

**Registered Charity 1176794**

**BROADWAY BAPTIST CHURCH**

**DERBY**

**ANNUAL REPORT & ACCOUNTS**

**for the year ended**

**31st March 2022**

# Broadway Baptist Church, Derby

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# **Broadway Baptist Church**

## **References and administrative details**

### **Registered Address**

166 Broadway, Derby, DE22 1BP

### **Charity Registration Number**

1176794

### **Trustees**

Miss Ann Barclay  
Mrs Joy Bates  
Rev Rashell Beya  
Mrs Tina Hart (elected 21 July 2021)  
Mr Michael Joyce (resigned 24 February 2022)  
Mrs Trisha Thomas  
Rev Jane Webb  
Mr Nick Willers  
Mr Paul Woolley

### **Property Trustees**

The Baptist Union Corporation Limited  
Baptist House, 129 Broadway, Didcot, Oxfordshire OX11 8RT

### **Bankers**

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

### **Independent Examiners**

Mrs Veronica Churchhouse  
Mr Andrew Hallam-Whitehill

# **Broadway Baptist Church**

## **Report of the Trustees for the year ending 31<sup>st</sup> March 2022**

The Trustees present their Annual Report and Financial Statements for the year to 31<sup>st</sup> March 2022

### **Structure, Governance and Management**

The Church is a Charitable Incorporated Organisation (registration number 1176794) and is governed by the revised Constitution approved by the membership on 21<sup>st</sup> July 2021.

Membership of the Church is open to those who have professed faith in Jesus Christ, accept the Beliefs listed in the Constitution, and who have expressed a willingness to participate in the activities of the Church and to take on the duties of membership.

The Members' meeting normally takes place six times per year and has responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint not less than three, and not more than twelve, Trustees who include the Minister, Church Secretary and Treasurer. They 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 Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

The trustees who served during the year and to the period up to the date of approval of this report are as follows:

Miss Ann Barclay  
Mrs Joy Bates  
Rev Rashell Beya (Minister)  
Mrs Tina Hart  
Mr Michael Joyce  
Mrs Trisha Thomas (Secretary)  
Rev Jane Webb  
Mr Nick Willers  
Mr Paul Woolley (Treasurer)

### **Objectives and Activities**

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination, and includes the advancement of education, and other general charitable 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. 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.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services usually take place each Sunday at 10.30 am. There are also occasional services at other times which are advertised on the Church Notice Board and the website at [broadwaybaptist.co.uk](http://broadwaybaptist.co.uk). The church seeks to be a friendly and welcoming community, and anybody is free to attend any of the services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at the Sunday services of worship. The exercise of pastoral care often comes through these groups, but the responsibility rests with all involved at Broadway to look after those in need, of whatever sort.

The Church runs various events for younger and older people. For younger people, this usually includes toddler group, junior church, creche and uniformed organisations. More recently we, along with other churches, have just started a weekly youth provision for the young people of Allestree. For older people, this usually includes a regular lunch club and an annual "Holiday at Home".

Many in the church are engaged in social action outside Broadway through involvement with the Derby food banks, Upbeat Communities, and Derby City Mission.

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

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

## **Achievements and Performance**

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure but believe that, despite some people still being cautious of risks of Covid, 2021/22 was a positive year in the life of the church. The Trustees believe that Broadway will be able to pursue its mission purposes in 2022/23 with renewed enthusiasm.

The significant events/things going on during the year included:

- Continued on-line presence – necessary during the pandemic when we were not able to meet in person, but now seen as part of our mission.
- New people of all ages finding us on-line and then joining us in person – each one a precious gift and bringing a new dynamic to our life together.
- An online Christian Mindfulness group each Sunday evening.
- Support for the community through activities including visual displays with our 'Hedge of Hope' and use of the grounds for the community for reflection, contemplation and prayer. Plans to develop the garden further to encourage its use as a reflective space for the community to use.
- Renew 166 – a Wellbeing drop-in café held once a week. Part of a national movement.
- A monthly 'Crafting for Wellness' group, offering a relaxed environment where we offer friendship, an enthusiasm for creativity, a place to learn new skills and an opportunity to reflect on a restorative theme.
- Various children and youth activities.
- Hosting a vaccination centre at the church – over 12000 people came through our doors.

## **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 key financial issues – things to be thankful for, and things to be concerned about – are reported in the Annual Financial Report in the Financial Statements.

## **Reserves Policy**

The Trustees have established a Reserves Policy to enable the Church to function effectively and meet its obligations in the event of a decline in income or increase in expenditure.

Having considered the relevant risks, the Trustees have determined that the appropriate level of General Reserves should be 25% of annual expenditure. As at 31<sup>st</sup> March 2022 the Church held total Reserves of £86,941, of which £23,276 were Restricted. Of the £63,665 General Reserves, the Trustees consider that the minimum level should be £32,500, based on budgeted expenditure for 2022-23. The balance of £31,165 is budgeted for use over the next financial year.

This report was approved by the Trustees on 13 December 2022 and signed on their behalf by

Rev Rashell Beya

Chair

## **Broadway Baptist Church**

### **Annual Financial Report for Year to 31st March 2022**

This time last year, we were just starting to ease restrictions relating to the Covid-19 pandemic and we had no real understanding of how things were likely to evolve during the year. On that basis, we set a budget showing a projected deficit of £26,500.

However, God provides – and with this provision, our finances were much better than had been anticipated. Instead of a £26,500 deficit, we were looking at a surplus of £1,000. The world was then faced with the situation developing in Ukraine and saw a people in a time of great need. The church meeting in March 2022, taking into account the level of our reserves, felt led to donate £20,000 through BMS to the work of European Baptist Federation.

The three main reasons for the additional funds are:

- Offerings are £2k more than budget.
- An unexpected legacy of £10k from the estate of Fay Haywood who passed away in 2016.
- Room Hire income £13k more than budget. (£9k of this came from the Vaccination Centre which has been at Broadway since September 2021.)

At the end of the year we are showing a deficit of £19k.

We may be pleased that we made an 'operational' surplus in the year, but some of the reasons behind it were exceptional and we cannot expect them to recur.

Whilst we do budget to make financial contributions to other organisations, during the year we also raised funds from offerings for other causes such as Upbeat Communities for the Afghan refugees, Nagpur Link, and Christian Aid. Thank you for your generosity in these appeals.

In total, this year, we have contributed more than £31k to other organisations from offerings and reserves.

To be able to make contributions such as this, we obviously need a sustainable income. Offerings remained at a similar level to the previous year, but they remain well below the level they were before the pandemic and, like everybody else, we are starting to see our expenditure rise with increasing energy costs, and inflation at its highest for many years. I am also aware that there are a few people whose personal situations are changing which will affect the level of offerings we may receive in the coming year.

Last year I commented that our reserves will probably be used in the coming few years. We end this financial year with total reserves at just below £87k (General Res. of £63,665 and Restricted Res. of £23,276). In the coming year, we are budgeting for a deficit of £31k which will bring our General Reserves to approx. £32,500. This is the limit we have set for ourselves in our Free Reserves policy – to maintain General Reserves equivalent to 25% of our expenditure. (This is a common practice within charities.)

In the recent Church meeting, I said that we need to be in a position to produce a balanced budget (i.e. no deficit) for the financial year 2023/24. This can only be achieved by either increased income or reduced expenditure or a combination of both. On a purely financial basis, to cover the projected deficit for the current financial year each church member would need to increase offerings by, on average, £8 per week – some would find this impossible whilst others may find it easier.

So please pray with me:-

Firstly, give thanks to God for His financial provision during the past year.

Give thanks that we have been in a position to be able to assist others in need through financial gifts.

Please pray about both the church's response and our individual response to the financial pressures the church will be facing in the next year.

Finally, my thanks to John Millard and Tony Roulstone for their assistance in the early part of the financial year with book-keeping and payroll and also to John for his ongoing advice and support.

**Paul Woolley**

# **BROADWAY BAPTIST CHURCH**

## **Financial Statements**

**For the year ended 31st March 2022**

### **Treasurer's Statement**

The Accounts and Statement of Assets and Liabilities set out on the following pages relating to the year ending 31st March 2022 are as approved by the deacons.

Signed: Paul Woolley - Treasurer

Dated: 10 May 2022

### **Report of the Independent Examiners to the Deacons and Members of Broadway Baptist Church.**

The Broadway trustees (the deacons) are responsible for the preparation of the accounts. They consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is our responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to our attention.

Our examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

In connection with our examination, no material matters have come to our attention which gives us cause to believe that, in any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act;
- the accounts do not accord with the accounting records
- the accounts 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.

We 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.

Signed:

Veronica Churchhouse

Andy Hallam-Whitehill

Dated: 12 May 2022



# BROADWAY BAPTIST CHURCH

## Financial Statements

for the year ended 31st March 2022

### RECEIPTS AND PAYMENTS

	Note	General 2021/22 £	Restricted 2021/22 £	Total 2021/22 £	General 2020/21 £	Restricted 2020/21 £	Total 2020/21 £
<b>Income:</b>							
Regular offerings		59,505	-	59,505	59,761	-	59,761
Donations, legacies, and other income	2	21,553	4,000	25,553	30,596	16,000	46,596
Gift aid		17,940	-	17,940	15,405	-	15,405
Interest		642	-	642	-	-	-
Contributions for use of premises		15,986	-	15,986	1,197	-	1,197
Raised for other causes	3	1,671	-	1,671	145	-	145
		117,297	4,000	121,297	107,104	16,000	123,104
<b>Expenditure:</b>							
Ministry	4	69,757	4,000	73,757	68,771	4,000	72,771
Mission	5	36,515	2,000	38,515	13,103	-	13,103
Upkeep	6	23,121	-	23,121	16,895	-	16,895
Administration	7	4,663	200	4,863	3,117	-	3,117
		134,056	6,200	140,256	101,886	4,000	105,886
<b>Surplus/(Deficit)</b>		(16,759)	(2,200)	(18,959)	5,218	12,000	17,218
<b>Cash / Reserve brought forward</b>		80,424	25,476	105,900	75,206	13,476	88,682
<b>Surplus/(Deficit)</b>		(16,759)	(2,200)	(18,959)	5,218	12,000	17,218
<b>Cash / Reserve carried forward</b>		63,665	23,276	86,941	80,424	25,476	105,900

# BROADWAY BAPTIST CHURCH

## Financial Statements

for the year ended 31st March 2022

### NOTES TO THE ACCOUNTS

#### 1. Accounting Policies

##### 1a. Receipts and Payments Basis

In years before 2017/18 these accounts were prepared on a "receipts and payments" basis but adjusted for significant accruals and prepayments. From 2018/19 there is a requirement, as a registered CIO, to prepare the accounts on a strict "receipts and payments" basis. This requirement has been complied with in the years from 2017-18.

The main implications of the receipts and payments basis are as follows:

- \* Any Surplus/Deficit for the year is the increase/decrease in cash. No account is taken of creditors and debtors at the end of the year.
- \* Reserves equate to the cash figure. Debtors and liabilities have no impact.
- \* Reserves fall into two categories: general reserves - available for the general purposes of the church; and restricted reserves - intended to be used for particular purposes. There is a separate income and expenditure account for each type of reserve.
- \* There is no balance sheet. Instead, there is a list of assets and liabilities. This includes land and building assets and the pension fund liability.

##### 1b. Free Reserves Policy

The trustees consider it appropriate to have a minimum level of general reserves equivalent to 25% of annual general expenditure. This year that amounts to a minimum of £33,452.

	General 2021/22 £	Restricted 2021/22 £	Total 2021/22 £	General 2020/21 £	Restricted 2020/21 £	Total 2020/21 £
2. Donations and other income						
Donations	18,136	4,000	22,136	23,765	16,000	39,765
Other income	3,167	-	3,167	6,831	-	6,831
	<u>21,303</u>	<u>4,000</u>	<u>25,303</u>	<u>30,596</u>	<u>16,000</u>	<u>46,596</u>

Most of the donations and legacies came from church members, friends and organisations. Contributions for non-specific expenditure are included as "general"; restricted contributions are those ring-fenced for specific expenditure in current or future years. Donations includes a £10,000 legacy.

#### 3. Other causes

Raised:

BMS	452	-	452	95	-	95
HMF	-	-	-	-	-	-
Special Appeals	1,219	-	1,219	50	-	50
	<u>1,671</u>	<u>-</u>	<u>1,671</u>	<u>145</u>	<u>-</u>	<u>145</u>

Given:

BMS	4,202	-	4,202	4,115	-	4,115
BMS Ukraine appeal	20,000	-	20,000	-	-	-
HMF	3,750	-	3,750	4,020	-	4,020
Special Appeals	1,219	-	1,219	50	-	50
Other causes	2,020	-	2,020	1,950	-	1,950
	<u>31,191</u>	<u>-</u>	<u>31,191</u>	<u>10,135</u>	<u>-</u>	<u>10,135</u>

Net:	-	-	-	-	-	-
Given from general funds	29,520	-	29,520	9,990	-	9,990

Of the total given of £31,191, £29,520 is the amount given out of General funds.

Other giving of £1,671 is financed by specific gifts.

The gift of £20,000 to the BMS Ukraine appeal was decided at the Church Members Meeting in March 2022.

# BROADWAY BAPTIST CHURCH

## Financial Statements

for the year ended 31st March 2022

## NOTES TO THE ACCOUNTS (cont'd)

	General 2021/22	Restricted 2021/22	Total 2021/22	General 2020/21	Restricted 2020/21	Total 2020/21
	£	£	£	£	£	£
<b>4. Ministry</b>						
Pastorate	69,637	4,000	<b>73,637</b>	68,691	4,000	<b>72,691</b>
Pulpit supply	120	-	<b>120</b>	80	-	<b>80</b>
	<u>69,757</u>	<u>4,000</u>	<u><b>73,757</b></u>	<u>68,771</u>	<u>4,000</u>	<u><b>72,771</b></u>

The Minister acts as one of the Church's trustees and receives remuneration and other benefits in respect of her services as Minister. This includes the provision of manse accommodation owned by the church.

Pastorate costs comprise the Minister's stipend, the salaries of the Children and Youth Worker (financed by both general and designated funds) and the Church Administrator, oncosts, and manse running costs. Note that the costs include contributions to the BU Pension Fund deficit (see Note 8).

## 5. Mission

Given to other causes (note 2)	31,191	-	<b>31,191</b>	10,135	-	<b>10,135</b>
Outreach and Training	3,784	2,000	<b>5,784</b>	1,961	-	<b>1,961</b>
Worship and Music	936	-	<b>936</b>	840	-	<b>840</b>
Pastoral	354	-	<b>354</b>	167	-	<b>167</b>
	<u>36,265</u>	<u>2,000</u>	<u><b>38,265</b></u>	<u>13,103</u>	<u>-</u>	<u><b>13,103</b></u>

Within Outreach is £1,102 for youth work. Together with the funded MA costs for the Children and Youth Worker plus the costs of Re-imagine.

## 6. Upkeep of church premises and grounds

Heat, light, rates and water	5,407	-	<b>5,407</b>	4,537	-	<b>4,537</b>
Cleaning	5,255	-	<b>5,255</b>	4,136	-	<b>4,136</b>
Repairs and maintenance	8,785	-	<b>8,785</b>	4,837	-	<b>4,837</b>
Insurance	3,674	-	<b>3,674</b>	3,384	-	<b>3,384</b>
	<u>23,121</u>	<u>-</u>	<u><b>23,121</b></u>	<u>16,895</u>	<u>-</u>	<u><b>16,895</b></u>

Repairs and Maintenance included £1,669 for servicing plant and equipment; £3,074 was for repairs or replacements. £3,630 was spent on the parts for a new Humidifier for the Organ.

## 7. Administration

Printing and stationery	1,974	-	<b>1,974</b>	1,024	-	<b>1,024</b>
Publicity	293	-	<b>293</b>	347	-	<b>347</b>
Subscriptions/Licences	1,644	200	<b>1,844</b>	91	-	<b>91</b>
Sundries	752	-	<b>752</b>	1,654	-	<b>1,654</b>
	<u>4,663</u>	<u>200</u>	<u><b>4,863</b></u>	<u>3,117</u>	<u>-</u>	<u><b>3,117</b></u>

Subscriptions/Licences includes the cost of ChurchSuite, ExpensePlus and payroll-related services

## **BROADWAY BAPTIST CHURCH**

### **Financial Statements**

**for the year ended 31st March 2022**

### **NOTES TO THE ACCOUNTS (cont'd)**

#### **8. Pension Scheme Liabilities**

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

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. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a 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. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit. The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Under the Schedule of Contributions, the church makes a monthly payment in respect of the DB scheme deficit, currently £318.12, which will increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresees these contributions continuing until June 2026. The pension scheme liability shown in the Statement of Assets and liabilities is calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions, which amounted to £16,224 as at 31st March 2022.

The Church has been advised that the estimated cost for the church to buyout their Pension Scheme liabilities at 21 March 2022 was £23,500.

#### **9. Charitable Status**

On 23rd January 2018 the Church was entered on the Register of Charities as a Charitable Incorporated Organisation (CIO).

On 1st April 2018 the assets, liabilities, and activities of the Church were transferred to the CIO.

## BROADWAY BAPTIST CHURCH

### Financial Statements

for the year ended 31st March 2022

#### STATEMENT OF ASSETS AND LIABILITIES

	Note	2022 £	2021 £
<b>Assets</b>			
Bank Balances		86,941	105,900
Gift Aid receivable		13,373	17,460
Property assets:			
The Church (166 Broadway)		4,289,815	3,962,835
The Manse (24 Highfields Park Drive)		263,612	248,225
Total Assets		<u>4,653,741</u>	<u>4,334,420</u>
<b>Liabilities</b>			
Current liabilities			
Outstanding payments		-	-
Pension Scheme Liability	8	16,224	19,751
Total Liabilities		<u>16,224</u>	<u>19,751</u>
<b>Net Assets</b>		<u>4,637,517</u>	<u>4,314,669</u>

#### Bank balances represent the following reserves

General	63,665	80,424
Designated and Restricted	23,276	25,476
	<u>86,941</u>	<u>105,900</u>

#### Balance Sheet Notes:

- \* The bank balances are spread across 2 different financial institutions
- \* The property assets are shown at their current insurance value. This therefore excludes the land value
- \* The church asset includes insured fixtures and fittings
- \* The Church is the beneficial owner of the church (building and premises) and the manse. The legal title is held by the Church's custodian trustee, the Baptist Union Corporation Ltd.
- \* The Pension Scheme Liability is explained in Note 8
- \* The main Restricted Reserves are an unspent legacy of £10,394 and the Covid community grant of £10,000