

Charity registration number 1169192

**LEIGH ROAD BAPTIST CHURCH**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# LEIGH ROAD BAPTIST CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Revd A Cowley  
Mr G Thorne  
Mrs C Bell  
Mrs S Flack  
Mr D Jago  
Mr T Taylor

**Charity number**

1169192

**Independent examiner**

Francis James & Partners LLP  
1386 London Road  
Leigh on Sea  
Essex  
England  
SS9 2UJ

**Bankers**

HSBC  
Southend on Sea  
Essex  
SS1 1TJ

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129 Broadway  
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OX11 8RT

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# **LEIGH ROAD BAPTIST CHURCH**

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# LEIGH ROAD BAPTIST CHURCH

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Objectives and activities

The Approved Governing Document states that the principal purpose of the charity is 'the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the UK and the world as the Church shall determine'.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

#### Achievements and performance

The Covid 19 pandemic greatly impacted regular Church activities throughout 2021 especially as restrictions fluctuated throughout the year. We have been as flexible as possible and continued to serve the community. Below are some of the ways LRBC has sought to achieve its purpose during 2021:

- Regular public gatherings of Christian worship continued online via You Tube and Facebook and, as restrictions lifted, on-site gatherings resumed.
- We are currently running a hybrid of on-site services. A 9:00am reflective morning gathering and a 10:30am gathering which is live-streamed.
- As gatherings started to meet on-site, the weekly Families Zoom event closed and families were encouraged to come to Junior Church on-site. In October 2021 a Children-Families Worker was appointed. Part of the role entails leading the amazing team that were already running activities on a Sunday for ages 0-11 years.
- To encourage the fellowship aspect of being a Church family, a Sunday Zoom Coffee Room was established after the 10:30am gathering for people to catch up and share, and on occasion when restrictions allowed coffee was served on-site.
- The Church has partnered with LICC (The London Institute for Contemporary Christianity) to be the host of a local 'Learning Hub'. The concept of the Learning Hub is to encourage Gods people to live confident and fruitful lives for Jesus out in the world. In June there was a session on 'Sharing your Faith on the Frontline' on a Saturday morning via Zoom.
- The majority of small groups, have continued meeting via Zoom, often using questions based around the Sunday gathering to aid discussion and to grow in faith and discipleship. Small groups have been creative and also worked within the government guidelines, meeting outside or doing walks to support and encourage one another's wellbeing.
- The Space youth group (14-18-year-olds) came to an end in July when the group members started university or college.
- Unfortunately, the Community Hub, now renamed 'The Living Room' was closed for a large part of 2021 due to Covid restrictions. However, groups did start to return later in the year including Craft Group, Shared Reading and the Global Community Saturday monthly event.
- 'Life and Soul @ Home' ran an online course during the winter engaging via the chat function on You Tube.
- LRBC pre-school is proud to have stayed open throughout 2021 as a safe place for children to have fun and to develop. The current Ofsted grading is 'Good'. The preschool staff and site team have worked tirelessly to ensure the premises is as safe as possible.
- Throughout the pandemic we have continued to open the Church as a 'Food Bank' collection point. Several Church members have mobilised their streets to donate goods and have even volunteered to collect goods from doorsteps at specific times and transport them to LRBC
- Monetary donations have also been given to local charities who support the vulnerable.
- We were able to support SAVS and Southend Borough Council with volunteers to shop and deliver food for those isolating or shielding during lockdown.
- LRBC is a partner church of Southend Christian Against Poverty Debt Advice Centre (SCDAC), offering financial support, a Debt coach and Charity trustee. The debt service has continued during the pandemic switching from a face-to-face service to a phone service and more recently using local Church premises as a safe space to meet with clients struggling with paperwork.
- Unfortunately, there was no Plant Fayre in May 2021, however the Christmas fayre took on a new look, rebranded as 'Christmas Eco Fayre' combining fundraising, community and awareness of Green issues.
- On the international stage, we continued to support overseas mission and aid organisations such as Tek Ura in Albania and the Baptist Missionary Society

# **LEIGH ROAD BAPTIST CHURCH**

## **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **2022 Priorities**

As we journey into 2022 our objectives are to:

- Open our premises to church and community activities in a safe and secure manner as the Covid restrictions are relaxed and withdrawn
- Continue to explore new Ministry opportunities within the 191 Leigh Road premises, responding to community needs and ideas. The key areas identified by the community are mental health and wellbeing together with environmental concerns and issues. So we aim to further develop our Global Community Saturdays and to provide a safe and relaxed space designed to promote emotional wellbeing.
- Investigate how the addition of a Parish Nurse to our ministry team would support those who are struggling physically and provide suitable care and attention. The Housing Association will provide the funds to support any appointment.
- Develop an ongoing relationship with the London Institute for Contemporary Christianity (LICC) to encourage greater focus by the church family on bringing God's love into the conversations and situations they face each day.
- Consider how the Church expresses its Deeper, Closer, Wider vision and aspirations to our members and the wider community in a 'Covid' and 'Post- Covid' environment
- Investigate our requirements and the skills needed to appoint a Youth Worker to build a team and our work with teenagers and young people in the local area
- Continue to review income and expenditure, both short and long term, to ensure that the CIO can fulfil its objectives
- Review and develop options for repair or re-development of the Leigh Road frontage, particularly in respect of 195 Leigh Road which is in need of substantial repair
- Plan social activities and a Church Weekend at home in 2022 to further build our church community
- Streamline and simplify governance and decision-making to help deliver aims and objectives in key areas of church life
- Continue to explore creative and innovative ways to engage with people on-site and online.

# LEIGH ROAD BAPTIST CHURCH

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### Financial review

#### Donations

The Church has multiple income streams for its general unrestricted fund. The majority of funds continues to be raised from within its own membership and congregation. The restrictions of Covid, preventing the Church from meeting on the premises, has impacted cash donations and hence the reduced claim from the Gift Aid Small Donation Scheme. Other avenues for giving have been opened including online giving via 'give.net.' and text giving via 'Donate'. A legacy of £9,931 was received and £9,088 from matching funding, both bolstering the general giving.

#### Commercial letting

The break clause with Notting Hill Genesis was actioned ending the rental for flats 191a and 193a in August. Both flats were subsequently let at market rate from November.

The commercial let of 193-195 Leigh Road has been having on-going issues that can only be remedied with major structural repairs. As a temporary measure an act of goodwill the fourth months' rent would be waived on a rolling basis until a solution can be found.

A new short-term lease was signed for the Marguerite Drive manse starting in November for £1,300 per month.

PHAB Café signed a 3-year lease for 189 Leigh Road in November 2020, splitting the rateable value of the shop between the two charities. No rent was received from PHAB up to March 2021 due to the rent-free period in the lease, following which 50% of rent was agreed as a means of sharing the burden of forced closure until lockdown restrictions were fully lifted in June 2021.

All other commercial properties, 189A flat and the Warehouse continued as planned.

#### Community lettings

Rental of the community rooms started to increase again in 2021 however they did not reach full capacity and often events were cancelled due to changes in Covid restrictions at short notice. The reduction in rentals led to the site management team continuing to be furloughed up to September on a reducing scale. The Church has claimed £8,914 through the Job Retention Scheme, using flexible furlough.

The Community Hub which operates out of 189-191 Leigh Road opened its doors again to groups in October 2021. As the premises attracts business rate the retail covid grant was awarded for £3,000.

#### Preschool

The principle funding received by Preschool is from Southend Borough Council, who fund all children from 3 to 4 years old for 15 hours. Additional funding is available for certain children. In total there are approximately 50 children attending various sessions. Fully open through 2021, they have worked hard to ensure they can continue to provide a quality service, being one of the only preschools in the Southend area that committed to re-opening. This was recognised and greatly appreciated by Southend Early Years. The additional cost and lower income resulting from Covid have depleted the reserves held within the Pre-school account. The Trustees are aware of the situation and are carefully monitoring. Pre-school is reintroducing fundraising events for 2022.

#### Church groups

The sub-groups of the Church are self-funding and receive their income in a variety of ways but mainly through subscriptions or donations. Based on the group's activities, some have stayed open throughout 2021 others only opening from late summer.

The tennis club remained open throughout 2021 with the relevant Covid restrictions in place. The club has completed the refurbishment of the club house, coloured the courts and replaced the fencing and gate. Whilst open the club has been an oasis for people to keep fit during the pandemic. The Tennis club has benefited from being a rateable premises, receiving £8,097 from Southend Borough Council in Business rate grants. They successfully secured a grant of £5,000 from Essex & Southend Sports Trust and £1,050 from Active Essex. They continue to investigate installing flood lights and securing funding for this project.

Friday Night café, Night Shelter, Football club and Coffee club all remained closed in 2021.

#### Housing Association

The Housing Association balance of funds is £278,939. This fund is managed by two Trustees and two church members who are not trustees. This group has the responsibility for investing and using these funds for the furtherance and care of the elderly both within and outside of the church community. The group is also responsible to provide a report to the Church Members Meeting at least annually. The fund currently supports 73% of one paid part-time staff member for a total of 11.5 hours per week plus their expenses.

#### Other information

It was agreed with The Baptist Union (BU) that Rev Steve Tinning would be Seconded to them for 50% of his time from April 2020 to November 2021. The Baptist Union reimburse the CIO for the proportion of employment costs. Steve joined the BU full-time in November 2021 having been with the CIO for 9 years.

The Thank offering was designated to the Youth fund to support the position of the Children and Families Worker who started in October 2021.

# LEIGH ROAD BAPTIST CHURCH

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### Reserves policy

The Trustees have established a Reserves Policy which currently means maintaining a General fund of around £65,000 which represents approximately three months salaries and operating costs for the CIO excluding Preschool. A target reserve of £20,000 for the restricted Preschool fund is the aim once children numbers increase to post pandemic levels. The multiple income streams that the CIO has, gives some security of cashflow. This, along with the high asset level, has shown that a lower level of reserves could be considered. This is part of a formal ongoing review of the reserve's requirement. The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

### Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:

Revd A Cowley	
Revd S Tinning	(Resigned 30 November 2021)
Mrs K Kerridge	(Resigned 16 June 2022)
Mr G Thorne	
Mrs C Bell	
Mr M Eady	(Resigned 14 January 2022)
Mrs S Flack	
Mr F Forrai	(Resigned 16 June 2022)
Mr D Jago	
Mr S Monument	(Resigned 16 June 2022)
Mr D Pain	(Resigned 16 June 2022)
Mr T Taylor	

Revd A Cowley - Team Leader  
Revd S Tinning - Associate Minister - Resigned November 2021  
Mrs K Kerridge - Secretary - Resigned June 2022  
Mr G Thorne - Treasurer

### Organisational structure

The charity became a Charitable Incorporated Organisation (CIO) with effect from 1 January 2017.

The Charity is controlled by its Constitution.

The church occupies premises which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the church's charitable purpose.

The church meeting is the governing body. Members are accepted on public profession of faith in Jesus Christ. Normally 6 members meetings are held each year. The constitution permits decisions to be made at Church meetings by appropriate majorities.


Members elect trustees in elections each May. Due to the pandemic the Leadership elections in 2020 were held in November, therefore no elections were held in 2021, returning to the regular May elections in 2022. The trustees are responsible for the day to day running of the church's work and witness and the financial and legal aspects of the charity. Trustees have their role explained to them by existing trustees, are provided with relevant documentation and guidance from the Charity Commission and BU and attend formal training.

The trustees review and update a Risk Register annually to identify and address the risks to which the charity is exposed.

**LEIGH ROAD BAPTIST CHURCH**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees' report was approved by the Board of Trustees.

A handwritten signature in black ink, appearing to be 'G Thorne', written over a horizontal line.

Mr G Thorne  
Trustee

5 September 2022



# LEIGH ROAD BAPTIST CHURCH

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF LEIGH ROAD BAPTIST CHURCH

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I report to the trustees on my examination of the financial statements of Leigh Road Baptist Church (the Charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



**Francis James & Partners LLP**

1386 London Road  
Leigh on Sea  
Essex  
SS9 2UJ  
England

Dated: 5 September 2022

# LEIGH ROAD BAPTIST CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	191,833	26,397	218,230	216,146	45,935	262,081
Charitable activities	4	21,668	99,871	121,539	10,619	96,832	107,451
Investments	5	60,853	2,713	63,566	55,124	3,370	58,494
Other income	6	31,400	985	32,385	27,838	5,250	33,088
<b>Total income</b>		<b>305,754</b>	<b>129,966</b>	<b>435,720</b>	<b>309,727</b>	<b>151,387</b>	<b>461,114</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	7	271,329	149,748	421,077	266,651	143,629	410,280
Other	10	1,840	-	1,840	-	-	-
<b>Total expenditure</b>		<b>273,169</b>	<b>149,748</b>	<b>422,917</b>	<b>266,651</b>	<b>143,629</b>	<b>410,280</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>32,585</b>	<b>(19,782)</b>	<b>12,803</b>	<b>43,076</b>	<b>7,758</b>	<b>50,834</b>
Gross transfers between funds		439	(439)	-	205	(205)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>33,024</b>	<b>(20,221)</b>	<b>12,803</b>	<b>43,281</b>	<b>7,553</b>	<b>50,834</b>
Fund balances at 1 January 2021		2,839,418	338,103	3,177,521	2,796,137	330,550	3,126,687
<b>Fund balances at 31 December 2021</b>		<b>2,872,442</b>	<b>317,882</b>	<b>3,190,324</b>	<b>2,839,418</b>	<b>338,103</b>	<b>3,177,521</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# LEIGH ROAD BAPTIST CHURCH

## BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		2,684,866		2,686,995
<b>Current assets</b>					
Debtors	12	26,238		24,266	
Cash at bank and in hand		510,847		504,876	
		<u>537,085</u>		<u>529,142</u>	
<b>Creditors: amounts falling due within one year</b>	15	(6,827)		(8,259)	
Net current assets			530,258		520,883
<b>Total assets less current liabilities</b>			3,215,124		3,207,878
<b>Provisions for liabilities</b>			(24,800)		(30,357)
<b>Net assets</b>			<u>3,190,324</u>		<u>3,177,521</u>
<b>Income funds</b>					
Restricted funds			317,882		338,103
Unrestricted funds			2,872,442		2,839,418
			<u>3,190,324</u>		<u>3,177,521</u>

The financial statements were approved by the Trustees on 5 September 2022



Mr G Thorne  
Trustee

**LEIGH ROAD BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**Charity information**

Leigh Road Baptist Church is a charity.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

**1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	none
Plant and equipment	25% on reducing balance
Fixtures and fittings	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

#### 1.8 Retirement benefits

##### Background to the disclosure

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

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

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

The ministers are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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

##### Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 70%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

Type of financial assumption	%pa
RPM price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable income increases (CPI plus 0.75% pa)	3.20

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

Assumed investment returns	
- Pre - retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females.

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

#### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

#### Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date ( year ending):	31/12/21	31/12/20
Balance sheet liability at year start	£30,357	£ 49,441
Minus deficiency contributions paid	£(5,303)	£(3,909)
Interest cost ( recognised in SoFA)	£ 111	£ 807
Remaining change to balance sheet liability* ( recognised in SoFA)	£(365)	£(15,983)
Balance sheet liability at year end	£24,800	£30,357

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

\* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31/12/21	31/12/20	31/12/19
Discount rate	2.0%	0.4%	1.7%
Future increases to minimum pensionable income	4.1%	3.0%	3.2%

### 1.9 Provision for Liabilities

The trustees have made a provision of £24,800 (2020: £30,357) to cover the pension scheme deficit which is fully explained in note 5 of the financial statements and recognised in the SOFA under pension provision.

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	115,935	7,024	122,959	110,399	2,289	112,688
Legacies receivable	9,931	-	9,931	29,376	29,376	58,752
Grants	3,000	15,572	18,572	25,000	11,897	36,897
Income tax recovered and non gift aid collections	58,088	3,180	61,268	48,969	1,245	50,214
Other donations and fundraising events	4,879	621	5,500	2,402	1,128	3,530
	<u>191,833</u>	<u>26,397</u>	<u>218,230</u>	<u>216,146</u>	<u>45,935</u>	<u>262,081</u>



# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Charitable activities

	Charitable Income 2021 £	Charitable Income 2020 £
Lettings - stables managed	21,133	9,442
Other donations	13,539	9,696
Pre-school	86,826	87,993
Ecofund	41	320
	<u>121,539</u>	<u>107,451</u>
Analysis by fund		
Unrestricted funds	21,668	10,619
Restricted funds	99,871	96,832
	<u>121,539</u>	<u>107,451</u>

### 5 Investments

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Interest receivable and lettings - non stables	<u>60,853</u>	<u>2,713</u>	<u>63,566</u>	<u>55,124</u>	<u>3,370</u>	<u>58,494</u>

### 6 Other income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Other income	<u>31,400</u>	<u>985</u>	<u>32,385</u>	<u>27,838</u>	<u>5,250</u>	<u>33,088</u>

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Charitable activities

	Charitable activities	Management	Total	Charitable activities	Management	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Staff costs	163,046	-	163,046	150,020	-	150,020
Depreciation and impairment	288	-	288	998	-	998
Cleaning and Maintenance - Insurance	10,971	11,939	22,910	10,615	8,428	19,043
Buildings and equipment - Services	38,774	20,551	59,325	40,654	18,141	58,795
Food and drink - Telephone and internet	974	3,899	4,873	959	4,690	5,649
Music and multi-media - Postage and stationary	1,794	344	2,138	1,070	822	1,892
Organ and piano tuning - Photocopying	518	2,353	2,871	1,572	2,583	4,155
Youth - Publicity/ printing	866	668	1,534	143	913	1,056
Speakers - Books, visual aids etc	722	148	870	295	131	426
Evangelism and discipline - Subscriptions/ licences	1,044	1,123	2,167	1,370	1,086	2,456
PA - Staff expenses	-	1,782	1,782	808	987	1,795
Events at LRBC - Information technology	4,061	4,063	8,124	1,008	15,015	16,023
Support other - Legal and professional	-	9,729	9,729	1,489	11,659	13,148
Support organisations - Bank charges	27,703	93	27,796	28,654	77	28,731
Support individuals	7,233	-	7,233	7,085	-	7,085
Conferences / courses	979	-	979	966	-	966
Other funds	5,999	-	5,999	2,063	-	2,063
Pre-school wages	99,413	-	99,413	95,979	-	95,979
	<u>364,385</u>	<u>56,692</u>	<u>421,077</u>	<u>345,748</u>	<u>64,532</u>	<u>410,280</u>
	<u>364,385</u>	<u>56,692</u>	<u>421,077</u>	<u>345,748</u>	<u>64,532</u>	<u>410,280</u>
<b>Analysis by fund</b>						
Unrestricted funds	218,000	53,329	271,329	206,123	60,528	266,651
Restricted funds	146,385	3,363	149,748	139,625	4,004	143,629
	<u>364,385</u>	<u>56,692</u>	<u>421,077</u>	<u>345,748</u>	<u>64,532</u>	<u>410,280</u>

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Trustees

The Ministers who are trustees received remuneration (gross salary plus employer pension contributions) of £67,636 (2020: £71,337).

#### Trustees' expenses

Trustee expenses reimbursed £5,984 (2020: £2,781).

Related party expenses reimbursed £2,284 (2020: £1,339).

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Church	11	10
Preschool	9	9
Total	20	19

Employment costs	2021 £	2020 £
Wages and salaries	168,603	169,104
Other pension costs	(5,557)	(19,084)
	163,046	150,020

The Team Leader and Associate Minister is employed full time. The Association Minister resigned 7<sup>th</sup> November 2021. Families and Children worker started in November 2021.

The Pastoral Coordinator worked 16 hours per week, 73% of this role is supported by the Housing Association fund.

The Creative / Community Worker comprises of one employee working 15 hours per week.

The administrative and finance support is covered by three employees working an average of 47.5 hours per week.

The Site supervision is split between two employees working shifts totalling 57.5 hours on average per week plus overtime to cover additional booking requests is granted when needed.

Site staff have been on flexible furlough up to September 2021.

Pre-School employs staff on term time contracts. 1 Manager, 1 Room leader, 1 Deputy and 7 practioners. All staff are part time. Pre-School wages £99,413 (2020 : £95,979).

There were no employees whose annual remuneration was more than £60,000.

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 10 Other

	Unrestricted funds	Total
	2021	2020
	£	£
Net loss on disposal of tangible fixed assets	1,840	-
	<u>1,840</u>	<u>-</u>

#### 11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2021	2,684,000	11,977	49,129	2,745,106
Disposals	-	(8,453)	(3,718)	(12,171)
	<u>2,684,000</u>	<u>3,524</u>	<u>45,411</u>	<u>2,732,935</u>
At 31 December 2021				
<b>Depreciation and impairment</b>				
At 1 January 2021	-	10,268	47,844	58,112
Depreciation charged in the year	-	99	189	288
Eliminated in respect of disposals	-	(7,141)	(3,190)	(10,331)
	<u>-</u>	<u>3,226</u>	<u>44,843</u>	<u>48,069</u>
At 31 December 2021				
<b>Carrying amount</b>				
At 31 December 2021	<u>2,684,000</u>	<u>298</u>	<u>568</u>	<u>2,684,866</u>
At 31 December 2020	<u>2,684,000</u>	<u>1,709</u>	<u>1,286</u>	<u>2,686,995</u>

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 Tangible fixed assets

(Continued)

The freehold properties were valued in 2016. The trustees are of the opinion that the cost of a re-valuation is not required because there are no plans to realise the assets.

When conducting the review of the assets it was decided by the Trustees that it would be inappropriate to value the Church buildings as the placing of a monetary value upon such an asset is virtually impossible. The Church excluding the Stables and let properties is currently insured for the sum of £5,700,774 (2020: £5,312,893), however if the site were to be sold then it would only realise its development value. The Trustees have therefore decided that it is more important for each member of the Church to place their own value upon their Church rather than estimate a monetary value.

This Freehold Property has been revalued at:

The Stables *	195,000
Oasis Coffee House (Alpha Centre)*	315,000
Manse, 29 Marguerite Drive	337,000
Manse, 19 Parkside	650,000
Tennis courts (at valuation) *	12,000
193-195 Leigh Road *	345,000
Flats 191a and 193 *	330,000
Warehouse - Chalkwell Park Drive *	300,000
Flat 189a Leigh Road *	<u>200,000</u>
	<u>2,684,000</u>

\* These properties were revalued by Hair and Son Estate agents in June 2016

29 Marguerite Drive was revalued in accordance with valuation guides from Rightmove in May 2016.

19 Parkside was revalued by Hair and Son estate agents in March 2016.

### 12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	<u>26,238</u>	<u>24,266</u>

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 13 Movement in funds

	At 01/01/2021 £	Net movement in funds £	Transfers between funds £	At 31/12/2021 £
<b>Unrestricted funds</b>				
General fund	2,833,521	17,201	300	2,851,022
Thank offering	1,999	4,726	-	6,725
Oasis	-	-	-	-
Eco-fund	938	(65)	-	873
Youth fund – designated	2,960	10,416	139	13,515
Living room 191	-	307	-	307
	2,839,418	32,585	439	2,872,442
<b>Restricted funds</b>				
Football	57	82	(139)	-
Women fellowship	527	(57)	(50)	420
Links	553	107	(150)	510
LRBC toddlers	1,205	(345)	(100)	760
Energise	554	-	-	554
Tennis club	29,596	(3,467)	-	26,129
Pre-school	16,150	(14,659)	-	1,491
LRBC Housing & Welfare association	284,024	(5,085)	-	278,939
Coffee club	96	4	-	100
Churches together in leigh	1,992	-	-	1,992
Sundry one-off items	1,352	5,153	-	6,505
Suspended meals	681	(200)	-	481
Night shelter	1,316	(1,315)	-	1
	338,103	(19,782)	(439)	317,882
<b>Total funds</b>	<b>3,177,521</b>	<b>12,803</b>	<b>-</b>	<b>3,190,324</b>

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 Movement in funds

	Incoming Resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	285,941	268,740	17,201
Thank offering	5,490	764	4,726
Eco-fund	41	106	(65)
Youth fund – designated	13,975	3,559	10,416
Living room 191	307	-	307
	305,754	273,169	32,585
<b>Restricted funds</b>			
Football	82	-	82
Women fellowship	521	578	(57)
Links	201	94	107
LRBC toddlers	459	804	(345)
Tennis club	28,574	32,041	(3,467)
Pre-school	87,392	102,051	(14,659)
LRBC Housing & Welfare association	2,711	7,796	(5,085)
Coffee club	4	-	4
Sundry one-off items	10,022	4,869	5,153
Suspended meals	-	200	(200)
Night shelter	-	1,315	(1,315)
	129,966	149,748	(19,782)
<b>Total funds</b>	<b>435,720</b>	<b>422,917</b>	<b>12,803</b>

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	6,827	8,259

# LEIGH ROAD BAPTIST CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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Provisions for liabilities	2021 £	2020 £
	24,800	30,357
Movements on provisions:		
		£
At 1 January 2021 and 31 December 2021		24,800

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### 17 Related party transactions

David Pain and Martin Eady are trustees, therefore Tanya Pain and Julie Eady (current employees) are related parties.