

RICKMANSWORTH BAPTIST CHURCH
Deacons' Report and Financial Statements for the year ended 31
March

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RICKMANSWORTH BAPTIST CHURCH

Deacons' Report for the year ended 31 March 2023

The trustees present their Annual Report and Financial Statements for the year ended 31 March 2023.

Reference & Administrative details

Registered Address: High Street, Rickmansworth, Herts, WD3 1EH.

Charity Registration Number: 1175867

Trustees:

The Revd G N Garland (Minister)
Mr D C Langley, Secretary
Mr K A Wall, Treasurer
Mr D C Bass, Deacon
Mrs S J Loader, Deacon (appointed 13 July 2022)
Mr T W Wright, Deacon (appointed 13 July 2022)

Property Trustees: The Baptist Union Corporation Limited Baptist House, 129 Broadway, Didcot, Oxfordshire OX11 8RT.

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

National Westminster Bank Plc, 159 High Street, Rickmansworth, Herts, WD3 1RN.

Independent Examiner:

Mrs P Kavanagh Brown FCA, Woolbeding, Sherwood Road, Tideswell, Derbyshire, SK17 8HJ.

Structure, Governance and Management

The Charity is governed by an Approved Governing Document. Members of the Church are accepted in accordance with the 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.

The members' meeting takes place three to four times per year and has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Deacons, who together with the Minister, Church Secretary and Treasurer (who are also appointed by the Members), are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church meeting by the Deacons for guidance, or may be raised by members in Church meeting for further consideration by the Deacons. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Objectives and Activities

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

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purposes in such parts of the United Kingdom and the world as the Church shall determine.

In order to achieve the principal objective, which is set out above, the Church provides a variety of activities both to its membership and to the community generally. Its premises are also extensively used by community groups. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Deacons' Report for the year ended 31 March 2023 (continued)

Objectives and Activities (continued)

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 10.30 am and monthly at 6:00 pm, and the sanctuary is open for prayer and Bible study on Wednesday mornings. There is a Sunday school for children during the morning services. The Church seeks to be a friendly and welcoming community and anybody is free to attend its services. Several new members joined the Church during the year.

There is prayer on Saturday evenings to promote the growth of faith, to pray for members, who are unable to attend, and to pray for the world. As well as the opportunity for private prayer on Wednesday mornings, there have been Bible studies and lectures at other times.

The Church hosts a Toddler Group which meets in the hall and lounge on Tuesday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ. It holds a monthly charity coffee morning and supports a local food bank. There is now a weekly coffee morning, which seeks to attract people outside the church

The Church operates systems to ensure that all people working with children and vulnerable adults are vetted in accordance with the Disclosure and Barring Service guidelines.

The Church has read the Charity Commission guidance on public benefit, and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Achievements and Performance

The Church does not only measure the success of its programmes in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Deacons recognise that these are difficult to measure, but believe that 2022-2023 was a positive year in the life of the Church. The Trustees consider the Church's reserves to be sufficient to carry it through a period of disruption, like that suffered during the pandemic..

Financial Review

Rickmansworth Baptist Church is a registered charity and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year, but the Church receives substantial support

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through rental income from an office building, Gable House, and a maisonette, which it owns in Rickmansworth.

Rickmansworth Baptist Church expressed its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian aims or with objectives compatible with the Church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the Church's activities, many of which run with little or no impact on Church resources, but nevertheless contribute substantially to the achievement of the Church's objectives.

The Church is a participating employer within the Defined Benefit section of the Baptist Pension Scheme and has been making ongoing deficit payments to cover the costs of past service of its employees within the Scheme under a recovery plan. The future liability has been stabilised, with the result that the Church understands that if it had left the Scheme at the year-end, it would not have had to make a one-off payment (2022 estimate £20,900) to meet its statutory obligations to the Scheme. The formal wind-up of the scheme is expected to be triggered on 31 March 2024, with a view to winding it up in 2025. Liabilities will be underwritten by an insurance company.

Deacons' Report for the year ended 31 March 2023 (continued)

Reserves Policy:

The Deacons have established a Reserves Policy to enable the Church to function effectively and meet its obligations in the event of a decline in our income or a major cost. Recent years have seen large fluctuations in both income and expenditure, so the Deacons are unable to determine a fixed level of reserves, which may be appropriate. However, it keeps the reserves under review by budgeting to ensure that it can cover the Minister's stipend for at least three years in the future.

It receives a substantial income from an office building and holds reserves to support it when the tenants of the property vacate it in 2028 or sooner because substantial work may be required to modernise it.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. A few highlights are set out below.

Income:

Offertory and envelope income continued to grow as the result of a continued increase in numbers attending Sunday worship.

Other income stabilised following a recovery in hall lettings from the low level of income during the Covid-19 crisis.

Rental income showed a slight inflationary increase, offset by a short vacant period.

D C Langley, Secretary

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9 February 2024

RICKMANSWORTH BAPTIST CHURCH
Statement of Financial Activities for the year ended 31 March 2023

Table 1: Outline Summary of Fund Movements

Fund name	Note ref.	Fund balances brought forward As restated	Income	Expend- iture	Transfers	Gains and losses	Fund balances carried forward
Restricted		£	£	£	£	£	£
Gift & Legacy	6	11,801	359	0	0	0	12,160
		11,801	359	0	0	0	12,160
Unrestricted							
General Reserve	8	29,441	0	0	-1,000		28,441
Gift & Legacy	6	39,394	10,000	0	0		49,394
Outreach & Ministry Fund	7	8,750	4,364	-19,976	6,862		0
Renovation Fund	9	12,000	0	0	1,000		13,000
General Fund	10	188,040	118,323	-73,333	-6,862		226,168
		277,625	132,687	-93,309	0	0	317,003
Sub-total		289,426	133,046	-93,309	0	0	329,163
Pension Reserve	12	-16,400	0	1,258		15,142	0
Total funds		273,026	133,046	-92,051	0	15,142	329,163

Table 2: Statement of Financial Activities

	Note ref.	Unres- tricted funds	Restricted funds	Pension reserve	Total funds	Prior period total funds As restated
Income and endowments from:		£	£	£	£	£
Donations and legacies		34,618	0	0	34,618	23,794
Investments	5	85,163	359	0	85,522	84,858
Other income		12,906	0	0	12,906	12,921
Total		132,687	359	0	133,046	121,573
Expenditure on:						
Charitable activities		77,332	0	0	77,332	65,951
Other expenditure		15,977	0	-1,258	14,719	23,207
Total		93,309	0	-1,258	92,051	89,158
Net income/(expenditure)		39,378	359	1,258	40,995	32,415
Other recognised gains/(losses)	2					
Actuarial gains/(losses) on defined benefit pension schemes	12	0	0	15,142	15,142	682
Net movement in funds		39,378	359	16,400	56,137	33,097
Reconciliation of funds:						
Total funds brought forward	12	277,625	11,801	-16,400	273,026	239,929
Total funds carried forward		317,003	12,160	0	329,163	273,026

RICKMANSWORTH BAPTIST CHURCH
Statement of Financial Activities for the year ended 31 March 2023

Table 3: Statement of Assets and Liabilities at 31 March 2023

	Note ref.	Total funds £	Prior year funds As restated £
Fixed assets:			
Tangible assets	11	3,375,031	3,282,040
Investments	11	1,840,313	1,643,207
Total fixed assets		5,215,344	4,925,247
Balance sheet			
Current assets:			
Debtors	4	10,501	10,211
Investments	5	279,967	275,680
Cash at bank and in hand		56,634	20,792
Total current assets		347,102	306,683
Liabilities:			
Creditors: Amounts falling due within one year	4	-17,939	-17,257
Net current assets or liabilities		329,163	289,426
Total assets less current liabilities		329,163	289,426
Net assets excluding pension liability		329,163	289,426
Defined benefit pension scheme liability	12	0	-16,400
Total net assets or liabilities		329,163	273,026
The funds of the charity:			
Restricted income funds	6	12,160	11,801
Unrestricted funds	6-10	317,003	277,625
Pension reserve	12	0	-16,400
Total charity funds		329,163	273,026

The notes on the attached pages form an integral part of these Financial Statements, which were approved by the Deacons on 9 February 2024 and signed on their behalf by

Treasurer
K A Wall

Secretary
D C Langley

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Notes to the Accounts for the year ended 31 March 2023

1 Preparation of Accounts

The accounts are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011.

Rickmansworth Baptist Church is a registered charity, no. 1175867, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

2 Other recognised gains/(losses)

The Financial Statements were amended to comply with FRS102 with effect from 31st March 2018. This affects disclosure of the pension liability. See note 12.

3 Rental Income

Where the Church receives rental income, expenditure is matched with it. If there is no corresponding rental income, then property expenses are treated as overhead expenses. For the purposes of reporting under FRS102, the income and expenditure are shown separately.

4 Debtors and Creditors

Debtors and Creditors represent prepayments, accrued income and accrued payments. These are amounts, which have been paid or received in advance for future periods or which relate to the year but have been paid or received after the end of the period.

5 Investments

The Church has four deposit accounts and tries to ensure that the balances match the restricted funds, to ensure that the money is not wrongly spent for unauthorised purposes. The balances are regularly reviewed and adjusted as necessary. £14,636 (2022 £14,296) relates to deposits held in respect of rent for Gable House, included in Accrued Payments.

6 Gift and Legacy

This fund is in two parts because some gifts and legacies have been received with conditions attached to them. These funds are shown separately to ensure that the funds are not mixed up with other funds. All the restricted funds at the Balance Sheet date are covered by conditions requiring them to be spent on property acquisition or development. During the year, there was no expenditure.

<u>Restricted</u>	<u>2023</u>	<u>2022</u>
Brought forward last year	11,801	11,770
Interest received	<u>359</u>	<u>31</u>
Carried forward this year	<u>12,160</u>	<u>11,801</u>
<u>Unrestricted</u>	<u>2023</u>	<u>2022</u>
Brought forward last year	39,394	39,394
Receipts - Leavesden Road Baptist Church	<u>10,000</u>	<u>0</u>
Carried forward this year	<u>49,394</u>	<u>39,394</u>

RICKMANSWORTH BAPTIST CHURCH**Notes to the Accounts for the year ended 31 March 2023**

<u>7 Outreach & Ministry Fund</u>	<u>2023</u>	<u>2022</u>
Brought forward last year	8,750	17,250
Transfer from General Fund	2,612	2,855
Donations for Ukraine	0	1,650
Gift Aid	0	413
Special transfer from General Fund	4,250	0
Receipts - General Fund	4,364	4,541
Regular payments	-6,976	-7,396
Barnabas Fund & BMS Ukraine Appeals	-6,000	-4,063
Barnabas Fund Afghanistan Appeal	0	-2,000
Lend With Care - Pakistan	-2,000	0
Lend With Care - Covid	0	-2,000
Leprosy Mission - Covid	0	-2,000
Red Cross for Turkey and Syria	-5,000	0
Other special appeals	<u>0</u>	<u>-500</u>
Carried forward this year	<u>0</u>	<u>8,750</u>

This fund is for exceptional donations for mission purposes. The opening amount was restricted and payments were first allocated against that balance. Subsequent payments were taken from £20,000 designated by the church members in August 2020.

<u>8 General Reserve</u>	<u>2023</u>	<u>2022</u>
Brought forward last year	29,441	29,441
Transfer to Renovation Fund	<u>-1,000</u>	<u>0</u>
Carried forward this year	<u>28,441</u>	<u>29,441</u>

The General Reserve represents money put aside for major unforeseen property expenses. It was exhausted in 2009 but the Deacons approved annual allocations of £10,000 from 2011 to 2015, £4,500 in 2016.

<u>9 Renovation Fund</u>	<u>2023</u>	<u>2022</u>
Brought forward last year	12,000	11,000
Transfer from General Reserve / Fund	<u>1,000</u>	<u>1,000</u>
Carried forward this year	<u>13,000</u>	<u>12,000</u>

The Renovation Fund is designated for specific repairs, in particular a replacement boiler in Gable House.

10 General Fund

The General Fund is unrestricted and is used for day-to-day income and expenditure.

11 Fixed Assets

Non-cash assets, which include buildings and equipment, are not recognised in the Financial Statements because, in the opinion of the Trustees, the cost of ascertaining the cost or value of these items is onerous compared with the benefit to be derived by users of the Financial Statements. However, in order to give a complete picture to users, the Deacons have decided to show the rebuilding costs of property for insurance purposes. The most recent figures, which are shown below, are reduced following a revaluation by insurers. They may not represent market value:

<u>Tangible assets</u>	<u>2023</u>	<u>2022</u>
Church	2,435,727	2,435,727
Manse	592,965	499,974
Pipe organ and contents	346,339	346,339
	<u>3,375,031</u>	<u>3,282,040</u>
<u>Investments</u>		
Gable House	1,616,941	1,419,835
Maisonette	<u>223,372</u>	<u>223,372</u>
Building total	<u>1,840,313</u>	<u>1,643,207</u>

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Notes to the Accounts for the year ended 31 March 2023

Grand total	<u>5,215,344</u>	<u>4,925,247</u>
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Notes to the Accounts for the year ended 31 March 2023

12 Baptist Pension Scheme

The Church contributes to the Baptist Pension Scheme on behalf of its ministers. This is in two parts, a defined benefit scheme and a defined contribution scheme. In common with many other funds of this nature, the defined benefit scheme has fallen into substantial deficit in recent years because of falling returns on investments and the increased longevity of members in retirement. However, due to remedial action, such as the sale of assets, by the Baptist Union and member churches, the deficit has been steadily reduced and was eliminated in the financial year under review. As at 31 March 2023, the deficit of the whole Baptist Pension Scheme was £nil (2022 £19m), of which Rickmansworth Baptist Church's share in 2022 was £20,900, in respect of the ministers employed between 1985 and 2009. The Deacons have disclosed this amount on the face of the Financial Statements as a Pension Reserve. The amount disclosed in prior years has been discounted in accordance with FRS102 guidance and a formula agreed with the Baptist Union.

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Payments to Charity for the year ended 31 March 2023

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
<u>Baptist Missionary Society</u>			
Birthday Scheme		285	285
Donations		490	480
Tax claim		194	191
Transfer from General Fund		1,200	1,294
		2,169	2,250
<u>Special Appeals</u>			
From members for Barnabas & BMS Ukraine		0	1,650
Tax claim		0	413
Barnabas Fund & BMS Ukraine Appeals		6,000	2,000
Barnabas Fund Afghanistan Appeal		0	2,000
Lend With Care - Covid		0	2,000
Lend With Care - Pakistan		2,000	
Leprosy Mission - Covid		0	2,000
Red Cross for Turkey and Syria		5,000	0
Other special appeals		0	500
£4,250 was transferred from the General Fund			
		13,000	10,563
<u>Home Mission Fund</u>			
Donations and Envelopes		1,040	1,040
Tax claim		260	260
Transfer from General Fund		1,200	950
		2,500	2,250
<u>Retiring Offerings and Outreach donations</u>			
Barnabas Fund		150	136
Benevolent Fund (from General Fund)		10	32
Bible Society		208	131
Crisis		454	200
Harvest - BMS Operation Agri		151	248
International Mission to Jewish People		50	50
Jews For Jesus		0	50
Leprosy Mission		150	425
Mercy Ships		23	159
Sharp Blind School		150	348
WaterAid		128	307
Watford Schools from General Fund		50	60
Watford Peace Hospice		783	750
Of this amount, £236 (2022 £634) came from General Fund and £414 from tax claims (2022 £447)		2,307	2,896
Total Giving Including from Outreach Fund		19,976	17,959
£8,886 from General Fund, £2,855 in 2022			
Tax recovered £868, £1,310 in 2022			

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Independent Examiner's Report to the Deacons and Members On Financial Statements for the year ended 31 March 2023

I report on the Financial Statements of the Church for the year ended 31 March 2023, which are set out on the attached pages.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the Financial Statements.

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

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (b) to prepare Financial Statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;

have not been met; or

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

**Mrs P Kavanagh Brown
CHARTERED ACCOUNTANT**

15 February 2024

Woolbeding, Sherwood Road, Tideswell, Derbyshire, SK17 8HJ