

Letchworth Baptist Church

Report and Accounts

Year ended 31 December 2024

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

LETCHWORTH BAPTIST CHURCH
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024

ADDRESS FOR CORRESPONDENCE	Letchworth Baptist Church West View Letchworth Garden City Hertfordshire SG6 3QJ
GOVERNING DOCUMENT	CIO - Association registered June 2017 as amended December 2021
CHARITY REGISTRATION NUMBER	1173298
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	David Chan <i>Pastor</i> Michael Cornell Mike Waddell <i>Secretary & Treasurer</i> Steve Whittall
CHURCH ASSOCIATIONS	Fellowship of Independent Evangelical Churches (FIEC)
BANKERS	HSBC Bank plc Epworth Investment Management Limited
FINANCIAL ADVISORS	Yoke & Co
SOLICITORS	Edward Connor Solicitor
INDEPENDENT EXAMINER	Jaimée Young Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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LETCHWORTH BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT

1st January 2024 to 31st December 2024

The Trustees present their annual report and the financial statements for the year ended 31 December 2024. The accounts employ the cash-based receipts and payments method and comply with Charity Commission guidance CC16.

1 Structure, Governance and Management

Governing documents

The governing documents are:

- Letchworth Baptist Church Constitution, November 2021
- Letchworth Baptist Church Rules, June 2024.

Constitution

Letchworth Baptist Church was registered by the Charity Commission on 6th June 2017 as a Charitable Incorporated Organisation.

Recruitment and appointment of trustees

Trustees are appointed and recruited in accordance with the procedures set out in the governing documents.

Governance and Management

The Trustees have overall responsibility for ensuring that the church fulfils its charitable objectives in a manner that is compliant with the provision of the Constitution and Church Rules, especially the Basis of Faith.

In accordance with the powers set out in the Constitution a Standing Order has been established by which the Trustees delegate the day-to-day management affairs of the Church to the body of Elders. They are supported by deacons who are appointed by the elders and have been assigned specific responsibilities for administrative, ministry or operational functions.

The Elders, who include the pastors, serve as Trustees and generally hold monthly meetings to oversee church operations, review financial matters, and manage the church's affairs. Additionally, they usually gather once a month for prayer.

Church members' business meetings have been conducted both in-person and via Zoom.

2 Objectives and Activities

Charitable Purposes

The purposes of the Church are:

1. The advancement of the Christian faith in accordance with the basis of faith primarily but not exclusively within Letchworth Garden City, Hertfordshire and the surrounding neighbourhood; and
2. Such other charitable purposes as shall, in the opinion of the members of the church in general meeting, put into practice the Christian faith in accordance with the Basis of Faith, including but not limited to: the prevention and relief of need, hardship and sickness and the advancement of education.

Summary of activities

The Church seeks to fulfil public benefit regarding the advancement of the Christian faith in the following ways.

- Promoting and developing spiritual awareness
- Encouraging spiritual and emotional growth
- Encouraging fellowship
- Providing Bible teaching consistent with the Basis of Faith
- Providing opportunities for public worship and prayer
- Supporting Christian missionary and community work consistent with the Church's charitable purposes and ethos, both in the UK and overseas.
- Supporting the local community in a manner consistent with the charitable purposes of the church.

These are generally achieved through a combination of Sunday services, midweek meetings and other activities for adults and children throughout the year.

As a general principle, meetings are open to the public and visitors are warmly welcomed. Communion services are held regularly and participation is open to all who profess faith in the Lord Jesus Christ.

Activities are advertised on the Church web site, via a church WhatsApp group, the noticeboard and by word of mouth. Seasonal and other special events may also be promoted by leaflet distribution.

Both spiritual and material support has also been provided by Church members for missionary and community work in the UK and overseas.

As a general principle the church is funded by donations, not charges, and no one is excluded from membership or participation in the general activities of the church on financial grounds.

All of the activities described have been conducted in accordance with the Charitable Objects and Basis of Faith set out in the governing documents.

3 Achievements and performance

In planning the activities, the Trustees have applied the guidance on public benefit issued by the Charity Commission.

The Church maintained its ministries, in order to provide public benefit, in the following ways:

- Weekly Sunday preaching, teaching and worship meetings, including communion.
- The Church comprises English and Cantonese speaking congregations. Joint English and Chinese meetings include monthly Lighthouse Breakfast services which are open to all.
- Prayer meetings and Bible Studies, in person and via Zoom, aid adherents and enquirers in developing their spiritual life and support the direction of the Church.
- Noah's Ark, a well-loved and attended pre-school toddlers play group.
- Origin8, a weekly, evening activity for young teenagers.
- The weekly afternoon "Friendship Group" for older folk has been maintained.
- In support of the community the Church facilitates the provision of a public defibrillator, hosted a Macmillan coffee morning and arranged and hosted community emergency first aid training.
- Pastoral care has been provided by various Church members on-line, via phone and in-person. This has included welcoming a number of Chinese families who, due to the change in circumstances, had chosen to leave Hong Kong for Great Britain.
- The Church website is used to advertise the church services and activities to the general public and also provide access to Bible teaching by hosting recordings of sermons and other teaching sessions.
- The Missionary Fund enabled Church members and adherents to support specific individuals engaged in Christian work in the UK and overseas, providing a similar public benefit to that of the Letchworth Baptist Church in our community.
- The Church subscribed to the Christians Against Poverty (CAP) Money Coaching programme and a team have been trained to deliver the course, which will be offered to church contacts and the broader community from spring 2025.

The Role of Volunteers

The Church's volunteers comprises both members and adherents who enable all its activities to take place.

4 Financial Review

As the Church income level is well below £250,000 it has adopted cash-based receipts and payments accounting.

General

As an overview, the Church charity received £107,300 income during the period and had outgoings totalling £278,000. There was an overall decrease in funds of £170,700. The funds carried forward are £654,900 and include restricted fund balances of £17,000.

The Church's primary income consists of gifts and "Gift Aid" contributions from members and adherents and is given either as cash offerings or via standing orders. Additional income is generated through interest earned on funds deposited with the Epworth Cash Fund for Charities.

The pastor responsible for the Chinese congregation is an Office Holder Trustee, as set out in the constitution, and is financially supported in order to fulfil his role.

The Church also supports two missionaries. The funding for this is dealt with separately from the general church accounts. A target for missionary support is set in the last Church Business Meeting of each year. Any money collected in this fund is paid out to those missionaries which the Church members, at a Church Business Meeting, have agreed to support. Occasional gifts are made to other Christian ministries.

Additionally, a 'Chinese Ministry Fund' exists to support the work of the Chinese congregation and pastor in the Church and amongst ethnic Chinese and associated communities in the United Kingdom and overseas.

A settlement agreement with the departing pastor, which included a payment-in-lieu of pension, was completed. The support provided to the pastor responsible for the Chinese congregation was reviewed and, in order to be equitable and non-discriminatory, the level of regular pension contributions was aligned with the Baptist Union pension scheme and a lump-sum pension fund contribution of £49,068 was authorised by the church members.

The funds generated by the sale of the manse in 2023 have been designated for three purposes: Pastor Support (for use when a new pastor is appointed to cover items such as accommodation or other associated costs), Evangelism, and Church property maintenance.

Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £21,000 (which equates to about 3 months of pay and operational costs once a new pastor has been appointed) so that the charity could continue to operate should income and / or expenditure vary adversely.

The Church membership is relatively small in number, and income is almost exclusively provided by the donation of members and is thus limited. Should a greater need arise, the policy is to request additional donations from Church Members, in this way additional funds can be quickly raised.

5 Risk review

As a small charity, Letchworth Baptist Church is not subject to the compulsory requirement for risk reviews. However, the Trustees maintain awareness of areas of concern.

The Trustees are conscious that the work of the church is dependent upon the financial support of members and congregation. Without this support the work would be unable to continue. Also maintaining teaching in line with Basis of Faith is important from a spiritual, theological and constitutional perspective, and hence in achieving the church's charitable purpose.

Informal risk assessments for the property and activities are carried out and, where appropriate, action is taken to monitor and mitigate identified risks.

In the year a major review of safeguarding led to updating the Church safeguarding policy and manual, which is now based on the Baptist Union Model. Thirtyone:Eight is retained as the safeguarding advisor.

The Church's GDPR/privacy policy and procedures were also reviewed and a new policy, based on the model provided by the Fellowship of Independent Evangelical Churches (FIEC) was established. The review led to the adoption of the GDPR compliant ChurchBox database which considerably eases privacy management for personal data.

6 Responsibilities of the trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE TRUSTEES

Mike Waddell
Secretary

Date:.....

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
LETCHWORTH BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Letchworth Baptist Church ('the charity') for the year ended 31 December 2024 on pages 8 to 11 following.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Jaimée Young

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date:

LETCHWORTH BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	<u>Unrestricted Funds</u>		Restricted Funds	Total 2024	Total 2023
		General Funds £	Designated Funds £			
Income receipts						
Donations		40,973	-	15,539	56,512	72,102
Gift aid receipts		10,034	-	3,714	13,748	17,268
Lettings		200	-	-	200	-
Income from charitable activities		853	-	786	1,639	2,104
Interest		32,201	-	44	32,245	3,995
Other		2,002	-	-	2,002	-
		<u>86,264</u>	<u>-</u>	<u>20,082</u>	<u>106,346</u>	<u>95,469</u>
Capital and similar receipts						
Sale of property (manse)		-	-	-	-	805,000
Loan repayments		1,000	-	-	1,000	-
		<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>805,000</u>
Total receipts		<u>87,264</u>	<u>-</u>	<u>20,082</u>	<u>107,346</u>	<u>900,469</u>
Payments						
Payments in relation to charitable activities undertaken directly	2	259,625	-	2,501	262,127	100,184
Grants paid in relation to charitable activities undertaken by others	3	370	-	14,202	14,572	16,136
		<u>259,995</u>	<u>-</u>	<u>16,703</u>	<u>276,698</u>	<u>116,320</u>
Loans made		1,300	-	-	1,300	-
		<u>1,300</u>	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>-</u>
Total payments		<u>261,295</u>	<u>-</u>	<u>16,703</u>	<u>277,998</u>	<u>116,320</u>
Net of receipts / (payments) before transfers		(174,031)	-	3,379	(170,652)	784,149
Transfers between funds	5	(582,205)	582,200	5	-	-
Net movement in funds		<u>(756,237)</u>	<u>582,200</u>	<u>3,384</u>	<u>(170,652)</u>	<u>784,149</u>
Cash funds as at last year end		803,017	-	13,578	816,595	32,446
Cash funds at this year end	A	<u>46,781</u>	<u>582,200</u>	<u>16,962</u>	<u>645,942</u>	<u>816,595</u>

The notes on pages 10-11 form part of these accounts.

LETCHWORTH BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
AS AT THE YEAR ENDED 31 DECEMBER 2024

	<u>Unrestricted Funds</u>		Restricted funds	Total 2024	Total 2023
	General funds	Designated funds			
	£	£	£	£	£
A Cash funds					
Cash at bank with immediate access	13,627	-	16,962	30,588	210,612
Notice deposits	33,154	582,200	-	615,354	605,655
Petty cash	-	-	-	-	328
	<u>46,780</u>	<u>582,200</u>	<u>16,962</u>	<u>645,942</u>	<u>816,595</u>
B Other monetary assets					
Gift aid due to charity	794	-	329	1,122	255
Other debtors	300	-	-	300	207
	<u>1,094</u>	<u>-</u>	<u>329</u>	<u>1,422</u>	<u>461</u>
C Liabilities					
Falling due within one year:					
Payments in lieu of pension	Note 6	-	-	-	137,259
PAYE and pension due		261	-	261	174
Fee for Independent Examination		1,170	-	1,170	1,320
		<u>1,431</u>	<u>-</u>	<u>1,431</u>	<u>138,753</u>
D Assets retained for charity's own use					
			Fund to which asset belongs	Value 2024	Value 2023
				£	£
<i>Church building</i>			<i>General</i>	-	-
Contents and equipment			General	66,645	59,504
				<u>66,645</u>	<u>59,504</u>

The trustees have used insurance values for contents and equipment as the trustees are unable to reliably estimate current values; insurance values may differ materially from current values.

Current values have not been quoted for the church building because reliable valuations are not available (disclosure is not mandatory).

E Guarantees and secured debts

The charity has not given any guarantees and has not provided its assets as security for any liabilities.

The accounts were approved by the trustees and signed on their behalf

by _____ date _____
Mike Waddell

The notes on pages 10-11 form part of these accounts.

LETCHWORTH BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

		<u>Unrestricted Funds</u>		Restricted Funds	Total 2024	Total 2023
		General funds	Designated funds			
		£	£	£	£	£
2 Payments in relation to charitable activities undertaken directly						
Employment costs (including mileage)	Note 4	18,011	-	-	18,011	17,469
Additional employer pension contribution	Note 6	49,068	-	-	49,068	-
Payments in lieu of pension	Note 6	137,259	-	-	137,259	30,000
Church ministries and activities		8,358	-	1,960	10,318	9,749
Church repairs, maintenance and equipment		38,784	-	542	39,326	2,121
Church utilities		3,735	-	-	3,735	2,920
Insurance		1,122	-	-	1,122	987
Manse upkeep		-	-	-	-	9,918
Legal and professional fees		1,967	-	-	1,967	26,360
Independent examination fee		1,320	-	-	1,320	660
		<u>259,625</u>	<u>-</u>	<u>2,501</u>	<u>262,127</u>	<u>100,184</u>

3 Grants paid in relation to charitable activities undertaken by others

Organisations:					
Illyrian Gospel Trust	-	-	6,326	6,326	7,552
Organisations < £1,000	-	-	1,560	1,560	831
Support of missionary	-	-	6,316	6,316	7,552
Other individuals	370	-	-	370	200
	<u>370</u>	<u>-</u>	<u>14,202</u>	<u>14,572</u>	<u>16,136</u>

4 Transactions with related parties

D Chan served as a church leader and was paid £14,890 [2022: 11,465] for serving in that capacity, not for serving as a trustee; these payments are permitted by the charity's governing document. Employer pension contributions £514 [2023: £260] - please see note 6 below regarding additional employer pension contributions.

No payments were made to trustees or persons related to them, except for reimbursement of expenses paid out on behalf of the charity.

LETCHWORTH BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5 Movement of funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
General funds	803,017	87,264	(261,295)	(582,205)	46,781
Designated funds					
Church maintenance	-	-	-	102,200	102,200
Pastor support	-	-	-	450,000	450,000
Evangelism and Community work	-	-	-	30,000	30,000
	<u>803,017</u>	<u>87,264</u>	<u>(261,295)</u>	<u>(5)</u>	<u>628,981</u>
Restricted funds					
Missionary fund	3,329	12,365	(12,642)	-	3,053
Noah's Ark	419	995	(743)	-	672
Ladies Breakfast	73	41	(84)	-	30
Chinese Ministry funds	8,355	5,175	(1,133)	(45)	12,351
Harvest	(6)	547	(591)	50	-
Refurbishment	542	-	(542)	-	-
Christmas Day	866	959	(969)	-	856
	<u>13,578</u>	<u>20,082</u>	<u>(16,703)</u>	<u>5</u>	<u>16,962</u>
Total funds	<u>816,595</u>	<u>107,346</u>	<u>(277,998)</u>	<u>-</u>	<u>645,942</u>

Designated funds

£102,000 has been set aside for church maintenance, including repair of the church roof which will be undertaken in 2025.

£450,000 has been designated for pastor support, for use when a new pastor is appointed to cover items such as accommodation and other associated costs. This fund is expected to be utilised within two years, contingent upon the successful appointment of a pastor.

£30,000 has been specifically designated to support regular evangelistic and community activities over the next few years.

Restricted funds

Missionary fund is for the purpose of raising funds to support a particular missionary/organisation supported by the church.

Noah's Ark is a parent and toddler group that is run by the church; the attendees give donations which are used to provide refreshments and renew play equipment.

The Ladies Breakfast fund is used to cover food for these meetings.

The Chinese Ministry funds are used to support projects including Ministry in China, Ministry to Chinese elsewhere in the world, support of Pastor Chan's Ministry and Central. The transfer relates to reimbursement of expenditure paid from general funds.

Harvest - This is in support of the Mill Grove Children's home.

The refurbishment fund relates to a grant provided by the Letchworth Garden City Heritage Foundation to fit an automated sliding door. The majority of the work was completed in 2022 and further funds spent in 2024.

The Christmas Day funds were paid to the recipient charities after the year end.

6 Payments in lieu of pension and other pension matters

In 2022, in consultation with charity solicitors and the Charity Commission, a settlement agreement was made with the departing pastor which included a payment-in-lieu of pension of £177,106 once the manse had been sold. In 2023 an interim, initial advance payment was made to aid the rental of a property and a tax-efficient plan was recommended by their financial advisor for the remaining amount. The remaining amount, less expenses incurred, was paid in full in 2024.

Regarding the pension for the current pastor, D Chan, after having received professional advice the unconnected trustees made a decision for the employer pension contributions to be aligned with the Baptist Union pension scheme. This resulted in a lump sum payment of £49,068 being paid to NEST pensions.