given due regard to the guidance in respect of public benefit.

Waypoint Hub has continued to grow and help increasing numbers of people in need predominantly within the Western Wards of Fareham. Three drop-in sessions were held each week.

Two services are offered:

- 1) a Foodbank giving out free emergency food parcels. 5,005 food parcels were given out in 2022 and
- 2) "More 4 Less" a donation-based scheme.

In December 2022 Waypoint Hub partnered with The Trussell Trust¹. Waypoint Hub also works closely with local schools, local and county councils, Citizens Advice and other local statutory and voluntary organisations. Grant funding and donations of food and finances from trusts, local organisations, businesses and individuals in our church and community continue to sustain this ministry.

The Waypoint Hub and Community Leader was involved in local primary schools leading assemblies and participating in lessons. She was also invited to join the Residential trip as a support to the staff and children. This was helpful in our mission "Learning to live and love like Jesus" beyond the buildings of Waypoint.

¹ This is a charity working to end hunger in the UK see <https://www.trusselltrust.org/>

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 3 - FINANCIAL REVIEW

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. After allowing for a contribution to salary and occupancy costs from Hub grants, the Church sustained a small deficit on General Fund operations of £7. The deficit in 2021 amounted to £23,006 but this included exceptional charges for a minister's severance pay of £43,185 and a provision of £8,098 (see Note 30 for further details) to settle the Church's estimated defined benefit pension liability. After gains on investment assets (see Note 7), the net movement in unrestricted funds for the year was a surplus of £45,705 (2021: £21,994).

The Church's total reserves at 31 December 2022 were £4,283,164 (2021: £4,236,557) of which the Waypoint Hub restricted fund was £36,844 (2021: £35,942) and designated funds related to the properties totalled £3,950,167 (2021: £3,452,650), the increase arising because the proceeds of sale of the investment property (£510,712) were used to pay down the mortgage. Going forward, the functional freehold properties fund will be reduced by an amount equal to the capital repayments of the mortgage loan and the buildings depreciation charge each year. This fund can only be realised by the disposal of the properties to which it relates.

The Church's reserves on general fund at the balance sheet date amounted to £296,153 compared with £282,615 at 31 December 2021 of which £196,981 (2021 £117,349) is expendable. Liquid resources increased to £235,457 in 2022 up from £205,513 at 31 December 2021 largely as a result of reduced payroll cost from staff terminations in 2021 (see Note 22).

The Waypoint Café has opened for 3 days per week during 2022, and details of Café trading income and expenses are set out in Notes 14 and 17. There is no payroll cost associated with the Café as this activity is run entirely by volunteers. Its net contribution to Church funds in the year amounted to £14,981 (2021: £6,920).

It is the policy of the Church to hold a cash reserve equivalent to six months' general running costs (including salaries and mortgage payments but excluding depreciation) to cover unforeseen emergencies. The Trustees may consider the reduction of its reserves policy to 3 months running costs for a limited period, not expected to exceed 18 months (see Section 4 for plans to appoint a second minister).

The Waypoint Hub is a restricted income fund that provides food and other household necessities to the needy in the local community. The activity has grown since its inception from March 2020 and is funded by personal donations and grants (see Notes 12 and 13). Its total income in the year amounted to £124,513 (2021 £98,343) and its direct expenditure to £111,111 (2021: £81,322). Further in 2022, this fund transferred £12,500 of its resources to the General Fund to partially cover salary and room hire costs being provided by the Church. See note 24 for further details.

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 3 - FINANCIAL REVIEW (Continued)

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities. The Trustees consider that it is impractical to place an economic value on such service.

SECTION 4 – PLANS FOR FUTURE PERIODS AND SUBSEQUENT EVENTS

The South Building Extension was completed in 2019 and additional furnishing and improvements to our South and North Buildings have taken place as resources have become available.

We recognise that hiring our buildings is a good source of revenue and with that in mind, we have plans to upgrade the North Building Auditorium and the North Building Kitchen. These projects will only begin when we have identified financial resources to complete them.

We currently have regular bookings from community groups, local Health groups and sports groups and we hope to attract further interest and plan to host Fareham Borough Council for the Investiture of the Mayor², new sports groups³ and new community groups⁴

Waypoint Church has identified the need to appoint another Minister and we plan to advertise, interview and appoint a suitable candidate within the first two quarters with the hope of this minister starting work in the 3rd or 4th quarter. This will be a financial stretch and we will need to increase our funding through the giving of our congregation. We plan to put this to the March 2023 Church Meeting and will only proceed if (by show of hands) Church Members pledge to support this plan.

Note that a Church Members meeting there was unanimous vote to pledge additional giving to fund this plan.

Waypoint Café is currently open three days a week and one evening per week. We hope to extend these opening hours on these days and to add a fourth day in 2023.

As Waypoint grows in numbers (footfall and membership) we recognise the need to keep people connected and plan to do this by strengthening our Small Group structures⁵ and to encourage discipleship pairing. The purposes of these strategies are to deepen the relationships between members and visitors and help them mature in their faith.

² "Mayor Making"

³ e.g. Badminton, volleyball, football

⁴ local Resident Associations, Weight loss and Wellbeing, etc.

⁵ We have life groups which are small number groups that meet regularly to pray, study and pastorally support each other. We also have interest groups which are less structured including e.g. Football, Craft, Golf and Running Groups,

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 5 – STRUCTURE GOVERNANCE AND MANAGEMENT

Legal Structure

Waypoint is a Charitable Incorporated Organisation (CIO) which is governed by a Constitution that was filed with the Charity Commission on 26 July 2016 as part of the incorporation process. This constitution follows the model agreed by The Baptist Union Corporation of Great Britain and approved by the Church members in Special meeting.

The Trustees are elected by a Special Church Members' Meeting on a three-year appointment. The board of the elected Trustees is known as the Full Leadership Team and all operating decisions are made by them.

Governance Concerning Church Membership

Members of Waypoint are accepted in accordance with the Governing Constitution which requires them:

- to be or to have been publicly baptised on the profession of faith in Jesus Christ; or,
- following other modes of baptism to renew their public profession of faith in Jesus Christ; or,
- who may be considering baptism.

Members' Meetings normally take place five times per year. The members' meeting has responsibility for the overall policy of the Church.

In accordance with the Constitution, the members appoint Trustees who, together with the Ministers, Church Secretary and Treasurer, (collectively known as the Full Leadership Team,) are responsible for the day-to-day running of the Church's work and witness and for the financial and legal aspects of the Church. The Trustees meet regularly.

The Staff Team (employees and key ministry volunteers) meet weekly and work on the premises and are available for enquiries from the community.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in furtherance of the Church's aims.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance or may be raised by members in Church Meetings for further consideration by the Trustees. The Governing Document permits decisions to be made at quorate Church Meetings by appropriate majorities, although the Church seeks to work by consensus wherever possible.

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

SECTION 5 – STRUCTURE GOVERNANCE AND MANAGEMENT (continued)

Other Governance Matters.

Waypoint is affiliated to the Baptist Union of Great Britain (the BU) and receives guidance from them on a range of regulatory matters which the Church implements as appropriate. However, the BU has no direct influence upon the operating policies of the Church.

All decisions are taken by Trustees who are accountable to the Church Meeting and work within agreed budgets.

Waypoint follows the Charity Commission guidance concerning the induction and training of Trustees.

Staff salaries including Ministers' stipends are reviewed annually by a pay review committee formed of unremunerated Trustees and other Church Members and their deliberations are reported to the Trustees.

Waypoint operates Safeguarding Policies relating to Children and Young People (CYP) and also relating to Adults at Risk (AAR). These policies are due for review in 2023. Through these systems Waypoint has put processes in place to ensure that all volunteers working with CYP and AAR are appropriately vetted and (when necessary) checked under the Disclosure and Barring System (DBS).

The Church ensures good practice in First Aid, Food Safety and Food Hygiene and arranges training when needed.

The Church holds Insurance with the Baptist Insurance Company including Employer's Liability Insurance.

By order of the Board of Trustees,

Dr F Shaw
Church Secretary (date)

WAYPOINT
(a charitable incorporated organisation)
TRUSTEES' ANNUAL REPORT (Continued)
Year ended 31 December 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Responsibilities relating to the financial statements.

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each accounting period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the financial period.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Other responsibilities

The Trustees are also responsible for:

- Keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011.
- Safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- The maintenance and integrity of the Charity and financial information included on the Charity's website.
- Safeguarding Children, Young People and Adults who may be at risk.
- Safe Data Processing and storage under GDPR. Waypoint is registered with the ICO.
- Human Resources which includes the Employment of seven people.
- Entering contracts for service and management of our Facilities.
- The Health and Safety of Staff, Volunteers and other visitors to Waypoint Buildings.

The Board of Trustees
Waypoint (operating as Waypoint Church)
255 Hunts Pond Road
Titchfield Common,
Fareham, PO14 4PG

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WAYPOINT**

(a charitable incorporated organisation)

To The Board of Trustees
Waypoint (Operating as Waypoint Church),
255 Hunts Pond Road
Titchfield Common
Fareham
Hampshire, PO14 4PG

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (a charitable incorporate organisation)

Opinion

I have studied audited the financial statements of Waypoints (the Church) for the year ended 31st December 2022, which comprised the balance sheet, statement of financial activities, statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK'. (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the Church's affairs as at 31st December 2022 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 (the Act).

Basis for opinion

I conducted my audit in accordance with international standards on auditing (UK) (ISAs_(UK)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Church in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Ethical Standards of Financial Reporting Council (FRC) and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WAYPOINT (continued)**
(a charitable incorporated organisation)

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Trustees' use of the ongoing concern basis of accounting in the preparation of the financial statements was appropriate. Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Church's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees Annual Report, other than the financial statements and my Auditor's report there on. My opinion on the financial statements does not cover the other information and, except the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion there on.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to have been still materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I'm required to determine where there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the church and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees annual report.

I have nothing to report in respect to the following matters in relation to which the charities accounts and reports regulations 2008 require me to report to you if in my opinion:

- Adequate accounting records have not been kept; Or
- the financial statements are not in agreement with the accounting records and returns; Or
- I have not received all the information and explanations I require for my audit.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WAYPOINT (continued)**
(a charitable incorporated organisation)

Responsibilities of Trustees

As explained more fully in the statement of Trustees report responsibilities set out on page 13, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I designed procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below.

I gained an understanding of the legal and regulatory framework applicable to the church and considered the risk of acts by the church which were contrary to applicable laws and regulations, including fraud. These included compliance with the Charities Act 2011 and United Kingdom accounting standards. I discussed compliance with this framework through discussions with the management and performed audit procedures on these areas as considered necessary. My procedures involved review of the reporting to the Trustees with respect to compliance with laws and regulations and review of minutes of Trustees and other meetings.

I focused on laws and regulations that could give rise to a material misstatement in the church financial statements my tests included:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- testing of journal postings made during the year to identify potential override of controls;
- review of minutes of trustee and other meetings available to me, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WAYPOINT (continued)**
(a charitable incorporated organisation)

My audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely I am to become aware of it.

I have been appointed as auditor under section 144 of the act and report in accordance with it and the relevant regulations made or having effect there under. I am eligible for appointment to act as statutory auditor under section 1212 of the Companies Act 2006.

The church's routine internal control procedures that require two church members staff to be involved in the handling of cash could not be applied for significant portions of 2021 and 2022 due to the pandemic. This situation was intensified by the operations of the waypoint hub that continues to provide welfare assistance to the local community who have been adversely affected by pandemic and cost of living issues. Waypoint hub is managed by a senior member of church staff and its activities are financed by grants monetary donations and gifts of food and other household necessities. The hubs liquid resources are used as necessary to buy required items and these, together with donated goods, are distributed to beneficiaries according to their needs. Evidence of donations of goods and cash received was not maintained in a form that was easily verifiable by audit procedures. I therefore consider that the audit was not capable of detecting any irregularities in this regard. However, I am satisfied that any misstatement of net income arising from the hubs activities is unlikely to be material to the financial statements as a whole and accordingly, my opinion is not modified in this respect.

A further description of my responsibilities is available on the Financial Reporting Council's website. www.fr.org.uk/auditorsresponsibilities .This description forms part of my auditors report.

Use of My Report

This report is made solely to the trustees, as a body, in accordance with section 144 and regulations made under section 154 of the act. My audit work has been undertaken so that I might state to the Church's Trustees those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Church and the Church's Trustees as a body, for my audit work, for this report, or for the opinions I have formed.

..... Mr S G Talati FCA (Statutory Auditor)

..... 2023

Chartered Accountant
17 St George's Road,
Southsea
Hampshire, PO4 9PL

WAYPOINT
(a charitable incorporated organisation)
BALANCE SHEET
31 December 2022

	<u>Note</u>	<u>2022</u> £	<u>2021</u> £
FIXED ASSETS			
Tangible assets	6	5,382,542	5,473,739
Investment property	7	-	465,000
		<u>5,382,542</u>	<u>5,938,739</u>
CURRENT ASSETS			
Debtors	8	12,184	14,259
Cash and cash equivalents		235,457	205,513
Total current assets		<u>247,641</u>	<u>219,772</u>
LIABILITIES			
Creditors: Amounts falling due within one year	9	(45,039)	(126,977)
Net current assets		<u>202,602</u>	<u>92,795</u>
Total assets, less current liabilities		<u>5,585,144</u>	<u>6,031,534</u>
Creditors: Amounts falling due after more than one year	10	(1,301,980)	(1,794,977)
NET ASSETS	25	<u>£4,283,164</u>	<u>£4,236,557</u>
THE FUNDS OF THE CHARITY	11		
Unrestricted funds		4,246,320	4,200,615
Restricted income funds		36,844	35,942
TOTAL CHARITY FUNDS		<u>£4,283,164</u>	<u>£4,236,557</u>

Approved by the Board of Trustees for issue on
..... 2023 and signed on its behalf by

..... Treasurer
G Woodyet

The notes set out on pages 21-42 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2022

		2022			2021		
	Note	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
INCOME FROM							
Donations and legacies	12	350,802	55,602	406,404	409,407	71,077	480,484
Charitable activities	13	29,076	68,880	97,956	19,070	27,266	46,336
Other trading	14	26,689		26,689	13,975		13,975
Investments	15	8,068	31	8,099	16,776		16,776
Total income		414,635	124,513	539,148	459,228	98,343	557,571
EXPENDITURE ON							
Charitable activities	16	327,893	111,111	439,004	354,713	81,322	436,035
Other trading	17	11,708		11,708	7,055		7,055
Staff severance cost	23			-	43,185		43,185
Provision for settlement of defined benefit pension liability	30			-	8,098		8,098
Other	20	87,541		87,541	69,183		69,183
Total expenditure		427,142	111,111	538,253	482,234	81,322	563,556
NET OPERATING INCOME		(12,507)	13,402	895	(23,006)	17,021	(5,985)
GAIN ON INVESTMENT ASSET	7	45,712	-	45,712	45,000		45,000
NET INCOME		33,205	13,402	46,607	21,994	17,021	39,015
TRANSFERS BETWEEN FUNDS	24	12,500	(12,500)	-			-
NET MOVEMENT IN FUNDS		45,705	902	46,607	21,994	17,021	39,015
RECONCILIATION OF FUNDS							
Total funds brought forward	11	4,200,615	35,942	4,236,557	4,178,621	18,921	4,197,542
TOTAL FUNDS CARRIED FORWARD	11	£4,246,320	£ 36,844	£4,283,164	£4,200,615	£35,942	£4,236,557

The notes set out on pages 21-42 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF CASH FLOWS

Year ended 31 December 2022

	<u>2022</u> £	<u>2021</u> £
Cash flows arising from charitable operating activities		
Net operating income for the year (as per statement of financial activities)	895	(5,985)
Adjustments for:		
Depreciation charges and losses on disposal of tangible fixed assets	84,167	81,454
Implicit finance cost in defined benefit pension liability	-	950
Increase in defined benefit pension liability	-	8,098
Mortgage interest	76,420	58,535
Hire purchase and capital lease interest	303	1,429
Decrease in debtors	2,075	3,171
(Decrease)/increase in creditors	(3,436)	1,286
Net cash provided by charitable operating activities	<u>160,424</u>	<u>148,938</u>
Cash flows from investing activities		
Refund/(payments) re construction of South Building	8,920	(122,544)
Purchases of furniture and equipment	(1,890)	(13,473)
Proceeds of disposal of investment property	510,712	-
Cash provided by (used in) investing activities	<u>517,742</u>	<u>(136,017)</u>
Cash flows from financing activities		
Deficiency contributions paid in respect of defined benefit pension liability	(4,782)	(8,071)
Mortgage loan repayments	(638,975)	(106,364)
Hire purchase and capital lease payments	(4,465)	(6,500)
Cash provided by (used in) finance activities	<u>(648,222)</u>	<u>(120,935)</u>
Increase (decrease) in cash and cash equivalents in the year	<u>29,944</u>	<u>(108,014)</u>
Cash and cash equivalents at the beginning of the year	<u>205,513</u>	<u>313,527</u>
Cash and cash equivalents at the end of the year	<u><u>£235,457</u></u>	<u><u>£205,513</u></u>
Analysis of cash and cash equivalents		
Cash in hand	101	508
Cash at bank on call	227,068	196,781
Cash on deposit at 60 days' notice	8,288	8,224
	<u><u>£235,457</u></u>	<u><u>£205,513</u></u>

The notes set out on pages 21-42 form part of these financial statements.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 1 — LEGAL STATUS, OBJECTIVES AND AFFILIATION OF WAYPOINT

Waypoint (the Church) is a charitable incorporated organisation (CIO) incorporated in England and Wales and is governed by a constitution with the objects to:

- fulfil the role of a Christian Church in the Western Wards of Fareham, Hampshire and surrounding area, and
- provide help to others promoting the Christian faith in the UK and overseas.

The Church is a Public Benefit Entity within the meaning of FRS 102 and is a member church of the Baptist Union of Great Britain (BUGB), an unincorporated charitable trust registration no. 1125912.

NOTE 2 – ACCOUNTING FRAMEWORK AND COMPLIANCE

The financial statements have been set out in accordance with the accounting framework required under:

- the Charities (Accounts and Reports) Regulations 2008;
- the accounting regulations set out under the Charities Act 2011;
- Financial Reporting Standard 102 (FRS 102);
- the Statement of Recommended Practice (the SORP).

There were no material departures from those standards.

NOTE 3 — NATURE AND PURPOSE OF PRINCIPAL FUNDS

The principal designated and restricted funds are as follows:

Designated funds

- (a) *Functional premises* – funds representing the carrying value of the North and South buildings, net of related mortgage loan.
- (b) *Investment property* – funds representing the fair value of a former manse that was commercially let until July 2022. The property was sold on 15 November 2022 and this fund was closed on that date.

Restricted fund

- (c) *Waypoint Hub* – for the provision of social welfare including food, clothing and other essentials to the needy in the local community funded by local authority and community grants, and corporate and personal donations.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements set out below have remained unchanged from the previous year and been consistently applied in the year under review.

(a) Basis and content of the financial statements

The financial statements have been prepared on the basis of historical cost as modified by the fair valuation of its investment property until its sale (see Note 3(b) above).

The financial statements are expressed in pounds Sterling rounded to the nearest pound and include all the assets and liabilities under the control of the Trustees of the Church.

(b) Going concern

The Church's financial statements are prepared on the going concern basis of accounting unless the Trustees intend to cease operations or have no realistic alternative but to do so. In assessing whether the going concern basis of accounting is appropriate, the Trustees take into account all available information about the future, which is at least, but not limited to, twelve months from the date when the financial statements are authorised for issue.

(c) Tangible fixed assets and depreciation

Functional freehold properties

The Church premises have been capitalised at cost (estimated where actual cost information is no longer available) and are being depreciated over their economic lives at 1% straight line p.a. from the date the properties were first brought into use.

Sums considered to represent significant enhancement expenditure but which do not extend the useful lives of the buildings are capitalised and depreciated over the remainder of the original term. Expenditures on bringing the properties and facilities up to a modern acceptable standard are charged to the SOFA as incurred.

Furniture, fittings and equipment

Individual items of furniture, fittings and equipment costing not less than £500 or groups of items (such as seating) costing in total not less than £2,000 are capitalised and depreciated over their estimated economic lives at rates between 6.7% and 25% on a straight-line basis from the date the assets are brought into use. Lesser sums are charged to the SOFA as incurred.

Impairment losses

Any impairment provision considered necessary against the carrying value of functional properties or furniture, fittings and equipment is charged to the SOFA in the accounting period in which the impairment loss is recognised.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES (continued)

(c) Tangible fixed assets and depreciation (continued)

Investment property

The property was valued at its fair value (defined in FRS 102) as estimated by the Trustees in consultation with the letting agent at the balance sheet date. Any increase or reduction in fair value compared to the previous year was credited or charged to the SOFA as appropriate in the year in which the variation is recognised. This property was sold in the year (see Note 7).

(d) Stock

Stocks of Café and Hub supplies are not counted or valued since the quantities held are limited and the stock turnover is rapid.

(e) Debtors

Debtors are stated at the amounts due to the Church at the balance sheet date. Prepayments are recorded for the proportion of the time-based expenditures attributable to the ensuing year.

(f) Cash and cash equivalents

Cash and cash equivalents comprise the amounts held in bank current accounts and cash in hand together with bank deposits on less than 90 days' notice at the balance sheet date.

(g) Liabilities

1 *Generally*

Liabilities are recognised as soon as an outflow of economic benefits is considered more likely than not to occur under a legal or constructive obligation committing the Church to pay out resources. Creditors that are current liabilities, other than the Church's defined benefit commitment to the Baptist Pension Scheme, are recognised at the settlement amount expected to be paid at the balance sheet date.

2 *Deferral of income*

Income received which cannot be recognised at the balance sheet date is deferred as a current liability.

3 *Defined benefit pension contributions*

A minister was a participant in a section of the Baptist Pension Scheme until ceasing to act effective 31 July 2021. This scheme is a multi-employer scheme that provided defined benefit (DB) pensions up to 31 December 2011 when the Scheme was closed to future DB accrual. Since the Church no longer has a member in the Scheme, in accordance with the Scheme rules a 'cessation event' has been triggered. As a consequence, it is required that an annuity is purchased that meets the Church's employer debt. The Church has provided for the whole cost of the estimated employer debt including the professional fees related thereto as notified by the Scheme trustee. However, other factors might affect this liability and fuller details of the uncertainties are provided in Note 30.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES (continued)

(h) Funds

Tithes, donations and grants received for non-specific purposes or general funding are available for utilisation at the discretion of the Trustees and are dealt with through the General Fund.

Certain designated funds have been created by the Trustees to ring-fence resources that are (1) not considered to be readily expendable or (2) held for specific non-restricted future purposes.

Grants and donations received for specific charitable projects are treated as restricted income funds available only for use on such specified projects. Restricted fund deficits are carried forward provided the Trustees are satisfied that future funding will cover such deficits on a last-in-first-out basis.

(i) Contingencies

1 *Contingent assets*

Contingent assets (including reductions to known recorded liabilities) are not recognised in the financial statements unless the benefit is virtually certain to be obtained. Where an inflow of economic benefits is probable, a description of the nature of the contingent asset is made in the Notes to the Financial Statements together with an estimate of the financial effect where this is practical to ascertain. No disclosure is made of less certain contingent assets.

2 *Contingent liabilities*

A description of a possible but uncertain obligation or a present obligation that cannot be reliably estimated is made in the Notes to the Financial Statements providing where practical:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and, the possibility of any reimbursement.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES (continued)

(j) Income recognition

Income is brought into account when it is more likely than not that the economic benefit will accrue to the Church.

1 *Tithes and donations*

General tithes and donations received without pre-conditions attached are recognised on receipt. Gifts subject to performance-related or other conditions are recognised when such conditions are fulfilled and all the donors' associated requirements concerning them have been complied with.

2 *Grants receivable*

A grant that becomes receivable on the occurrence of a specified event is recognised when that event has occurred and all the grantor's requirements with it have been complied with.

3 *Gift Aid*

Tax refunds receivable under gift aid arrangements are recognised by reference to the date of the related gift. Gift aid recoverable on donations to trust and special funds is credited to the General Fund.

4 *Legacies*

Incoming resources from legacies are recognised when there is reasonable certainty that the legacy will be received and the value can be reliably measured.

5 *Other operating income*

- Trading income is recorded separately from other income and is recognised as sales are made.
- Charges for hire of rooms and facilities to third parties are recognised in accordance with the period of letting per the related hire agreement.

6 *Investment income*

- Property rental income is recognised in accordance with the period of letting specified in the related shorthold tenancy agreement.
- Interest receivable is recognised in the period in which it was earned.

7 *Deferral of income*

See policy note (g)2.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES (continued)

(j) Income recognition (continued)

8 *Gifts in kind and intangible income*

Tangible assets received as gifts for use by the Church with a market value of not less than £500 are treated as incoming resources at their actual or estimated value, including VAT where appropriate at the date the gift was made. Gifts of fixed assets are correspondingly capitalised in accordance with policy (c) above. Donated assets with a value of less than £500 are not accounted for.

The estimated value of food and household consumables donated to the Waypoint Hub (see Note 3(c)) is recorded as voluntary income and an equal amount recorded as purchases of supplies. Donated facilities and services are recognised as incoming resources insofar as another party is bearing the financial cost of the resources supplied and the benefit is quantifiable and measurable. An equivalent cost is recorded under the appropriate expenditure caption in the SOFA.

The Church is dependent on its congregation serving as volunteers in a wide variety of Church activities. The value of volunteers' time is not recognised in the financial statements since there is no measurable cost for their services.

(k) Expenditure

Expenditure is recognised when a liability is incurred, or a constructive obligation arises that results in a payment being unavoidable or a commitment to pay that is intended to be acted upon.

1 *Charitable grant expenditure and donations*

Mission support contributions are made to organisations and individuals engaged in projects that the Church supports. Such contributions are recognised as expenditure at the earlier of payment or when they are communicated to the prospective recipient in a manner which is intended to be acted upon. The individual amounts defrayed, included in the *Church life, outreach and mission* caption in Note 16, are disclosed only when they are considered to be material in the context of the Church's overall charitable activities.

2 *Payroll cost*

Payroll cost includes the gross salaries, employer's national insurance and pension contributions of Church ministers and staff net of recoveries under the government Covid-19 furlough scheme. Staff termination costs are recognised at the contractual date of severance.

3 *Fundraising and publicity costs*

The Church does not engage in making formal appeals outside the Church congregation that involve incurring significant costs to generate the related income. The Church has applied for grants from outside sources towards the Waypoint Hub but no external costs are incurred in making such applications.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 4 — ACCOUNTING POLICIES (continued)

(k) Expenditure (continued)

4 Material expenditure

Where it is necessary to provide an understanding of the Church's financial results, the nature of expenditure (including reversals of expenditure recorded in previous financial years) are recorded separately on the face of the SOFA.

5 Other expenditure

Insofar as it is necessary to disclose separately different elements of income, related expenditure is also disclosed separately.

6 Defined contribution pension arrangements

The Church operates defined pension contribution arrangements for a minister and certain staff. These contributions are charged as expenditure when they fall due and are invested separately from the Church's assets.

The present value (PV) of deficiency contributions required by the Scheme reduces the DB liability at PV carried in the balance sheet. The implicit finance cost representing the difference between deficiency contributions paid and their respective PVs is charged to the SOFA (see Note 21) but this ceased to apply from 31 July 2021 when a cessation event occurred. Since then, the liability to purchase the required annuity may be deferred in accordance with Scheme rules but deficiency contributions required by the Scheme Trustee are deducted from this liability. See Note 30 for further details.

(l) Value added tax

Since the Church is not registered for VAT, the cost of all input VAT charged to the Church is included with the expense to which it relates.

Regarding the construction of the South Building referred to in (c) above, the Trustees consider that the Church is the recipient of services for a relevant charitable purpose otherwise than in the course of furtherance of business and, subject to the critical judgement explained in Note 5(a) continues to be entitled to zero-rating for VAT.

As explained in Note 6, the Church has disclaimed its zero-rating entitlement attributable to the area used by Waypoint Café for trading purposes.

(m) Charitable support and administration

All central costs for charitable support and administrative charges are met from general funds. An attribution for partial recovery of salary and occupancy costs has been made to Waypoint Hub in 2022 (see Note 24) but not for earlier years.

(n) Corporation tax

The Church is exempted under tax legislation from liability to corporation tax on its operating surpluses, investment income or capital gains whilst it pursues its charitable objectives.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

Judgements

In preparing these financial statements, the only judgements that have been made in applying the Church's accounting policies, other than estimation uncertainties (see below) that have a significant effect on the amounts recognised in the financial statements, are:

(a) VAT zero-rating on construction of the South Building

As stated in Note 4(l), the Church has claimed VAT zero-rating on the new build at a saving of approximately £700,000. It is open to HM Revenue and Customs to dispute the Church's claim and seek to recover this saving plus penalties. The Trustees are aware of this risk and have made every effort to ensure compliance with the zero-rating requirements. Accordingly, the Trustees consider that the prospect of HMRC successfully disputing the Church's claim to be remote.

(b) Consideration of possible impairment of functional freehold properties

The Trustees consider that the North and South Buildings each meet their intended service potential expectations and, notwithstanding the operating difficulties resulting from the Covid-19 pandemic, in their judgement the value in use of these premises to the Church is not impaired at 31 December 2022.

Estimation uncertainties

The key sources of estimation uncertainty that represent a significant risk to the carrying value of assets and liabilities within the next financial year are:

(c) Depreciation of freehold buildings

Freehold properties other than freehold land are depreciated over their estimated useful lives as stated in accounting policy Note 4(c) taking into account factors affecting operating longevity, regular maintenance programmes and residual values where appropriate. The Church's policy is to write off the construction cost of functional Church buildings over 100 years. However, this policy is reviewed annually by the Trustees and may require re-assessment for factors such as technical innovation, building regulations and changes in user preferences that could affect the future charges for depreciation.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 6 – TANGIBLE FIXED ASSETS

	Functional freehold properties £	Furniture, fittings & equipment £	Total £
Year ended 31 December 2022			
Cost or valuation			
At beginning of year	5,690,066	249,536	5,939,602
Additions during year (cost recovery)	(8,920)	1,890	(7,030)
At 31 December 2022	5,681,146	251,426	5,932,572
Depreciation			
At beginning of period	385,246	80,617	465,863
Charge for year	56,118	28,049	84,167
At 31 December 2022	441,364	108,666	550,030
Net book value			
At 31 December 2022	<u>£5,239,782</u>	<u>£142,760</u>	<u>£5,382,542</u>
Year ended 31 December 2021			
Cost or valuation			
At beginning of year	5,630,972	243,804	5,874,776
Additions during year	59,094	13,473	72,567
Disposals during year		(7,741)	(7,741)
At 31 December 2021	5,690,066	249,536	5,939,602
Depreciation			
At beginning of period	330,539	61,610	392,149
Charge for year	54,707	26,500	81,207
Eliminated on disposal		(7,493)	(7,493)
At 31 December 2021	385,246	80,617	465,863
Net book value			
At 31 December 2021	<u>£5,304,820</u>	<u>£168,919</u>	<u>£5,473,739</u>

The mortgage loan facility described in Note 10 is secured by a first legal mortgage and charge dated 20 June 2018 against the Church's functional freehold properties that have a combined carrying value at 31 December 2022 and 31 December 2021 of £5,239,782 and £5,304,820 respectively.

WAYPOINT
(a charitable incorporated organisation)
NOTES TO THE FINANCIAL STATEMENTS
31 December 2022

NOTE 7 — INVESTMENT PROPERTY

Residential property for commercial letting:	2022 £	2021 £
Fair value at beginning of year	465,000	420,000
Fair value adjustment at 31 December, Disposal on 15 November 2022	- (465,000)	45,000 -
	<u>£ -</u>	<u>£465,000</u>
Capital gain on disposal	£	
Gross proceeds of sale	515,000	
Selling costs	(4,288)	
Net proceeds of sale	<u>510,712</u>	
Fair value at beginning of year	(465,000)	
Gain on disposal	<u>£ 45,712</u>	

NOTE 8 — DEBTORS

	2022 £	2021 £
Gift Aid tax recoverable	9,529	10,271
Prepayments	2,655	3,988
	<u>£12,184</u>	<u>£14,259</u>
	2022 £	2021 £
Short term portion of:		
- Mortgage loan	29,340	59,048
- Hire purchase and capital lease commitments	1,855	4,161
- Defined benefit pension liability (see Note 30)	12	46,500
Suppliers' accounts payable	5,295	4,018
Taxation and social security	1,911	1,968
Other creditors	432	1,676
Accrued charges	6,194	9,606
	<u>£45,039</u>	<u>£126,977</u>

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 9 – CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Short term portion of:		
- Mortgage loan	29,340	59,048
- Hire purchase and capital lease commitments	1,855	4,161
- Defined benefit pension liability (see Note 30)	12	46,500
Suppliers' accounts payable	5,295	4,018
Taxation and social security	1,911	1,968
Other creditors	432	1,676
Accrued charges	6,194	9,606
	<u>£45,039</u>	<u>£126,977</u>

NOTE 10 – CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Long term portion of:		
- Mortgage loan	1,260,275	1,793,122
- Hire purchase and lease commitments	-	1,855
- Defined benefit pension liability	41,705	-
	<u>£1,301,980</u>	<u>£1,794,977</u>
These long term liabilities fall due:		
- between the second and fifth years inclusive	180,074	325,995
- after more than five years	1,121,906	1,468,982
	<u>£1,301,980</u>	<u>£1,794,977</u>

The assets pledged as security for the mortgage loan are described at the foot of Note 6. The loan became subject to capital repayments from February 2021.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 11 – MOVEMENTS ON FUNDS

	Funds brought forward £	Incoming resources £	Resources expended £	Fund transfers £	Funds carried forward £
Year ended 31 December 2022					
Unrestricted funds					
General fund	282,615	459,912	(372,435)	(73,939)	296,153
Designated funds:					
Functional premises	3,452,650		(54,707)	552,224	3,950,167
Investment property	465,000			(465,000)	-
Parent and Toddler	350	435		(785)	-
	<u>4,200,615</u>	<u>460,347</u>	<u>(427,142)</u>	<u>12,500</u>	<u>4,246,320</u>
Restricted income fund					
Waypoint Hub	35,942	124,513	(111,111)	(12,500)	36,844
	<u>£4,236,557</u>	<u>£584,860</u>	<u>£ (538,253)</u>	<u>£ -</u>	<u>£4,283,164</u>
Year ended 31 December 2021					
	Funds brought forward £	Incoming resources £	Resources expended £	Fund transfers £	Funds carried forward £
Unrestricted funds					
General fund	357,838	459,228	(427,379)	(107,072)	282,615
Designated funds:					
Functional premises	3,400,433		(54,855)	107,072	3,452,650
Investment property	420,000	45,000			465,000
Parent and Toddler	350				350
	<u>4,178,621</u>	<u>504,228</u>	<u>(482,234)</u>	<u>-</u>	<u>4,200,615</u>
Restricted income fund					
Waypoint Hub	18,921	98,343	(81,322)		35,942
	<u>£4,197,542</u>	<u>£602,571</u>	<u>£ (563,556)</u>	<u>£ -</u>	<u>£4,236,557</u>

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 12 — DONATIONS AND LEGACIES

	2022			2021		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Monetary offerings and donations	295,244	43,317	338,561	347,319	40,077	387,396
Contributions received from beneficiaries		2,250	2,250			
Gift Aid tax refundable	55,558		55,558	62,088		62,088
Estimated value of gifts in kind		10,035	10,035		31,000	31,000
	<u>£350,802</u>	<u>£55,602</u>	<u>£406,404</u>	<u>£409,407</u>	<u>£71,077</u>	<u>£480,484</u>

NOTE 13 — INCOME FROM CHARITABLE ACTIVITIES

	2022			2021		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Room hire	24,236		24,236	14,956		14,956
Service user contributions	1,231		1,231	20		20
Grants received from:						
Hampshire County Council		58,648	58,648		15,250	15,250
Fareham Borough Council	500	532	1,032		6,016	6,016
Community organisations		7,200	7,200		3,500	3,500
Other corporate		2,500	2,500		2,500	2,500
Church life, outreach and mission			-	143		143
Children's and youth ministries	3,109		3,109	3,951		3,951
	<u>£29,076</u>	<u>£68,880</u>	<u>£97,956</u>	<u>£19,070</u>	<u>£27,266</u>	<u>£46,336</u>

NOTE 14 — OTHER TRADING INCOME

	2022			2021		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Waypoint Café						
Café sales	£26,689	£ -	£26,689	£13,975	£ -	£13,975

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 15 — INCOME FROM INVESTMENTS

	2022			2021		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Investment property rental	7,613		7,613	16,500		16,500
Bank interest received	455	31	486	276		276
	<u>£8,068</u>	<u>£ 31</u>	<u>£8,099</u>	<u>£16,776</u>	<u>£ -</u>	<u>£16,776</u>

The investment property was sold in the year (see Note 7).

NOTE 16 — EXPENDITURE ON CHARITABLE ACTIVITIES

	2022			2021		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Payroll cost (Note 22)	110,699		110,699	139,103		139,103
Ministers' accommodation and expenses	2,674		2,674	18,726		18,726
Occupancy costs (Note 18)	60,839		60,839	56,735		56,735
Conferences, training and literature	6,887		6,887	1,281		1,281
Website and publicity costs	994		994	367	231	598
Office and general expenses (Note 19)	26,378	1,751	28,129	19,918	890	20,808
Provision of supplies for Waypoint Hub		108,862	108,862		79,797	79,797
Church life, outreach and mission	30,864		30,864	30,702		30,702
Children's and youth ministries	5,614		5,614	7,556		7,556
Depreciation and loss on disposal of fixed assets	82,944	498	83,442	80,325	404	80,729
	<u>£327,893</u>	<u>£111,111</u>	<u>£439,004</u>	<u>£354,713</u>	<u>£81,322</u>	<u>£436,035</u>

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 17 – OTHER TRADING EXPENSES

	2022			2021		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Waypoint Café expenditure						
Purchases of café supplies	8,861		8,861	4,980		4,980
Repairs, maintenance and equipment expensed	1,019		1,019	397		397
Waste collection	445		445	538		538
Training volunteers	38		38	210		210
Travel expenses	272		272			-
Bank and card charges	348		348	205		205
Depreciation of equipment	725		725	725		725
	<u>£11,708</u>	<u>£ -</u>	<u>£11,708</u>	<u>£7,055</u>	<u>£ -</u>	<u>£7,055</u>

NOTE 18 – ANALYSIS OF OCCUPANCY COSTS

	2022			2021		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Light, heat and power	22,450		22,450	24,354		24,354
Water and sewerage	1,337		1,337	544		544
Buildings insurance	7,056		7,056	6,558		6,558
Building repairs and maint.	11,930		11,930	9,949		9,949
Cleaning & consumable stores	18,066		18,066	15,330		15,330
	<u>£60,839</u>	<u>£ -</u>	<u>£60,839</u>	<u>£56,735</u>	<u>£ -</u>	<u>£56,735</u>

NOTE 19 – ANALYSIS OF OFFICE AND GENERAL EXPENSES

	2022			2021		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Printing, photocopying, stationery and postage	1,403	345	1,748	1,184	12	1,196
Telephone and internet	685		685	956		956
General insurance	1,350		1,350	1,300		1,300
Equipment testing, repairs and servicing	6,146		6,146	1,646	486	2,132
Equipment expensed	6,845	1,041	7,886	1,308		1,308
Waste removal	756		756	980		980
Subscriptions and licences	3,313	251	3,564	3,116		3,116
Finance and management software	1,218		1,218	1,403		1,403
Church secretary costs	3,468		3,468	6,552		6,552
Bank charges	279	114	393			-
Miscellaneous	915		915	1,473	392	1,865
	<u>£26,378</u>	<u>£1,751</u>	<u>£28,129</u>	<u>£19,918</u>	<u>£890</u>	<u>£20,808</u>

WAYPOINT
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 20 – OTHER EXPENDITURE

	2022			2021		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Property rental expenses:						
Repairs and maintenance	939		939	1,405		1,405
Letting agent's charges	731		731	1,584		1,584
Council tax	711		711			-
Building insurance	417		417	405		405
Accountancy fees	2,400		2,400	2,400		2,400
Audit fees	2,400		2,400	2,400		2,400
VAT consultancy	2,280		2,280			-
Finance costs (see Note 21)	77,663		77,663	60,989		60,989
	<u>£87,541</u>	<u>£ -</u>	<u>£87,541</u>	<u>£69,183</u>	<u>£ -</u>	<u>£69,183</u>

NOTE 21 – FINANCE COSTS

	2022			2021		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Mortgage interest	77,360		77,360	58,610		58,610
Hire purchase and capital lease interest	303		303	1,429		1,429
Unwinding present value adjustment on pension funding deficit	-		-	950		950
	<u>£77,663</u>	<u>£ -</u>	<u>£77,663</u>	<u>£60,989</u>	<u>£ -</u>	<u>£60,989</u>

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 22 - PAYROLL AND STAFFING

Staff cost is analysed below according to staff members' main duties set out in their contracts of employment. This analysis does not include a staff termination settlement that is shown separately in Note 23.

Year ended 31 December 2022

	<u>No. of staff</u>	<u>Gross wages & salaries</u> £	<u>Employers' national insurance</u> £	<u>Pension contri- butions</u> £	<u>Total</u> £
Minister	1	33,103	3,496	1,484	38,083
Hub leadership & children's workers	2	38,394	3,156	1,452	43,002
Administration and caretaking	4	34,011	546	57	34,614
	—	—	—	—	—
	7	£105,508	£7,198	£2,993	115,699
	=	=====	=====	=====	=====
Less: Employer's NIC allowance					(5,000)
					<u>£110,699</u>

Year ended 31 December 2021

	<u>No. of staff</u>	<u>Gross wages & salaries</u> £	<u>Employers' national insurance</u> £	<u>Pension contri- butions</u> £	<u>Total</u> £
Ministers and team leadership	3	62,092	6,988	4,048	73,128
Hub leadership & children's workers	2	30,880	2,960	1,484	35,324
Administration and caretaking	4	33,218	1,289	387	34,894
	—	—	—	—	—
	9	£126,190	£11,237	£5,919	143,346
	=	=====	=====	=====	=====
Less: Employer's NIC allowance					(4,000)
Furlough recoveries					(243)
					<u>£139,103</u>

The average number of full-time equivalent staff is 3.6 (2021: 4.5). No employee received emoluments (excluding employer pension costs) exceeding £60,000 p.a.

NOTE 23 – STAFF TERMINATION SETTLEMENT

The Trustees and the senior minister, Rev M Madavan, agreed by mutual consent that his employment contract with the Church would be severed effective 31 July 2021. The termination settlement amounted to £43,185 charged in the year ended 31 December 2021 included contractual pay-in-lieu-of-notice and an *ex gratia* sum in recognition of the esteem in which he was held by members of the Church.

WAYPOINT
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 24 – TRANSFER BETWEEN FUNDS

The following transfers were made from Waypoint Hub to the General Fund to partially recoup the salary and occupancy costs related to the Hub's activities that were borne by the Church in the year ended 31 December 2022. No similar recoveries were made in previous years.

	<u>2022</u> £	<u>2021</u> £
Salary of Hub leader	10,000	–
Occupancy of North building	2,500	–
	<u>£12,500</u>	<u>£ –</u>

NOTE 25 – ANALYSIS OF NET ASSETS BETWEEN FUNDS

31 December 2022

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds				
General fund	140,877	196,981	(41,705)	296,153
Designated fund:				
Functional freehold properties	5,239,782	(29,340)	(1,260,275)	3,950,167
	<u>5,380,659</u>	<u>167,641</u>	<u>(1,301,980)</u>	<u>4,246,320</u>
Restricted income fund				
Waypoint Hub	1,883	34,961		36,844
FUNDS AT 31 DECEMBER 2022	<u>£5,382,542</u>	<u>£202,602</u>	<u>£(1,301,980)</u>	<u>£4,283,164</u>

31 December 2021

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds:				
General fund	167,121	117,349	(1,855)	282,615
Designated funds:				
Functional freehold properties	5,304,820	(59,048)	(1,793,122)	3,452,650
Investment property	465,000			465,000
Parent and toddler		350		350
	<u>5,936,941</u>	<u>58,651</u>	<u>(1,794,977)</u>	<u>4,200,615</u>
Restricted income fund:				
Waypoint Hub	1,798	34,144		35,942
FUNDS AT 31 DECEMBER 2021	<u>£5,938,739</u>	<u>£ 92,795</u>	<u>£(1,794,977)</u>	<u>£4,236,557</u>

WAYPOINT
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 26 – RELATED PARTY TRANSACTIONS

Certain individuals connected with Church trustees received reward for services or reimbursement of expenses from the Church during the year as follows:

<u>Name of related party</u>	<u>Nature of relationship</u>	<u>Nature of provision</u>	<u>2022</u> £	<u>2021</u> £
Mr C Snook*	Church trustee	Mission support	500	1,000
Miss I Madavan	Relative of Church trustee	Website design and development fees	-	40
Mrs R Keen**	Church trustee	Operational management Goods for Waypoint Hub	3,468 125	6,552 -
Mr A Banes ***	Church trustee	Ministry Support	500	500

* Paid to Reality Outreach Ministries International of which Mr Snook is Drama Director.

** Payable to Printed Edge, Mrs Keen's sole trade of which £nil remained outstanding at the balance sheet date (2021: £672).

*** Payable to Time For Marriage Ministry, a charitable company of which Mr Banes is a Trustee

In addition £3,574, net of participants contributions, was defrayed for a leaders' retreat and training days in January 2022. No similar event was held in the year ended 31 December 2021 because of Covid.

NOTE 27 – TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

As permitted by the Church's governing document, certain trustees and persons connected with them received remuneration, benefits and reimbursement of expenses for employment services rendered in the year as follows:

Year ended 31 December 2022

	<u>Total</u> £	<u>Gross salary</u> £	<u>Accomm- odation</u> £	<u>Pension</u> £	<u>Payments/ expenses</u> £
J Privett	37,229	33,103	2,476	1,452	198
C Johnson	32,168	30,684		1,484	
	<u>£69,397</u>	<u>£63,787</u>	<u>£2,476</u>	<u>£2,936</u>	<u>£198</u>

Year ended 31 December 2021

	<u>Total</u> £	<u>Gross salary</u> £	<u>Accomm- odation</u> £	<u>Pension</u> £	<u>Payments/ expenses</u> £
M Madavan (ceased to act 31/7/21)	29,510*	18,871	8,044	2,595	
J Privett	36,440	32,705	2,282	1,453	
K Foster (resigned 31/8/21)	18,917	18,917			
C Johnson	31,764	30,280		1,484	
P Griffiths	18,137	17,750		387	
	<u>£134,768</u>	<u>£118,523</u>	<u>£10,326</u>	<u>£5,919</u>	<u>£ -</u>

* Excludes termination settlement (see Note 23).

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 28 – REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees listed in Note 27 above include all the key management personnel. The total employee benefits received by them including employer's national insurance amounted to £76,397 (2021: £146,005).

NOTE 29 – TRUSTEE DONATIONS

The total donations received from Trustees including persons connected with them amounted to £40,455 (2021: £37,431). None of these donations attached conditions that would or might require the Church to significantly change the nature of its existing activities.

NOTE 30 – PENSION OBLIGATIONS

Until 31 July 2021, the Church was an employer participating in the Defined Benefits (DB) section of The Baptist Pension Scheme (the Scheme) which is administered by its pension trustee, Baptist Pension Trust Limited. The Scheme is a separate legal entity and its assets are held separately from those of the Church and the other participating employers.

Since it is not possible to attribute the Scheme's assets and liabilities to specific employers, it is treated as a multi-employer scheme as described in FRS 102 section 28.11A. As a consequence, the contributions are accounted for as if the Scheme were a Defined Contribution (DC) scheme where the contributions payable for benefits and expenses accruing in a year are charged to that year's SOFA together with the impact of "deficit recovery contributions" (see below).

The Scheme was closed to future DB accrual on 31 December 2011. From January 2012, pension provision was being made through the DC section within the Scheme. The main benefit for pre-2012 service was a DB pension of one-eightieth of final Minimum Pensionable Income (MPI) for each year of pensionable service.

In addition to the contributions paid under the DC Plan, since the DB Plan reveals a deficit, the Scheme Trustee and BUGB agreed a rate of deficit recovery contributions from the participants in the DB Plan. The Church and other employers supporting the DB Plan are collectively responsible for funding this deficit until the Scheme's liabilities are settled in full.

In the previous reporting period, the employment of the Church's sole active participant in the DB section of the Scheme ended effective 31 July 2021 and, in accordance with the Scheme rules, a 'cessation event' was triggered. As a consequence, the rules require that an annuity is purchased that meets the Church's employer debt. The Church has provided for the whole cost of the estimated employer debt liability including professional fees related thereto as notified by the Scheme trustee. Since market conditions change daily, the precise liability can only be ascertained at the time settlement is made.

WAYPOINT
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 30 – PENSION OBLIGATIONS (continued)

In this regard, the Church is entitled under the Scheme rules to request deferral of the settlement for a period of up to three years from 31 July 2021. In the event the Church recruits a minister who is already a member of the DB section with another participating employer during this period, the cessation event would be annulled and the regular deficiency contributions as advised by the Scheme trustee would continue to apply. The Trustees consider such an event to be possible but unlikely.

The most recent triennial valuation was carried out at 31 December 2019 by a professionally qualified actuary using the Projected Unit method and its outcome was reported to participating employers on 2 July 2020. A further valuation is to be made effective 31 December 2022 but its results are not expected to be available prior to the approval of the financial statements by the Trustees. Accordingly, and in the absence of other relevant information, the estimated employer debt liability as reduced by the deficit contributions paid in the year (see below) is carried at the balance sheet date.

The pension contributions paid by the Church in the year are:

	<u>2022</u> £	<u>2021</u> £
DCs paid and payable in respect of employees in the year	2,993	5,919
DCs paid in connection with terminated employment (see Note 23)	-	2,250
DB deficit recovery contributions paid in the year	<u>4,783</u>	<u>8,071</u>
	<u><u>£7,776</u></u>	<u><u>£16,240</u></u>

The movements in the DB liability for the current and previous financial years are:

	<u>2022</u> £	<u>2021</u> £
Balance at 1 January,	46,500	45,523
Deficiency contributions paid in the year	(4,783)	(8,071)
Implicit annual finance cost in PV calculations	-	950
Estimated increase in Church liability as a consequence of the cessation event referred to above	<u>-</u>	<u>8,098</u>
Liability for pension deficit at 31 December,	<u><u>£ 41,717</u></u>	<u><u>£46,500</u></u>

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

NOTE 31 – GOING CONCERN

The Church constructed a building on land adjacent to the existing Church premises and arranged a 25-year commercial loan facility of £1.9m as part of the funding arrangements. In addition to the capital repayments, the mortgage loan was further reduced by the net proceeds of sale of the Church's investment property (see Note 7) to leave an outstanding balance at 31 December 2022 of £1,289,615 (2021: £1,854,025).

The trustees consider the existing level of repayments to be affordable out of recurring income notwithstanding that planned giving of the Church congregation declined in the latter half of 2021 and early part of 2022. This fall has been managed because the severance of two senior employees resulted in significant savings in payroll cost throughout 2022 and into 2023.

At present the Church's existing liquid resources supplemented by recurring tithes, offerings and other income in 2023 will be sufficient to meet Church outgoings for a period of at least twelve months from the date of issue of these financial statements.

Taking all known factors into account, the Trustees are satisfied that the Church will be a going concern for the foreseeable future.

Waypoint

England & Wales - Charity number 1168433

Accounts

WAYPOINT
operating as
WAYPOINT CHURCH
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT
and
AUDITED FINANCIAL STATEMENTS

31 December 2021

Charity registration number: 1168433

WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

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31 December 2021

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WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS

31 December 2021

THE CHARITY

Registered name	: Waypoint
Operating name	: Waypoint Church
Legal structure	: Charitable Incorporated Organisation
Operating address	: 255 Hunts Pond Road, Titchfield Common, Fareham, Hampshire, PO14 4PG
Registered charity number	: 1168433 (England and Wales)
Telephone number	: 01489 579669
Website	: www.waypointchurch.org.uk
Email address	: admin@waypointchurch.org.uk

BOARD OF TRUSTEES

Ministers

Senior Minister	: Rev. Mark Madavan (1) (2)
Minister	: Jim Privett (1)

Elders

Andy Banes	Graham Griffiths	Rachel Keen (4)	Kevin Leech	Dan Richards
Chris Snook				

Other elected trustees

Office Manager and Church Secretary	: Pauline Griffiths (1) (2)
Church Treasurer	: Graham Woodyet
Facilities Team Leader	: Paul Warner
Mission Team Leader	: Pete McNulty
Children's Ministry Team Leader and Waypoint Hub Team Leader	: Claire Johnson (1)
Discipleship & Small Groups Team Leader	: Rev. Keith Foster (1) (3)

(1) Staff member (2) Ceased to act or Resigned July 2021 (3) Resigned September 2021
(4) Also appointed as Church Secretary July 2021

The only change in the composition of the Board of Trustees at the date of approval of this report was the appointment of Dr Felicity Shaw as Church Secretary in April 2022.

PROFESSIONAL ADVISERS

Bankers:	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Auditors:	Wood, Hicks & Co Ltd, Chartered Accountants and Statutory Auditors, Units 1-2 Warrior Court, 9-11 Mumby Road, Gosport, Hampshire, PO12 1BS
Solicitors:	Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

WAYPOINT
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT

Year ended 31 December 2021

The Trustees have pleasure in submitting their annual report and the financial statements of Waypoint (the Church) as at and for the year ended 31 December 2021.

SECTION 1 - OBJECTIVES AND ACTIVITIES

Description of the Church's trust

The principal objective of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination including the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

Aims

In order to achieve this objective, the Church provides a variety of activities both to its membership and to the community. The aim is to show the love of Jesus Christ and to bring people into a closer relationship with Him. In fulfilling this purpose, the Church engages in a range of activities either on its own or with others. Due to the Covid-19 pandemic (the Pandemic) and the resultant lockdowns, activities were restricted and new activities were developed to keep engaged with the congregation and community.

Strategies to achieve aims

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday at and include preaching, teaching and Communion. A programme for children and young people aged 0-16 years is available during the services. There are also occasional All Age Services. The Church has a passion for reaching the community and anybody is free to attend our services. Church services, events and activities are advertised on our website at www.waypointchurch.org.uk. Due to the Pandemic, Sunday services and the Sunday programme for children and young people were reduced and adapted. Sunday services were held online and, as restrictions eased, either pre-recorded or live services were held for a limited congregation and later in the year, in person, with no restrictions.

The Church runs a number of Life groups aimed at developing faith and discipleship and providing pastoral care. Due to the Pandemic, some Life Groups met online via Zoom.

The Church leadership places great importance on reaching the local community in a variety of ways as can be seen from the activities undertaken set out below.

Measurement of attainments

Although numbers do not reflect the spiritual strength of a church, they do give an indication of growth. During 2021, eighteen persons were received into membership and 5 were baptised. As at 31 December 2021, the membership stood at 220. The Trustees believe that 2021 was a positive year in the life of the Church, particularly in its response to the Pandemic that resulted in:

- (a) services and other Church meetings being successfully conducted online; and,
- (b) the progress of the Waypoint Hub providing food and other welfare assistance to those in the local community who have been adversely affected by the lockdowns.

Activities vary from time to time. Review of specific aims by the Leadership is made throughout the year with activities being initiated, expanded, or closed, as judged appropriate. While many churches have suffered a reduction in their congregations as a consequence of the lockdowns, the Trustees are thankful to God that membership has remained stable in 2021.

SECTION 2 - ACHIEVEMENTS AND PERFORMANCE

Our annual Summer Holiday Club was able to be in person again this year but, due to Covid-19 restrictions, in smaller numbers. We ran two separate age groups for children 0-6 years and 6-12 years along with their families. Each morning started with a fun lively celebration followed by games and activities. 24 families took part.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2021

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE (continued)

The Children's Ministry Team Leader was involved in local primary schools. An interim Children's Ministry Team Leader was appointed in December 2021, mainly working with Waypoint Kids on Sundays and Waypoint Tots.

Interns worked in the youth and children's ministry and with the technical and staff team to gain knowledge of all aspects of church life.

Activities for senior citizens are provided regularly. Due to the Pandemic, these activities were reduced.

Youth Alpha was held for young people interested in discovering more about Christianity. Due to the Pandemic, the course was held online.

Kintsugi Hope is a course designed for supporting people in their mental health and wellbeing.

The Church runs a Golf Society and Football Team and encourages membership from Church attenders and non-attenders.

The 'Grand 5' supported three mission projects including Enable the Children in Sierra Leone, Rocks Project in Uganda and an orphanage in China in partnership with International China Concern.

The Church supports a Church member who is a missionary, based in South Africa and working across countries in sub-Saharan Africa.

Due to the Pandemic, no short-term mission trips occurred. However, we supported a young person as she commenced a six-month mission training placement with Youth With A Mission initially being based in Vancouver, Canada.

The Church supported the Baptist Union's Missionary Society and Home Mission Fund and Open Doors (serving persecuted Christians around the world). The Church also supported Elpitha Hope in Greece working in refugee camps.

The Church supported emergency disaster appeals of Tearfund in their Covid-19 humanitarian crisis appeal and World Vision in their Ethiopia refugee appeal.

The Church supported Reality Outreach Ministries who deliver the evangelistic drama *Heaven's Gates and Hell's Flames* to churches in the UK and Europe. The Church also supported Time for Marriage, a charity that offers support and resources to help renew and strengthen marriages.

The Church has supported local mission including schools in the community and The Family Support Service in Fareham.

Rooms in the premises are hired by an independent pre-school, the NHS for blood donating and the local council as a polling station.

Waypoint Café re-opened in the Spring when the lockdown restrictions eased.

Christmas services were held throughout December offering our congregation and community a variety of styles.

A team attended a training conference for large UK churches which impacted the training and direction for Trustees.

Church Members served as volunteers in other local charities and organisations. These included reading mentors for primary school children and collecting food and household products for Fareham and Gosport Basics Bank.

The Trustees confirm they have complied with the duty imposed by the Charities Act 2011 and have given due regard to the guidance in respect of public benefit.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2021

SECTION 2 - ACHIEVEMENTS AND PERFORMANCE (continued)

The Hub has continued to grow and help increasing numbers of people in need within the Western Wards of Fareham. Three drop-in sessions are now held each week. The main service provision is now based around food - both on a free and donation basis. In 2021 we carried out 3,107 helps. The Hub works closely with local schools, local and county councils, Citizens Advice and other local statutory and voluntary organisations. Grant funding and donations of food and finances from trusts, local organisations, businesses and individuals in our church and community continue to sustain this ministry.

SECTION 3 - FINANCIAL REVIEW

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The Church sustained a deficit on General Fund operations of £23,006 compared with a surplus of £73,253 in 2020. The current year deficit includes a provision of £8,098 to settle the Church's estimated defined benefit pension liability. This liability was advised by the Scheme actuaries as a consequence of the Church's last qualifying employee leaving the Scheme effective 31 July 2021. See Note 29 for further details.

The Church continues to raise the funds which it needs to carry on its activities and provide for additional fitting out costs for both North and South buildings from within its own membership and congregation.

The Church's total reserves at 31 December 2021 were £4,236,557 (2020: £4,197,542) of which the Waypoint Hub restricted fund was £35,942 (2020: £18,921) and designated funds for functional and investment properties totalled £3,917,650 (2020: £3,820,433). Going forward, the functional freehold properties fund will be reduced by an amount equal to the capital repayments of the mortgage loan and the buildings depreciation charge each year. The investment property fund will increase or decrease according to the variation in fair value adjustment recorded in the SOFA each year. These funds can only be realised by the disposal of the properties to which they relate.

The Church's reserves on general fund at the balance sheet date amounted to £282,615 compared with £357,838 at 31 December 2020. Liquid resources fell from £313,527 in 2020 to £205,513 at 31 December 2021 largely as a result of finalising the building and fitting-out projects that were delayed in 2020 through the lockdowns.

The Waypoint Café opened on 3 November 2020 and traded until 23 December 2020 when it closed because of lockdown restrictions. It resumed on 14 April 2021 and traded 2 days per week until the end of the year. Details of Café trading income and expenses are set out Notes 14 and 17. There is no payroll cost associated with the Café as this activity is run entirely by volunteers. Its net contribution to Church funds in the year was £6,920.

Since the Café is a trading activity, the Church decided not to claim VAT zero-rating for the proportion that represented the Café's footprint within the South Building. After obtaining appropriate professional advice, the Church paid VAT input tax of £44,783 and its accounting treatment is explained in Note 6.

It is the policy of the Church to hold a cash reserve equivalent to six months' general running costs (including salaries and mortgage payments but excluding depreciation) to cover unforeseen emergencies. However, in order to complete the new Church building and fit-out, the Trustees agreed in 2020 for cash reserves to be temporarily reduced to 3 months running costs. In the event, the lockdown resulted in a build-up of cash in 2020 which, together with lower than expected payroll costs because of resignations of two senior personnel, has resulted in the Church being compliant with its reserves policy at 31 December 2021. But with the desire to complete the fit-out of the South Building, the Trustees may consider the reduction of its reserves policy to 3 months running costs for a limited period, not expected to exceed 18 months.

The Waypoint Hub is a restricted income fund that provides food and other household necessities to the needy in the local community. The activity has grown since its inception from March 2020 and is funded by personal donations and grants (see Notes 12 and 13). Its total income in the year amounted to £98,343 and its expenditure £81,322 (see Note 16).

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2021

SECTION 3 - FINANCIAL REVIEW (continued)

The Church's total reserves on general fund amount to £282,615 (2020: £357,838) of which £117,349 (2020: £215,309) is expendable.

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities. The Trustees consider that it is impractical to place an economic value on such service.

SECTION 4 - PLANS FOR FUTURE PERIODS AND SUBSEQUENT EVENTS

Future commitments

Completion of the South Building was confirmed by Building Control inspectors in 2019. Certain finishing works outside the scope of Building Control regulations continued throughout 2020. The Church is continuing to fundraise for further fitting out works that are expected to cost around £280,000 but no firm timetable has been set for when these works are to be carried out. Completion of these works will enable the Church to provide further activities, courses and services for the Church congregation and for the community on its premises.

Waypoint Café

Waypoint Café is to extend its opening hours to a third day and one evening per week in the Spring of 2022.

SECTION 5 - STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

The Church is a Charitable Incorporated Organisation (CIO) which is governed by a Constitution that was filed with the Charity Commission on 26 July 2016 as part of the incorporation process. This constitution follows the model agreed by The Baptist Union Corporation of Great Britain and approved by the Church members in Special meeting.

The Trustees are elected by a Special Church Members' Meeting on a three-year rotation. The board of the elected Trustees is known as the Full Leadership Team and all operating decisions are made by them.

Governance concerning Church membership

Members of the Church are accepted in accordance with the Governing Constitution which requires them:

- to be or to have been publicly baptised on the profession of faith in Jesus Christ; or,
- following other modes of baptism to renew their public profession of faith in Jesus Christ; or,
- who may be considering baptism.

Members' Meetings normally take place five times per year. Due to the Pandemic, Church Meetings were reduced during 2020 and 2021 and a Church Meeting, which included the AGM and a Special Church Meeting, was held online. The members' meeting has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Trustees who, together with the Ministers, Church Secretary and Treasurer, and collectively known as the Full Leadership Team, are responsible for the day-to-day running of the Church's work and witness and for the financial and legal aspects of the Church. The Trustees meet regularly. The Staff Team meet weekly and work on the premises and are available for enquiries from the community.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in furtherance of the Church's aims.

WAYPOINT
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2021

SECTION 5 – STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governance concerning Church membership (continued)

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in Church Meetings for further consideration by the Trustees. Though the Governing Document permits decisions to be made at quorate Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Other governance matters

The Church is affiliated to the Baptist Union of Great Britain (the BU) and receives guidance from them on a range of regulatory matters which the Church implements as appropriate. However, the BU has no direct influence upon the operating policies of the Church.

All decisions are taken by Trustees who are accountable to the Church Meeting and work within agreed budgets.

The Church follows the Charity Commission guidance concerning the induction and training of Trustees.

Staff salaries including Ministers' stipends are reviewed annually by a pay review committee formed of unremunerated Trustees and other Church Members and their deliberations are reported to the Trustees.

The Church operates a Safe to Grow policy and has put systems in place to ensure that all people working with those under 18 are appropriately vetted, and undergo the necessary Disclosure and Barring Service (DBS) checks. The Church operates a Safe to Belong policy and system to ensure that all people working with adults at risk are similarly vetted and DBS checked.

The Church ensures good practice in First Aid, Food Safety and Food Hygiene by making training available.

The Church holds Insurance with the Baptist Insurance Company including Employer's Liability Insurance.

By order of the Board of Trustees,

.....
F Shaw (Dr)
Church Secretary
8 June 2022

WAYPOINT

(a charitable incorporated organisation)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Responsibilities relating to the financial statements

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each accounting period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the financial period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Other responsibilities

The Trustees are also responsible for:

- keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011.
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- the maintenance and integrity of the Charity and financial information included on the Charity's website.

The Board of Trustees
Waypoint *operating as* Waypoint Church
255 Hunts Pond Road
Titchfield Common, Fareham,
Hampshire PO14 4PG

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
WAYPOINT**

(a charitable incorporated organisation)

Opinion

We have audited the financial statements of Waypoint (the Church) for the year ended 31 December 2021 which comprise the balance sheet, statement of financial activities, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Ethical Standard of Financial Reporting Council (FRC), and the provisions available for small entities in the circumstances set out in Note 2, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor responsibilities in respect of reporting on irregularities, including fraud

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit and, in doing so, assess the risks of material misstatement of the financial statements whether due to fraud or error. Such misstatements are instances of non-compliance with laws and regulations and we seek to design procedures, in keeping with our responsibilities, to detect them. The extent to which our procedures are capable of detecting any such irregularities is set out below.

The Church's routine internal accounting control procedures that require two Church members/staff to be involved in the handling of cash could not be applied for significant portions of the Church's 2020 and 2021 financial years because of the Covid-19 pandemic. This difficulty was exacerbated by the creation of the Waypoint Hub (the Hub) that sought to provide welfare assistance to persons or families in the local community who had been adversely affected by the Pandemic. The Hub is managed by a senior member of Church staff and its activities are financed by grants, monetary donations and gifts of food and other household necessities. The Hub's liquid resources are used as necessary to buy required items and these, together with donated goods, are distributed to beneficiaries according to their needs. Evidence of donations of goods and cash received was not maintained in a form that was susceptible to verification by conventional audit procedures and, therefore, we consider that the audit was not capable of detecting irregularities (should any exist) in this regard. However, we are satisfied that any misstatement of net income arising from the Hub's activities is unlikely to be material to the financial statements as a whole and, accordingly, our opinion is not modified in this respect.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Conclusions relating to going concern

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

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

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

Other information

Other information comprises the information included in the Trustees' Annual Report and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to have been materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Church and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Auditor responsibilities for the audit of the financial statements

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

We have been appointed as auditor under section 144 of the Act and report in accordance with it and the relevant regulations made or having effect thereunder. We are eligible for appointment to act as statutory auditor under section 1212 of the Companies Act 2006.

A fuller description of our responsibilities for the audit of financial statements is located at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> This description forms part of our auditor's report.

This report is made to the Trustees as a body, in accordance with section 144 and regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the Church's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Church and the Church's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Wood, Hicks & Co Ltd,
Statutory Auditor

8 June 2022

Chartered Accountants,
Units 1-2 Warrior Court,
9-11 Mumby Road,
Gosport,
Hampshire PO12 1BS

WAYPOINT
(a charitable incorporated organisation)

BALANCE SHEET

31 December 2021

	<u>Note</u>	<u>2021</u> £	<u>2020</u> £
FIXED ASSETS			
Tangible assets	6	5,473,739	5,482,627
Investment	7	465,000	420,000
		<u>5,938,739</u>	<u>5,902,627</u>
 CURRENT ASSETS			
Debtors	8	14,259	17,430
Cash at bank and in hand		205,513	313,527
Total current assets		<u>219,772</u>	<u>330,957</u>
 LIABILITIES			
Creditors: Amounts falling due within one year	9	(126,977)	(144,207)
Net current assets		<u>92,795</u>	<u>186,750</u>
Total assets, less current liabilities		<u>6,031,534</u>	<u>6,089,377</u>
 Creditors: Amounts falling due after more than one year	10	(1,794,977)	(1,891,835)
NET ASSETS	24	<u>£4,236,557</u>	<u>£4,197,542</u>
 THE FUNDS OF THE CHARITY	11		
Restricted income funds		35,942	18,921
Unrestricted funds		4,200,615	4,178,621
TOTAL CHARITY FUNDS		<u>£4,236,557</u>	<u>£4,197,542</u>

Approved by the Board of Trustees for issue on
8 June 2022 and signed on its behalf by

..... Treasurer
G Woodyet

The notes set out on pages 16 to 31 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2021

		2021			2020		
	Note	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
INCOME FROM							
Donations and legacies	12	409,407	71,077	480,484	481,933	37,019	518,952
Charitable activities	13	19,070	27,266	46,366	31,353	12,225	43,578
Other trading	14	13,975		13,975	1,543		1,543
Investments	15	16,776		16,776	13,853		13,853
Total income		459,228	98,343	557,571	528,682	49,244	577,926
EXPENDITURE ON							
Charitable activities	16	354,713	81,322	436,035	379,280	30,323	409,603
Other trading	17	7,055		7,055	1,057		1,057
Staff severance cost	23	43,185		43,185			-
Provision for settlement of defined benefit pension liability	29	8,098		8,098			-
Other	20	69,183		69,183	75,092		75,092
Total expenditure		482,234	81,322	563,556	455,429	30,323	485,752
NET OPERATING INCOME		(23,006)	17,021	(5,985)	73,253	18,921	92,174
GAINS ON INVESTMENTS							
	7	45,000		45,000			-
NET INCOME		21,994	17,021	39,015	73,253	18,921	92,174
TRANSFERS BETWEEN FUNDS							
				-			-
NET MOVEMENT IN FUNDS		21,994	17,021	39,015	73,253	18,921	92,174
RECONCILIATION OF FUNDS							
Total funds brought forward	11	4,178,621	18,921	4,197,542	4,105,368	-	4,105,368
TOTAL FUNDS CARRIED FORWARD	11	£4,200,615	£35,942	£4,236,557	£4,178,621	£18,921	£4,197,542

The notes set out on pages 16 to 31 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF CASH FLOWS

Year ended 31 December 2021

	<u>2021</u> £	<u>2020</u> £
Cash flows arising from charitable operating activities		
Net operating income for the year (as per statement of financial activities)	(5,985)	92,174
Adjustments for:		
Depreciation charges and losses on disposal of tangible fixed assets	81,454	76,957
Implicit finance cost in defined benefit pension liability	950	1,383
Increase in defined benefit pension liability	8,098	-
Mortgage interest	58,535	60,073
Hire purchase and capital lease interest	1,429	840
Decrease/(increase) in debtors	3,171	(2,409)
Increase/(decrease) in creditors	1,286	(1,045)
Net cash provided by charitable operating activities	<u>148,938</u>	<u>227,973</u>
Cash flows from investing activities		
Payments for construction of South Building	(122,544)	(18,142)
Payments for refitting North Building	-	(28,242)
Purchases of furniture and equipment	(13,473)	(37,593)
Cash provided by (used in) investing activities	<u>(136,017)</u>	<u>(83,977)</u>
Cash flows from financing activities		
Deficiency contributions paid in respect of defined benefit pension liability	(8,071)	(5,948)
Amount drawn down on mortgage loan facility	-	200,000
Mortgage loan payments	(106,364)	(60,073)
Hire purchase and capital lease payments	(6,900)	(3,520)
Cash provided by (used in) finance activities	<u>(121,335)</u>	<u>130,459</u>
(Decrease) increase in cash and cash equivalents in the year	<u>(108,414)</u>	<u>274,455</u>
Cash and cash equivalents at the beginning of the year	<u>313,527</u>	<u>39,072</u>
Cash and cash equivalents at the end of the year	<u><u>£205,513</u></u>	<u><u>£313,527</u></u>
Analysis of cash and cash equivalents		
Cash in hand	508	331
Cash at bank on call	196,781	305,234
Cash on deposit at 60 days' notice	8,224	7,962
	<u><u>£205,513</u></u>	<u><u>£313,527</u></u>

The notes set out on pages 16 to 31 form part of these financial statements.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 1 – LEGAL STATUS, OBJECTIVES AND AFFILIATION OF WAYPOINT

Waypoint (the Church) is a charitable incorporated organisation (CIO) incorporated in England and Wales and is governed by a constitution with the objects to:

- fulfil the role of a Christian Church in the Western Wards of Fareham, Hampshire and surrounding area, and
- provide help to others promoting the Christian faith in the UK and overseas.

The Church is a Public Benefit Entity within the meaning of FRS 102 and is a member church of the Baptist Union of Great Britain (BUGB), an unincorporated charitable trust registration no. 1125912.

NOTE 2 – ACCOUNTING FRAMEWORK AND COMPLIANCE

The financial statements have been set out in accordance with the accounting framework required under:

- the Charities (Accounts and Reports) Regulations 2008;
- the accounting regulations set out under the Charities Act 2011;
- Financial Reporting Standard 102 (FRS 102);
- the Statement of Recommended Practice (the SORP).

There were no material departures from those standards.

To assist the Church's compliance with this framework, the Auditor provides accountancy services permitted under the FRC Ethical Standard 6 – Provisions Available to Auditors of Small Entities. These services are conducted on the basis that the Church has informed management who understand and approve the accountancy work the Auditor carries out.

NOTE 3 – NATURE AND PURPOSE OF PRINCIPAL FUNDS

The principal designated and restricted funds are as follows:

Designated funds

- (a) *Functional premises* – funds representing the carrying value of the North and South buildings, net of related mortgage loan.
- (b) *Investment property* – funds representing the fair value of a former manse that is currently commercially let.

Restricted fund

- (c) *Waypoint Hub* – for the provision of social welfare including food, clothing and other essentials to the needy in the local community from March 2020 funded by local authority and community grants, and corporate and personal donations.

NOTE 4 – ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements set out below have remained unchanged from the previous year and been consistently applied in the year under review.

(a) Basis and content of the financial statements

The financial statements have been prepared on the basis of historical cost as modified by the fair valuation of its investment property.

The financial statements are expressed in pounds Sterling rounded to the nearest pound and include all the assets and liabilities under the control of the Trustees of the Church.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 4 – ACCOUNTING POLICIES (continued)

(b) Going concern

The Church's financial statements are prepared on the going concern basis of accounting unless the Trustees intend to cease operations or have no realistic alternative but to do so. In assessing whether the going concern basis of accounting is appropriate, the Trustees take into account all available information about the future, which is at least, but not limited to, twelve months from the date when the financial statements are authorised for issue.

(c) Tangible fixed assets and depreciation

Functional freehold properties

The Church premises have been capitalised at cost (estimated where actual cost information is no longer available) and are being depreciated over their economic lives at 1% straight line p.a. from the date the properties were first brought into use.

Sums considered to represent significant enhancement expenditures but which do not extend the useful lives of the buildings are capitalised and depreciated over the remainder of the original term. Expenditures on bringing the properties and its facilities up to a modern acceptable standard are charged to the SOFA as incurred.

Furniture, fittings and equipment

Individual items of furniture, fittings and equipment costing not less than £500 or groups of items (such as seating) costing in total not less than £2,000 are capitalised and depreciated over their estimated economic lives at rates between 10% and 25% on a straight-line basis from the date the assets are brought into use. Lesser sums are charged to the SOFA as incurred.

Impairment losses

Any impairment provision considered necessary against the carrying value of functional properties or furniture, fittings and equipment is charged to the SOFA in the accounting period in which the impairment loss is recognised.

Investment property

The property is valued at its fair value (defined in FRS 102) as estimated by the Trustees in consultation with the letting agent at the balance sheet date. Any increase or reduction in fair value compared to the previous year is credited or charged to the SOFA as appropriate in the year in which the variation is recognised.

(d) Stock

Stocks of Café and Hub supplies are not counted or valued since the quantities held are limited and the stock turnover is rapid.

(e) Debtors

Debtors are stated at the amounts due to the Church at the balance sheet date. Prepayments are recorded for the proportion of the time-based expenditures attributable to the ensuing year.

(f) Cash and cash equivalents

Cash and cash equivalents comprise the amounts held in bank current accounts and cash in hand together with bank deposits on less than 90 days' notice at the balance sheet date.

(g) Liabilities

1 Generally

Liabilities are recognised as soon as an outflow of economic benefits is considered more likely than not to occur under a legal or constructive obligation committing the Church to pay out resources. Creditors that are current liabilities, other than the Church's defined benefit commitment to the Baptist Scheme, are recognised at the settlement amount expected to be paid at the balance sheet date.

2 Deferral of income

Income received which cannot be recognised at the balance sheet date is deferred as a current liability.

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NOTES TO THE FINANCIAL STATEMENTS

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NOTE 4 – ACCOUNTING POLICIES (continued)

(g) Liabilities (continued)

3 Defined benefit pension contributions

A minister was a participant in a section of the Baptist Pension Scheme until ceasing to act effective 31 July 2021. This scheme is a multi-employer scheme that provided defined benefit (DB) pensions up to 31 December 2011 when the Scheme was closed to future DB accrual. Since the Church no longer has a member in the Scheme, in accordance with the Scheme rules a 'cessation event' has been triggered. As a consequence, it is required that an annuity is purchased that meets the Church's employer debt. As explained in Note 29, the Church has provided for the whole cost of the estimated employer debt including the professional fees related thereto as notified by the Scheme trustee.

In previous years, the Scheme had a substantial overall funding deficit. A plan was devised to recover this deficit and provision for the Present Value (PV) of the deficiency contributions payable was recorded in the financial statements as though made under defined contribution arrangements as required by sections 28.11, 28.13A and 28.17 of FRS 102.

Fuller details of these matters are provided in Note 29.

(h) Funds

Tithes, donations and grants received for non-specific purposes or general funding are available for utilisation at the discretion of the Trustees and are dealt with through the General Fund.

Certain designated funds have been created by the Trustees to ring-fence resources that are (1) not considered to be readily expendable or (2) held for specific non-restricted future purposes.

Grants and donations received for specific charitable projects are treated as restricted income funds available only for use on such specified projects. Restricted fund deficits are carried forward provided the Trustees are satisfied that future funding will cover such deficits on a last-in-first-out basis.

(i) Contingencies

1 Contingent assets

Contingent assets (including reductions to known recorded liabilities) are not recognised in the financial statements unless the benefit is virtually certain to be obtained. Where an inflow of economic benefits is probable, a description of the nature of the contingent asset is made in the Notes to the Financial Statements together with an estimate of the financial effect where this is practical to ascertain. No disclosure is made of less certain contingent assets.

2 Contingent liabilities

A description of a possible but uncertain obligation or a present obligation that cannot be reliably estimated is made in the Notes to the Financial Statements providing where practical:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and, the possibility of any reimbursement.

(j) Income recognition

Income is brought into account when it is more likely than not that the economic benefit will accrue to the Church.

1 Tithes and donations

General tithes and donations received without pre-conditions attached are recognised on receipt. Gifts subject to performance-related or other conditions are recognised when such conditions are fulfilled and all the donors' associated requirements concerning them have been complied with.

2 Grants receivable

A grant that becomes receivable on the occurrence of a specified event is recognised when that event has occurred and all the grantor's requirements with it have been complied with.

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 4 – ACCOUNTING POLICIES (continued)

(j) **Income recognition** (continued)

3 Gift Aid

Tax refunds receivable under gift aid arrangements are recognised by reference to the date of the related gift. Since the closure of the Building Fund on 1 September 2019, gift aid recoverable on donations to trust and special funds is credited to the General Fund.

4 Legacies

Incoming resources from legacies are recognised when there is reasonable certainty that the legacy will be received and the value can be reliably measured.

5 Other operating income

- Trading income is recorded separately from other income and is recognised as sales are made.
- Charges for hire of rooms and facilities to third parties are recognised in accordance with the period of letting per the related hire agreement.

6 Investment income

- Property rental income is recognised in accordance with the period of letting specified in the related shorthold tenancy agreement.
- Interest receivable is recognised in the period in which it was earned.

7 Deferral of income

See policy note (g)2.

8 Gifts in kind and intangible income

Tangible assets received as gifts for use by the Church with a market value of not less than £500 are treated as incoming resources at their actual or estimated value, including VAT where appropriate at the date the gift was made. Gifts of fixed assets are correspondingly capitalised in accordance with policy (c) above. Donated assets with a value of less than £500 are not accounted for.

The estimated value of food and household consumables donated to the Waypoint Hub (see Note 3(c)) is recorded as voluntary income and an equal amount recorded as purchases of supplies. Donated facilities and services are recognised as incoming resources insofar as another party is bearing the financial cost of the resources supplied and the benefit is quantifiable and measurable. An equivalent cost is recorded under the appropriate expenditure caption in the SOFA.

The Church is dependent on its congregation serving as volunteers in a wide variety of Church activities. The value of volunteers' time is not recognised in the financial statements since there is no measurable cost for their services.

(k) **Expenditure**

Expenditure is recognised when a liability is incurred or a constructive obligation arises that results in a payment being unavoidable or a commitment to pay that is intended to be acted upon.

1 Charitable grant expenditure and donations

Mission support contributions are made to organisations and individuals engaged in projects that the Church supports. Such contributions are recognised as expenditure at the earlier of payment or when they are communicated to the prospective recipient in a manner which is intended to be acted upon. The individual amounts defrayed, included in the *Church life, outreach and mission* caption in Note 16, are disclosed only when they are considered to be material in the context of the Church's overall charitable activities.

2 Payroll cost

Payroll cost includes the gross salaries, employer's national insurance and pension contributions of Church ministers and staff net of recoveries under the government Covid-19 furlough scheme. Staff termination costs are recognised at the contractual date of severance.

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 4 – ACCOUNTING POLICIES (continued)

(k) Expenditure (continued)

3 Fundraising and publicity costs

The Church does not engage in making formal appeals outside the Church congregation that involve incurring significant costs to generate the related income. The Church has applied for grants from outside sources towards the Waypoint Hub but no external costs are incurred in making such applications.

4 Material expenditure

Where it is necessary to provide an understanding of the Church's financial results, the nature of expenditure (including reversals of expenditure recorded in previous financial years) are recorded separately on the face of the SOFA.

5 Other expenditure

Insofar as it is necessary to disclose separately different elements of income, related expenditure is also disclosed separately.

6 Defined contribution pension arrangements

The Church operates defined pension contribution arrangements for a minister and certain staff. These contributions are charged as expenditure when they fall due and are invested separately from the Church's assets.

The present value (PV) of deficiency contributions required by the Scheme reduces the DB liability at PV carried in the balance sheet. The implicit finance cost representing the difference between deficiency contributions paid and their respective PVs is charged to the SOFA (see Note 21).

(l) Value added tax

Since the Church is not registered for VAT, the cost of all input VAT charged to the Church is included with the expense to which it relates.

Regarding the construction of the South Building referred to in (c) above, the Trustees consider that Church is the recipient of services for a relevant charitable purpose otherwise in the course or furtherance of business and, as such, is entitled to zero-rating for VAT.

As explained in Note 6, the Church has disclaimed its zero-rating entitlement attributable to the area used by Waypoint Café for trading purposes.

(m) Charitable support and administration

All central costs for charitable support and administrative charges are met from general funds. No attribution has been made to Waypoint Hub in 2020 or 2021 for such costs.

(n) Corporation tax

The Church is exempted under tax legislation from liability to corporation tax on its operating surpluses, investment income or capital gains whilst it pursues its charitable objectives.

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

Judgements

In preparing these financial statements, the only judgements that have been made in applying the Church's accounting policies, other than estimation uncertainties (see below) that have a significant effect on the amounts recognised in the financial statements, are:

(a) VAT zero-rating on construction of the South Building

As stated in Note 4(i), the Church has claimed VAT zero-rating on the new build at a saving of approximately £700,000. It is open to HM Revenue and Customs to dispute the Church's claim and seek to recover this saving plus penalties. The Trustees have been aware of this risk and have made every effort to ensure compliance with the zero-rating requirements. Accordingly, the Trustees consider that the prospect of HMRC successfully disputing the Church's claim to be remote.

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (continued)

Judgements

- (b) Consideration of possible impairment of functional freehold properties
The Trustees consider that the North and South Buildings each meet their intended service potential expectations and, notwithstanding the operating difficulties resulting from the Covid-19 pandemic, in their judgement the value in use of these premises to the Church is not impaired at 31 December 2021.

Estimation uncertainties

The key sources of estimation uncertainty that represent a significant risk to the carrying value of assets and liabilities within the next financial year are:

- (c) Depreciation of freehold buildings
Freehold properties other than freehold land are depreciated over their estimated useful lives as stated in accounting policy Note 4(c) taking into account factors affecting operating longevity, regular maintenance programmes and residual values where appropriate. The Church's policy is to write off the construction cost of functional Church buildings over 100 years. However, this policy is reviewed annually by the Trustees and may require re-assessment for factors such as technical innovation, building regulations and changes in user preferences that could affect the future charges for depreciation.

NOTE 6 – TANGIBLE FIXED ASSETS

Year ended 31 December 2021

	<u>Functional freehold properties</u> £	<u>Furniture, fittings & equipment</u> £	<u>Total</u> £
Cost or valuation			
At beginning of year	5,630,972	243,804	5,874,776
Additions during year	59,094	13,473	72,567
Disposals during year		(7,741)	(7,741)
At 31 December 2021	5,690,066	249,536	5,939,602
Depreciation			
At beginning of period	330,539	61,610	392,149
Charge for year	54,707	26,500	81,207
Eliminated on disposal		(7,493)	(7,493)
At 31 December 2021	385,246	80,617	465,863
Net book value			
At 31 December 2021	£5,304,820	£168,919	£5,473,739

Year ended 31 December 2020

Cost or valuation			
At beginning of year	5,515,335	206,211	5,721,546
Additions during year	115,637	37,593	153,230
At 31 December 2020	5,630,972	243,804	5,874,776
Depreciation			
At beginning of period	277,442	37,750	315,192
Charge for year	53,097	23,860	76,957
At 31 December 2020	330,539	61,610	392,149
Net book value			
At 31 December 2020	£5,300,433	£182,194	£5,482,627

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 6 – TANGIBLE FIXED ASSETS (continued)

The mortgage loan facility described in Note 10 is secured by a first legal mortgage and charge dated 20 June 2018 against the Church's functional freehold properties that have a combined carrying value at 31 December 2021 and 31 December 2020 of £5,304,820 and £5,300,433 respectively.

The Church, as an eligible body entitled to VAT zero-rating on the construction costs of the South Building disclaimed the part of its entitlement attributable to the area used for trading purposes by Waypoint Café. A VAT charge of £44,783 was invoiced by the building contractors on 9 April 2021 and this was duly settled and capitalised in the year.

NOTE 7 – INVESTMENT PROPERTY

Residential property for commercial letting:

	<u>2021</u> £	<u>2020</u> £
Fair value at beginning of year	420,000	420,000
Fair value adjustment	45,000	-
	<u>£465,000</u>	<u>£420,000</u>

NOTE 8 – DEBTORS

	<u>2021</u> £	<u>2020</u> £
Gift Aid tax recoverable	10,271	13,244
Other debtor	-	1,569
Prepayments	3,988	2,617
	<u>£14,259</u>	<u>£17,430</u>

NOTE 9 – CREDITORS: Amounts falling due within one year

	<u>2021</u> £	<u>2020</u> £
Short term portion of:		
- Mortgage loan	59,048	47,830
- Hire purchase and capital lease commitments	4,161	3,033
- Defined benefit pension liability (see Note 29)	46,500	8,109
Suppliers' accounts payable	4,018	3,459
Amount due to building contractors	-	69,253
Taxation and social security	1,968	3,354
Other creditors	1,676	499
Accrued charges	9,606	8,670
	<u>£126,977</u>	<u>£144,207</u>

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 10 – CREDITORS: Amounts falling due after more than one year

	<u>2021</u> £	<u>2020</u> £
Long term portion of:		
- Mortgage loan	1,793,122	1,852,171
- Hire purchase and lease commitments	1,855	2,250
- Defined benefit pension liability	-	37,414
	<u>£1,794,977</u>	<u>£1,891,835</u>
These long term liabilities fall due:		
- between the second and fifth years inclusive	325,995	287,234
- after more than five years	1,468,982	1,604,601
	<u>£1,794,977</u>	<u>£1,891,835</u>

The mortgage facility provided by CAF Bank of £1,900,000 was fully drawn down in May 2020. The assets pledged as security for this loan are described at the foot of Note 6. The loan became subject to capital repayments from February 2021.

NOTE 11 – MOVEMENTS ON FUNDS

Year ended 31 December 2021

	<u>Funds brought forward</u> £	<u>Incoming resources</u> £	<u>Resources expended</u> £	<u>Fund transfers and other</u> £	<u>Funds carried forward</u> £
Unrestricted funds					
General fund	357,838	459,228	(427,379)	(107,072)	282,615
Designated funds:					
Functional premises	3,400,433		(54,855)	107,072	3,452,650
Investment property	420,000	45,000			465,000
Parent and Toddler	350				350
	<u>4,178,621</u>	<u>504,228</u>	<u>(482,234)</u>	<u>-</u>	<u>4,200,615</u>
Restricted income fund					
Waypoint Hub	18,921	98,343	(81,322)		35,942
	<u>£4,197,542</u>	<u>£602,571</u>	<u>£ (563,556)</u>	<u>£ -</u>	<u>£4,236,557</u>

Year ended 31 December 2020

Unrestricted funds					
General fund	147,125	528,682	(402,332)	84,363	357,838
Designated funds:					
Functional premises	3,537,893		(53,097)	(84,363)	3,400,433
Investment property	420,000				420,000
Parent and Toddler	350				350
	<u>4,105,368</u>	<u>528,682</u>	<u>(455,429)</u>	<u>-</u>	<u>4,178,621</u>
Restricted income fund					
Waypoint Hub	-	49,244	(30,323)		18,921
	<u>£4,105,368</u>	<u>£577,926</u>	<u>£ (485,752)</u>	<u>£ -</u>	<u>£4,197,542</u>

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 12 – DONATIONS AND LEGACIES

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Monetary offerings and donations	347,319	40,077	387,396	396,496	22,019	418,515
Gift Aid tax refundable	62,088		62,088	65,437		65,437
Legacy			-	20,000		20,000
Estimated value of gifts in kind		31,000	31,000		15,000	15,000
	<u>£409,407</u>	<u>£71,077</u>	<u>£480,484</u>	<u>£481,933</u>	<u>£37,019</u>	<u>£518,952</u>

NOTE 13 – INCOME FROM CHARITABLE ACTIVITIES

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Room hire	14,956		14,956	6,187		6,187
Service user contributions	20		20	327		327
Other income			-	195		195
Grants received from:						
Hampshire County Council		15,250	15,250	18,000		18,000
Fareham Borough Council		6,016	6,016		3,750	3,750
Community organisations		3,500	3,500		7,975	7,975
Other corporate		2,500	2,500		500	500
Church life, outreach and mission	143		143	3,492		3,492
Children's & youth ministries	3,951		3,951	3,152		3,152
	<u>£19,070</u>	<u>£27,266</u>	<u>£46,336</u>	<u>£31,353</u>	<u>£12,225</u>	<u>£43,578</u>

NOTE 14 – OTHER TRADING INCOME

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Waypoint Café						
Café sales	£13,975	£ -	£13,975	£1,543	£ -	£1,543

NOTE 15 – INCOME FROM INVESTMENTS

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Investment property rental	16,500		16,500	13,740		13,740
Bank interest received	276		276	113		113
	<u>£16,776</u>	<u>£ -</u>	<u>£16,776</u>	<u>£13,853</u>	<u>£ -</u>	<u>£13,853</u>

The investment property is under a shorthold tenancy agreement cancellable at one month's notice by the tenant.

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 16 – EXPENDITURE ON CHARITABLE ACTIVITIES

	2021			2020		
	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
Donations and services			-	324		324
Payroll cost (Note 22)	139,103		139,103	156,927		156,927
Ministers' accommodation and expenses	18,726		18,726	23,925		23,925
Minister's sabbatical				4,104		4,104
Team leader relocation cost			-	2,504		2,504
Occupancy costs (Note 18)	56,735		56,735	51,190		51,190
Conferences, training and literature	1,281		1,281	2,016		2,016
Website and publicity costs	367	231	598	154		154
Office and general expenses (Note 19)	19,918	890	20,808	19,885		19,885
Provision of supplies for Waypoint Hub		79,797	79,797		30,323	30,323
Church life, outreach and mission	30,702		30,702	38,495		38,495
Children's & youth ministries	7,556		7,556	2,799		2,799
Depreciation and loss on disposal of fixed assets	80,325	404	80,729	76,957		76,957
	<u>£354,713</u>	<u>£81,322</u>	<u>£436,035</u>	<u>£379,280</u>	<u>£30,323</u>	<u>£409,603</u>

NOTE 17 – OTHER TRADING EXPENSES

	2021			2020		
	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
Waypoint Café expenditure						
Purchases of café supplies	4,980		4,980	1,057	-	1,057
Repairs, maintenance and equipment expensed	397		397			-
Waste collection	538		538			-
Training volunteers	210		210			-
Bank and card charges	205		205			-
Depreciation of equipment	725		725			-
	<u>£7,055</u>	<u>£ -</u>	<u>£7,055</u>	<u>£1,057</u>	<u>£ -</u>	<u>£1,057</u>

NOTE 18 – ANALYSIS OF OCCUPANCY COSTS

	2021			2020		
	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
Light, heat and power	24,354		24,354	17,939		17,939
Water and sewerage	544		544	252		252
Buildings insurance	6,558		6,558	6,668		6,668
Building repairs and maint.	9,949		9,949	11,548		11,548
Cleaning & consumable stores	15,330		15,330	14,783		14,783
	<u>£56,735</u>	<u>£ -</u>	<u>£56,735</u>	<u>£51,190</u>	<u>£ -</u>	<u>£51,190</u>

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NOTES TO THE FINANCIAL STATEMENTS

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NOTE 19 - ANALYSIS OF OFFICE AND GENERAL EXPENSES

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Printing, photocopying, stationery and postage	1,184	12	1,196	1,607		1,607
Telephone and internet	956		956	908		908
General insurance	1,300		1,300	1,300		1,300
Equipment testing, repairs and servicing	1,646	486	2,132	3,286		3,286
Church equipment expensed	1,308		1,308	5,941		5,941
Waste removal	980		980	1,068		1,068
Subscriptions and licences	3,116		3,116	3,534		3,534
Finance and management software	1,403		1,403	1,440		1,440
Church secretary costs	6,552		6,552			-
Miscellaneous	1,473	392	1,865	801		801
	<u>£19,918</u>	<u>£890</u>	<u>£20,808</u>	<u>£19,885</u>	<u>£ -</u>	<u>£19,885</u>

NOTE 20 - OTHER EXPENDITURE

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Property rental expenses:						
Repairs and maintenance	1,405		1,405	6,085		6,085
Letting agent's charges	1,584		1,584	1,310		1,310
Building insurance	405		405	386		386
Accountancy fees	2,400		2,400	2,400		2,400
Audit fees	2,400		2,400	2,400		2,400
Finance costs (see Note 21)	60,989		60,989	62,511		62,511
	<u>£69,183</u>	<u>£ -</u>	<u>69,183</u>	<u>£75,092</u>	<u>£ -</u>	<u>£75,092</u>

NOTE 21 - FINANCE COSTS

	2021			2020		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Non-utilisation fees re mortgage loan facility			-	215		215
Mortgage interest	58,610		58,610	60,073		60,073
Hire purchase and capital lease interest	1,429		1,429	840		840
Unwinding present value adjustment on pension funding deficit	950		950	1,383		1,383
	<u>£60,989</u>	<u>£ -</u>	<u>£60,989</u>	<u>£62,511</u>	<u>£ -</u>	<u>£62,511</u>

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NOTES TO THE FINANCIAL STATEMENTS

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NOTE 22 - PAYROLL AND STAFFING

Staff cost is analysed below according to staff members' main duties set out in their contracts of employment. This analysis does not include staff termination settlements that are shown separately in Note 23.

Year ended 31 December 2021

	<u>No. of staff</u>	<u>Gross wages & salaries</u> £	<u>Employers' national insurance</u> £	<u>Pension contri- butions</u> £	<u>Total</u> £
Ministers	2	43,175	5,189	4,048	52,412
Team leadership	1	18,917	1,799		20,716
Families, children's & youth workers	2	30,880	2,960	1,484	35,324
Administration	3	24,128	1,253	387	25,768
Caretaker	1	9,090	36		9,126
	<u>9</u>	<u>£126,190</u>	<u>£11,237</u>	<u>£5,919</u>	<u>143,346</u>
Less: Employer's NIC allowance					(4,000)
Furlough recoveries					(243)
					<u>£139,103</u>

Year ended 31 December 2020

	<u>No. of staff</u>	<u>Gross wages & salaries</u> £	<u>Employers' national insurance</u> £	<u>Pension contri- butions</u> £	<u>Total</u> £
Ministers	2	54,857	6,316	5,520	66,693
Team leadership	1	9,333	884		10,217
Families, children's & youth workers	2	38,994	2,003	1,548	42,545
Administration	4	33,817	2,968	514	37,299
Caretaker	1	6,498	43		6,541
	<u>10</u>	<u>£143,499</u>	<u>£12,214</u>	<u>£7,582</u>	<u>163,295</u>
Less: Employer's NIC allowance					(4,000)
Furlough recoveries					(2,368)
					<u>£156,927</u>

The average number of full-time equivalent staff is 4.5 (2020: 5.7). No employee received emoluments (excluding employer pension costs) exceeding £60,000 p.a.

NOTE 23 - STAFF TERMINATION SETTLEMENT

The Trustees and the senior minister, Rev M Madavan, agreed by mutual consent that his employment contract with the Church would be severed effective 31 July 2021. The termination settlement set out below included contractual pay-in-lieu-of-notice and an *ex gratia* sum in recognition of the esteem in which he was held by members of the Church.

	£
Gross settlement	38,703
Related employer's national insurance contributions	2,232
Related employer's pension contributions	2,250
	<u>£43,185</u>

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 24 - ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year ended 31 December 2021

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds:				
General fund	167,121	117,349	(1,855)	282,615
Designated funds:				
Functional freehold properties	5,304,820	(59,048)	(1,793,122)	3,452,650
Investment property	465,000			465,000
Other		350		350
	<u>5,936,941</u>	<u>58,651</u>	<u>(1,794,977)</u>	<u>4,200,615</u>
Restricted income fund:				
Waypoint Hub	1,798	34,144		35,942
FUNDS AT 31 DECEMBER 2021	<u><u>£5,938,739</u></u>	<u><u>£ 92,795</u></u>	<u><u>£ (1,794,977)</u></u>	<u><u>£4,236,557</u></u>

Year ended 31 December 2020

	<u>Fixed assets</u> £	<u>Net curr- ent assets</u> £	<u>Other liabilities</u> £	<u>Net assets</u> £
Unrestricted funds:				
General fund	182,194	215,309	(39,665)	357,838
Designated funds:				
Functional freehold properties	5,300,433		(1,900,000)	3,400,433
Investment property	420,000			420,000
Other		350		350
	<u>5,902,627</u>	<u>215,659</u>	<u>(1,939,665)</u>	<u>4,178,621</u>
Restricted income fund:				
Waypoint Hub		18,921		18,921
FUNDS AT 31 DECEMBER 2020	<u><u>£5,902,627</u></u>	<u><u>£234,580</u></u>	<u><u>£ (1,939,665)</u></u>	<u><u>£4,197,542</u></u>

NOTE 25 - RELATED PARTY TRANSACTIONS

Certain individuals connected with Church trustees received reward for services or reimbursement of expenses from the Church during the year as follows:

<u>Name of related party</u>	<u>Nature of relationship</u>	<u>Nature of services provided</u>	<u>2021</u> £	<u>2020</u> £
Mr C Snook*	Church trustee	Mission support	1,000	500
Miss I Madavan	Relative of Church trustee	Website design and development fees	40	70
Mrs R Keen**	Church trustee	Operational management from July 2021	6,552	-

* Paid to Reality Outreach Ministries International of which Mr Snook is Drama Director.

** Payable to Printed Edge, Mrs Keen's sole trade of which £672 remained outstanding at the balance sheet date.

Because of Covid-19, no expenditure was incurred on leadership and training days in the year (2020: £nil).

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NOTES TO THE FINANCIAL STATEMENTS**31 December 2021****NOTE 26 - TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES**

As permitted by the Church's governing document, certain trustees and persons connected with them received remuneration, benefits and reimbursement of expenses for employment services rendered in the year as follows:

Year ended 31 December 2021

	<u>Total</u>	<u>Gross salary</u>	<u>Accomm-</u>	<u>Pension</u>	<u>Payments/</u>
	<u>£</u>	<u>£</u>	<u>odation</u>	<u>£</u>	<u>expenses</u>
			<u>£</u>		<u>£</u>
M Madavan (ceased to act 31/7/21)	29,510*	18,871	8,044	2,595	
J Privett	36,440	24,305	10,682	1,453	
K Foster (resigned 31/8/21)	18,917	18,917			
C Johnson	31,764	30,280		1,484	
P Griffiths	18,137	17,750		387	
	<u>£134,768</u>	<u>£110,123</u>	<u>£18,726</u>	<u>£5,919</u>	<u>£ -</u>

* Excludes termination settlement (see Note 23).

Year ended 31 December 2020

	<u>Total</u>	<u>Gross salary</u>	<u>Accomm-</u>	<u>Pension</u>	<u>Payments/</u>
	<u>£</u>	<u>£</u>	<u>odation</u>	<u>£</u>	<u>expenses</u>
			<u>£</u>		<u>£</u>
M Madavan	49,189	31,715	13,320	4,067	87
J Privett	35,107	23,142	10,513	1,452	
K Foster (joined 1/9/20)	9,379	9,333		46	
C Johnson	31,174	29,690		1,484	
P Griffiths	23,778	23,264		514	
S Sawyers (resigned 31/12/20)	9,304	9,304			
	<u>£157,931</u>	<u>£126,448</u>	<u>£23,833</u>	<u>£7,563</u>	<u>£ 87</u>

NOTE 27 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees listed in Note 26 above include all the key management personnel. The total employee benefits received by them including employer's national insurance amounted to £146,005 (2020: £170,025).

NOTE 28 - TRUSTEE DONATIONS

The total donations received from Trustees including persons connected with them amounted to £37,431 (2020: £51,780). None of these donations attached conditions that would or might require the Church to significantly change the nature of its existing activities.

NOTE 29 - PENSION OBLIGATIONS

Until 31 July 2021, the Church was an employer participating in the Defined Benefits (DB) section of The Baptist Pension Scheme (the Scheme) which is administered by its pension trustee, Baptist Pension Trust Limited. The Scheme is a separate legal entity and its assets are held separately from those of the Church and the other participating employers.

Since it is not possible to attribute the Scheme's assets and liabilities to specific employers, it is treated as a multi-employer scheme as described in FRS 102 section 28.11A. As a consequence, the contributions are accounted for as if the Scheme were a Defined Contribution (DC) scheme where the contributions payable for benefits and expenses accruing in a year are charged to that year's SOFA together with the impact of "deficit recovery contributions" (see below).

WAYPOINT

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 29 – PENSION OBLIGATIONS (continued)

The Scheme was closed to future DB accrual on 31 December 2011. From January 2012, pension provision was being made through the DC section within the Scheme. The main benefit for pre-2012 service was a DB pension of one-eightieth of final Minimum Pensionable Income (MPI) for each year of pensionable service.

In addition to the contributions paid under the DC Plan, since the DB Plan reveals a deficit, the Scheme Trustee and BUGB agree a rate of deficit recovery contributions from the participants in the DB Plan. The Church and other employers supporting the DB Plan are collectively responsible for funding this deficit until the Scheme's liabilities are settled in full.

The most recent valuation was carried out at 31 December 2019 by a professionally qualified actuary using the Projected Unit method and its outcome was reported to participating employers on 2 July 2020. The Scheme Trustee reported that by virtue of a number of positive developments the estimated Plan deficit had fallen from £93m at 31 December 2016 to £18m at 31 December 2019.

The principal consequence of this reduction is that the monthly deficit recovery contributions continue as previously but with the expectation that these might cease in June 2026.

However, in the reporting period the employment of the Church's sole active participant in the DB section of the Scheme was severed effective 31 July 2021 and, in accordance with the Scheme rules, a 'cessation event' was triggered. As a consequence, the rules require that an annuity is purchased that meets the Church's employer debt. The Church has provided for the whole cost of the estimated employer debt liability (see below) including professional fees related thereto as notified by the Scheme trustee. Since market conditions change daily, the precise liability can only be ascertained at the time settlement is made.

In this regard, the Church is entitled under the Scheme rules to request deferral of the settlement for a period of up to three years from 31 July 2021. In the event the Church recruits a minister who is already a member of the DB section with another participating employer during this period, the cessation event would be annulled and the regular deficiency contributions as advised by the Scheme trustee would continue to apply. The Trustees consider such an event to be possible but unlikely.

The pension contributions paid by the Church in the year are:

	<u>2021</u>	<u>2020</u>
	£	£
DCs paid and payable in respect of employees in the year	5,919	7,550
DCs paid in connection with terminated employment (see Note 23)	2,250	-
DB deficit recovery contributions paid in the year	8,071	5,870
	<u>£16,240</u>	<u>£13,420</u>

The movements in the DB liability for the current and previous financial years are:

	<u>2021</u>	<u>2020</u>
	£	£
Balance at 1 January,	45,523	50,088
Deficiency contributions paid in the year	(8,071)	(5,948)
Implicit annual finance cost in PV calculations	950	1,383
Estimated increase in Church liability as a consequence of the cessation event referred to above	8,098	-
Liability for pension deficit at 31 December,	<u>£46,500</u>	<u>£45,523</u>

WAYPOINT

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2021

NOTE 30 - GOING CONCERN

The Church constructed a building on land adjacent to the existing Church premises and arranged a 25-year commercial loan facility of £1.9m as part of the funding arrangements. The loan repayments (interest only until February 2021) are considered to be affordable out of recurring tithes and offerings of the Church congregation notwithstanding that this planned giving has noticeably declined in the latter half of 2021 and into 2022. In the current circumstances, this fall in income is sustainable because the severance of two senior employees has resulted in significant savings in payroll cost.

At present the Church's existing liquid resources supplemented by tithes, offerings and other income in 2022 will be sufficient to meet Church outgoings for a period of twelve months from the date of issue of these financial statements. However, the Trustees are mindful that rising interest rates could, in due course, render the mortgage repayments less affordable. Beyond this, any funding shortfalls can be met for several years by the sale of the Church's investment property although such a course of action is not preferred by the Trustees.

Taking all these factors into account, the Trustees are satisfied that the Church will be a going concern for the foreseeable future.

Waypoint

England & Wales - Charity number 1168433

Accounts

WAYPOINT
operating as
WAYPOINT CHURCH
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT
and
AUDITED FINANCIAL STATEMENTS

31 December 2020

Charity registration number: 1168433

WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

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31 December 2020

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WAYPOINT operating as **WAYPOINT CHURCH**
(a charitable incorporated organisation)

REFERENCE AND ADMINISTRATIVE DETAILS

31 December 2020

THE CHARITY

Registered name	: Waypoint
Operating name	: Locks Heath Free Church to August 2019/ Waypoint Church from September 2019
Legal structure	: Charitable Incorporated Organisation
Operating address	: 255 Hunts Pond Road, Titchfield Common, Fareham, Hampshire, PO14 4PG
Registered charity number	: 1168433 (England and Wales)
Telephone number	: 01489 579669
Website	: www.waypointchurch.org.uk
Email address	: admin@waypointchurch.org.uk

BOARD OF TRUSTEES

Ministers

Senior Minister	: Rev. Mark Madavan (1)
Associate Minister	: Jim Privett (1)

Elders

Andy Banes	Graham Griffiths	Rachel Keen	Kevin Leech	Dan Richards
Chris Snook	Felicity Shaw (4)			

Other elected trustees

Office Manager and Church Secretary	: Pauline Griffiths (1)
Church Treasurer	: Graham Woodyet
Family Life Team Leader	: Sarah Sawyers (1) (5)
Facilities Team Leader	: Paul Warner (3)
Welcoming and Integration Team Leader	: Rachel Keen
Mission Team Leader	: Pete McNulty
Children's Ministry Team Leader	: Claire Johnson (1)
Discipleship & Small Groups Team Leader	: Rev. Keith Foster (1) (2)

There were no changes in the membership of the Board of Trustees at the date of approval of this report.

(1) Staff member (2) Appointed September 2020 (3) Re-elected November 2020
(4) Resigned June 2020 (5) Resigned December 2020

PROFESSIONAL ADVISERS

Bankers:	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Auditors:	Wood, Hicks & Co Ltd, Chartered Accountants and Statutory Auditors, Units 1-2 Warrior Court, 9-11 Mumby Road, Gosport, Hampshire, PO12 1BS
Solicitors:	Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT

Year ended 31 December 2020

The Trustees have pleasure in submitting their annual report and the financial statements of Waypoint (the Church) as at and for the year ended 31 December 2020.

SECTION 1 - OBJECTIVES AND ACTIVITIES

Description of the Church's trust

The principal objective of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination including the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

Aims

In order to achieve this objective, the Church provides a variety of activities both to its membership and to the community. The aim is to show the love of Jesus Christ and to bring people into a closer relationship with Him. In fulfilling this purpose, the Church engages in a range of activities either on its own or with others. Due to the Covid-19 pandemic (the Pandemic) and the resultant lockdowns, activities were restricted and new activities were developed to keep engaged with the congregation and community.

Strategies to achieve aims

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday at 9am and 11am and include preaching, teaching and Communion. A programme for children and young people aged 0-16 years is available during the 11am service. There are also occasional All Age Services. The Church has a passion for reaching the community and anybody is free to attend our services. Church services, events and activities are advertised on our website at www.waypointchurch.org.uk. Due to the Pandemic, Sunday services and the Sunday programme for children and young people were reduced and adapted. Sunday services were held online and, as restrictions eased, either pre-recorded or live services were held for a limited congregation.

The Church runs a number of small groups aimed at developing faith and discipleship and providing pastoral care. Due to the Pandemic, some Small Groups met online via Zoom. As restrictions eased, some Small Groups were able to meet on Church premises. The Gathering is an opportunity for small groups to meet together, learn together and encourage one another and, for anyone interested in joining a small group, to find out more.

The Church leadership places great importance on reaching the local community in a variety of ways as can be seen from the activities undertaken set out below.

Measurement of attainments

Although numbers do not reflect the spiritual strength of a church, they do give an indication of growth. During 2020, one person was received into membership and no-one was baptised. As at 31 December 2020, the membership stood at 225. The Trustees believe that 2020 was a positive year in the life of the Church, particularly in its response to the Pandemic that resulted in:

- (a) services and other Church meetings being successfully conducted online; and,
- (b) the formation of the Waypoint Hub providing food and other welfare assistance to those in the local community who have been adversely affected by the lockdowns.

Activities vary from time to time. Review of specific aims by the Leadership is made throughout the year with activities being initiated, expanded, or closed, as judged appropriate. While many churches have suffered a reduction in their congregations as a consequence of the lockdowns, the Trustees are thankful to God that membership has remained stable in 2020.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2020

SECTION 2 – ACHIEVEMENTS AND PERFORMANCE

A number of activities take place during the week for children aged 0 – 11 years, young people aged 11 – 18 years and has attendance of up to 600 per week. These include a Parent and Toddler Group, a girls club, a boys club, a youth club and small groups for young people's Bible study. Due to the Pandemic, these activities were reduced and adapted. Some activities were able to continue online via Zoom and met on church premises as restrictions eased.

Due to Covid-19 restrictions, our annual Summer Holiday Club week for children took on a different format. We pre-recorded five 30 minute videos to watch at home and made up craft and activity packs which families collected on a daily basis. A small team provided simple socially distanced activities to engage with the families when they came to collect their packs each morning. We created a closed Facebook community page for families to share photos and videos of what they were doing at home. 42 families took part.

The Children's Ministry Team Leader and the Associate Minister are involved in local primary and senior schools in lessons and mentoring. Interns worked in the youth and children's ministry and with the technical and staff team to gain knowledge of all aspects of church life.

Activities for senior citizens and a Luncheon Club are provided regularly. Due to the Pandemic, these activities were reduced.

The Church runs a programme of parenting courses for Church and community parents. Due to the Pandemic, these activities were reduced and some took place online.

The Family Life Team Leader worked closely with families in our community via the Church's Parent and Toddler Group and the Home School Link Worker based at a local primary school.

The Family Life Team Leader and team have been able to provide one-to-one parenting and marriage support for individuals and families as needs arise.

A seven session Marriage Course was delivered for married couples and the Church also runs a Marriage Preparation course for engaged couples as required.

Alpha is run for people interested in discovering more about Christianity. Due to the Pandemic, the course was held online.

Kintsugi Hope is a course designed for equipping people in their mental health and wellbeing. The course took place online due to the Pandemic.

The Church runs a Golf Society and Football Team and encourage membership from church attenders and non-attenders.

The 'Grand 5' supported three mission projects including Enable the Children in Sierra Leone, Rocks Project in Uganda and an orphanage in China in partnership with International China Concern.

Due to the Pandemic, all four planned short-term mission projects to Uganda, Sierra Leone, China and Greece were cancelled. Three young people had their gap year mission placements either cancelled or considerably shortened and altered.

The Church supported the Baptist Union's Missionary Society and Home Mission Fund, Open Doors (serving persecuted Christians around the world) and also supports the anti-trafficking organization, Hope for Justice, to raise awareness. The Church also supported Elpitha Hope in Greece working in refugee camps.

The Church supported emergency disaster appeals of International China Concern for their Covid-19 response, Christian Aid in their Hurricane Iota appeal, Tearfund in their Ethiopia humanitarian crisis appeal and International Rescue Committee in their Camp Moria refugee appeal.

The Church supported a young person as they commenced their two year mission training and placement with Youth With A Mission initially being based in Vancouver, Canada.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2020

SECTION 2 - ACHIEVEMENTS AND PERFORMANCE (continued)

The Church has supported local mission including Medaille Trust in Southampton, schools in the community and The Family Support Service in Fareham.

Church Members served as volunteers in other local charities and organisations. These included reading mentors for primary school children and collecting food and household products for Fareham and Gosport Basics Bank.

Rooms in the premises are hired by an independent Pre-school. The building is used for community meetings but none took place during 2020 due to the Pandemic.

Waypoint Café opened for a few weeks but was forced to close again because of the renewed lockdown restrictions.

Christmas services were held throughout December offering our congregation and community a variety of styles. Due to the Pandemic, these were held either live with a small congregation, outdoors or online.

The Ministers regularly meet with Ministers from UK and local Churches. A Team attended a training conference for large UK churches which impacted the training and direction for Trustees.

The Trustees confirm they have complied with the duty imposed by the Charities Act 2011 and have given due regard to the guidance in respect of public benefit.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities.

In March 2020, in response to the Pandemic which was sweeping the world, we wanted to bless and serve our local community. To do this we set up Waypoint Hub with the support of Fareham Borough Council. During the first national lockdown a team of 50 volunteers from the church and community provided three essential services - Food Parcel deliveries, Boredom Packs for isolated adults, Helps - such as shopping, prescription collection. Grant funding and donations of food and finances from Trusts, local organisations, businesses and individuals in our church and community have sustained this ministry. In 2020 we carried out 2,247 Helps. Waypoint Hub is now well known in our community and we have a dedicated room within the church building to store food and run our twice weekly drop-in sessions from.

SECTION 3 - FINANCIAL REVIEW

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The Church had a surplus on General Fund operations of £73,253 compared with a deficit of £7,754 in 2019 (excluding the exceptional credit arising from the reduction in the defined benefit pension liability of £23,435 explained in Note 29).

The Church continues to raise the funds which it needs to carry on its activities and provide for additional fitting out costs for both buildings from within its own membership and congregation. Wider appeals were made and grants towards this project totalling £18,000 (2019: £62,000) were gratefully received. In addition, further grants totalling £12,225 were received from the local authority and community organisations in 2020 in support of Waypoint Hub. See Note 13 for further details.

The Church's total reserves at 31 December 2020 were £4,197,542 (2019: £4,105,368) of which the Waypoint Hub restricted fund was £18,921 (2019: nil) and designated funds for functional and investment properties totalled £3,820,433 (2019: £3,957,893). Going forward, the functional freehold properties fund will be reduced by an amount equal to the capital repayments of the mortgage loan and the buildings depreciation charge each year. The investment property fund will increase or decrease according to the variation in fair value adjustment recorded in the SOFA each year. These funds can only be realised by the disposal of the properties to which they relate.

WAYPOINT

(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2020

SECTION 3 - FINANCIAL REVIEW (continued)

The Church's reserves on general fund at the balance sheet date amounted to £357,838 compared with £147,125 at 31 December 2019. Liquid resources increased from £39,072 in 2019 to £313,527 at 31 December 2020 largely as a result of not being able to fully engage in established Church activities and the delay in finalising the building and fitting out projects as a consequence of the Covid-19 lockdowns.

The Waypoint Café opened on 3 November 2020 and traded until 23 December 2020 when it closed because of lockdown restrictions (see Notes 14 and 17, and section 4 below).

It is the policy of the Church to hold a cash reserve equivalent to six months' general running costs (including salaries and mortgage payments) to cover unforeseen emergencies. In the previous year, in order to complete the new church building and basic fit-out, the Trustees agreed for cash reserves to be temporarily reduced to three months' operating costs. However, the lockdowns have resulted in a build-up of liquid resources such that the six-month operating reserves level has temporarily been restored. Once the Covid operating restrictions are lifted, in an effort to complete the build and fit-out, it is possible that the Trustees may consider the reduction of its reserves policy to three months for a limited period not expected to exceed 18 months.

The Trustees have made an assessment of the major risks facing the Church, and are satisfied that there are policies in place to minimise these risks.

The Church is dependent on its membership serving as volunteers in all aspects of the Church's activities. The Trustees consider that it is impractical to place an economic value on such service.

SECTION 4 - PLANS FOR FUTURE PERIODS AND SUBSEQUENT EVENTS

Future commitments

Completion of the South Building was confirmed by Building Control inspectors in 2019. Certain finishing works outside the scope of Building Control regulations continued throughout 2020. The Church is continuing to fundraise for further fitting out works that are expected to cost around £280,000 but no firm timetable has been set for when these works are to be carried out. Completion of these works will enable the Church to provide further activities, courses and services for the Church congregation and for the community on its premises.

Waypoint Café

It is intended, subject to government regulations and guidance, to resume and develop this activity in the spring of 2021 as part of the Church's community outreach.

Since the café is a trading activity to be carried on by the Church, the Trustees plan to disclaim the Church's full entitlement to VAT zero-rating on the construction of the South Building for the proportion of the premises that is to be used by the Waypoint Café activity. The building contractors have been notified and a VAT charge, expected to amount to around £40,000, is to be invoiced by them on certified completion of the building works.

SECTION 5 - STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

This CIO was formed as Locks Heath Free Church on 26 July 2016 for the sole purpose of absorbing the charitable business of an unincorporated charitable trust (the Trust) with the same name. Following this incorporation, the entire charitable activities of the Trust together with all the Trust's assets and liabilities were transferred to the CIO effective 1 January 2017. The legal title to the premises and land occupied by the church are held by the Baptist Union Corporation Ltd on Trusts which are entirely compatible with its objects.

WAYPOINT
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2020

SECTION 5 - STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Legal structure (continued)

At a Church Meeting in November 2018 the members voted to change the name from Locks Heath Free Church to Waypoint. This change was registered by the Charity Commission on 12 December 2018 but the operating name of Locks Heath Free Church continued to be used until 31 August 2019 while other administrative matters concerning the name change were concluded. Further, on 3 April 2019 the Church obtained the permission of the Charity Commission to operate as *Waypoint Church* and this name has been used instead of Locks Heath Free Church from 1 September 2019.

The CIO is governed by a Constitution that was filed with the Charity Commission as part of the incorporation process. This constitution follows the model agreed by The Baptist Union Corporation of Great Britain and approved by the Church members in Special meeting.

The Trustees are elected by a Special Church Members' Meeting on a three-year rotation. The board of the elected Trustees is known as the Full Leadership Team and all operating decisions are made by them.

Governance concerning Church membership

Members of the Church are accepted in accordance with the Governing Constitution which requires them:

- to be or to have been publicly baptised on the profession of faith in Jesus Christ; or,
- following other modes of baptism to renew their public profession of faith in Jesus Christ; or,
- who may be considering baptism.

Members' Meetings normally take place five times per year. Due to the Pandemic, Church Meetings were reduced during 2020 and a Church Meeting, which included the AGM and a Special Church Meeting, was held online. The members' meeting has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Trustees who, together with the Ministers, Church Secretary and Treasurer, and collectively known as the Full Leadership Team, are responsible for the day-to-day running of the Church's work and witness and for the financial and legal aspects of the Church. The Trustees meet regularly. Due to the Pandemic, Trustees' Meetings were reduced during 2020 and held online. The Staff Team meet weekly and work on the premises and are available for enquiries from the community.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in furtherance of the Church's aims.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in Church Meetings for further consideration by the Trustees. Though the Governing Document permits decisions to be made at quorate Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Other governance matters

The Church is affiliated to the Baptist Union of Great Britain (the BU) and receives guidance from them on a range of regulatory matters which the Church implements as appropriate. However, the BU has no direct influence upon the operating policies of the Church.

All decisions are taken by Trustees who are accountable to the Church Meeting and work within agreed budgets.

The Church follows the Charity Commission guidance concerning the induction and training of Trustees.

Staff salaries including Ministers' stipends are reviewed annually by a pay review committee formed of unremunerated Trustees and other Church Members and their deliberations are reported to the Trustees.

WAYPOINT
(a charitable incorporated organisation)

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 December 2020

SECTION 5 - STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Other governance matters (continued)

The Church operates a Safe to Grow policy and systems to ensure that all people working with those under 18 are appropriately vetted, and undertakes the necessary Disclosure and Barring Service (DBS) checks. The Church operates a Safe to Belong policy and system to ensure that all people working with adults at risk are similarly vetted and DBS checked.

The Church ensures good practice in First Aid, Food Safety and Food Hygiene by making training available.

The Church holds Insurance with the Baptist Insurance Company including Employer's Liability Insurance.

By order of the Board of Trustees,

.....
P Griffiths (Mrs)
Church Secretary

12 May 2021

WAYPOINT

(a charitable incorporated organisation)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Responsibilities relating to the financial statements

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each accounting period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the financial period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Other responsibilities

The Trustees are also responsible for:

- keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011.
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- the maintenance and integrity of the Charity and financial information included on the Charity's website.

The Board of Trustees
Waypoint *operating as* Waypoint Church
255 Hunts Pond Road
Titchfield Common, Fareham,
Hampshire PO14 4PG

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT

(a charitable incorporated organisation)

Opinion

We have audited the financial statements of Waypoint (the Church) for the year ended 31 December 2020 which comprise the balance sheet, statement of financial activities, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Church's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Charities Act 2011 (the Act).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and the provisions available for small entities, in the circumstances set out in Note 2 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's responsibilities in respect of reporting on irregularities, including fraud

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit and, in doing so, assess the risks of material misstatement of the financial statements whether due to fraud or error. Such irregularities are instances of non-compliance with laws and regulations. We design procedures in keeping with our responsibilities to detect material misstatements arising from error or fraud. The extent to which our procedures are capable of detecting such irregularities is set out below.

The Church's routine internal accounting control procedures that require two Church members/staff to be involved in the handling of cash could not be applied because of the Covid-19 pandemic. This difficulty was exacerbated by the creation of the Waypoint Hub (the Hub) that sought to provide welfare assistance to persons or families in the local community who had been adversely affected by the Pandemic. The Hub is managed by a senior member of Church staff and its activities are financed by grants, monetary donations and gifts of food and other household necessities. The Hub's liquid resources are used as necessary to buy required items and these, together with donated goods, are distributed free-of-charge to beneficiaries according to their needs. Evidence of donations of goods and cash received was not maintained in a form that was susceptible to testing by conventional audit procedures and, therefore, we consider that the audit was not capable of detecting irregularities (should any exist) in this regard. However, we are satisfied that any misstatement of net income arising from the Hub's activities is unlikely to be material to the financial statements as a whole and, accordingly, our opinion is not modified in this respect.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Material uncertainty related to going concern

We draw attention to Note 31 in the financial statements, which indicates that the Church's commitment to meet commercial mortgage repayments that commenced in 2019 is, in part, dependent upon Church members honouring non-binding pledges to this end made in 2017. As stated in the Note, since these pledges are not enforceable and will inevitably change over time, a material uncertainty exists that may cast doubt upon the Church's ability to continue as a going concern at some time in the future.

Further, the Note also refers to the financial uncertainty to the Church and its congregation as a consequence of the Pandemic which cannot be reliably measured at the date these financial statements are approved for issue. Our opinion is not modified in respect of these matters.

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

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

Other information

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to have been materially misstated.

If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAYPOINT (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Act and report in accordance with it and the relevant regulations made or having effect thereunder. We are eligible for appointment to act as statutory auditor under section 1212 of the Companies Act 2006. This report is made to the Trustees as a body, in accordance with section 144 and regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the Church's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Church and the Church's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

A fuller description of our responsibilities for the audit of financial statements is located at: www.frc.org.uk/auditorsresponsibilities This description forms part of the audit report.

.....
Wood, Hicks & Co Ltd,
Statutory Auditor

12 May 2021

Chartered Accountants,
Units 1-2 Warrior Court,
9-11 Mumby Road,
Gosport,
Hampshire PO12 1BS

WAYPOINT
(a charitable incorporated organisation)

BALANCE SHEET

31 December 2020

	<u>Note</u>	<u>2020</u> £	<u>2019</u> £
FIXED ASSETS			
Tangible assets	6	5,482,627	5,406,354
Investment	7	420,000	420,000
		<u>5,902,627</u>	<u>5,826,354</u>
CURRENT ASSETS			
Debtors	8	17,430	15,021
Cash at bank and in hand		313,527	39,072
Total current assets		<u>330,957</u>	<u>54,093</u>
LIABILITIES			
Creditors: Amounts falling due within one year	9	(144,207)	(25,578)
Net current assets		<u>186,750</u>	<u>28,515</u>
Total assets, less current liabilities		<u>6,089,377</u>	<u>5,854,869</u>
Creditors: Amounts falling due after more than one year	10	(1,891,835)	(1,749,501)
NET ASSETS		<u>£4,197,542</u>	<u>£4,105,368</u>
THE FUNDS OF THE CHARITY	11		
Restricted income funds		18,921	-
Unrestricted funds		4,178,621	4,105,368
TOTAL CHARITY FUNDS	24	<u>£4,197,542</u>	<u>£4,105,368</u>

Approved by the Board of Trustees for issue on
12 May 2021 and signed on its behalf by

..... Treasurer
G Woodyet

The notes set out on pages 16 to 33 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2020

		2020			2019		
	Note	Unrest- ricted £	Rest- ricted £	Total £	Unrest- ricted £	Rest- ricted £	Total £
INCOME FROM							
Donations and legacies	12	481,933	37,019	518,952	338,184	278,984	617,168
Charitable activities	13	31,353	12,225	43,578	29,771	62,000	91,771
Other trading	14	1,543		1,543			-
Investments	15	13,853		13,853		2,764	2,764
Total income		528,682	49,244	577,926	367,955	343,748	711,703
EXPENDITURE ON							
Charitable activities	16	379,280	30,323	409,603	342,798	5,664	348,462
Other trading	17	1,057		1,057			-
Reduction in defined benefit pension liability	27			-	(23,435)		(23,435)
Other	20	75,092		75,092	32,911	34,543	67,454
Total expenditure		455,429	30,323	485,752	352,274	40,207	392,481
NET OPERATING INCOME		73,253	18,921	92,174	15,681	303,541	319,222
GAINS ON INVESTMENTS							
	7			-	330,952		330,952
NET INCOME		73,253	18,921	92,174	346,633	303,541	650,174
TRANSFERS BETWEEN FUNDS							
	23			-	3,038,358	(3,038,358)	-
NET MOVEMENT IN FUNDS		73,253	18,921	92,174	3,384,991	(2,734,817)	650,174
RECONCILIATION OF FUNDS							
Total funds brought forward	11	4,105,368	-	4,105,368	720,377	2,734,817	3,455,194
TOTAL FUNDS CARRIED FORWARD	11	£4,178,621	£18,921	£4,197,542	£4,105,368	£ -	£4,105,368

The notes set out on pages 16 to 33 form part of these financial statements.

WAYPOINT
(a charitable incorporated organisation)

STATEMENT OF CASH FLOWS

Year ended 31 December 2020

	<u>2020</u> £	<u>2019</u> £
Cash flows arising from charitable operating activities		
Net operating income for the year (as per statement of financial activities)	92,174	319,222
Adjustments for:		
Depreciation charges and losses on disposal of tangible fixed assets	76,957	29,101
Implicit finance cost in defined benefit pension liability	1,383	1,521
Reduction of defined benefit pension liability through contribution made by the Baptist Union of Great Britain	-	(23,435)
Hire purchase interest	840	351
(Increase)/decrease in debtors	(2,409)	19,536
(Decrease) in creditors	(1,045)	(3,162)
Net cash provided by charitable operating activities	167,900	343,134
Cash flows from investing activities		
Payments for construction of South Building	(18,142)	(2,428,741)
Payments for refitting North Building	(28,242)	(398,278)
Purchases of furniture and equipment	(37,593)	(137,122)
Payments under hire purchase agreement	(3,520)	(3,283)
Cash provided by (used in) investing activities	(87,497)	(2,967,424)
Cash flows from financing activities		
Deficiency contributions paid in respect of defined benefit pension liability	(5,948)	(7,658)
Amount drawn down on mortgage loan facility	200,000	1,700,000
Cash provided by (used in) finance activities	194,052	1,692,342
(Decrease) in cash and cash equivalents in the year	274,455	(931,948)
Cash and cash equivalents at the beginning of the year	39,072	971,020
Cash and cash equivalents at the end of the year	£313,527	£ 39,072
Analysis of cash and cash equivalents		
Cash in hand	331	2,243
Cash at bank on call	305,234	28,932
Cash on deposit at 60 days' notice	7,962	7,897
	£313,527	£ 39,072

The notes set out on pages 16 to 33 form part of these financial statements.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 1 – LEGAL STATUS, OBJECTIVES AND AFFILIATION OF WAYPOINT

Waypoint (the Church) is a charitable incorporated organisation (CIO) incorporated in England and Wales and is governed by a constitution with the objects to:

- fulfil the role of a Christian Church in the Western Wards of Fareham, Hampshire and surrounding area, and
- provide help to others promoting the Christian faith in the UK and overseas.

The Church was formerly registered as Locks Heath Free Church until 12 December 2018 when its name was changed to Waypoint. However, the Church continued as Locks Heath Free Church until all regulatory matters concerning its name change were concluded, operating as Waypoint Church from 1 September 2019.

The Church is a Public Benefit Entity within the meaning of FRS 102 and is a member church of the Baptist Union of Great Britain (BUGB), an unincorporated charitable trust registration no. 1125912.

NOTE 2 – ACCOUNTING FRAMEWORK AND COMPLIANCE

The financial statements have been set out in accordance with the accounting framework required under:

- the Charities (Accounts and Reports) Regulations 2008;
- the accounting regulations set out under the Charities Act 2011;
- Financial Reporting Standard 102, updated March 2018, (FRS 102);
- the Statement of Recommended Practice (the SORP) effective 1 January 2019.

There were no material departures from those standards.

NOTE 3 – NATURE AND PURPOSE OF PRINCIPAL FUNDS

The principal designated and restricted funds are as follows:

Designated funds

- (a) *Functional premises* – funds representing the carrying value of the:
- existing Church building (known as the *North Building*).
 - manse until its re-categorisation as an investment property on 29 September 2019.
 - Church's new building (known as the *South Building*), net of related mortgage loan.
- (b) *Investment property* – funds representing the fair value of a former manse that was designated for commercial letting on 29 September 2019.
- (c) *Boomerang Holiday Club* – a Church-run children's holiday day-club provided for the first week of the school summer holidays. This designated fund was closed effective 31 December 2019 balance sheet date and its activities have been included with the Church's other children's and youth activities in the year under review.

Restricted fund

- (d) *Building fund* – for the construction and delivery of the *South Building* that has been used as a centre of worship since 1 September 2019. Its construction cost has been duly transferred to the Functional Premises designated fund (see (a) above) and this fund was closed on that date.
- (e) *Waypoint Hub* – for the provision of social welfare including food, clothing and other essentials to the needy in the local community from March 2020 funded by local authority and community grants, and corporate and personal donations.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 4 – ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements set out below have remained unchanged from the previous year and been consistently applied in the year under review.

(a) Basis and content of the financial statements

The financial statements have been prepared on the basis of historical cost as modified by the fair valuation of its investment property.

The financial statements are expressed in pounds Sterling rounded to the nearest pound and include all the assets and liabilities under the control of the Trustees of the Church together with a Baptist Union Trust Fund that was held for the benefit of the Church until its closure in 2019.

(b) Going concern

The Church's financial statements are prepared on the going concern basis of accounting unless the Trustees intend to cease operations or have no realistic alternative but to do so. In assessing whether the going concern basis of accounting is appropriate, the Trustees take into account all available information about the future, which is at least, but not limited to, twelve months from the date when the financial statements are authorised for issue.

(c) Tangible fixed assets and depreciation

Functional freehold properties

The Church premises have been capitalised at cost (estimated where actual cost information is no longer available) and are being depreciated over their economic lives at 1% straight line p.a. from the date the properties were first brought into use. The manse was vacated on 29 September 2019 – see *Investment properties* below.

The construction of the South Building was substantially completed by and occupied from 1 September 2019. The costs recorded as construction in progress were transferred to *Functional freehold properties* and depreciated in accordance with this policy note since that date.

Refurbishment of the North Building was undertaken between September and December 2019. Sums considered to represent significant enhancement expenditures but which have not extended the useful life of the building have been capitalised and depreciated over the remainder of the original term. Expenditures on bringing the property and its facilities up to a modern acceptable standard have been charged to the SOFA as incurred.

Furniture, fittings and equipment

Individual items of furniture, fittings and equipment costing not less than £500 or groups of items (such as seating) costing in total not less than £2,000 are capitalised and depreciated over their estimated economic lives at rates between 10% and 25% on a straight-line basis from the date the assets are brought into use. Lesser sums are charged to the SOFA as incurred.

Impairment losses

Any impairment provision considered necessary against the carrying value of functional properties or furniture, fittings and equipment is charged to the SOFA in the accounting period in which the impairment loss is recognised.

Investment property

Residential accommodation used as a manse until 29 September 2019 was designated as an investment property from that date. Following refurbishment, the property was commercially let in March 2020. The property is valued at its fair value (defined in FRS 102) as estimated by the Trustees in consultation with the letting agent at the balance sheet date. Any increase or reduction in fair value compared to the previous year is credited or charged to the SOFA as appropriate in the year in which the variation is recognised.

(d) Debtors

Debtors are stated at the amounts due to the Church at the balance sheet date. Prepayments are recorded for the proportion of the time-based expenditures attributable to the ensuing year.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 4 – ACCOUNTING POLICIES (continued)

(e) Cash and cash equivalents

Cash and cash equivalents comprise the amounts held in bank current accounts and cash in hand together with bank deposits on less than 90 days' notice at the balance sheet date.

(f) Liabilities

1 Generally

Liabilities are recognised as soon as an outflow of economic benefits is considered more likely than not to occur under a legal or constructive obligation committing the Church to pay out resources. Creditors that are current liabilities, other than the Church's defined benefit commitment to the Baptist Scheme, are recognised at the settlement amount expected to be paid at the balance sheet date.

2 Deferral of income

Income received which cannot be recognised at the balance sheet date is deferred as a current liability.

3 Defined benefit pension contributions

Two ministers (reduced to one from 30 September 2019) were participants in a section of the Baptist Pension Scheme that is a multi-employer scheme which provided defined benefit (DB) pensions up to 31 December 2011 when the Scheme was closed to future DB accrual. The Scheme has a substantial overall funding deficit. A plan was devised to recover this deficit and provision for the Present Value (PV) of the deficiency contributions payable has been recorded in the financial statements as though made under defined contribution arrangements as required by sections 28.11, 28.13A and 28.17 of FRS 102.

Fuller details of these matters are provided in Note 5(d)(ii) and Note 29.

(g) Funds

Tithes, donations and grants received for non-specific purposes or general funding are available for utilisation at the discretion of the Trustees and are dealt with through the General Fund.

Certain designated funds have been created by the Trustees to ring-fence resources that are (1) not considered to be readily expendable or (2) held for specific non-restricted future purposes.

Grants and donations received for specific charitable projects are treated as restricted income funds available only for use on such specified projects. Restricted fund deficits are carried forward provided the Trustees are satisfied that future funding will cover such deficits on a last-in-first-out basis.

(h) Contingencies

1 Contingent assets

Contingent assets (including reductions to known recorded liabilities) are not recognised in the financial statements unless the benefit is virtually certain to be obtained. Where an inflow of economic benefits is probable, a description of the nature of the contingent asset is made in the Notes to the Financial Statements together with an estimate of the financial effect where this is practical to ascertain. No disclosure is made of less certain contingent assets.

2 Contingent liabilities

A description of a possible but uncertain obligation or a present obligation that cannot be reliably estimated is made in the Notes to the Financial Statements providing where practical:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and, the possibility of any reimbursement.

(i) Income recognition

Income is brought into account when it is more likely than not that the economic benefit will accrue to the Church.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 4 – ACCOUNTING POLICIES (continued)

(i) Income recognition (continued)

1 Tithes and donations

General tithes and donations received without pre-conditions attached are recognised on receipt. Gifts subject to performance-related or other conditions are recognised when such conditions are fulfilled and all the donors' associated requirements concerning them have been complied with.

2 Grants receivable

A grant that becomes receivable on the occurrence of a specified event is recognised when that event has occurred and all the grantor's requirements with it have been complied with.

3 Gift Aid

Tax refunds receivable under gift aid arrangements are recognised by reference to the date of the related gift. Since the closure of the Building Fund on 1 September 2019, gift aid recoverable on donations to trust and special funds is credited to the General Fund.

4 Legacies

Incoming resources from legacies are recognised when there is reasonable certainty that the legacy will be received and the value can be reliably measured.

5 Investment income

Interest receivable is recognised in the year in which it is earned.

6 Other income

Individual amounts classified as other income are disclosed separately if they are considered to be material.

7 Deferral of income

See policy note (f)2.

8 Gifts in kind and intangible income

Tangible assets received as gifts for use by the Church with a market value of not less than £500 are treated as incoming resources at their actual or estimated value, including VAT where appropriate at the date the gift was made. Gifts of fixed assets are correspondingly capitalised in accordance with policy (c) above. Donated goods with a value of less than £500 are not accounted for.

The estimated value of food and household consumables donated to the Waypoint Hub (see Note 3(e)) is recorded as voluntary income and an equal amount recorded as purchases of supplies.

Donated facilities and services are recognised as incoming resources insofar as another party is bearing the financial cost of the resources supplied and the benefit is quantifiable and measurable. An equivalent cost is recorded under the appropriate expenditure caption in the SOFA.

The Church is dependent on its congregation serving as volunteers in a wide variety of Church activities. Without their support the Church's service provision and community outreach would be significantly curtailed. The value of volunteer time is not recognised in the financial statements since there is no measurable cost for their services.

(j) Expenditure

Expenditure is recognised when a liability is incurred or a constructive obligation arises that results in a payment being unavoidable or a commitment to pay that is intended to be acted upon.

1 Charitable grant expenditure and donations

Mission support contributions are made to organisations and individuals engaged in projects that the Church supports. Such contributions are recognised as expenditure at the earlier of payment or when they are communicated to the prospective recipient in a manner which is intended to be acted upon. The amounts defrayed, included in the *Church life, outreach and mission* caption in Note 16, are disclosed only when they are considered to be material in the context of the Church's overall charitable activities.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 4 – ACCOUNTING POLICIES (continued)

(j) Expenditure (continued)

2 Payroll cost

Payroll cost includes the gross salaries, employer's national insurance and pension contributions of Church ministers and staff net of recoveries under the government Covid-19 furlough scheme.

3 Fundraising and publicity costs

The Church does not engage in making formal appeals outside the Church congregation that involve incurring significant costs to generate the related income. The Church has applied for grants from outside sources towards the Waypoint Hub and, previously, the Building Fund but no external costs are incurred in making such applications.

4 Material expenditure

Where it is necessary to provide an understanding of the Church's financial results, the nature of expenditure (including reversals of expenditure recorded in previous financial years) are recorded separately on the face of the SOFA.

5 Defined contribution pension arrangements

The Church operates defined pension contribution arrangements for a minister and certain staff. These contributions are charged as expenditure when they fall due and are invested separately from the Church's assets.

6 Defined benefit (DB) pension arrangements

The present value (PV) of deficiency contributions required by the Scheme reduces the DB liability at PV carried in the balance sheet. The implicit finance cost representing the difference between deficiency contributions paid and their respective PVs is charged to the SOFA (see Note 21).

(k) Value added tax

Since the Church is not registered for VAT, the cost of all input VAT charged to the Church is included with the expense to which it relates.

Regarding the construction of the South Building referred to in (c) above, the Trustees consider that Church is the recipient of services for a relevant charitable purpose otherwise in the course or furtherance of business and, as such, is entitled to zero-rating for VAT.

(l) Charitable support and administration

All central costs for charitable support and administrative charges are met from general funds. No attribution has been made to the Building Fund (in 2019) or the Waypoint Hub (in 2020) for such costs.

(m) Corporation tax

The Church is exempted by HM Revenue and Customs from liability to corporation tax on its operating surpluses and investment income whilst it pursues its charitable objectives.

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES

Judgements

In preparing these financial statements, the only judgements that have been made in applying the Church's accounting policies, other than estimation uncertainties (see below) that have a significant effect on the amounts recognised in the financial statements, are:

(a) VAT zero-rating on construction of the South Building

As stated in Note 4(k), the Church has claimed VAT zero-rating on the new build at a saving of approximately £750,000. It is open to HM Revenue and Customs to dispute the Church's claim and seek to recover this saving plus penalties. The Trustees have been aware of this risk and have made every effort to ensure compliance with the zero-rating requirements. Accordingly, the Trustees consider that the prospect of HMRC successfully disputing the Church's claim to be remote.

WAYPOINT

(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 5 – CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTIES (continued)

Judgements (continued)

(b) Consideration of possible impairment of functional freehold properties

The Trustees consider that the North and South Buildings each meet their intended service potential expectations and, notwithstanding the operating difficulties resulting from the Covid-19 pandemic, in their judgement the value in use of these premises to the Church is not impaired at 31 December 2020.

Estimation uncertainties

The key sources of estimation uncertainty that represent a significant risk to the carrying value of assets and liabilities within the next financial year are:

(c) Defined benefit pension liability

As explained in Note 29, the Church maintains a liability for its deficiency obligations as a participating employer for two ministers in a multi-employer defined benefit (DB) section of the Baptist Pension Scheme (BPS) administered by BUGB. There are more than 1,200 participating employers in the BPS that are collectively responsible for funding the Scheme's deficit until its liabilities are settled in full. An actuarial valuation of the Fund was made as at 31 December 2019 but the Trustees consider that the following uncertainties still exist:

- (i) The actuarial valuation at 31 December 2019 showed that following the introduction of funds by BUGB in 2018 (referred to as the Family Solution) and other positive developments in 2019, the overall deficit had reduced significantly and that the length of time for which the deficit recovery contributions would be payable could be reduced. However, the Trustees consider it is possible that worsening investment performance following the Covid-19 pandemic may yet have a deteriorating effect on the Plan deficit greater than that allowed for in the actuarial valuation.
- (ii) The risk that certain participating employers in the BPS may not have the resources to fund their share of the deficiency contributions leaving a greater burden to fall on the remaining participants.

(d) Depreciation of freehold buildings

Freehold properties other than freehold land are depreciated over their estimated useful lives as stated in accounting policy Note 4(c) taking into account factors affecting operating longevity, regular maintenance programmes and residual values where appropriate. The Church's policy is to write off the construction cost of functional Church buildings over 100 years. However, this policy is reviewed annually by the Trustees and may require re-assessment for factors such as technical innovation, building regulations and changes in user preferences that could affect the future charges for depreciation.

(e) Fair value of investment property

A former manse became an investment property from 29 September 2019 and was fair valued by the Trustees at 31 December 2019 and 2020 at £420,000. The longer-term impact of a possible economic downturn from the Covid-19 pandemic is not yet clear but may result in a material decline in residential property values in 2021 or later years. Therefore, the Trustees consider that it is not assured that this investment property could be sold for its current carrying value in the foreseeable future.

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 6 – TANGIBLE FIXED ASSETS

Year ended 31 December 2020

	<u>Functional freehold properties</u> £	<u>Furniture, fittings & equipment</u> £	<u>Total</u> £
Cost or valuation			
At beginning of year	5,515,335	206,211	5,721,546
Additions during year	115,637	37,593	153,230
At 31 December 2020	5,630,972	243,804	5,874,776
Depreciation			
At beginning of period	277,442	37,750	315,192
Charge for year	53,097	23,860	76,957
At 31 December 2020	330,539	61,610	392,149
Net book value			
At 31 December 2020	<u>£5,300,433</u>	<u>£182,194</u>	<u>£5,482,627</u>

Year ended 31 December 2019

	<u>Functional freehold properties</u> £	<u>Construction in progress</u> £	<u>Furniture, fittings & equipment</u> £	<u>Total</u> £
Cost or valuation				
At beginning of year	845,738	1,957,578	88,193	2,891,509
Additions during year	398,278	2,428,741	148,018	2,975,037
Estimated cost of disposals			(30,000)	(30,000)
Transfer on completion	4,386,319	(4,386,319)		-
Transfer of former manse to investment property (Note 7)	(115,000)			(115,000)
At 31 December 2019	5,515,335	-	206,211	5,721,546
Depreciation				
At beginning of period	283,048		58,995	342,043
Charge for year	20,346		6,755	27,101
Eliminations on disposal			(28,000)	(28,000)
Elimination of depreciation on fair valuation of manse	(25,952)			(25,952)
At 31 December 2019	277,442	-	37,750	315,192
Net book value				
At 31 December 2019	<u>£5,237,893</u>	<u>£ -</u>	<u>£168,461</u>	<u>£5,406,354</u>

The mortgage loan facility described in Note 10 is secured by a first legal mortgage and charge dated 20 June 2018 against the Church's functional freehold properties that have a combined carrying value at 31 December 2020 and 31 December 2019 of £5,300,433 and £5,237,893 respectively.

The Church, as an eligible body entitled to VAT zero-rating on the construction costs of the South Building, plans to disclaim the part of its entitlement attributable to the area intended to be used for trading purposes by Waypoint Café. The Church is not formally committed to this plan at the date these financial statements were approved for issue. However, in the event it does proceed, a VAT charge will be received from the building contractors of approximately £40,000 and the cost functional freehold properties will increase in like amount.

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NOTE 7 – INVESTMENT PROPERTY

The manse at Lower Church Road (LCR) was vacated on 29 September 2019 and refurbished for commercial letting. The Trustees, under informal guidance received from the letting agent, have estimated the fair value of this property at 31 December 2020 and 2019 at £420,000.

	<u>2020</u>	<u>2019</u>
	£	£
Fair value at beginning of year	420,000	-
Estimated historical cost of property	-	115,000
Fair value adjustment	-	305,000
	<u>£420,000</u>	<u>£420,000</u>

NOTE 8 – DEBTORS

	<u>2020</u>	<u>2019</u>
	£	£
Gift Aid tax recoverable	13,244	13,285
Other debtor	1,569	-
Prepayments	2,617	1,736
	<u>£17,430</u>	<u>£15,021</u>

NOTE 9 – CREDITORS: Amounts falling due within one year

	<u>2020</u>	<u>2019</u>
	£	£
Short term portion of:		
- Mortgage loan	47,830	-
- Hire purchase commitment	3,033	2,681
- Defined benefit pension liability	8,109	5,870
Suppliers' accounts payable	3,459	5,099
Amount due to building contractors	69,253	-
Taxation and social security	3,354	2,788
Other creditors	499	794
Accrued charges	8,670	8,346
	<u>£144,207</u>	<u>£25,578</u>

NOTE 10 – CREDITORS: Amounts falling due after more than one year

	<u>2020</u>	<u>2019</u>
	£	£
Long term portion of:		
- Mortgage loan	1,852,171	1,700,000
- Hire purchase commitment	2,250	5,283
- Defined benefit pension liability	37,414	44,218
	<u>£1,891,835</u>	<u>£1,749,501</u>
These long term liabilities fall due:		
- between the second and fifth years inclusive	287,234	243,532
- after more than five years	1,604,601	1,505,969
	<u>£1,891,835</u>	<u>£1,749,501</u>

The mortgage facility provided by CAF Bank of £1,900,000 was fully drawn down in May 2020. The assets pledged as security for this loan are described at the foot of Note 6. Capital repayments of this loan are to be made monthly starting in February 2021.

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NOTE 11 – MOVEMENTS ON FUNDS

Year ended 31 December 2020

	<u>Funds brought forward</u> £	<u>Incoming resources</u> £	<u>Resources expended</u> £	<u>Fund transfers and other</u> £	<u>Funds carried forward</u> £
Unrestricted funds					
General fund	147,125	528,682	(402,332)	84,363	357,838
Designated funds:					
Functional premises	3,537,893		(53,097)	(84,363)	3,400,433
Investment property	420,000				420,000
Parent and Toddler	350				350
	<u>4,105,368</u>	<u>528,682</u>	<u>(455,429)</u>	<u>-</u>	<u>4,178,621</u>
Restricted income fund					
Waypoint Hub	-	49,244	(30,323)		18,921
	<u>£4,105,368</u>	<u>£ 577,926</u>	<u>£ (485,752)</u>	<u>£ -</u>	<u>£4,197,542</u>

Year ended 31 December 2019

	£	£	£	£	£
Unrestricted funds					
General fund	156,887	366,510	(330,033)	(46,239)	147,125
Designated funds:					
Functional premises	562,690		(20,346)	2,995,549	3,537,893
Investment property		330,952		89,048	420,000
Boomerang Holiday Club	300	1,151	(1,451)		-
Parent and Toddler	500	294	(444)		350
	<u>720,377</u>	<u>698,907</u>	<u>(352,274)</u>	<u>3,038,358</u>	<u>4,105,368</u>
Restricted income funds					
Building fund	2,734,817	343,748	(40,207)	(3,038,358)	-
	<u>£3,455,194</u>	<u>£1,042,655</u>	<u>£ (392,481)</u>	<u>£ -</u>	<u>£4,105,368</u>

NOTE 12 – DONATIONS AND LEGACIES

	2020			2019		
	<u>Unrest- ricted</u> £	<u>Rest- ricted</u> £	<u>Total</u> £	<u>Unrest- ricted</u> £	<u>Rest- ricted</u> £	<u>Total</u> £
Monetary offerings	396,496	22,019	418,515	289,564	246,622	536,186
Gift Aid tax refundable	65,437		65,437	48,620	32,362	80,982
Legacy	20,000		20,000			-
Estimated value of gifts in kind		15,000	15,000			-
	<u>£481,933</u>	<u>£37,019</u>	<u>£518,952</u>	<u>£338,184</u>	<u>£278,984</u>	<u>£617,168</u>

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NOTE 13 – INCOME FROM CHARITABLE ACTIVITIES

	2020			2019		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Room hire	6,187		6,187	4,671		4,671
Service user contributions	327		327	1,807		1,807
Other income	195		195			-
Development grants received:						
Fareham Borough Council					40,000	40,000
Hampshire County Council	18,000		18,000	690	22,000	22,690
Grants for Waypoint Hub:						
Fareham Borough Council		3,750	3,750			-
Community organisations		7,975	7,975			-
Other		500	500			-
Church life, outreach and mission	3,492		3,492	4,006		4,006
Children's & youth ministries	3,152		3,152	18,597		18,597
	<u>£31,353</u>	<u>£12,225</u>	<u>£43,578</u>	<u>£29,771</u>	<u>£62,000</u>	<u>£91,771</u>

NOTE 14 – OTHER TRADING INCOME

	2020			2019		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Waypoint Cafe						
Cafeteria sales	£1,543	£ -	£1,543	£ -	£ -	£ -
	<u>£1,543</u>	<u>£ -</u>	<u>£1,543</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>

NOTE 15 – INCOME FROM INVESTMENTS

	2020			2019		
	Unrest- ricted	Rest- ricted	Total	Unrest- ricted	Rest- ricted	Total
	£	£	£	£	£	£
Investment property rental	13,740		13,740			
Bank interest received	113		113		2,751	2,751
Other interest received			-		13	13
	<u>£13,853</u>	<u>£ -</u>	<u>£13,853</u>	<u>£ -</u>	<u>£2,764</u>	<u>£2,764</u>

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NOTE 16 – EXPENDITURE ON CHARITABLE ACTIVITIES

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Donations and services	324		324	250		250
Payroll cost (Note 22)	156,927		156,927	162,091		162,091
Ministers' accommodation and expenses	23,925		23,925	26,322		26,322
Minister's sabbatical	4,104		4,104			-
Minister's leaving gift			-	1,999		1,999
Team leader relocation cost	2,504		2,504			-
Occupancy costs (Note 18)	51,190		51,190	38,158		38,158
Conferences, training and literature	2,016		2,016	3,407		3,407
Website and publicity costs	154		154	1,805		1,805
Office and general expenses (Note 19)	19,885		19,885	13,003	5,664	18,667
Provision of supplies for Waypoint Hub		30,323	30,323			-
Church life, outreach and mission	38,495		38,495	40,126		40,126
Children's & youth ministries	2,799		2,799	26,536		26,536
Depreciation and loss on disposal of fixed assets	76,957		76,957	29,101		29,101
	<u>£379,280</u>	<u>£30,323</u>	<u>£409,603</u>	<u>£342,798</u>	<u>£5,664</u>	<u>£348,462</u>

NOTE 17 – OTHER TRADING EXPENSES

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Purchases of cafe supplies	£1,057	£ -	£1,057	£ -	£ -	£ -

NOTE 18 – ANALYSIS OF OCCUPANCY COSTS

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Light, heat and power	17,939		17,939	19,660		19,660
Water and sewerage	252		252	1,182		1,182
Buildings insurance	6,668		6,668	5,074		5,074
Building repairs and maint.	11,548		11,548	2,684		2,684
Cleaning & consumable stores	14,783		14,783	9,558		9,558
	<u>£51,190</u>	<u>£ -</u>	<u>£51,190</u>	<u>£38,158</u>	<u>£ -</u>	<u>£38,158</u>

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NOTE 19 – ANALYSIS OF OFFICE AND GENERAL EXPENSES

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Printing, postage & stationery	1,607		1,607	2,518		2,518
Telephone and internet	908		908	909		909
General insurance	1,300		1,300	1,199		1,199
Equipment repairs, servicing and testing	3,286		3,286	2,082		2,082
Church equipment expensed	5,941		5,941	19	5,664	5,683
Waste removal	1,068		1,068	741		741
Subscriptions and licences	3,534		3,534	2,954		2,954
Finance & management software	1,440		1,440	1,247		1,247
Staff recruitment costs			-	732		732
Miscellaneous	801		801	602		602
	<u>£19,885</u>	<u>£ -</u>	<u>£19,885</u>	<u>£13,003</u>	<u>£5,664</u>	<u>£18,667</u>

NOTE 20 – OTHER EXPENDITURE

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Rental property maintenance	6,085		6,085	5,627		5,627
Agent commission & insurance	1,696		1,696			-
Audit fees	4,800		4,800	4,800		4,800
Other professional costs			-		900	900
Finance costs (see Note 21)	62,511		62,511	22,484	33,643	56,127
	<u>£75,092</u>	<u>£ -</u>	<u>£75,092</u>	<u>£32,911</u>	<u>£34,543</u>	<u>£67,454</u>

NOTE 21 – FINANCE COSTS

	2020			2019		
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	<u>Total</u>
	£	£	£	£	£	£
Finance arrangement costs and associated legal fees			-		7,836	7,836
Non-utilisation fees re mortgage loan facility	215		215	784	8,293	9,077
Mortgage interest	60,073		60,073	19,828	17,514	37,342
Hire purchase interest	840		840	351		351
Unwinding present value adjustment on pension funding deficit	1,383		1,383	1,521		1,521
	<u>£62,511</u>	<u>£ -</u>	<u>£62,511</u>	<u>£22,484</u>	<u>£33,643</u>	<u>£56,127</u>

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NOTE 22 - PAYROLL AND STAFFING

Year ended 31 December 2020

	<u>No. of staff</u>	<u>Gross wages & salaries £</u>	<u>Employers' national insurance £</u>	<u>Pension contri- butions £</u>	<u>Total £</u>
Ministers	2	54,857	6,316	5,520	66,693
Team leadership	1	9,333	884		10,217
Families, children's & youth workers	2	38,994	2,003	1,548	42,545
Administration	4	33,817	2,968	514	37,299
Caretaker	1	6,498	43		6,541
	<u>10</u>	<u>£143,499</u>	<u>£12,214</u>	<u>£7,582</u>	<u>163,295</u>
Less: Employer's NIC allowance					(4,000)
Furlough recoveries					(2,368)
					<u>£156,927</u>

Year ended 31 December 2019

	<u>No. of staff</u>	<u>Gross wages & salaries £</u>	<u>Employers' national insurance £</u>	<u>Pension contri- butions £</u>	<u>Total £</u>
Ministers	3	69,794	7,537	7,340	84,671
Families, children's & youth workers	3	39,163	2,819	1,428	43,410
Administration	3	31,213	1,903	653	33,769
Caretaker	1	3,209	32		3,241
	<u>10</u>	<u>£143,379</u>	<u>£12,291</u>	<u>£9,421</u>	<u>165,091</u>
Less: Employer's NIC allowance					(3,000)
					<u>£162,091</u>

The average number of full-time equivalent staff is 5.7 (2019: 5.6). No employee received emoluments (excluding employer pension costs) exceeding £60,000 p.a.

NOTE 23 - TRANSFERS BETWEEN FUNDS

As explained in Note 3(d), the transfer in the year ended 31 December 2019 between the restricted building fund and the unrestricted general fund of £3,038,358 made on 1 September 2019 represents the total resources expended on the construction and delivery of the South building since the Build Project began.

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NOTE 24 - ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year ended 31 December 2020

	<u>Fixed assets £</u>	<u>Net curr- ent assets £</u>	<u>Other liabilities £</u>	<u>Net assets £</u>
Unrestricted funds:				
General fund	182,194	215,309	(39,665)	357,838
Designated funds:				
Functional freehold properties	5,300,433		(1,900,000)	3,400,433
Investment property	420,000			420,000
Other		350		350
	<u>5,902,627</u>	<u>215,659</u>	<u>(1,939,665)</u>	<u>4,178,621</u>
Restricted income fund:				
Waypoint Hub		18,921		18,921
FUNDS AT 31 DECEMBER 2020	<u><u>£5,902,627</u></u>	<u><u>£234,580</u></u>	<u><u>£(1,939,665)</u></u>	<u><u>£4,197,542</u></u>

Year ended 31 December 2019

Unrestricted funds:				
General fund	168,461	28,165	(49,501)	147,125
Designated funds:				
Functional freehold properties	5,237,893		(1,700,000)	3,537,893
Investment property	420,000			420,000
Other		350		350
	<u>£5,826,354</u>	<u>£ 28,515</u>	<u>£(1,749,501)</u>	<u>£4,105,368</u>
FUNDS AT 31 DECEMBER 2019	<u><u>£5,826,354</u></u>	<u><u>£ 28,515</u></u>	<u><u>£(1,749,501)</u></u>	<u><u>£4,105,368</u></u>

NOTE 25 - RELATED PARTY TRANSACTIONS

Certain individuals connected with Church trustees received reward for services or reimbursement of expenses from the Church during the year as follows:

<u>Name of related party</u>	<u>Nature of relationship</u>	<u>Nature of services provided</u>	<u>2020 £</u>	<u>2019 £</u>
Mr C Snook*	Church trustee	Mission support	500	1,000
Miss I Madavan	Relative of Church trustee	Website design and development fees	70	635
Miss I Madavan	Relative of Church trustee	Mission support		80
Mrs C Madavan	Relative of Church trustee	Preaching fees		100
Miss J McNulty	Relative of Church trustee	Mission support		500

* Paid to Reality Outreach Ministries International of which C Snook is Drama Director.

No expenditure was incurred on leadership and training days in the year (2019: £50).

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NOTE 26 - TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

As permitted by the Church's governing document, certain trustees and persons connected with them received remuneration, benefits and reimbursement of expenses for employment services rendered in the year as follows:

Year ended 31 December 2020

	<u>Total</u> £	<u>Gross</u> <u>salary</u> £	<u>Accomm-</u> <u>odation</u> £	<u>Pension</u> £	<u>Payments/</u> <u>expenses</u> £
M Madavan	49,189	31,715	13,320	4,067	87
J Privett	35,107	23,142	10,513	1,452	
K Foster (joined 1/9/20)	9,379	9,333		46	
C Johnson	31,174	29,690		1,484	
P Griffiths	23,778	23,264		514	
S Sawyers (resigned 31/12/20)	9,304	9,304			
	<u>£157,931</u>	<u>£126,448</u>	<u>£23,833</u>	<u>£7,563</u>	<u>£ 87</u>

Year ended 31 December 2019

M Madavan	45,561	28,623	13,397	3,541	
C Madavan	1,582	1,582			
T Hancock (resigned 30/9/19)	31,910	18,919	10,391*	2,346	254
J Privett	34,084	22,252	10,380	1,452	
C Johnson	29,705	28,277		1,428	
P Griffiths	23,023	22,369		654	
S Sawyers	9,304	9,304			
	<u>£175,169</u>	<u>£131,326</u>	<u>£34,168</u>	<u>£9,421</u>	<u>£254</u>

* Included £8,100 estimated rental value for the occupation of a Church manse.

NOTE 27 - REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees listed in Note 26 above include all the key management personnel. The total employee benefits received by them including employer's national insurance amounted to £170,025 (2019: £187,428).

NOTE 28 - TRUSTEE DONATIONS

The total donations received from Trustees including persons connected with them amounted to £51,780 (2019: £74,173). None of these donations attached conditions that would or might require the Church to significantly change the nature of its existing activities.

NOTE 29 - PENSION OBLIGATIONS

The Church is an employer participating in the Defined Benefits (DB) section of The Baptist Pension Scheme (the Scheme) which is administered by its pension trustee, Baptist Pension Trust Limited. The Scheme is a separate legal entity and its assets are held separately from those of the Church and the other participating employers.

Since it is not possible to attribute the Scheme's assets and liabilities to specific employers, it is treated as a multi-employer scheme as described in FRS 102 section 28.11A. As a consequence, the contributions are accounted for as if the Scheme were a Defined Contribution (DC) scheme where the contributions payable for benefits and expenses accruing in a year are charged to that year's SOFA together with the impact of "deficit recovery contributions" (see below).

The Scheme was closed to future DB accrual on 31 December 2011. From January 2012, pension provision is being made through the DC section within the Scheme. The main benefit for pre-2012 service was a DB pension of one-eightieth of final Minimum Pensionable Income (MPI) for each year of pensionable service.

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NOTE 29 – PENSION OBLIGATIONS (continued)

In addition to the contributions paid under the DC Plan, since the DB Plan reveals a deficit, the Scheme Trustee and BUGB agree a rate of deficit recovery contributions from the participants in the DB Plan. The Church and other employers supporting the DB Plan are collectively responsible for funding this deficit until the Scheme's liabilities are settled in full.

A formal valuation of the DB Plan was performed at 31 December 2016 by a professionally qualified actuary using the Projected Unit method. The value of the DB Plan assets at that valuation date compared with its liabilities revealed a substantial funding deficit which was reduced by BUGB making an additional cash contribution (referred to as the 'Family Solution') into the Scheme. This reduced the overall deficiency to £78m, or 31% of total scheme liabilities at 31 December 2018.

Under the recovery plan dated 2 April 2015, the deficit recovery contributions were estimated to be payable until 30 June 2035. As a consequence of the Family Solution the Scheme Trustee confirmed that the existing basis for deficit recovery contributions would continue (i.e. 12% of MPI for serving ministers) but advised in 2018 that the Scheme remained on track to clear the deficit by 31 December 2028.

A further actuarial valuation was carried out at 31 December 2019 and its outcome reported to the participating employers on 3 July 2020. The Scheme Trustee reported that by virtue of a number of positive developments (including the Family Solution referred to above) the estimated Plan deficit had fallen from £93m at 31 December 2016 to £18m at 31 December 2019. The principal consequence of this reduction is that the monthly deficit recovery contributions continue as previously but with the expectation that these might cease in June 2026, some two and a half years earlier than was predicted at 31 December 2018.

The Scheme Trustee has also confirmed that in setting this expectation, since the DB Plan's actual financial position moves daily with changes in the financial market conditions, an allowance of £10m has been made for the possible deterioration of asset values because of the current uncertain financial climate created by Covid-19.

The next triennial actuarial valuation is to be carried out at 31 December 2022.

The pension contributions paid by the Church in the year are:

	<u>2020</u>	<u>2019</u>
	£	£
DCs paid and payable in respect of the year	7,550	9,192
PV of DB deficit recovery contributions paid in the year	5,870	7,658
	<u>£13,420</u>	<u>£16,850</u>

As permitted by FRS 102, the DB Plan is being accounted for as if it were a DC Plan but since it has entered into an agreement as to how the deficit will be funded, the Church recognised effective 1 January 2014 the present value (PV) of the liability for its share of the deficit contributions originally determined. Further guidance concerning the funding deficiency was provided by the Scheme actuary during 2020 including assumptions concerning increases in the MPI of the employee concerned and the discount rate to be applied for PV calculations.

On the basis of these assumptions, the notification of the Family Solution in 2018 and the other positive developments since, the Church recomputed its DB Plan liabilities and made adjustments to the DB liability at 31 December 2019. The movements in the DB liability for the current and previous financial years are:

WAYPOINT
(a charitable incorporated organisation)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

NOTE 29 – PENSION OBLIGATIONS (continued)

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Balance at 1 January,	50,088	79,660
Reduction in liability based on information notified by Scheme actuary	-	(23,435)
Deficiency contributions payable for year	(5,948)	(7,658)
Implicit annual finance cost in PV calculations	1,383	1,521
	<u>£45,523</u>	<u>£50,088</u>
Liability for pension deficit at 31 December,		

NOTE 30 – CAPITAL COMMITMENTS

The total contractual commitments in connection with the construction of the South Building not provided for at 31 December 2020 amounted to £nil (2019: £97,000).

NOTE 31 – GOING CONCERN

The Church constructed a building on land adjacent to the existing Church premises and arranged a 25-year commercial loan facility of £1.9m as part of the funding arrangements, secured as described at the foot of Note 10. Draw-down of this facility commenced in February 2019 and was drawn down in full by May 2020. The loan repayments (interest only until February 2021) are considered to be affordable because many individual Church members have made non-binding pledges that, in total, meet the expected monthly repayments. The lender, CAF Bank, has accepted these pledges in making its own decision to grant the facility. Further, in accordance with section 124(2) of the Charities Act 2011, the Trustees obtained and considered appropriate written advice from an independent consultant on the Church's means to repay. However, the Trustees accept that:

- since members are not contractually committed to honouring these pledges; and
- changes in demographics, personal circumstances and other factors

could objectively render the continuing receipt of these pledges uncertain. It is also possible that future increases in interest rates could make repayments less affordable. These uncertainties have been exacerbated by the Covid-19 pandemic where the potential damage to the economy and the personal incomes of the Church congregation in the longer term cannot be evaluated at this time. In turn, a combination of these factors could result in the Church being unable to meet its liabilities as they fall due.

Notwithstanding these objective uncertainties, the Trustees have noted that the trend of income from tithes and offerings so far in 2021 has been at a similar level to 2020. The Trustees believe that this trend provides reasonable assurance that the Church will be able to meet its commitments as a going concern in the foreseeable future and certainly for a period of at least twelve months from the date of issue of these financial statements.

