RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales · Charity number 1177649

Details

Other names	RBMHO
Status	Registered
Legal form	CIO
Registered	2018-03-22
Register	View on the Charity Commission register

Contact

Address	Baptist House 129 Broadway Didcot OX11 8XD
Phone	07729 045422
Email	admin@rbmho.org.uk
Website	www.rbmho.org

Activities

Objects: THE OBJECTS OF THE CIO ARE, FOR THE PUBLIC BENEFIT:4.1 THE PREVENTION OR RELIEF OF POVERTY OF RETIRED BAPTIST MINISTERS, RETIRED BAPTIST MISSIONARIES AND THEIR SPOUSES, WHO ARE IN NECESSITOUS CIRCUMSTANCES, AS THE CHARITY TRUSTEES SHALL FROM TIME TO TIME DETERMINE; 4.2 TO ADVANCE THE CHRISTIAN FAITH FOR THE PUBLIC BENEFIT IN ACCORDANCE WITH THE STATEMENT OF BELIEF OF THE BAPTIST DENOMINATION;

Activities: RBMHO exists to meet the ever increasing need of, and bring relief to, accredited Baptist Ministers and Rev spouses who need safe and secure homes in the years following retirement from pastoral service, having been in service in excess of 15 years, (18 years in churches in union with BUGB) or Baptist Missionaries who have served BMS World Mission primarily outside of the UK for at least 15 years.

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Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Disability
- **Who:** Elderly/old People

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£2,993,702	£3,272,995	£41,443,415	2
2024-12-31	£4,814,520	£3,634,491	£41,720,691	2
2023-12-31	£4,372,311	£2,716,225	£40,541,632	2
2022-12-31	£2,073,607	£1,624,424	£38,884,803	2
2021-12-31	£2,140,678	£1,257,715	£37,188,959	2
2020-12-31	£1,995,739	£1,252,867	£34,495,698	2

Trustees

Name	Role	Appointed
Christopher John Jones		2023-11-14
Jennifer Stewart		2021-07-07
John David Levick		2018-03-22
Lee Grenville Johnson		2021-07-07
Rachel Tole		2021-07-07
Rev Andrew Miles		2024-11-26
Rev Anthony Alfred Peck		2023-11-14
Rev GORDON EDWARD HINDMARCH		2018-03-22
Rev PHILIP ANDREW JUMP		2018-03-22
TIMOTHY JOHN WALKER		2018-03-22

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RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts

RETIRED BAPTIST MINISTERS
HOUSING ORGANISATION

ANNUAL REPORT 2025

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2025

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Revd G Hindmarch Revd L G Johnson Mr C J Jones Revd P Jump Mr J Levick Revd A Miles Revd A A Peck Ms J Stewart Ms R Tole (Co-Chair) Mr T Walker (Co-Chair)
PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT
REGISTERED NUMBER:	1177649
PROPERTY TRUSTEE:	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, 9 Appold Street, London, EC2A 2AP.
SOLICITORS:	Shakespeare Martineau LLP, 1 Colmore Square, Birmingham, B4 6AA Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE Diakoneo Legal Services Limited, Solicitors, 48 Speirs Wharf, Glasgow G4 9TH
BANKERS:	HSBC Plc., 6 High Street, Abingdon, OX14 5AZ
MANAGER:	Revd Andy Hughes

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2025 which comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

a) OBJECTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

b) ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide 6 homes for ministers and minister's widows who made applications to RBMHO for 2025 and an additional minister was housed in January 2026 following a slight delay in the purchase. The remaining applicant has delayed their retirement. In addition, 2 tenants were relocated to properties more suited to their needs. During the year the Charity acquired 10 properties and disposed of 6. The Charity's stock of properties increased to 254 properties (2024: 250). At the end of the period, the Charity was providing homes for 248 (2024: 244) retired ministers, missionaries and /or their spouses. It seeks to maintain its properties to a good standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity undertook a significant amount of work improving the properties which had been identified in the condition surveys as requiring the most urgent work. This has resulted in spending on repairs exceeding £1.7million for a second year making a total spend of £4.2million over the last 3 years.

In November 2024 the Trustees agreed that new condition surveys would be undertaken on around 110 properties which had previously been identified as medium priority for repairs. Following the surveys all urgent repairs have been completed, and other repairs and improvements have been scheduled over the next few years.

The Charity has undertaken a major review of finance, including the costs of maintaining its properties to a good standard taking current stock age and condition into account, as part of a rent review. In November the Trustees agreed to raise the standard rent considerably over the next 2 year to £450pcm, while simplifying the basis on which it is charged. The aim is to balance the budget from 1 July 2027.

The Charity has continued to engage in discussions with the Baptist Union of Great Britain and the Baptist Union Corporation about the £20 million Family Solution loan with a view to decreasing the outstanding balance over the next few years.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

c) FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

During the reporting period, the minimum monthly rent (July 25-Jun 26) was increased to £234.00 (2024: £224.50), and the maximum purchase value per property was increased to £250,000 (2024: £240,000). The Trustees agreed to extend this to £270,000 for properties up to 5 years old.

As shown on the Statement of Financial Activities the deficit for the year of £277,276 (2024: surplus of £1,179,059) has been withdrawn from reserves, giving total funds carried forward of £41,443,415 (2024: £41,720,691).

Excluding the Family Solution (see below), Income in the year increased to £1,050,726 (2024: £969,613), an increase of 20.8%. This was primarily due to a legacy of £127,669 that was received in 2025. Rent income increased to £779,695 (2024: £719,206) an increase of 8.4%.

Direct unrestricted costs decreased to £1,979,892 (2024: £1,991,467) a decrease of 0.6%. Support costs increased to £17,368 (2024: £13,953).

The operating deficit for the year, excluding the gain on sale of fixed assets and investment gains and losses, was £946,534 (2024: deficit £1,135,807), on top of which the Charity made gains on disposal of fixed assets of £667,241 (2024: £2,315,836).

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £1,275,735 in 2025 (2024: £1,629,070), the decrease reflecting the decrease following the Bank of England base rates changing, the decrease in the rate that the BUC charged since July 2025 and the fact that BUGB made a repayment in 2025 which reduced the balance on the loan to £19.2m.

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risk and uncertainty facing the charity:

- **The financial failure of the Baptist Union of Great Britain (BUGB)**. As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

- **Changes in law requiring rented properties to have an EPC of C or better by 2030**. Just under half of the Charity's properties have an EPC below the required level. The Trustees believe that there is a risk that it will not be possible to make sufficient changes to meet the new requirements for all those properties. Improvements to the energy efficiency of these properties will be a high priority in the repairs and maintenance work carried out over the intervening time and the Trustees will monitor progress.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

Reserves Policy

The Trustees have considered the level of reserves required by the Charity and these are set at a level which includes the following elements:

- 3 months' core operating costs which is approximately £71,000.
- 1 year's maintenance costs to cover all legal requirements and emergency repairs to protect the beneficiaries. This is approximately £279,000.
- 1 year's ground rents which is approximately £1,000.
- 5% of the Interest Free Loans to enable tenants vacating property to be repaid, which is approximately £117,000.

The Trustees do not consider that it is necessary to hold reserves for the purchase of properties for new applicants as no firm commitment is made to them until a pre-tenancy agreement has been signed. This happens at the point of an offer being accepted on a property. In the eventuality that the Charity is in financial difficulties no such offer will be made. Applicants are always made aware that we cannot guarantee having sufficient funds available to house them.

The Trustees do not consider any reserve is required for the Family Solution Loan because the Loan Facility Agreement for the loan of £20mn made by BUC to the Charity and then lent to BUGB, requires the BUC to give at least 13 months' notice for the payment of any arrears in the event of a default by the Charity. In the eventuality that BUGB failed to pay the interest on their loan leading to a default by the Charity there is sufficient time to sell properties becoming vacant to cover the cost of interest owed.

The Charity seeks to maintain access to sufficient available cash reserves to enable it to sustain its day to day running costs and where possible to respond to the needs of future tenants. To this end the Charity maintains a £2mn loan facility with the BUC which can be drawn on should that prove necessary.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable and received monthly. This previously generated a surplus over expenditure on charitable activities, although the current programme of necessary repairs to our housing stock, which is likely to take another year to complete, will result in expenditure exceeding income over that period. The Trustees expect to fund the shortfall from excess receipts from disposals, from legacy income received and if necessary, from loans. The Trustees have revised the rent model to enable properties to be maintained to the required standard, which will require higher routine expenditure than before the major programme of works, within a balanced budget.

This gives a free reserves requirement of £468,000. As at 31 December 2025, the Charity had free reserves of £1,624,754, a surplus of £1,156,754 above the minimum requirement of £468,000. The trustees consider the level of reserves acceptable taking account of pending property purchases and expenditure required on maintenance and repairs. Should this surplus build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

d) PLANS FOR FUTURE PERIODS

The maximum purchase price will remain at £250,000/£270,000 for 2026 and the minimum rent will rise to £342 on 1 July 2025. The Trustees receive applications for housing up to 5 years in advance and currently have between 30 and 35 potential applications for the period 2026-2030. The Trustees consider that from the anticipated proceeds of sale of properties and the BUC loan facility the Charity should be able to meet all qualifying applications in this period. Additional work will need to be undertaken on a number of the Organisation's properties as a result of the further condition surveys. The government have announced that landlords will be required to improve the energy efficiency of rental properties with a minimum of EPC of C required from 2030. Currently almost 50% of our properties have an EPC of D or E. Improving the efficiency of these houses will be a priority in maintenance work over the next 4 years.

e) STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the General Manager, Revd Andy Hughes and Property and Operations Manager, Mr Joe Cleavers. Andy Hughes has authority to approve standard applications for housing, to purchase and sell properties, and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the General Manager on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

f) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2023 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 21 April 2026 and signed on its behalf by:



Revd Andy Hughes

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion
We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements
We have been appointed as auditor under section 1442 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP Date 23/04/2026
Statutory auditor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2025
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Designated Funds	2025 £	2024 £
Income					
Donations and legacies	2	223,081	-	223,081	68,099
Charitable activities	3	781,437	-	781,437	721,000
Investment income	4	46,208	1,275,735	1,321,943	1,709,584
Total Income		**1,050,726**	**1,275,735**	**2,326,461**	**2,498,683**
Expenditure					
Charitable activities	5	1,997,260	1,275,735	3,272,995	3,634,490
Total Expenditure		**1,997,260**	**1,275,735**	**3,272,995**	**3,634,490**
Net income before gain/(loss) on investments		**(946,534)**	**-**	**(946,534)**	**(1,135,807)**
Net gain/(loss) on investments	10	2,017	-	2,017	(970)
Gain on sale of fixed assets		667,241	-	667,241	2,315,836
Net movement in funds		**(277,276)**	**-**	**(277,276)**	**1,179,059**
RECONCILIATION OF FUNDS					
Total funds brought forward	16	41,720,691	-	41,720,691	40,541,632
Total funds carried forward		**41,443,415**	**-**	**41,443,415**	**41,720,691**

The notes on pages 16 to 23 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2025

	Notes	31st December 2025 £	£	31st December 2024 £	£
Fixed Assets					
Tangible assets	9	42,120,012		40,293,885	
Investments					
- Quoted investments	10	30,991		28,973	
- Mixed Motive	11	19,203,008		20,000,000	
			61,354,011		60,322,858
Current Assets					
Debtors	12	76,576		118,686	
Cash and Bank	13	1,617,666		3,755,054	
		1,694,242		3,873,740	
Current Liabilities					
Creditors: Amounts falling due within one year	14	(2,401,830)		(2,475,907)	
Net current assets/(liabilities)			(707,588)		1,397,833
Creditors: Amounts falling due after one year	15		(19,203,008)		(20,000,000)
Net Assets			41,443,415		41,720,691
CAPITAL AND RESERVES					
General Reserves			41,443,415		41,720,691
Designated Funds			-		-
Total Charity Funds			41,443,415		41,720,691

The financial statements were approved by the Trustees on 21 April 2026 and were signed on its behalf by:



Revd Andy Hughes

The notes on pages 16 to 23 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Net (expenditure)/income for the reporting period		(277,276)	1,179,059
Adjustments for:			
Net (gain)/loss on investments	10	(2,017)	970
Net income before (gain)/loss on investment		(279,293)	1,180,029
Adjustments for:			
Depreciation	9	15,168	16,102
Dividends and interest from investments	4	(1,321,943)	(1,709,584)
Net (gain)/loss on sale of fixed assets		(667,241)	(2,315,837)
Decrease in debtors		42,110	47,402
(Decrease) in creditors		(74,078)	(1,817,956)
Net cash used by operating activities		(2,285,277)	(4,599,844)
Cash flows from investing activities			
Dividends and interest from investments	4	1,321,943	1,709,584
Proceeds from sale of fixed assets		1,577,157	4,384,453
Purchase of tangible fixed assets		(2,751,211)	(1,411,390)
Net cash generated in investing activities		147,889	4,682,647
Changes in cash and cash equivalents in the year		(2,137,388)	82,803
Cash and cash equivalents brought forward		3,755,054	3,672,251
Cash and cash equivalents carried forward	13	1,617,666	3,755,054

Analysis of changes in net debt

	At 01/01/2025	Cash-flows	Non-cash changes	At 31/12/2025
Cash	3,755,054	(2,137,388)	-	1,617,666
Loans falling due after one year	(20,000,000)	-	796,992	(19,203,008)
	16,244,946	(2,137,388)	796,992	17,585,342

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Net (expenditure)/income for the reporting period		**(277,276)**	**1,179,059**
Adjustments for:			
Net (gain)/loss on investments	10	(2,017)	970
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Cash and cash equivalents carried forward	13	**1,617,666**	**3,755,054**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2011. The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The planned programme of refurbishment of the property portfolio will be funded from existing working capital and where required, drawdowns from the £2m working capital loan facility which remains available from the Baptist Union Corporation. In addition, the £19.2m loan from the BUC remains a long-term loan not due for repayment for a period of twelve months from the date on which the accounts are signed. The Directors are aware of the continuing cost of living crisis facing the UK population at this time but based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the overall difference between residual values and carrying value are not material and as a result no depreciation is provided on freehold property.

Motor Vehicles have a straight-line depreciation rate of 25%.

Computers have a straight-line depreciation rate of 33%.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits with a maximum maturity of less than 3 months.

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are recognised as contributions received and a liability for repayment from the date at which the tenancy commences. They are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined benefit pension plan: The Charity is not a direct member of a defined benefit pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Union Staff Pension Scheme (BUSPS) which is a multi-employer defined benefit scheme. BUGB pays deficit contributions in respect of the Recovery Plan of the deficit in the BUSPS and the Charity makes a contribution towards these costs in respect of the share relating to the staff who worked for the Charity. As this arrangement is informal, no liability has been recorded within the accounts of the Charity but the payments are recognised as expenses when paid.

iii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are jointly employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then reimbursed to BUGB, included are the costs of employment, including the pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

(n) Taxation

The Charity is not assessable to taxation.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2025	2024
	£	£	£	£
Donations	95,413	-	95,413	31,403
Legacies	127,669	-	127,669	36,696
Total	**223,081**	**-**	**223,081**	**68,099**

In 2024, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2025	2024
	£	£	£	£
Rent Received	779,695	-	779,695	719,206
Property Management	1,742	-	1,742	1,794
Total	**781,437**	**-**	**781,437**	**721,000**

In 2024, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2025	2024
	£	£	£	£
UK Listed equities	1,117	-	1,117	1,125
Interest received	45,091	1,275,735	1,320,826	1,708,459
Total	**46,208**	**1,275,735**	**1,321,943**	**1,709,584**

In 2024, £1,629,070 of interest received was in designated funds and £79,389 of interest received was in unrestricted funds. £1,125 income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2025	2024
	£	£	£	£
Charitable expenditure	3,255,627	17,368	3,272,995	3,634,490
	3,255,627	**17,368**	**3,272,995**	**3,634,490**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2025	2024
		£	£	£	£
Repairs		1,706,327	-	1,706,327	1,717,384
Vacant Property costs		25,489	-	25,489	29,248
Insurance		78,003	-	78,003	74,626
Ground rents		801	-	801	738
Salaries	8	111,358	-	111,358	106,593
Legal & professional fees		509	-	509	-
Loan interest		-	1,275,735	1,275,735	1,629,070
Loan fees		6,000	-	6,000	6,000
Office expenses		32,169	-	32,169	36,254
Depreciation	9	15,168	-	15,168	16,102
Other expenditure		4,068	-	4,068	4,522
Total		**1,979,892**	**1,275,735**	**3,255,627**	**3,620,537**

In 2024, £1,629,070 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2025	2024
	£	£	£	£
Audit	11,842	-	11,842	10,867
Legal & Professional fees	5,526	-	5,526	3,086
Total	**17,368**	**-**	**17,368**	**13,953**

In 2024 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2025	2024
Staff costs:		£	£
Salaries		90,640	88,000
Social security costs		11,654	9,793
Pension costs	18	9,064	8,800
Total		**111,358**	**106,593**
The average number of employees:		2	2

Employees are jointly employed by the Baptist Union of Great Britain and RBMHO and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2024: £nil). No trustee received emoluments from the Charity during the period (2024: £nil). Expenses totalling £226 (2024: £662) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

9. TANGIBLE FIXED ASSETS

	Number of Properties		
	Freehold	Leasehold	Total
Brought forward	242	8	250
Additions	10	-	10
Disposals	(6)	-	(6)
Carried Forward	**246**	**8**	**254**

	Freehold	Leasehold	Motor Vehicles	Computer	Total
	£	£	£	£	£
Cost					
Brought forward	39,072,606	1,239,833	30,384	1,166	40,343,989
Additions	2,751,211	-	-	-	2,751,211
Transfers	-	-	-	-	-
Disposals	(909,916)	-	-	-	(909,916)
Carried Forward	**40,913,901**	**1,239,833**	**30,384**	**1,166**	**42,185,284**
Depreciation					
Brought forward	-	38,548	11,394	162	50,104
Charge for the period	-	7,184	7,596	388	15,168
Disposals	-	-	-	-	-
Carried Forward	**-**	**45,732**	**18,990**	**550**	**65,272**
Net Book Value					
Brought Forward	39,072,606	1,201,285	18,990	1,004	40,293,885
Carried Forward	**40,913,901**	**1,194,101**	**11,394**	**616**	**42,120,012**

The insured value of the above properties is in excess of the book value.

10. QUOTED INVESTMENTS

	2025	2024
Listed Investments	£	£
Brought Forward	28,974	29,943
Realised and Unrealised Gain/(Loss)	2,017	(970)
Carried Forward	**30,991**	**28,973**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

11. MIXED MOTIVE INVESTMENTS

	2025	2024
	£	£
Family Solution Fund: Loan to Baptist Union of Great Britain		
Balance Brought Forward	20,000,000	20,000,000
Withdrawals	(796,992)	-
Balance Carried Forward	**19,203,008**	**20,000,000**

12. DEBTORS

	2025	2024
	£	£
Accrued Income	-	27,631
Rents Due	69,249	65,473
Amounts due from other Baptist Organisations	5,000	5,000
Prepayments	2,327	20,582
Total Debtors	**76,576**	**118,686**

13. CASH AT BANK AND IN HAND

	2025	2024
Short Term Deposits	£	£
Deposit – Baptist Union Corporation	1,415,746	3,503,218
Cash at Bank and in hand	201,920	251,836
Total Cash in Short Term Deposits	**1,617,666**	**3,755,054**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

14. CREDITORS DUE WITHIN ONE YEAR

	2025	2024
	£	£
Accruals	59,199	23,808
Interest free loans	2,337,342	2,329,493
Amounts due to Baptist Union of Great Britain	392	123,445
Other creditors	4,897	(839)
Total Creditors Due Within Year	**2,401,830**	**2,475,907**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
BUC Family Solution Loan		
Balance Brought Forward	20,000,000	20,000,000
Repayments	(796,992)	-
Total Provisions for Liabilities	**19,203,008**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

16. OTHER RESERVES

	B/Fwd 01-Jan-25	Income	Expenditure	Gain and (Loss)	C/Fwd 31-Dec-25
	£	£	£	£	£
Family Solution (Designated)	-	1,275,735	(1,275,735)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed Motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	19,203,008	-	(19,203,008)	-
Unrestricted	42,120,012	30,991	-	(707,588)	-	41,443,415
Total	**42,120,012**	**30,991**	**19,203,008**	**(707,588)**	**(19,203,008)**	**41,443,415**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2025

18. PENSIONS

As per note 8, the Charity's employees are employed jointly by BUGB and the Charity and their associated costs are paid by BUGB and then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

The staff are eligible to join the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme, previously known as the Baptist Ministers Pension Fund, started in 1925. At the beginning of the financial year, the scheme comprised of a defined benefits scheme which was closed to future accrual on 31 December 2011 and a defined contribution plan which was opened in January 2012. The assets of the Scheme are held separately from those of the participating employers.

For the current and previous financial year, the pension provision for members of the Scheme is being made by BUGB through the Defined Contribution (DC) Plan. 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 Broadstone Corporate Benefits Ltd. 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 if 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 Aviva Limited. Furthermore, members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

In October 2024, the insurance company Just Group completed a buy out of the liabilities of the closed defined benefit scheme. From that date any remaining liability of the participating scheme members to defined benefit scheme ceased and the £1 per month deficit contributions payable by the participating employers which were agreed in the recovery plan approved in August 2022 also ceased from that date. Administration of the closed defined benefit scheme transferred from the pension trustees to Just Group from that date.

The total pension costs for the Charity for 2025 were £9,064 (2024: £8,800).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity.

During the year ended 31 December 2025, two Trustees, the Revd A Miles and Rev A A Peck, occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2025, the two trustees each paid rent at the average rate for all tenants amounting to £8,439 (2024: £5,487) and there were no arrears of rent at that date.

A total of £226 was paid to 5 Trustees in reimbursement of travelling and subsistence expenses whilst acting in their capacity as Trustees (2024: £662 to 4 Trustees).

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts



ANNUAL REPORT 2024

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2024

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Ms H Harris	
	Revd G Hindmarch	
	Rev L G Johnson	
	Mr C J Jones	
	Revd P Jump	
	Mrs A Kapolyo	(resigned 7 Feb 2024)
	Mr J Levick	
	Revd A Miles	(appointed 26 Nov 2024)
	Revd A A Peck	
	Ms J Stewart	
	Ms R Tole (Co-Chair)	
	Mr T Walker (Co-Chair)	
PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT	
REGISTERED NUMBER:	1177649	
PROPERTY TRUSTEE	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.	
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, 9 Appold Street, London, EC2A 2AP.	
SOLICITORS:	Shakespeare Martineau LLP, 1 Colmore Square, Birmingham, B4 6AA Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE Diakoneo Legal Services Limited, Solicitors, 48 Speirs Wharf, Glasgow G4 9TH	
BANKERS:	HSBC Plc., 6 High Street, Abingdon, OX14 5AZ	
MANAGER:	Revd Andy Hughes	

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2024 which comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

	Section	Page Reference
1	Introduction and Contents	1
2	Report of the Trustees:	2
	Objectives and Activities	2
	Achievements and Performance	2
	Financial Review	3
	Plans for Future Periods	4
	Structure, Governance and Management	4
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

2. OBJECTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

3. ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide 6 homes for ministers and minister's widows who made applications to RBMHO for 2024 and an additional minister was housed in January 2025 following a slight delay in the purchase. The remaining applicant has delayed their retirement. In addition, 2 tenants were relocated to properties more suited to their needs. During the year the Charity acquired 7 properties and disposed of 20. The Charity's stock of properties decreased to 250 properties (2023: 263). At the end of the period, the Charity was providing homes for 244 (2023: 251) retired ministers and /or their spouses. It seeks to maintain its properties to a good standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity undertook a significant amount of work improving the properties which had been identified in the condition surveys as requiring the most urgent work. This has resulted in spending on repairs exceeding £1.7million.

In November the Trustees agreed that new condition surveys could be undertaken on the remainder of the properties previously surveyed to ascertain the future expenditure likely to be required. A survey of active Baptist Ministers was undertaken to project demand over the next 20 years or more and has informed cashflow projections for the next 5 years.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The Charity has engaged in discussions with the Baptist Union of Great Britain and the Baptist Union Corporation about the £20 million Family Solution loan which has led to a decrease in the charges required on the Charity's properties.

4. FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

During the reporting period, the minimum monthly rent (July 24-Jun 25) was increased to £224.50 (2023: £206), and the maximum purchase value per property remained the same at £240,000 (2023: £240,000).

As shown on the Statement of Financial Activities the surplus for the year of £1,280,029 (2023: £1,656,829) has been transferred to reserves, giving total funds carried forward of £41,821,661 (2023: £40,541,632).

Excluding the Family Solution (see below), Income in the year decreased to £969,613 (2023: £1,073,717), a decrease of 9.7%. This was primarily due to further information coming to light regarding an expected legacy of £110,000, previously recognised in 2023, being debited from legacy income in 2024. (Comparing income for 2023 and 2024 excluding this legacy, income rose by 12%.) Rent income increased to £719,206(2023: £675,708) an increase of 6.4%.

Direct unrestricted costs increased to £1,991,467 (2023: £1,243,604) an increase of 60.1%, driven by an increase in property repair costs. Support costs decreased to £13,954 (2023: £20,566).

The operating deficit for the year, excluding the gain on sale of fixed assets, was £1,035,807 (2023: deficit £190,453), on top of which the Charity made gains on disposal of fixed assets of £2,315,837 (2023: £1,846,538).

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £1,629,070 in 2024 (2023: £1,452,055), the increase reflecting the change of interest rates by the Baptist Union Corporation Ltd following the Bank of England base rates changing.

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risk and uncertainty facing the charity:

- **The financial failure of the Baptist Union of Great Britain (BUGB)**. As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

Reserves Policy

The Charity seeks to maintain access to sufficient available cash reserves on hand to enable it to sustain its day-to-day running costs and respond to the needs of future tenants.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable. This normally generates a surplus over the expenditure on charitable activities. However, the current programme of repairs and improvements, which we expect will take about 3 years to complete, will result in expenditure exceeding income over that period. The Trustees expect to fund the shortfall from excess receipts from disposals and, to the extent to which that is insufficient, from loans. 2 months operating costs (approximately £300,000) is required for day-to-day running costs.

Reserves are also required is to ensure that properties can be supplied to qualifying applicants to meet their needs in a timely manner. The Charity does not guarantee to all applicants that it will be able to help, but during its history has never failed to do so for those who meet its eligibility criteria. The Trustees believe it prudent to hold reserves for this purpose amounting to four times the maximum purchase price offered to qualifying applicants. This equates to approximately £980k.

This gives a free reserves requirement of £1,280,000. As at 31 December 2024, the Charity had free reserves of £1,527,777, a surplus above the minimum requirement of £247,777. Should the Trustees see this excess build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

5. PLANS FOR FUTURE PERIODS

The maximum purchase price will remain at £240,000 for 2025 and the minimum rent will be reviewed by 1 July 2025. The Trustees receive applications for housing up to 5 years in advance and currently have 29 applications for the period 2025-2029. The Trustees consider that from the anticipated proceeds of sale of properties the Charity should be able to meet all qualifying applications in this period. Additional work will need to be undertaken on a number of the Organisation's properties as a result of the further condition surveys. The government have announced that landlords will be required to improve the energy efficiency of rental properties with a minimum of EPC of C required from 2030. Currently 50% of our properties have an EPC of D or E. The trustees are undertaking a rent review to ensure that the Charity is able to cover the ongoing costs of maintaining all the properties to the standards now required.

6. STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the General Manager, Revd Andy Hughes and Property and Operations Manager, Mr Joe Cleavers. Andy Hughes has authority to approve

standard applications for housing, to purchase and sell properties, and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the General Manager on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 29 April 2025 and signed on its behalf by:



Revd Andy Hughes

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion

We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under section 1442 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor
9 Appold Street
London
EC2A 2AP

Date 7 May 2025

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Designated Funds	2024 £	2023 £
Income					
Donations and legacies	2	68,099	-	68,099	204,132
Charitable activities	3	721,000	-	721,000	677,585
Investment income	4	80,514	1,629,070	1,709,584	1,644,055
Total Income		**869,613**	**1,629,070**	**2,498,683**	**2,525,772**
Expenditure					
Charitable activities	5	2,005,421	1,629,070	3,634,491	2,716,225
Total Expenditure		**2,005,421**	**1,629,070**	**3,634,491**	**2,716,225**
Net income before gain/(loss) on investments		**(1,135,808)**	-	**(1,135,808)**	**(190,453)**
Net gain/(loss) on investments	10	(970)	-	(970)	743
Gain on sale of fixed assets		2,315,837	-	2,315,837	1,846,539
Net movement in funds		**1,179,059**	-	**1,179,059**	**1,656,829**
RECONCILIATION OF FUNDS					
Total funds brought forward		40,541,632	-	40,541,632	38,884,803
Total funds carried forward		**41,720,691**	-	**41,720,691**	**40,541,632**

The notes on pages 13 to 20 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2024

	Notes	31st December 2024 £	£	31st December 2023 £	£
Fixed Assets					
Tangible assets	9	40,293,884		40,967,213	
Investments					
- Quoted investments	10	28,974		29,944	
- Mixed Motive	11	20,000,000		20,000,000	
			60,322,858		**60,997,157**
Current Assets					
Debtors	12	101,234		250,573	
Cash and Bank	13	3,755,054		3,672,251	
		3,856,288		**3,922,824**	
Current Liabilities					
Creditors:					
Amounts falling due within one year	14	(2,458,455)		(4,378,349)	
Net current assets/(liabilities)			**1,397,833**		**(455,525)**
Creditors:					
Amounts falling due after one year	15		(20,000,000)		(20,000,000)
Net Assets			**41,720,691**		**40,541,632**
CAPITAL AND RESERVES					
General Reserve			41,720,691		40,541,632
Designated Funds			-		-
Total Charity Funds			**41,720,691**		**40,541,632**

The financial statements were approved by the Trustees on 29 April 2025 and were signed on its behalf by:



Revd Andy Hughes

The notes on pages 13 to 20 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR PERIOD ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Net income for the reporting period		**1,179,059**	**1,656,829**
Adjustments for:			
Net (gain)/loss on investments	10	970	(743)
Net income before (gain)/loss on investment		**1,180,029**	**1,656,086**
Adjustments for:			
Depreciation	9	16,102	12,323
Dividends and interest from investments	4	(1,709,584)	(1,644,054)
Net (gain)/loss on sale of fixed assets		(2,315,837)	(1,846,538)
(Increase)/Decrease in debtors		149,340	180,270
Increase/(Decrease) in creditors		(1,919,894)	127,851
Net cash used by operating activities		**(4,599,844)**	**(1,514,062)**
Cash flows from investing activities			
Dividends and interest from investments	4	1,709,584	1,644,054
Proceeds from sale of fixed assets		4,384,453	3,773,299
Purchase of tangible fixed assets		(1,411,390)	(3,551,211)
Net cash generated in investing activities		**4,682,647**	**1,866,142**
Changes in cash and cash equivalents in the year		**82,803**	**352,080**
Cash and cash equivalents brought forward		3,672,251	3,320,171
Cash and cash equivalents carried forward	13	**3,755,054**	**3,672,251**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2011. The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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. Accounts are shown in British pounds and rounded to the nearest whole pound.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Directors are aware of the continuing cost of living crisis facing the UK population at this time but based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the value of the property is maintained at the value presented in the financial statements.

Motor Vehicles have a straight-line depreciation rate of 25%.

Computers have a straight-line depreciation rate of 33%.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits with a maximum maturity of less than 3 months.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are recognised as contributions received and a liability for repayment from the date at which the tenancy commences. They are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Taxation

The Charity is not assessable to taxation.

(n) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2024	2023
	£	£	£	£
Donations	31,403	-	31,403	31,281
Legacies	36,696	-	36,696	172,851
Total	68,099	-	68,099	204,132

In 2023, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2024	2023
	£	£	£	£
Rent Received	719,206	-	719,206	675,708
Property Management	1,794	-	1,794	1,877
Total	721,000	-	721,000	677,585

In 2023, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2024	2023
	£	£	£	£
UK Listed equities	1,125	-	1,125	1,200
Interest received	79,389	1,629,070	1,708,459	1,642,854
Total	80,514	1,629,070	1,709,584	1,644,054

In 2023, £1,452,055 of interest received was in designated funds and £190,800 of interest received was in unrestricted funds. Income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2024	2023
	£	£	£	£
Charitable expenditure	3,620,537	13,954	3,634,491	2,716,225
	3,620,537	13,954	3,634,491	2,716,225

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2024	2023
		£	£	£	£
Repairs		1,717,384	-	1,717,384	819,085
Vacant Property costs		29,248	-	29,248	37,646
Insurance		74,626	-	74,626	79,643
Ground rents		738	-	738	578
Salaries	8	106,593	-	106,593	101,036
Legal & professional fees		-	-	-	2,143
Loan interest		-	1,629,070	1,629,070	1,597,244
Loan fees		6,000	-	6,000	6,000
Office expenses		36,254	-	36,254	36,629
Depreciation	9	16,102	-	16,102	12,323
Other expenditure		4,522	-	4,522	3,332
Total		**1,991,467**	**1,629,070**	**3,620,537**	**2,695,659**

In 2023, £1,452,055 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2024	2023
	£	£	£	£
Audit	10,868	-	10,868	12,714
Legal & Professional fees	3,086	-	3,086	7,852
Total	**13,954**	-	**13,954**	**20,566**

In 2023 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2024	2023
Staff costs:		£	£
Salaries		88,000	85,656
Social security costs		9,793	9,083
Pension costs	18	8,800	6,297
Total		**106,593**	**101,036**
The average number of employees:		2	2

Employees are employed by the Baptist Union of Great Britain and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2023: £nil). No trustee received emoluments from the Charity during the period (2023: £nil). Expenses totalling £662 (2023: £220) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

9. TANGIBLE FIXED ASSETS

	Number of Properties		
	Freehold	Leasehold	Total
Brought forward	252	11	263
Additions	6	1	7
Transfers	2	(2)	-
Disposals	(18)	(2)	(20)
Carried Forward	242	8	250

	Book Values				
	Freehold	Leasehold	Motor Vehicles	Computer	Total
	£	£	£	£	£
Cost					
Brought forward	39,307,802	1,700,136	30,383	-	41,038,321
Additions	1,385,223	25,000	-	1,166	1,411,389
Transfers	285,292	(285,292)	-	-	-
Disposals	(1,905,712)	(199,373)	-	-	(2,105,085)
Carried Forward	39,072,605	1,240,471	30,383	1,166	40,344,625
Depreciation					
Brought forward	-	67,310	3,798	-	71,108
Charge for the period	-	8,344	7,596	162	16,102
Disposals	-	(36,469)	-	-	(36,469)
Carried Forward	-	39,185	11,394	162	50,741
Net Book Value					
Brought Forward	39,307,802	1,632,826	26,585	-	40,967,213
Carried Forward	39,072,605	1,201,286	18,989	1,004	40,293,884

The insured value of the above properties is in excess of the book value.

During the year it was identified that certain properties were misclassified as leasehold rather than freehold. A transfer has been made to correct this in the current year.

10. QUOTED INVESTMENTS

	2024	2023
Listed Investments	£	£
Brought Forward	29,944	29,201
Realised and Unrealised Gain/(Loss)	(970)	743
Total	28,974	29,944

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

11. MIXED MOTIVE INVESTMENTS

	2024	2023
	£	£
Family Solution Fund: Loan to Baptist Union of Great Britain	20,000,000	20,000,000
Total	**20,000,000**	**20,000,000**

12. DEBTORS

	2024	2023
	£	£
Accrued Income	27,631	158,404
Rents Due	65,473	401
Amounts due from other Baptist Organisations	5,000	5,000
Prepayments	3,130	86,768
Total Debtors	**101,234**	**250,573**

13. ANALYSIS OF CASH AND SHORT-TERM INVESTMENTS

	2024	Cash Flow	2023
Short Term Deposits	£	£	£
Deposit – Baptist Union Corporation	3,503,218	356,514	3,146,704
Cash at Bank and in hand	251,836	(273,711)	525,547
Total	**3,755,054**	**82,803**	**3,672,251**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

14. CREDITORS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Accruals	5,517	34,033
Interest free loans	2,329,493	2,290,293
Amounts due to Baptist Union of Great Britain	123,445	28,496
BUC Working Capital Loan	-	2,022,200
Other creditors	-	3,327
Total Creditors Due Within Year	**2,458,455**	**4,378,349**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

The BUC loan is a working capital loan facility. Interest is payable at their standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan was repaid during this financial year, but the facility remains in place.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
BUC Family Solution Loan	20,000,000	20,000,000
Total Provisions for Liabilities	**20,000,000**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

16. OTHER RESERVES

	31-Dec-23	Income	Expenditure	Gain and (Loss)	31-Dec-24
	£	£	£	£	£
Family Solution (Designated)	-	1,629,070	(1,629,070)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed Motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	20,000,000	-	(20,000,000)	-
Unrestricted	40,967,213	28,974	-	1,397,833	-	42,394,020
Total	**40,967,213**	**28,974**	**20,000,000**	**1,397,833**	**(20,000,000)**	**42,394,020**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

18. PENSIONS

As per note 8, the Charity's employees are employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

The staff are eligible to join the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme, previously known as the Baptist Ministers Pension Fund, started in 1925. At the beginning of the financial year, the scheme comprised of a defined benefits scheme which was closed to future accrual on 31 December 2011 and a defined contribution plan which was opened in January 2012. The assets of the Scheme are held separately from those of the participating employers.

In October 2024, the insurance company Just Group completed a buy out of the liabilities of the closed defined benefit scheme. Administration of the closed defined benefit scheme transferred from the pension trustees to Just Group from that date.

For the current financial year, the pension provision for members of staff is being made by BUGB through the Defined Contribution (DC) Plan within the BPS. 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 Broadstone Corporate Benefits Ltd. 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 if 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 Aviva Limited. Furthermore, members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

The total pension costs for the Charity for 2024 were £8,800 (2023: £6,297).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity.

During the year ended 31 December 2024, three Trustees, Mrs A Kapolyo (trustee until 7 February 2024), the Revd A Miles and the Revd A A Peck occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2024, the three trustees each paid rent at the average rate for all tenants amounting to £5,712 (2023: £2,985) and there were no arrears of rent at that date.

A total of £662 was paid to 4 Trustees in reimbursement of travelling and subsistence expenses as Trustees (2023: £220 to 3 Trustees).

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts

RETIRED BAPTIST MINISTERS
HOUSING ORGANISATION

ANNUAL REPORT 2023

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2023

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Mr F W Johnston (Chairman)	(resigned 6 Dec 2023)
	Mr J Fleet	(resigned 1 March 2023)
	Ms H Harris	
	Revd G Hindmarch	
	Rev L G Johnson	
	Mr C J Jones	(appointed 14 Nov 2023)
	Revd P Jump	
	Mrs A Kapolyo	(resigned 7 Feb 2024)
	Mr J Levick	
	Revd A A Peck	(appointed 14 Nov 2023)
	Ms J Stewart	
	Rev H Stokley	(resigned Sept 2023)
	Ms R Tole (Co-Chair)	(appointed 6 Dec 2023)
	Mr T Walker (Co-Chair)	(appointed 6 Dec 2023)
	Mr R I Wilson	(resigned 3 Feb 2023)

PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT
REGISTERED NUMBER:	1177649
PROPERTY TRUSTEE	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, 9 Appold Street, London, EC2A 2AP.
SOLICITORS:	Shakespeare Martineau LLP, 1 Colmore Square, Birmingham, B4 6AA Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE Diakoneo Legal Services Limited, Solicitors, 48 Speirs Wharf, Glasgow G4 9TH
BANKERS:	HSBC Plc., 186 Broadway, Didcot, Oxfordshire, OX11 8RP
MANAGER:	Revd Andy Hughes

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2023 which comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

1. OBJECTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

2. ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide homes for 12 of the ministers who made applications to RBMHO in 2023. The remaining applicants have delayed their retirements to 2024 or later. In addition, 1 tenant was relocated to a property more suited to their needs. During the year the Charity acquired 14 properties and disposed of 14. The Charity's stock of properties remained at 263 properties. At the end of the period, the Charity was providing homes for 251 (2022: 263) retired ministers and /or their spouses. It seeks to maintain its properties to a good standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity contracted with a national provider to undertake almost all our servicing and landlord safety checks, as well as providing 24/7 emergency cover. Work began to address outstanding issues from the condition surveys undertaken from 2018 and to improve the energy efficiency of our properties with poor EPCs.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

3. FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

During the reporting period, the minimum monthly rent (July 23-Jun 24) was increased to £206 (2022: £192.50), and the maximum purchase value per property increased to £240,000 (2022: £225,000).

As shown on the Statement of Financial Activities the surplus for the year of £1,570,653 (2022: £1,695,844) has been transferred to reserves, giving total funds carried forward of £40,455,456 (2022: £38,884,803).

Excluding the Family Solution (see below), Income in the year decreased to £973,231 (2022: £1,180,464), a decrease of 17.6%. This was primarily due to a significant decrease in Donation income to £31,281 (2022: £301,271). Donation income in 2022 had included a house. Rent income increased to £675,708(2022: £667,935) an increase of 1.1%.

Direct unrestricted costs increased to £1,229,294 (2022: £715,693) an increase of 71.8%, driven by an increase in property repair costs, vacant property expenses and loan interest charges. Support costs increased to £20,566 (2022: £15,580) following a decrease in legal and professional fees but an increase in auditing fees.

The operating deficit for the year was £276,629 (2022: surplus £449,183), on top of which the Charity made gains on disposal of fixed assets of £1,846,538 (2022: £1,249,978).

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £1,452,055 in 2023 (2022: £893,151), the increase reflecting the change of interest rates by the Baptist Union Corporation Ltd following Bank of England base rates changing.

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risks and uncertainties facing the charity:

- **A significant and sustained decrease in legacy income**. The Charity and its predecessor, RBMHS, have built up the asset base of the Charity largely on the basis of the generous gifts left through legacies averaging more than £500,000 per annum in the last decade. Legacies are by their nature erratic but a sustained reduction in legacy income would present a risk to the ability of the Charity fully to meet the needs of future applicants in the long-term. The trustees monitor legacy income carefully and would consider taking steps to bring in increased income from other sources if necessary to sustain the ability of the Charity to meet demand.

- **The financial failure of the Baptist Union of Great Britain (BUGB)**. As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

Reserves Policy

The Charity seeks to maintain access to sufficient available cash reserves on hand to enable it to sustain its day-to-day running costs and respond to the needs of future tenants.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable. This normally generates a surplus over the expenditure on charitable activities. However, the current programme of repairs and improvements, which we expect will take about 3 years to complete, will result in expenditure exceeding income over that period. The Trustees expect to fund the shortfall from excess receipts from disposals and, to the extent to which that is insufficient, from loans. 2 months operating costs (approximately £300,000) is required for day-to-day running costs.

Reserves are also required is to ensure that properties can be supplied to qualifying applicants to meet their needs in a timely manner. The Charity does not guarantee to all applicants that it will be able to help, but during its history has never failed to do so for those who meet its eligibility criteria. The Trustees believe it prudent to hold reserves for this purpose amounting to four times the maximum purchase price offered to qualifying applicants. This equates to approximately £980k.

This gives a free reserves requirement of £1,280,000. As at 31 December 2023, the Charity had free reserves of £1,749,000, a surplus above the minimum requirement of £469,000. Should the Trustees see this excess build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

4. PLANS FOR FUTURE PERIODS

The maximum purchase price will remain at £240,000 for 2024 and the minimum rent will be reviewed by 1 July 2024. The Trustees receive applications for housing up to 5 years in advance and currently have 29 applications for the period 2024-2029. The Trustees consider that from the proceeds of sale of properties the Charity should be able to meet all qualifying applications in this period. Additional work will need to be undertaken on a number of the Organisation's properties as a result of the condition surveys. While changes in legislation requiring the energy efficiency levels of rental properties to be a C have been shelved the trustees are still committed to raise the EPCs of our less efficient properties to a high D or even C. In the medium term the Trustees need to consider how our properties will be heated as gas boilers may be phased out.

5. STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the Secretary and Tenant Relations Manager, Revd Andy Hughes and Property and Operations Manager, Mr Joe Cleavers. Andy Hughes has authority to approve standard applications for housing, to purchase and sell properties, and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the Secretary and Tenant Relations Manager on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2023 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 24 April 2024 and signed on its behalf by:



Revd Andy Hughes

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion

We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under section 1442 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions

reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor
9 Appold Street
London
EC2A 2AP

Date 29 April 2024

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

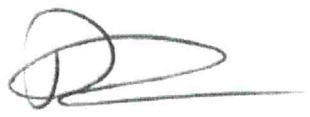
	Note	Unrestricted Funds £	Designated Funds	2023 £	2022 £
Income					
Donations and legacies	2	204,132		204,132	397,879
Charitable activities	3	677,585		677,585	669,737
Investment income	4	192,000	1,452,055	1,644,055	1,005,991
Total Income		1,073,717	1,452,055	2,525,772	2,073,607
Expenditure					
Charitable activities	5	1,264,170	1,452,055	2,716,225	1,624,424
Total Expenditure		1,264,170	1,452,055	2,716,225	1,624,424
Net income before gain/(loss) on investments and fixed asset sales		(190,453)	-	(190,453)	449,183
Net gain/(loss) on investments	10	743	-	743	(3,317)
Gain on sale of fixed assets		1,846,539	-	1,846,539	1,249,978
Net movement in funds		1,656,829	-	1,656,829	1,695,844
RECONCILIATION OF FUNDS					
Total funds brought forward		38,884,803	-	38,884,803	37,188,959
Total funds carried forward		40,541,632	-	40,541,632	38,884,803

The notes on pages 14 to 20 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2023

	Notes	31 December 2023		31 December 2022	
		£	£	£	£
Fixed assets					
Tangible assets	9	40,967,213		39,355,087	
Investments					
- Quoted investments	10	29,944		29,200	
- Mixed Motive	11	20,000,000		20,000,000	
			60,997,157		59,384,287
Current assets					
Asset held for disposal		-		285,000	
Debtors	12	250,573		145,843	
Cash and Bank	13	3,672,251		3,320,171	
		3,922,824		3,751,014	
Current liabilities					
Creditors: Amounts falling due within one year	14	(4,378,349)		(4,250,498)	
Net current liabilities			(455,525)		(499,484)
Creditors: Amounts falling after one year	15		(20,000,000)		(20,000,000)
Net Assets			40,541,632		38,884,803
THE FUNDS OF THE CHARITY					
General Reserve			40,541,632		38,884,803
Designated Funds			-		-
Total Charity Funds			40,541,632		38,884.803

The financial statements were approved by the Trustees on 24 April 2024 and were signed on its behalf by:



Revd Andy Hughes

The notes on pages 14 to 20 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Net income for the reporting period		**1,656,829**	**1,695,844**
Adjustments for:			
Net (gain)/loss on investments	10	(743)	3,318
Net income before (gain)/loss on investment		**1,656,086**	**1,699,162**
Adjustments for:			
Depreciation	9	12,323	6,807
Dividends and interest from investments	4	(1,644,054)	(1,005,991)
Net gain on sale of fixed assets		(1,846,538)	(1,249,978)
(Increase)/Decrease in debtors		180,270	(364,906)
Increase/(Decrease) in creditors		127,851	110,345
Net cash used by operating activities		**(1,514,062)**	**(804,561)**
Cash flows from investing activities			
Dividends and interest from investments	4	1,644,054	1,005,991
Proceeds from sale of fixed assets		3,773,299	2,596,284
Purchase of tangible fixed assets		(3,551,211)	(3,095,974)
Net cash generated in investing activities		**1,866,142**	**506,301**
Changes in cash and cash equivalents in the year		**352,080**	**(298,260)**
Cash and cash equivalents brought forward		3,320,171	3,618,431
Cash and cash equivalents carried forward	13	**3,672,251**	**3,320,171**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2022 The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Directors are aware of the continuing cost of living crisis facing the UK population at this time but based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the overall difference between residual values and carrying value are not material and as a result no depreciation is provided on freehold property.

Motor Vehicles have a straight-line depreciation rate of 25%.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits with a maximum maturity of less than 3 months.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are recognised as contributions received and a liability for repayment from the date at which the tenancy commences. They are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined benefit pension plan: The Charity is not a direct member of a defined benefit pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Union Staff Pension Scheme (BUSPS) which is a multi-employer defined benefit scheme. BUGB pays deficit contributions in respect of the Recovery Plan of the deficit in the BUSPS and the Charity makes a contribution towards these costs in respect of the share relating to the staff who worked for the Charity. As this arrangement is informal, no liability has been recorded within the accounts of the Charity but the payments are recognised as expenses when paid.

iii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Taxation

The Charity is not assessable to taxation.

(n) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2023	2022
	£	£	£	£
Donations	31,281	-	31,281	301,271
Legacies	172,851	-	172,851	96,608
Total	**204,132**	**-**	**204,132**	**397,879**

In 2022, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2023	2022
	£	£	£	£
Rent Received	675,708	-	675,708	667,935
Property Management	1,877	-	1,877	1,802
Total	**677,585**	**-**	**677,585**	**669,737**

In 2022, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2023	2022
	£	£	£	£
UK Listed equities	1,200	-	1,200	1,296
Interest received	190,800	1,452,055	1,642,855	1,004,695
Total	**192,000**	**1,452,055**	**1,644,055**	**1,005,991**

In 2022, £893,151 of interest received was in designated funds and £112,840 of interest received was in unrestricted funds. Income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2023	2022
	£	£	£	£
Charitable expenditure	2,695,659	20,566	2,716,225	1,624,424
	2,695,659	20,566	2,716,225	1,624,424

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2023	2022
		£	£	£	£
Repairs		819,085	-	819,085	431,790
Vacant Property costs		37,646	-	37,646	15,762
Insurance		79,643	-	79,643	50,611
Ground rents		578	-	578	2,767
Salaries	8	101,036	-	101,036	66,469
Legal & professional fees		2,143	-	2,143	5,415
Loan interest		145,189	1,452,055	1,597,244	981,432
Loan fees		6,000	-	6,000	6,000
Office expenses		36,629	-	36,629	39,246
Depreciation	9	12,323	-	12,323	6,807
Other expenditure		3,332	-	3,332	2,545
Total		**1,243,604**	**1,452,055**	**2,695,659**	**1,608,844**

In 2022, £893,151 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2023	2022
	£	£	£	£
Audit	12,714	-	12,714	6,882
Legal & professional fees	7,852	-	7,852	8,698
Total	**20,566**	**-**	**20,566**	**15,580**

In 2022 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2023	2022
Staff costs:		£	£
Salaries		85,656	56,616
Social security costs		9,083	5,640
Pension costs	18	6,297	4,213
Total		**101,036**	**66,469**
The average number of employees during the period was:		2	2

Employees are employed by the Baptist Union of Great Britain and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2022: £nil). No trustee received emoluments from the Charity during the period (2022: £nil). Expenses totalling £223 (2022: £82) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

9. TANGIBLE FIXED ASSETS

	Number of Properties		
	Freehold	Leasehold	Total
Brought forward	252	11	263
Additions	13	1	14
Disposals	(13)	(1)	(14)
Carried Forward	252	11	263

	Book Values			
	Freehold	Leasehold	Motor Vehicles	Total
	£	£	£	£
Cost				
Brought forward	37,802,439	1,614,533	-	39,416,972
Additions	3,303,618	217,209	30,384	3,551,211
Disposals	(1,798,255)	(131,606)	-	(1,929,861)
Carried Forward	39,307,802	1,700,136	30,384	41,038,322
Depreciation				
Brought forward	-	61,885	-	61,885
Charge for the period	-	8,525	3,799	12,324
Disposals	-	(3,100)	-	(3,100)
Carried Forward	-	67,310	3,799	71,109
Net Book Value				
Brought Forward	37,802,439	1,552,648	-	39,355,087
Carried Forward	39,307,802	1,632,826	26,585	40,967,213

The insured value of the above properties is in excess of the book value.

10. QUOTED INVESTMENTS

Listed Investments	2023 £	2022 £
Brought Forward	29,200	32,518
Realised and Unrealised Gain/(Loss)	744	(3,318)
Carried Forward	29,944	29,200

11. MIXED MOTIVE INVESTMENTS

	2023 £	2022 £
Family Solution Fund: Loan to Baptist Union of Great Britain	20,000,000	20,000,000
Total	20,000,000	20,000,000

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

12. DEBTORS

	2023	2022
	£	£
Accrued Income	158,404	77,617
Rents Due	401	56,568
Amounts due from other Baptist Organisations	5,000	5,000
Prepayments	86,768	6,658
Total Debtors	**250,573**	**145,843**

13. CASH AT BANK AND IN HAND

	2023	2022
Short Term Deposits	£	£
Deposit – Baptist Union Corporation	3,146,704	2,666,663
Cash at Bank and in hand	525,547	653,508
Total Cash in Short Term Deposits	**3,672,251**	**3,320,171**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

14. CREDITORS DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accruals	34,033	9,000
Interest free loans	2,290,293	2,227,313
Amounts due to Baptist Union of Great Britain	28,496	20,107
BUC Working Capital Loan	2,022,200	1,991,778
Other creditors	3,327	2,300
Total Creditors Due Within Year	**4,378,429**	**4,250,498**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

The BUC loan is a working capital loan facility. Interest is payable at their standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits.

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
BUC Family Solution Loan	20,000,000	20,000,000
Total Provisions for Liabilities	**20,000,000**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

16. OTHER RESERVES

	1 Dec 2023	Income	Expenditure	Gain and (Loss)	31 Dec 2023
	£	£	£	£	£
Family Solution (Designated)	-	1,452,055	(1,452,055)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	20,000,000	-	(20,000,000)	-
Unrestricted	40,967,213	29,944	-	(541,701)	-	40,455,456
Total	**40,967,213**	**29,944**	**20,000,000**	**(541,701)**	**(20,000,000)**	**40,455,456**

18. PENSIONS

As per note 8, the Charity's employees are employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

From January 2012, pension provision for members of staff is being made by BUGB through the Defined Contribution (DC) Plan within the BPS. 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 BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

Benefits in respect of service prior to 1 January 2012 were provided through the Defined Benefit (DB) Plan within the Baptist Union Staff Pension scheme (BUSPS). A contract was signed with Aviva Plc in June 2018 to take on the liabilities of the BUSPS to its beneficiaries and a wind up of the BUSPS was formally triggered on 31st August 2018 and completed on 18th September 2019.

The total pension costs for the Charity for 2023 were £5,116 (2022: £4,213).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity. During the year ended 31 December 2023, two Trustees, the Revd A A Peck and Mrs A Kapolyo, occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2023, the two trustees each paid rent at the average rate for all tenants amounting to £2,985 (2022: £2,310 1 trustee only) and there were no arrears of rent at that date.

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts

RETIRED BAPTIST MINISTERS
HOUSING ORGANISATION

ANNUAL REPORT 2022

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2022

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Mr F W Johnston (Chairman)	
	Mr R Barnett	(resigned 31 March 2022)
	Mr J Fleet	
	Ms H Harris	
	Revd G Hindmarch	
	Rev L G Johnson	
	Revd P Jump	
	Mrs A Kapolyo	
	Mr J Levick	
	Ms J Stewart	
	Rev H Stokley	
	Ms R Tole	
	Mr T Walker	
	Mr R I Wilson	(resigned 3 Feb 2023)
	Revd P J Wortley	(resigned 6 July 2022)
PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT	
REGISTERED NUMBER:	1177649	
PROPERTY TRUSTEE	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.	
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, 9 Appold Street, London, EC2A 2AP.	
SOLICITORS:	Shakespeare Martineau LLP, 1 Colmore Square, Birmingham, B4 6AA Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE	
BANKERS:	HSBC Plc., 186 Broadway, Didcot, Oxfordshire, OX11 8RP	
SURVEYORS:	Berry's Chartered Surveyors, Oak House, 32 Ashby Road, Tove Valley Business Park, Towcester, NN12 6PG	
MANAGER:	Mr Stewart Green (resigned 31st December 2022) Revd Andy Hughes (with effect from 1 November 2022)	

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2022 which comply with the Charities Act 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

	Section	Page Reference
1	Introduction and Contents	1
2	Report of the Trustees:	2
	Objectives and Activities	2
	Achievements and Performance	2
	Financial Review	3
	Plans for Future Periods	4
	Structure, Governance and Management	5
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

1. OBJECTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

2. ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide homes for 8 of the ministers who made applications to RBMHO. The remaining applicants have delayed their retirements to 2023 or later. In addition, 5 tenants were relocated to properties more suited to their needs. During the year the Charity acquired 15 properties and disposed of 12. The Charity's stock of properties increased from 261 to 263. At the end of the period, the Charity was providing homes for 423 (2021: 425) retired ministers and family members. It seeks to maintain its properties to a high standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity completed a programme of condition surveys of the Charity's properties with Berry's Chartered Surveyors to ensure that they are in good repair and provide good-quality accommodation for beneficiaries. The surveys were undertaken on the properties the Organisation has owned for more than 5 years.

3. FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

During the reporting period, the minimum monthly rent (July 22-Jun 23) was increased to £192.50 (2021: £187.50), and the maximum purchase value per property increased to £225,000 (2021: £215,000).

As shown on the Statement of Financial Activities the surplus for the year of £1,695,844 (2021: £2,693,261) has been transferred to reserves, giving total funds carried forward of £38,884,803 (2021: £37,188,959).

Excluding the Family Solution (see below), Income in the year decreased to £1,180,464 (2021: £1,519,281), a decrease of 22.3%. This was primarily due to a significant decrease in Legacy income to £96,608 (2021: £784,351). Rent income increased to £667,935 (2021: £658,042) an increase of 1.5%.

Donations included an exceptional donation of a property from Maybee Trust.

Direct unrestricted costs increased to £715,693 (2021: £624,289) an increase of 15%, driven by an increase in electrical inspections and property repair costs. Support costs increased to £15,580 (2021: £12,030) following a decrease in audit fees but an increase in legal and professional fees.

The operating surplus for the year was £449,183 (2021: £882,963), on top of which the Charity made gains on disposal of fixed assets of £1,249,978 (2021: £1,807,509).

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £893,151 in 2022 (2021: £621,397), the increase reflecting the change of interest rates by the Baptist Union Corporation Ltd following Bank of England base rates changing.

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risks and uncertainties facing the charity:

- **A significant and sustained decrease in legacy income.** The Charity and its predecessor, RBMHS, have built up the asset base of the Charity largely on the basis of the generous gifts left through legacies averaging more than £500,000 per annum in the last decade. Legacies are by their nature erratic but a sustained reduction in legacy income would present a risk to the ability of the Charity fully to meet the needs of future applicants in the long-term. The trustees also believe the Charity could obtain additional borrowing facilities in the short-term to acquire additional properties. The trustees monitor legacy income carefully and would consider taking steps to bring in increased income from other sources if necessary to sustain the ability of the Charity to meet demand.

- **The financial failure of the Baptist Union of Great Britain (BUGB).** As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

Reserves Policy

The Charity seeks to maintain access to sufficient available cash reserves on hand to enable it to sustain its day-to-day running costs and respond to the needs of future tenants.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable and generates a surplus over the expenditure on charitable activities, which is also highly predictable in nature. The Trustees are therefore satisfied that only a modest level of reserves of 2 months operating costs is required for day-to-day running costs. This equates to approximately £100k.

The more significant area of reserves required is to ensure that properties can be supplied to qualifying applicants to meet their needs in a timely manner. The Charity does not guarantee to all applicants that it will be able to help, but during its history has never failed to do so for those who meet its eligibility criteria. The Trustees believe it prudent to hold reserves for this purpose amounting to four times the maximum purchase price offered to qualifying applicants. This equates to approximately £900k.

This gives a free reserves requirement of £1m. As at 31 December 2022, the Charity had free reserves of £1,728k, a surplus above the minimum requirement of £728k. Should the Trustees see this excess build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

4. PLANS FOR FUTURE PERIODS

The maximum purchase price has been increased to £240,000 from 1 January 2023 and the minimum rent will be reviewed by 1 July 2023. The Trustees receive applications for housing up to 5 years in advance and currently have 32 applications for the period 2023-2028. The Trustees are confident of resources being able to meet all qualifying applications in this period. Additional work will need to be undertaken on a number of the Organisation's properties as a result of the condition surveys. Changes in legislation will require the energy efficiency levels of a large proportion of the properties to be raised to achieve an EPC of D or even C. In the medium term the Trustees need to consider how our properties will be heated as gas boilers may be phased out.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

5. STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the Manager, Mr Stewart Green, (Retired on 31Decmber 2022) and Secretary and Tenant Relations Manager, the Revd Andy Hughes (appointed 1 November 2022) who had authority to approve standard applications for housing and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the Manager / Secretary and Tenant Relations Manager and the Chair of Trustees on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 29 March 2023 and signed on its behalf by:

F.W. Johnston

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion
We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

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

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements
We have been appointed as auditor under section 1442 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest

extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor
9 Appold Street
London
EC2A 2AP

Date 3 April 2023

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £	Designated Funds	2022 £	2021 £
Income					
Donations and legacies	2	397,879		397,879	808,618
Charitable activities	3	669,737		669,737	660,649
Investment income	4	112,840	893,151	1,005,991	671,411
Total Income		**1,180,456**	**893,151**	**2,073,607**	**2,140,678**
Expenditure					
Charitable activities	5	731,273	893,151	1,624,424	1,257,715
Total Expenditure		**731,273**	**893,151**	**1,624,424**	**1,257,715**
Net income before gain/(loss) on investments and fixed asset sales		**449,183**	-	**449,183**	**882,963**
Net gain/(loss) on investments	10	(3,317)	-	(3,317)	2,789
Gain on sale of fixed assets		1,249,978	-	1,249,978	1,807,509
Net movement in funds		**1,695,844**	-	**1,695,844**	**2,693,261**
RECONCILIATION OF FUNDS					
Total funds brought forward		37,188,959	-	37,188,959	34,495,698
Total funds carried forward		**38,884,803**	-	**38,884,803**	**37,188,959**

The notes on pages 13 to 19 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2019

	Notes	31 December 2022		31 December 2021	
		£	£	£	£
Fixed assets					
Tangible assets	9	39,355,087		37,612,226	
Investments					
- Quoted investments	10	29,200		32,518	
- Mixed Motive	11	20,000,000		20,000,000	
			59,384,287		57,644,744
Current assets					
Asset held for disposal		285,000		-	
Debtors	12	145,843		65,937	
Cash and Bank	13	3,320,171		3,618,431	
		3,751,014		3,684,368	
Current liabilities					
Creditors:					
Amounts falling due within one year	14	(4,250,498)		(4,140,153)	
Net current liabilities			(499,484)		(455,785)
Creditors:					
Amounts falling after one year	15		(20,000,000)		(20,000,000)
Net Assets			38,884,803		37,188,959
THE FUNDS OF THE CHARITY					
General Reserve			38,884,803		37,188,959
Designated Funds			-		-
Total Charity Funds			38,884.803		37,188,959

The financial statements were approved by the Trustees on 29 March 2023 and were signed on its behalf by:



Mr Bill Johnson

The notes on pages 13 to 19 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR PERIOD ENDED 31 DECEMBER 2019

	Notes	2022 £	2021 £
Net income for the reporting period		**1,695,844**	**2,693,261**
Adjustments for:			
Net (gain)/loss on investments	10	3,318	(2,789)
Net income before loss on investment		**1,699,162**	**2,690,472**
Adjustments for:			
Depreciation	9	6,807	6,384
Dividends and interest from investments	4	(1,005,991)	(671,411)
Net gain on sale of fixed assets		(1,249,978)	(1,807,509)
(Increase)/Decrease in debtors		(364,906)	206,795
Increase/(Decrease) in creditors		110,345	14,998
Net cash provided by operating activities		**(804,561)**	**439,729**
Cash flows from investing activities			
Dividends and interest from investments	4	1,005,991	671,411
Proceeds from sale of fixed assets		2,596,284	3,216,955
Purchase of tangible fixed assets		(3,095,974)	(1,735,474)
Net cash generated in investing activities		**506,301**	**2,152,892**
Changes in cash and cash equivalents in the year		**(298,260)**	**2,592,621**
Cash and cash equivalents brought forward		3,618,431	1,025,810
Cash and cash equivalents carried forward	13	**3,320,171**	3,618,431

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2022 The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Directors are aware of the cost of living crisis facing the UK population at this time, but based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the overall difference between residual values and carrying value are not material and as a result no depreciation is provided on freehold property.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined benefit pension plan: The Charity is not a direct member of a defined benefit pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Union Staff Pension Scheme (BUSPS) which is a multi-employer defined benefit scheme. BUGB pays deficit contributions in respect of the Recovery Plan of the deficit in the BUSPS and the Charity makes a contribution towards these costs in respect of the share relating to the staff who worked for the Charity. As this arrangement is informal, no liability has been recorded within the accounts of the Charity but the payments are recognised as expenses when paid.

iii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Taxation

The Charity is not assessable to taxation.

(n) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2022	2021
	£	£	£	£
Donations	301,271	-	301,271	24,267
Legacies	96,608	-	96,608	784,351
Total	**397,879**	**-**	**397,879**	**808,618**

In 2021, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2022	2021
	£	£	£	£
Rent Received	667,935	-	667,935	658,042
Property Management	1,802	-	1,802	2,607
Total	**669,737**	**-**	**669,737**	**660,649**

In 2021, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2022	2021
	£	£	£	£
UK Listed equities	1,296	-	1,296	1,677
Interest received	111,544	893,151	1,004,695	669,734
Total	**112,840**	**893,151**	**1,005,991**	**671,411**

In 2021, £621,397 of interest received was in designated funds and £48,337 of interest received was in unrestricted funds. Income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2022	2021
	£	£	£	£
Charitable expenditure	1,608,844	15,580	1,624,424	1,257,715
	1,608,844	**15,580**	**1,624,424**	**1,257,715**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2022	2021
		£	£	£	£
Repairs		431,790	-	431,790	398,338
Rates		15,762	-	15,762	6,482
Insurance		50,611	-	50,611	45,071
Ground rents		2,767	-	2,767	471
Salaries	8	66,469	-	66,469	63,289
Legal & professional fees		5,415	-	5,415	1,395
Loan interest		88,281	893,151	981,432	683,016
Loan fees		6,000	-	6,000	6,000
Office expenses		39,246	-	39,246	33,499
Depreciation	9	6,807	-	6,807	6,384
Other expenditure		2,545	-	2,545	1,741
Total		**715,693**	**893,151**	**1,608,844**	**1,245,686**

In 2021, £621,397 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2022	2021
	£	£	£	£
Audit	6,882	-	6,882	9,121
Legal & professional fees	8,698	-	8,698	2,909
Total	**15,580**	**-**	**15,580**	**12,030**

In 2021 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2022	2021
Staff costs:		£	£
Salaries		56,616	53,090
Social security costs		5,640	4,890
Pension costs	18	4,213	5,309
Total		**66,469**	**63,289**

The average number of employees during the period was:	2	2

Employees are employed by the Baptist Union of Great Britain and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2021: £nil). No trustee received emoluments from the Charity during the period (2021: £nil). Expenses totalling £82 (2021: £24) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

9. TANGIBLE FIXED ASSETS

	Number of Properties			Book Value		
	Freehold	Leasehold	Total	Freehold	Leasehold	Total
				£	£	£
Cost						
Brought forward	251	10	261	36,342,694	1,325,705	37,668,399
Additions	13	2	15	2,760,423	335,550	3,095,973
Disposals	(12)	(1)	(13)	(1,300,678)	(46,722)	(1,347,400)
Carried Forward	**252**	**11**	**263**	**37,802,439**	**1,614,533**	**39,416,972**
Depreciation						
Brought forward				-	56,173	56,173
Charge for the period				-	6,807	6,807
Disposals				-	(1,095)	(1,095)
Carried Forward				**-**	**61,885**	**61,885**
Net Book Value						
Brought Forward				36,342,694	1,269,532	37,612,226
Carried Forward				**37,802,439**	**1,552,648**	**39,355,087**

The insured value of the above properties is in excess of the book value.

10. QUOTED INVESTMENTS

	2022	2021
Listed Investments	£	£
Brought Forward	32,518	29,729
Realised and Unrealised Gain/(Loss)	(3,318)	2,789
Carried Forward	**29,200**	**32,518**

11. MIXED MOTIVE INVESTMENTS

	2022	2021
	£	£
Family Solution Fund: Loan to Baptist Union of Great Britain	20,000,000	20,000,000
Total	**20,000,000**	**20,000,000**

12. DEBTORS

	2022	2021
	£	£
Accrued Income	77,617	2,683
Rents Due	56,568	54,660
Amounts due from other Baptist Organisations	5,000	5,000
Prepayments	6,658	3,594
Total Debtors	**145,843**	**65,937**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

13. CASH AT BANK AND IN HAND

	2022	2021
Short Term Deposits	£	£
Deposit – Baptist Union Corporation	2,666,663	3,340,751
Cash at Bank and in hand	653,508	277,680
Total Cash in Short Term Deposits	**3,320,171**	**3,618,431**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

14. CREDITORS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals	9,000	16,344
Interest free loans	2,227,313	2,146,593
Amounts due to Baptist Union of Great Britain	20,107	-
BUC Working Capital Loan	1,991,778	1,976,969
Other creditors	2,300	247
Total Creditors Due Within Year	**4,250,498**	**4,140,153**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

The BUC loan is a working capital loan facility. Interest is payable at their standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits.

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
BUC Family Solution Loan	20,000,000	20,000,000
Total Provisions for Liabilities	**20,000,000**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

16. OTHER RESERVES

	1 Dec 2022	Income	Expenditure	Gain and (Loss)	31 Dec 2022
	£	£	£	£	£
Family Solution (Designated)	-	893,151	(893,151)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	20,000,000	-	(20,000,000)	-
Unrestricted	39,355,087	29,200	-	(499,484)	-	38,884,803
Total	**39,355,087**	**29,200**	**20,000,000**	**(499,484)**	**(20,000,000)**	**38,884,803**

18. PENSIONS

As per note 8, the Charity's employees are employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

From January 2012, pension provision for members of staff is being made by BUGB through the Defined Contribution (DC) Plan within the BPS. 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 BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

Benefits in respect of service prior to 1 January 2012 were provided through the Defined Benefit (DB) Plan within the Baptist Union Staff Pension scheme (BUSPS). A contract was signed with Aviva Plc in June 2018 to take on the liabilities of the BUSPS to its beneficiaries and a wind up of the BUSPS was formally triggered on 31st August 2018 and completed on 18th September 2019.

The total pension costs for the Charity for 2022 were £4,213 (2021: £5,309).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity. During the year ended 31 December 2022, two Trustees, the Revd P J Wortley and Mrs A Kapolyo, occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2022, Revd Wortley and Mrs Kapolyo each paid rent at the average rate for all tenants amounting to £2,310 (2021: £2,227) and there were no arrears of rent at that date. The Manager of the Charity (until 31 December 2022) occupied a property owned by the Charity on the basis of a full commercial rent.

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts

RETIRED BAPTIST MINISTERS
HOUSING ORGANISATION

ANNUAL REPORT 2021

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2021

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Mr F W Johnston (Chairman)	
	Mr R Barnett	
	Revd M Clay	(resigned 15th April 2021)
	Mr J Fleet	
	Ms H Harris	(appointed 7th July 2021)
	Revd D Harvey	(resigned 14th April 2021)
	Revd G Hindmarch	
	Rev L G Johnson	(appointed 7th July 2021)
	Revd P Jump	
	Mrs A Kapolyo	
	Revd N Lear	(resigned 31st March 2021)
	Mr J Levick	
	Ms J Stewart	(appointed 7th July 2021)
	Rev H Stokley	(appointed 7th July 2021)
	Ms R Tole	(appointed 7th July 2021)
	Mr T Walker	
	Mr R I Wilson	
	Revd P J Wortley	
PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT	
REGISTERED NUMBER:	1177649	
PROPERTY TRUSTEE	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.	
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, Devonshire House, 60 Goswell Road, London, EC1M 7AD	
SOLICITORS:	Browne Jacobson LLP, Castle Meadow Road, Nottingham, NG2 1BJ Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE	
BANKERS:	HSBC Plc., 186 Broadway, Didcot, Oxfordshire, OX11 8RP	
SURVEYORS:	Berry's Chartered Surveyors, Oak House, 32 Ashby Road, Tove Valley Business Park, Towcester, NN12 6PG	
MANAGER:	Mr Stewart Green	

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2021 which comply with the Charities Act 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

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1	Introduction and Contents	1
2	Report of the Trustees:	2
	Objectives and Activities	2
	Achievements and Performance	2
	Financial Review	3
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

1. OBJECTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The activities, assets and liabilities of RBMHS were transferred to RBMHO on 31 December 2018 as the Management Committee and Members of RBMHS felt that a CIO structure was more appropriate to supporting its continuing activities.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association, Baptist Union of Great Britain (BUGB) and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

2. ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide homes for all of the nine ministers who made applications to RBMHO. In addition, two tenants were relocated to properties more suited to their needs. During the year the Charity acquired 10 properties and disposed of 15. The Charity's stock of properties decreased from 266 to 261. At the end of the period, the Charity was providing homes for 425 (2020: 441) retired ministers and family members. It maintains its properties to a high standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity continued a three-year programme of condition surveys of the Charity's properties with Berry's Chartered Surveyors to ensure that they are in good repair and provide good-quality accommodation for beneficiaries. As at 31 December 2021, approximately 200 (2020: 156) properties have had surveys completed

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

3. FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

During the reporting period, the minimum monthly rent (July 21-Jun 22) was increased to £187.50 (2020: £185), and the maximum purchase value per property increased to £225,000 (2020: £210,000).

As shown on the Statement of Financial Activities the surplus for the year of £2,693,261 (2020: £1,326,781) has been transferred to reserves, giving total funds carried forward of £37,188,959 (2020: £34,495,698).

Excluding the Family Solution (see below), Income in the year increased to £1,519,281 (2020: £1,349,067), an increase of 12.6%. This was primarily due to another increase in Legacy income to £784,351 (2020: £633,989). Rent income decreased to £655,816 (2020: £678,716) a decrease of 3.4% due to the decreased number of tenants.

Direct costs increased to £624,288 (2020: £566,862) an increase of 10%, driven by an increase in electrical inspections and property repair costs. Support costs decreased to £12,030 (2020: £39,333) following a further decrease in legal and professional fees.

The operating surplus for the year was £882,963 (2020: £742,872), on top of which the Charity made gains on disposal of fixed assets of £1,807,509 (2020: £586,388).

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £621,397 in 2021 (2020: £646,672).

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risks and uncertainties facing the charity:

- **A significant and sustained decrease in legacy income**. The Charity and its predecessor, RBMHS, have built up the asset base of the Charity largely on the basis of the generous gifts left through legacies averaging more than £500,000 per annum in the last decade. Legacies are by their nature erratic but a sustained reduction in legacy income would present a risk to the ability of the Charity fully to meet the needs of future applicants in the long-term. The trustees also believe the Charity could obtain additional borrowing facilities in the short-term to acquire additional properties. The trustees monitor legacy income carefully and would consider taking steps to bring in increased income from other sources if necessary to sustain the ability of the Charity to meet demand.

- **The financial failure of the Baptist Union of Great Britain (BUGB)**. As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

Reserves Policy

The Charity seeks to maintain access to sufficient available cash reserves on hand to enable it to sustain its day-to-day running costs and respond to the needs of future tenants.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable and generates a surplus over the expenditure on charitable activities, which is also highly predictable in nature. The Trustees are therefore satisfied that only a modest level of reserves of 2 months operating costs is required for day-to-day running costs. This equates to approximately £100k.

The more significant area of reserves required is to ensure that properties can be supplied to qualifying applicants to meet their needs in a timely manner. The Charity does not guarantee to all applicants that it will be able to help, but during its history has never failed to do so for those who meet its eligibility criteria. The Trustees believe it prudent to hold reserves for this purpose amounting to four times the maximum purchase price offered to qualifying applicants. This equates to approximately £840k.

This gives a free reserves requirement of £940k. As at 31 December 2021, the Charity had free reserves of £3,663k, a surplus above the minimum requirement of £2,723k. Should the Trustees see this excess build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

4. PLANS FOR FUTURE PERIODS

The maximum purchase price remains at £210,000 from 1 January 2022 and the minimum rent will increase to £192.50 from 1 July 2022. The Trustees receive applications for housing up to 5 years in advance and currently have 27 applications for the period 2022-2027. The Trustees are confident of resources being able to meet all qualifying applications in this period.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

5. STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the Manager, Mr Stewart Green who has authority to approve standard applications for housing and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the Manager and the Chair of Trustees on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

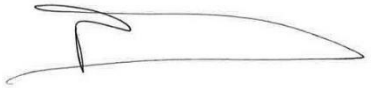
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 31 March 2022 and signed on its behalf by:



Mr Richard Wilson

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion

We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2022 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2022 and report in accordance with regulations made under section 154 of that Act.

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2022 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2022. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Date 4 April 2022

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

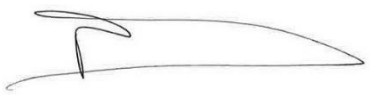
	Note	Unrestricted Funds £	Designated Funds	2021 £	2020 £
Income					
Donations and legacies	2	808,618		808,618	652,546
Charitable activities	3	660,649		660,649	682,320
Investment income	4	50,014	621,397	671,411	660,873
Total Income		1,519,281	621,397	2,140,768	1,995,739
Expenditure					
Charitable activities	5	636,318	621,397	1,257,715	1,252,867
Total Expenditure		**636,318**	**621,397**	**1,257,715**	**1,252,867**
Net income before gains/(losses) on investments and fixed asset sales		**882,963**	**-**	**882,963**	**742,872**
Net gain/(loss) on investments	10	2,789	-	2,789	(2,479)
Gain on sale of fixed assets		1,807,509	-	1,807,509	586,388
Net movement in funds		**2,693,261**	**-**	**2,693,261**	**1,326,781**
RECONCILIATION OF FUNDS					
Total funds brought forward		34,495,698	-	34,495,698	33,168,917
Total funds carried forward		**37,188,959**	**-**	**37,188,959**	**34,495,698**

The notes on pages 12 to 18 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	31 December 2021		31 December 2020	
		£	£	£	£
Fixed assets					
Tangible assets	9	37,612,226		37,292,582	
Investments					
- Quoted investments	10	32,518		29,729	
- Mixed Motive	11	20,000,000		20,000,000	
			57,644,744		**57,322,311**
Current assets					
Debtors	12	65,937		272,732	
Cash and Bank	13	3,618,431		1,025,810	
		3,684,368		**1,298,542**	
Current liabilities					
Creditors: Amounts falling due within one year	14	(4,140,153)		(4,125,155)	
Net current liabilities			**(455,785)**		**(2,826,613)**
Creditors: Amounts falling after one year	15		(20,000,000)		(20,000,000)
Net Assets			**37,188,959**		**34,495,698**
THE FUNDS OF THE CHARITY					
General Reserve			37,188,959		34,495,698
Designated Funds			-		-
Total Charity Funds			**37,188,959**		**34,495,698**

The financial statements were approved by the Trustees on 31 March 2022 and were signed on its behalf by:



Mr Richard Wilson

The notes on pages 12 to 18 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Net income for the reporting period		**2,693,261**	**1,326,781**
Adjustments for:			
Net (gains)/loss on investments	10	(2,789)	2,479
Net income before loss on investment		**2,690,472**	**1,329,260**
Adjustments for:			
Depreciation	9	6,384	5,896
Dividends and interest from investments	4	(671,411)	(660,873)
Net gain on sale of fixed assets		(1,807,509)	(586,388)
(Increase)/Decrease in debtors		206,795	(267,921)
Increase/(Decrease) in creditors		14,998	109,269
Net cash provided by operating activities		**439,729**	**(70,757)**
Cash flows from investing activities			
Dividends and interest from investments	4	671,411	660,873
Proceeds from sale of fixed assets		3,216,955	1,569,299
Purchase of tangible fixed assets		(1,735,474)	(1,894,843)
Net cash generated in investing activities		**2,152,892**	**335,329**
Changes in cash and cash equivalents in the year		**2,592,621**	**264,572**
Cash and cash equivalents brought forward		1,025,810	761,238
Cash and cash equivalents carried forward	13	**3,618,431**	1,025,810

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2022 The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Charity has not been impacted by the Covid-19 pandemic reporting both increased income and surplus for the year, although the minimum monthly rent was frozen at £185 as a gesture of goodwill to tenants. Based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the overall difference between residual values and carrying value are not material and as a result no depreciation is provided on freehold property.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined benefit pension plan: The Charity is not a direct member of a defined benefit pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Union Staff Pension Scheme (BUSPS) which is a multi-employer defined benefit scheme. BUGB pays deficit contributions in respect of the Recovery Plan of the deficit in the BUSPS and the Charity makes a contribution towards these costs in respect of the share relating to the staff who worked for the Charity. As this arrangement is informal, no liability has been recorded within the accounts of the Charity but the payments are recognised as expenses when paid.

iii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Taxation

The Charity is not assessable to taxation.

(n) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2021	2020
	£	£	£	£
Donations	24,267	-	24,267	18,557
Legacies	784,351	-	784,351	633,989
Total	**808,618**	**-**	**808,618**	**652,546**

In 2020, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2021	2020
	£	£	£	£
Rent Received	658,042	-	658,042	678,716
Property Management	2,607	-	2,607	3,604
Total	**660,649**	**-**	**660,649**	**682,320**

In 2020, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2021	2020
	£	£	£	£
UK Listed equities	1,677	-	1,677	524
Interest received	48,337	621,397	669,734	660,349
Total	**50,014**	**621,397**	**671,411**	**660,873**

In 2020, £646,672 of interest received was in designated funds and £14,201 of interest received was in unrestricted funds. Income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2021	2020
	£	£	£	£
Charitable expenditure	1,245,686	12,030	1,257,715	1,252,867
	1,245,686	**12,303**	**1,257,715**	1,252,867

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2021	2020
		£	£	£	£
Repairs		398,338		398,338	340,572
Rates		6,482		6,482	6,349
Insurance		45,071		45,071	41,968
Ground rents		471		471	2,634
Salaries	8	63,289		63,289	62,661
Legal & professional fees		1,395		1,395	1,680
Loan interest		61,619	621,397	683,016	711,204
Loan fees		6,000		6,000	6,000
Office expenses		33,499		33,499	33,992
Depreciation	9	6,384		6,384	5,896
Other expenditure		1,741		1,741	578
Total		**624,288**	**621,397**	**1,245,686**	**1,213,534**

In 2020, £646,672 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2021	2020
	£	£	£	£
Audit	9,121	-	9,121	12,446
Legal & professional fees	2,909	-	2,909	26,887
Total	**12,030**	**-**	**12,030**	**39,333**

In 2020 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2021	2020
Staff costs:		£	£
Salaries		53,090	52,564
Social security costs		4,890	4,840
Pension costs	18	5,309	5,256
Total		**63,289**	**62,661**

The average number of employees during the period was:	2	2

Employees are employed by the Baptist Union of Great Britain and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2020: £nil). No trustee received emoluments from the Charity during the period (2020: £nil). Expenses totalling £24 (2020: £nil) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

9. TANGIBLE FIXED ASSETS

	Number of Properties			Book Value		
	Freehold	Leasehold	Total	Freehold	Leasehold	Total
				£	£	£
Cost						
Brought forward	256	10	266	36,016,665	1,325,705	37,342,371
Additions	10	-	10	1,735,474	-	1,735,474
Disposals	(15)	-	(15)	(1,409,445)	-	(1,409,445)
Carried Forward	**251**	**10**	**261**	**36,342,694**	**1,325,705**	**37,668,399**
Depreciation						
Brought forward				-	49,789	49,789
Charge for the period				-	6,384	6,384
Disposals				-	-	-
Carried Forward				**-**	**56,173**	**56,173**
Net Book Value						
Carried Forward				**36,342,694**	**1,269,532**	**37,612,226**
Brought Forward				36,016,665	1,275,916	37,292,582

The insured value of the above properties is in excess of the book value.

10. QUOTED INVESTMENTS

	2021	2020
Listed Investments	£	£
Brought Forward	29,729	32,208
Realised and Unrealised Gains/(Losses)	2,789	(2,479)
Carried Forward	**32,518**	**29,729**

11. MIXED MOTIVE INVESTMENTS

	2021	2020
	£	£
Family Solution Fund: Loan to Baptist Union of Great Britain	20,000,000	20,000,000
Total	**20,000,000**	**20,000,000**

12. DEBTORS

	2021	2020
	£	£
Accrued Income	2,683	170,183
Rents Due	54,660	53,042
Amounts due to other Baptist Organisations	5,000	-
Prepayments	3,594	49,507
Total Debtors	**65,937**	**272,732**

13. CASH AT BANK AND IN HAND

	2021	2020
Short Term Deposits	£	£
Deposit – Baptist Union Corporation	3,340,751	955,968
Cash at Bank and in hand	277,680	69,842
Total Cash in Short Term Deposits	**3,618,431**	**1,025,810**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

14. CREDITORS DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals	16,344	15,230
Interest free loans	2,146,593	2,103,869
Amounts due to Baptist organisations	-	12,068
BUC Working Capital Loan	1,976,969	1,990,350
Other creditors	247	3,639
Total Creditors Due Within Year	**4,140,153**	**4,125,155**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

The BUC loan is a working capital loan facility. Interest is payable at their standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits.

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
BUC Family Solution Loan	20,000,000	20,000,000
Total Provisions for Liabilities	**20,000,000**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

16. OTHER RESERVES

	1 Dec 2021	Income	Expenditure	Gains and (Losses)	31 Dec 2021
	£	£	£	£	£
Family Solution (Designated)	-	621,397	(621,397)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	20,000,000	-	(20,000,000)	-
Unrestricted	37,612,226	32,518	-	(455,785)	-	37,188,959
Total	**37,612,226**	**32,518**	**20,000,000**	**(455,785)**	**(20,000,000)**	**37,188,959**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

18. PENSIONS

As per note 8, the Charity's employees are employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

From January 2012, pension provision for members of staff is being made by BUGB through the Defined Contribution (DC) Plan within the BPS. 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 BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

Benefits in respect of service prior to 1 January 2012 were provided through the Defined Benefit (DB) Plan within the Baptist Union Staff Pension scheme (BUSPS). A contract was signed with Aviva Plc in June 2018 to take on the liabilities of the BUSPS to its beneficiaries and a wind up of the BUSPS was formally triggered on 31st August 2018 and completed on 18th September 2019.

The total pension costs for the Charity for 2021 were £5,309 (2020: £5,256).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity. During the year ended 31 December 2020, two Trustees, the Revd P J Wortley and Mrs A Kapolyo, occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2021, Revd Wortley and Mrs Kapolyo each paid rent at the average rate for all tenants amounting to £2,227 (2020: £2,196) and there were no arrears of rent at that date. The Manager of the Charity occupies a property owned by the Charity on the basis of a full commercial rent.

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

England & Wales - Charity number 1177649

Accounts

RETIRED BAPTIST MINISTERS
HOUSING ORGANISATION

ANNUAL REPORT 2020

RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

YEAR ENDED 31 DECEMBER 2020

Charity Number: 1177649

REFERENCE AND ADMINISTRATIVE DETAILS

The Retired Baptist Ministers Housing Organisation (also known as RBMHO), is a Charitable Incorporated Organisation, registered with the Charity Commission.

TRUSTEES:	Mr F W Johnston (Chairman)	
	Mr R Barnett	
	Revd M Clay	
	Mr J Fleet	
	Revd L Green	Resigned 12 November 2020
	Revd D Harvey	
	Revd G Hindmarch	
	Revd P Jump	
	Mrs A Kapolyo	
	Revd N Lear	
	Mr J Levick	
	Mr T Walker	
	Mr R I Wilson	
	Revd P J Wortley	
PRINCIPAL OFFICE:	Baptist House, 129 Broadway, Didcot, OX11 8RT	
REGISTERED NUMBER:	1177649	
PROPERTY TRUSTEE	RBMHO Trust Corporation Limited, company number 11400081, registered charity number 1184848, a Company Limited by Guarantee.	
AUDITORS:	Moore Kingston Smith LLP, Chartered Accountants, Devonshire House, 60 Goswell Road, London, EC1M 7AD	
SOLICITORS:	Browne Jacobson LLP, Castle Meadow Road, Nottingham, NG2 1BJ Royds Withy King LLP, 5-6 Northumberland Buildings, Queen Square, Bath BA1 2JE	
BANKERS:	HSBC Plc., 186 Broadway, Didcot, Oxfordshire, OX11 8RP	
SURVEYORS:	Berry's Chartered Surveyors, Oak House, 32 Ashby Road, Tove Valley Business Park, Towcester, NN12 6PG	
MANAGER:	Mr Stewart Green	

INTRODUCTION AND CONTENTS

The Trustees of the Retired Baptist Ministers Housing Organisation ("the Charity") present their Annual Report together with the audited financial statements for the year ended 31 December 2020 which comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

The Annual Report and Financial Statements are structured as follows:

	Section	Page Reference
1	Introduction and Contents	1
2	Report of the Trustees:	2
	Objectives and Activities	2
	Achievements and Performance	2
	Financial Review	3
	Plans for Future Periods	4
	Structure, Governance and Management	5
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

1. OBJETCTIVES AND ACTIVITIES

The objects of the Retired Baptist Ministers Housing Organisation (RBMHO, the Charity) are, for the public benefit:

- The prevention or relief of poverty of retired Baptist ministers, retired Baptist missionaries and their spouses, who are in necessitous circumstances, as the charity trustees shall from time to time determine;
- To advance the Christian faith for the public benefit in accordance with the statement of belief of the Baptist denomination;

Since 1975, the Charity and its predecessor entity the Retired Baptist Ministers Housing Society (RBMHS) has sought to provide good-quality, safe, secure and well-maintained homes to those who reached retirement and who had no means of providing a home for themselves and their family.

The activities, assets and liabilities of RBMHS were transferred to RBMHO on 31 December 2018 as the Management Committee and Members of RBMHS felt that a CIO structure was more appropriate to supporting its continuing activities.

The Charity aims to support all applicants for housing who meet its normal qualifying criteria

- Retired Baptist ministers who have served as a Baptist minister accredited by the Baptist Union of Great Britain (BUGB) for at least 15 years
- Retired Baptist ministers who have served as minister of a church in membership of the Baptist Union of Great Britain for at least 18 years
- Retired Baptist Missionaries who have served BMS World Mission primarily outside the UK for at least 15 years
- The surviving spouses of qualifying retired ministers or those who died in active ministry

The Charity also considers applications for support that fall outside of its normal criteria but are deserving of support in the view of the Trustees.

The Charity works in partnership with the Heart of England Baptist Association, Baptist Union of Great Britain (BUGB) and BMS World Mission all of whom have provided properties which the Charity is pleased to manage on their behalf.

No changes to the activities of Charity are planned in the coming year.

2. ACHIEVEMENTS AND PERFORMANCE

The Charity is pleased to record that it was able to provide homes for all of the nine ministers who made applications to RBMHO. In addition, four tenants were relocated to properties more suited to their needs. During the year the Charity acquired 10 properties and disposed of 9. The Charity's stock of properties increased from 265 to 266. At the end of the period, the Charity was providing homes for 441 (2019: 446) retired ministers and family members. It maintains its properties to a high standard and offers pastoral support to its tenants as far as it is able.

In doing all this, the Charity recognises that it is due, in no small measure, to those individuals, ministers, organisations and churches who have supported and continue to support its continuing work either by prayers, publicity, visits or donations.

During the year, the Charity continued a three-year programme of condition surveys of the Charity's properties with Berry's Chartered Surveyors to ensure that they are in good repair and provide good-quality accommodation for beneficiaries. As at 31 December 2020, 156 (2019: 125) properties have had surveys completed

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

3. FINANCIAL REVIEW

The results of the Charity for the year are set out in the accompanying financial statements.

During the reporting period, the minimum monthly rent was frozen at £183 as a gesture of goodwill to tenants during the uncertainty of the Coronavirus pandemic, and the maximum purchase value was maintained at £200,000.

As shown on the Statement of Financial Activities the surplus for the year of £1,326,781 (2019: £1,005,383) has been transferred to reserves, giving total funds carried forward of £34,495,698 (2019: £33,168,917).

Excluding the Family Solution (see below), Income in the year increased to £1,349,067 (2019: £963,247), an increase of 40%. This was primarily due to an increase in Legacies to £633,989 (2019: £279,596), which is a level in line with the long-term average after a low year in 2019. Rent income increased to £678,716 (2019: £619,019) an increase of 9.6% due to the rise in the average rent charged due to a full year of the rental increase implemented in July 2019, an increased number of tenants and a change to how rental income was accrued for at the year end.

Direct costs increased to £566,862 (2019: £461,535) an increase of 23%, driven by an increase in property repair costs. Support costs decreased to £43,333 (2019: £57,196) following the high figure for legal and professional fees relating to the change in legal structure of the charity in 2019.

The operating surplus for the year was £742,872 (2019: £447,199), on top of which the Charity made gains on disposal of fixed assets of £586,388 (2019: £555,351) but made a loss on investments of £2,479 (2019:gain of £5,516)

The properties have been included in the financial statements at cost. The Trustees consider that the aggregate value of the properties is not below carrying value.

Family Solution

Since 2018, the Charity has supported the Baptist denomination by participating in the Family Solution to the Baptist Pension Scheme. This involved it taking a loan from Baptist Union Corporation (BUC) of £20m secured against a portion of its property assets and then making an unsecured loan to the Baptist Union of Great Britain (BUGB) of £20m. Both loans are on an interest-only payment basis and have the same interest rate, meaning that the interest income and expense offset each other. The loan from BUC is classified as non-current liability as the terms of the loan agreement mean payment can only be requested with 13-months' notice. The loan to BUGB is classified as a mixed-motive investment under FRS102 as the Trustees have made the loan as part of its commitment to the Baptist denomination Family Solution to the Baptist Pension Scheme at a rate more favourable than BUGB could have obtained commercially. To avoid distorting the operating accounts of the charity, the Trustees have created a Family Solution designated fund to hold both the assets and liabilities involved. This fund showed both income and expenditure of £646,672 in 2020 (2019: £752,055).

Fundraising

The Charity receives donations from organisations (mainly Baptist churches) and donations and legacies from individuals. The charity seeks support from donors via its website and advertising in Baptist publications. The charity does not work with any commercial entities for fundraising purposes and does not undertake any direct marketing activities for fundraising purposes. No complaints were received relating to fundraising in the year.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Principal Risks and uncertainties

The Trustees of the Charity have identified the following as the principal risks and uncertainties facing the charity:

- **A significant and sustained decrease in legacy income**. The Charity and its predecessor, RBMHS, have built up the asset base of the Charity largely on the basis of the generous gifts left through legacies averaging more than £500,000 per annum in the last decade. Legacies are by their nature erratic but a sustained reduction in legacy income would present a risk to the ability of the Charity fully to meet the needs of future applicants in the long-term. The trustees also believe the Charity could obtain additional borrowing facilities in the short-term to acquire additional properties. The trustees monitor legacy income carefully and would consider taking steps to bring in increased income from other sources if necessary to sustain the ability of the Charity to meet demand.

- **The financial failure of the Baptist Union of Great Britain (BUGB)**. As the Charity's major debtor, the Charity is dependent upon BUGB to continue to pay interest on the outstanding loan. The Trustees believe that the failure of BUGB would not present any risk to current tenants, but the charity might not be able to meet the needs of future applicants. The Trustees believe the financial failure of BUGB to be a remote possibility but will monitor its financial position and take any action necessary to protect the interests of the Charity and its beneficiaries.

Reserves Policy

The Charity seeks to maintain access to sufficient available cash reserves on hand to enable it to sustain its day-to-day running costs and respond to the needs of future tenants.

The income from Charitable activities relates to rent from beneficiaries which is highly reliable and generates a surplus over the expenditure on charitable activities, which is also highly predictable in nature. The Trustees are therefore satisfied that only a modest level of reserves of 2 months operating costs is required for day-to-day running costs. This equates to approximately £100k.

The more significant area of reserves required is to ensure that properties can be supplied to qualifying applicants to meet their needs in a timely manner. The Charity does not guarantee to all applicants that it will be able to help, but during its history has never failed to do so for those who meet its eligibility criteria. The Trustees believe it prudent to hold reserves for this purpose amounting to four times the maximum purchase price offered to qualifying applicants. This equates to approximately £840k.

This gives a free reserves requirement of £940k. As at 31 December 2020, the Charity had free reserves of £1,264k, a surplus above the minimum requirement of £324k. Should the Trustees see this excess build up substantially, the Trustees anticipate using the surplus to pay down the debts of the Charity.

4. PLANS FOR FUTURE PERIODS

The maximum purchase price increased to £210,000 from 1 January 2021 and the minimum rent will increase to £187.50 from 1 July 2021. The Trustees receive applications for housing up to 5 years in advance and currently have 28 applications for the period 2021-2026. The Trustees are confident of resources being able to meet all qualifying applications in this period.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

5. STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is governed by a constitution based on the Charity Commission's Foundation Model CIO constitution, which was registered on 22nd March 2018.

The Charity is managed by a board of up to 15 Trustees. Up to 8 Trustees are appointed by BUGB with up to a further 7 co-opted by the Trustees of the Charity.

The Trustees delegate the running of the Charity on a day-to-day basis to the Manager, Mr Stewart Green who has authority to approve standard applications for housing and to approve routine items of expenditure and property repairs. Non-standard applications for housing are referred to the Trustees for consideration.

Induction and Training of Trustees

When new trustees are appointed they are given a briefing by the Manager and the Chair of Trustees on the workings of the Charity. They are provided with the annual report and papers and minutes of recent meetings. Formal training is provided to trustees as appropriate.

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

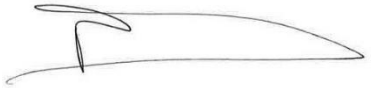
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees was approved on 31 March 2021 and signed on its behalf by:



Mr Richard Wilson

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Opinion

We have audited the financial statements of Retired Baptist Ministers Housing Organisation for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RETIRED BAPTIST MINISTERS HOUSING ORGANISATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Date 1 April 2021

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

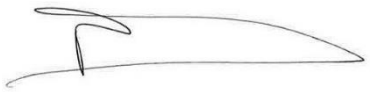
	Note	Unrestricted Funds £	Designated Funds	2020 £	2019 £
Income					
Donations and legacies	2	652,546	-	652,546	333,200
Charitable activities	3	682,320	-	682,320	623,011
Investment income	4	14,201	646,672	660,873	761,774
Total Income		1,349,067	646,672	1,995,739	1,717,985
Expenditure					
Charitable activities	5	606,195	646,672	1,252,867	1,270,786
Total Expenditure		**606,195**	**646,672**	**1,252,867**	**1,270,786**
Net income before gains/(losses) on investments and fixed asset sales		**742,872**	**-**	**742,872**	**447,199**
Net gain/(loss) on investments	10	(2,479)	-	(2,479)	5,516
Gain on sale of fixed assets		586,388	-	586,388	555,351
Net movement in funds		**1,326,781**	**-**	**1,326,781**	**1,008,066**
RECONCILIATION OF FUNDS					
Total funds brought forward		33,168,917		33,168,917	32,160,851
Total funds carried forward		**34,495,698**	**-**	**34,495,698**	**33,168,917**

The notes on pages 12 to 18 form an integral part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	31 December 2020		31 December 2019	
		£	£	£	£
Fixed assets					
Tangible assets	9	37,292,582		36,386,546	
Investments					
- Quoted investments	10	29,729		32,208	
- Mixed Motive	11	20,000,000		20,000,000	
			57,322,311		**56,418,754**
Current assets					
Debtors	12	272,732		4,811	
Cash and Bank	13	1,025,810		761,238	
		1,298,542		**766,049**	
Current liabilities					
Creditors: Amounts falling due within one year	14	(4,125,155)		(4,015,886)	
Net current liabilities			**(2,826,613)**		**(3,249,837)**
Creditors: Amounts falling after one year	15		**(20,000,000)**		**(20,000,000)**
Net Assets			**34,495,698**		**33,168,917**
THE FUNDS OF THE CHARITY					
General Reserve			34,495,698		33,168,917
Designated Funds			-		-
Total Charity Funds			**34,495,698**		**33,168,917**

The financial statements were approved by the Trustees on 31 March 2021 and were signed on its behalf by:



Mr Richard Wilson

The notes on pages 12 to 18 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Net income for the reporting period		**1,326,781**	**1,008,066**
Adjustments for:			
Net (gains)/loss on investments	10	2,479	(5,516)
Net income before loss on investment		**1,329,260**	**1,002,550**
Adjustments for:			
Depreciation	9	5,896	**6,820**
Dividends and interest from investments	4	(660,873)	**(761,774)**
Net gain on sale of fixed assets		(586,388)	**(555,351)**
(Increase)/Decrease in debtors		(267,921)	**47,797**
Increase/(Decrease) in creditors		109,269	**198,371**
Net cash provided by operating activities		**(70,757)**	**(61,587)**
Cash flows from investing activities			
Dividends and interest from investments	4	660,873	**761,774**
Proceeds from sale of fixed assets		1,569,299	**2,012,197**
Purchase of tangible fixed assets		(1,894,843)	**(2,702,868)**
Net cash generated in investing activities		**335,329**	**71,103**
Changes in cash and cash equivalents in the year		**264,572**	**9,516**
Cash and cash equivalents brought forward		761,238	751,722
Cash and cash equivalents carried forward	13	**1,025,810**	**761,238**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2011. The Retired Baptist Ministers Housing Organisation is a registered charity, no. 1177649, 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.

(b) Preparation of the financial statements on a going concern basis

The financial statements are prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Charity has not been impacted by the Covid-19 pandemic reporting both increased income and surplus for the year, although the minimum monthly rent was frozen at £183 as a gesture of goodwill to tenants. Based on robust income and the reserves held by the charity, the trustees have concluded that there is no material uncertainty as to the Charity's ability to meet its liabilities as they fall due. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

(c) Funds Accounting

- Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.
- Designated Funds: These represent amounts set aside by the Trustees for specific purposes. They may be returned to General Funds at the discretion of the Trustees.
- Restricted Funds: These represent amounts which have been restricted by the donors for use for specific purposes as set out in note 16.

(d) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received, and the amount can be measured reliably.

- Donations are accounted for gross when received.
- Legacies are accounted for at the earlier of the Estate accounts being finalised and notified, and cash received.
- Rental income is accounted for on an accruals basis.
- Investment income is accounted for on an accruals basis.

(e) Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(f) Tangible fixed assets

Tangible fixed assets are initially measured at cost, or in respect of assets donated, at valuation at the date of the donation. They are 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 economic lives.

Depreciation is provided on long leasehold properties over the remaining life of the lease.

Freehold properties are generally held by the Charity for an average of 30 years. During the period of ownership, they are maintained by the Charity such that the overall difference between residual values and carrying value are not material and as a result no depreciation is provided on freehold property.

(g) Fixed asset investments

Quoted investments are held for their income generation and investment potential and are valued at market value at the reporting date. Any surplus or deficit arising is included in the Statement of Financial Activities. Investments in subsidiaries are measured at cost less impairment.

Mixed motive investments include concessionary loans. Loans are considered concessionary loans as they are made by the charity at below prevailing market interest rates and to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

(h) Debtors

Prepayments and other debtors are recognised at the settlement amount due. Debtors are measured at their recoverable amount.

(i) Cash at bank and in hand

Cash at bank and in hand includes notice deposits and short-term deposits.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2019

(j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Accruals and other creditors are recognised at their settlement amount due.

Loans are considered concessionary loans received as they are made to the charity to further its purposes and any interest charged is below the prevailing market rates.

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

(k) Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Employee benefits

i. Short term benefits: The Charity recognises an accrual for accumulated annual leave accrued by employees as a result of services rendered in the current period which employees can carry forward and use within the next year. The accrual is measured at the salary cost of the respective employee in relation to the period of absence.

ii. Defined benefit pension plan: The Charity is not a direct member of a defined benefit pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Union Staff Pension Scheme (BUSPS) which is a multi-employer defined benefit scheme. BUGB pays deficit contributions in respect of the Recovery Plan of the deficit in the BUSPS and the Charity makes a contribution towards these costs in respect of the share relating to the staff who worked for the Charity. As this arrangement is informal, no liability has been recorded within the accounts of the Charity but the payments are recognised as expenses when paid.

iii. Defined contribution pension plans: The Charity is not a direct member of a defined contribution pension plan, as its staff are employees of the Baptist Union of Great Britain (BUGB) and it reimburses BUGB for their costs of employment, including their pension costs. BUGB is a participating employer in the Baptist Pension Scheme which is a multi-employer defined contribution scheme. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Once the contributions have been paid the employer has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the employer in an independently administered fund.

(m) Taxation

The Charity is not assessable to taxation.

(n) Judgement and Key Sources of Estimations Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Judgements in applying the entity's accounting policies

The trustees estimate the residual value of freehold property at the end of its expected useful life in order to determine the depreciation charge. Based on these estimates no depreciation is charged on freehold property as any charge would be immaterial.

(b) Accounting estimates and assumptions

Useful economic lives of tangible assets: The annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixed assets and note 1(f) for the useful economic lives for each class of assets.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Designated Funds	2020	2019
	£	£	£	£
Donations	18,557	-	18,557	50,921
Legacies	633,989	-	633,989	282,279
Total	**652,546**	**-**	**652,546**	**333,200**

In 2019, all income from donations and legacies was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds	Designated Funds	2020	2019
	£	£	£	£
Rent Received	678,716	-	678,716	619,019
Property Management	3,604		3,604	3,992
Total	**682,320**	**-**	**682,320**	**623,011**

In 2019, all income from charitable activities was attributable to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Designated Funds	2020	2019
	£	£	£	£
UK Listed equities	524		524	1,301
Interest received	13,677	646,672	660,349	760,473
Total	**14,201**	**646,672**	**660,873**	**761,774**

In 2019, £752,054 of interest received was in designated funds and £8,419 of interest received was in unrestricted funds. Income from UK Listed Equities was all attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES

	Direct Costs (Note 6)	Support Costs (Note 7)	2020	2019
	£	£	£	£
Charitable expenditure	1,213,534	39,333	1,252,867	1,270,786
	1,213,534	39,333	1,252,867	**1,270,786**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2019

6. DIRECT COSTS

	Note	Unrestricted Funds	Designated Funds	2020	2019
		£	£	£	£
Repairs		340,572		340,572	229,815
Rates		6,349		6,349	2,831
Insurance		41,968		41,968	40,022
Ground rents		2,634		2,634	513
Salaries	8	62,661		62,661	61,120
Legal & professional fees		1,680		1,680	2,457
Loan interest		64,532	646,672	711,204	827,255
Loan fees		6,000		6,000	6,000
Office expenses		33,992		33,992	31,733
Depreciation	9	5,896		5,896	6,820
Other expenditure		578		578	5,024
Total		**566,862**	**646,672**	**1,213,534**	**1,213,590**

In 2019, £752,054 of loan interest was attributable to designated funds and all other expenditure was in unrestricted funds.

7. SUPPORT COSTS

	Unrestricted Funds	Designated Funds	2020	2019
	£	£	£	£
Audit	12,446	-	12,446	6,700
Legal & professional fees	26,887	-	26,887	50,496
Total	**39,333**	**-**	**39,333**	**57,196**

In 2019 all support costs were attributable to unrestricted funds.

8. EMPLOYEES AND TRUSTEES

	Note	2020	2019
Staff costs:		£	£
Salaries		52,564	51,282
Social security costs		4,840	4,710
Pension costs	18	5,256	5,128
Total		**62,661**	**61,120**

The average number of employees during the period was:	2	2

Employees are employed by the Baptist Union of Great Britain and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2019: £nil). No trustee received emoluments from the Charity during the period (2019: £nil). Expenses totalling £nil (2019: £2,128) were reimbursed to trustees from the Charity during the period.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

9. TANGIBLE FIXED ASSETS

	Number of Properties			Book Value		
	Freehold	Leasehold	Total	Freehold	Leasehold	Total
				£	£	£
Cost						
Brought forward	254	11	265	35,083,577	1,362,331	36,445,908
Additions	9	1	10	1,763,236	131,606	1,894,843
Disposals	(7)	(2)	(9)	830,148	168,232	998,380
Carried Forward	**256**	**10**	**266**	**36,016,665**	**1,325,705**	**37,342,371**
Depreciation						
Brought forward				-	59,361	59,361
Charge for the period				-	5,896	5,896
Disposals				-	15,468	15,468
Carried Forward				**-**	**49,789**	**49,789**
Net Book Value						
Carried Forward				**36,016,665**	**1,275,916**	**37,292,582**
Brought Forward				35,083,577	1,302,970	36,386,546

The insured value of the above properties is in excess of the book value.

10. FIXED ASSET INVESTMENTS

	2020	2019
Listed Investments	£	£
Brought Forward	32,208	26,693
Realised and Unrealised Gains/(Losses)	(2,479)	5,516
Carried Forward	**29,729**	**32,208**

11. MIXED MOTIVE INVESTMENTS

	2020	2019
	£	£
Family Solution Fund: Loan to Baptist Union of Great Britain	20,000,000	20,000,000
Total	**20,000,000**	**20,000,000**

12. DEBTORS

	2020	2019
	£	£
Accrued Income	170,183	2,683
Rents Due	53,042	-
Prepayments	49,507	2,128
Total Debtors	**272,732**	**4,811**

13. CASH AT BANK AND IN HAND

	2020	2019
Short Term Deposits	£	£
Deposit – Baptist Union Corporation	955,968	495,373
Cash at Bank and in hand	69,842	265,865
Total Cash in Short Term Deposits	**1,025,810**	**761,238**

Cash has been invested with the Baptist Union Corporation in a deposit account. It bears interest at their standard variable rate.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2019

14. CREDITORS DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accruals	15,230	23,689
Interest free loans	2,103,869	1,984,219
Amounts due to Baptist organisations	12,068	2,146
BUC Working Capital Loan	1,990,350	2,000,818
Other creditors	3,639	5,014
Total Creditors Due Within Year	**4,125,155**	**4,015,886**

Interest free loans represent contributions received towards the cost of properties which are to be repaid when the tenancy is terminated. These are shown as current liabilities as dates of repayment cannot be determined.

The BUC loan is a working capital loan facility. Interest is payable at their standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits.

15. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
BUC Family Solution Loan	20,000,000	20,000,000
Total Provisions for Liabilities	**20,000,000**	**20,000,000**

The BUC Family Solution Loan was provided to RBMHO as part of the Baptist Family Solution to the deficit in the Baptist Pension Scheme. Interest is payable at the BUC standard variable rate. There are no set repayments, but the Charity can make lump sum repayments when cash flow permits. The loan is only repayable with at least 13 months' notice, so is classified as a non-current liability.

16. OTHER RESERVES

	1 Dec 2020	Income	Expenditure	Gains and (Losses)	31 Dec 2020
	£	£	£	£	£
Family Solution (Designated)	-	646,672	(646,672)	-	-

The Family Solution fund was designated by the trustees to hold the assets and liabilities relating to RBMHO's participation in the Family Solution for the Baptist Pension Scheme.

17. ANALYSIS OF NET ASSETS

	Tangible Fixed Assets	Fixed Asset Investments	Mixed motive Investments	Net Current Assets	Long Term Liabilities	Total
	£	£	£	£	£	£
Designated	-	-	20,000,000	-	(20,000,000)	-
Unrestricted	37,292,582	29,729	-	(2,830,613)	-	34,491,698
Total	**37,292,582**	**29,729**	**20,000,000**	**(2,830,613)**	**(20,000,000)**	**34,491,698**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

18. PENSIONS

As per note 8, the Charity's employees are employed by the Baptist Union of Great Britain (BUGB) and their associated costs are then recharged to the Charity. The Charity is therefore not a direct participating employer within any pension scheme.

From January 2012, pension provision for members of staff is being made by BUGB through the Defined Contribution (DC) Plan within the BPS. 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 BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Charity.

Benefits in respect of service prior to 1 January 2012 were provided through the Defined Benefit (DB) Plan within the Baptist Union Staff Pension scheme (BUSPS). A contract was signed with Aviva Plc in June 2018 to take on the liabilities of the BUSPS to its beneficiaries and a wind up of the BUSPS was formally triggered on 31st August 2018 and completed on 18th September 2019.

The total pension costs for the Charity for 2020 were £5,256 (2019: £5,128).

19. RELATED PARTY TRANSACTIONS

The Baptist Union of Great Britain is considered to be the ultimate controlling party of the Charity. During the year ended 31 December 2019, two Trustees, the Revd P J Wortley and Mrs A Kapolyo, occupied, on the same terms and conditions as the other tenants of the Charity, a property owned by the Charity. During the year ended 31 December 2020, Revd Wortley and Mrs Kapolyo each paid rent at the average rate for all tenants amounting to £2,196 (2019: £2,154) and there were no arrears of rent at that date. The Manager of the Charity occupies a property owned by the Charity on the basis of a full commercial rent.