

Hayes Lane Baptist Church



Hayes Lane
Baptist
Church

Financial Statements

for the 12 months ending 31 March 2023

Registered Charity No. 1184711

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Charity Trustees: All the following individuals acted as trustees for the Charity during the 12 months to 31 March 2023.

Tim Gardner	Elder and Church Evangelist
Jonathan Gooch	Elder
Hannah Hinton	Deacon
Sarah Hollman	Deacon
Daniel Jarvis	Elder and Pastor
Mark Rees	Deacon
Tim Sheehan	Deacon
Michael Sherriff	Deacon (retired 16 December 2022)
Cheryl Summers	Deacon and Treasurer
Hamish Summers	Elder

Charity Registration Number: 1184711

Principal Address: Hayes Lane Baptist Church
Hayes Lane
Bromley
Kent BR2 9EA

Independent Examiner: Heather Wells MIAB
Heather's Bookkeeping Services
33 Acorn Way
Wigston
Leicestershire LE18 3YA

Bankers: CAF Bank Ltd
25 Kings Hill Ave
Kings Hill
West Malling ME19 4JQ

The trustees of Hayes Lane Baptist Church ("the church") present the trustee annual report and independently examined financial statements for the 12 months ending 31 March 2023.

Object

The object of Hayes Lane Baptist Church is, for the public benefit, the advancement of the Christian faith in Bromley, Kent and such other parts of the United Kingdom and the world as the trustees may from time to time decide.

Hayes Lane Baptist Church seeks to advance the Christian faith in accordance with Biblical teachings. These include clear and ethical guidelines recognised over a very long period of time. Examples of these include the requirements of the Ten Commandments and the teachings of Jesus on a range of issues. Jesus's teachings are often summarised in his commands to "love the Lord your God and love your neighbour as yourself".

Activities and Achievements

Over the course of the last year, Hayes Lane Baptist Church has continued in many of the regular activities of the church in furtherance of its charitable purposes:

- Sunday morning and evening services continue to be well attended with a live stream in the morning provided for others to listen in from their homes. The church has also continued to provide Bible study and prayer groups for Christians through the week.
- During term time the church continues to organise youth and toddler groups with activities, games and Christian teaching. Included in this is a football club which provides training followed by Bible teaching on Saturday mornings.
- The church also runs a choir which is open to the public and includes a weekly message on Christianity. Two highlights of the year have been the Summer and Christmas choir concerts, which were well attended by friends and family of the members of the choir.
- A market stall in Bromley High Street continues to run each week providing Christian literature to the public and speaking to those who have questions about the Christian faith.

During the last year, the church has been delighted to host three baptisms. Two of those baptised were young people in the church and the third was an older member of the congregation who has only recently become a Christian.

Alongside the regular activities of the church, there was also the opportunity to host a special service and tea to celebrate the Queen's Platinum Jubilee. This was a popular occasion with a large number in attendance.

Over the Christmas period the church also hosted two church lunches to build the sense of community within the church and there was also a children's nativity performance and carols by candlelight service.

As of February of 2023, the church has also restarted a group for preachers with the aim of training and supporting those that preach within the church to be better equipped to explain Christian teaching.

Leaders and membership

In the church meeting in November 2022, the members of the church voted to set aside some of our reserves for the purpose of appointing and developing a trainee pastor on a temporary basis to work alongside our current pastor Daniel Jarvis. The search for a suitable candidate is still at an early stage but there is an intention to expand the leadership in this way.

At the beginning of November, the church voted to re-appoint Mike Sheriff and Mark Rees for a further three-year term as deacons. However, in December, Mike Sheriff stood down from his role as deacon for personal reasons. The church expresses their gratitude for the significant contribution Mike made during his time as a deacon.

During the last year 4 members have left the church however during that same period 9 people have been added to the church membership.

We are grateful to God for those he has added to our church and those who have served us in many ways, and we pray for those who have moved on from the church that they would continue to practise their Christian faith elsewhere.

Structure, Governance and Management

Hayes Lane Baptist Church successfully applied to become a Charitable Incorporated Organisation ("CIO") with effect from 1 August 2019. It is registered with the Charities Commission with charity reference number 1184711. Previously it operated as an unincorporated trust. The charity's governing document is its Constitution. The Constitution cross references the Church rules, which were the governing document for the unincorporated trust.

The trustees consist of the current elders and deacons of the church. New elders are nominated by the current elders and are appointed by the members of the church. Deacons are nominated by church members. They are also appointed by the members of the church and typically serve a three-year term unless they are then re-elected at the end of that period.

Hayes Lane Baptist Church is part of an association of Grace Baptist churches in the South East of England. It is also a member church for Grace Baptist Mission, through which it supports a church in Legionowo in Poland and more recently a church in the Philippines.

Financial Review

During the 12 months to 31 March 2023, there has been an underlying net surplus of receipts relative to payments of £14.5k [2022: deficit of £4.6k].

In terms of unrestricted funds, there has been a net surplus of receipts over payments of £27.2k [2022: £38.6k]. There has been an 11% growth in unrestricted receipts due to new and increased gifts to the church, for which we are thankful to the Lord for his provision through his people. Additionally, however, there has been a 22% growth in unrestricted payments. The growth in payments was not unplanned, being largely in line with budget, which had anticipated:

- increased ministry hours, with our pastor working full time for the whole of the financial year [2022: part time in April to June then full time from July] and one of our elders, Jonathan Gooch increasing his hours
- a decision to increase our unrestricted donations (see below)
- a step up in church activity compared to the previous year, when the level of activity was still returning to normal following Covid restrictions
- the impact of heightened inflationary pressures on almost all spending. In particular, the deacons have continued to analyse relevant salary benchmarks and relevant economic indices and have implemented inflationary increases in salaries in the annual review in October and also in interim inflationary reviews in April 2022 and April 2023.

The church designates funds for large items of building maintenance or development, or other unusually large and irregular items of expenditure. From these funds, there have been payments of £11.8k [2022: £36.7k] in the year, resulting in a deficit of receipts over payments of £11.5k [2022: £41.0k]. The expenditure this year was at more normal annual levels and included the retention payment to the building contractors, repairs to the downstairs toilet and the purchase of new Bibles. Last year's expenditure was higher as it included final payments from the building fund for the lobby extension and our upgraded audio visual capabilities.

The church makes regular quarterly donations to support UK and international Christian mission charities such as Grace Baptist Mission. In this accounting period the church made donations (excluding restricted gifts) of £32.6k [2022: £25.7k] excluding local benevolent gifts. This represents 16% [2022: 14%] of our unrestricted income.

As well as unrestricted gifts, the church has also passed on restricted donations of £24.5k [2022: £24.4k], of which £19.1k [2022: £15.6k] was raised in the church's Harvest Thankoffering supporting 3 causes:

- Living Well, a local church-run charity aiming to relieve food poverty in Bromley
- African, Indian and Slavlands Christian Fellowship, with funds restricted to supporting the work of a Christian pastor in Ukraine as he seeks to provide humanitarian aid
- UFM, with funds also restricted to support a church in Ukraine seeking to provide spiritual and physical aid.

When selecting causes for the Harvest Thankoffering, the trustees chose a combination of charities that cover relief and development aid, and Christian mission. The support of other causes is considered by the trustees to be an important part of achieving the church's object in places outside our immediate sphere of influence in Bromley.

Reserves Policy

Aside from retaining funds for building and maintenance, it is the reserves policy of Hayes Lane Baptist Church to hold sufficient unrestricted funds to ensure there is cash available to be able to pay its employees and core ministry expenses on a monthly basis. A large proportion of the church's unrestricted income is very regular with donations generally being fixed amounts received monthly. The trustees therefore consider the risk of running out of cash to pay its core ministry

expenses to be relatively low. Therefore, the reserves policy is to hold around £15,000 in unrestricted funds, which will comfortably cover one month of ministry costs without recourse to incoming donations.

In addition to this, Hayes Lane Baptist Church usually aims to designate £10,000 a year from its income into a Reserve Fund to cover larger and sometimes unpredictable expenditure on maintenance of its church building and the church manse.

It is the aim of the trustees that the church's funds are actively utilised for charitable purposes to the public benefit, and most importantly, to the glory of God. As at 31 March 2023 the unrestricted reserves of Hayes Lane Baptist Church were £40.8k [2022: £63.5k]. The reduction in unrestricted reserves in the year is due to the designation of £50,000 to support a trainee pastor, offset by the surplus receipts over payments already referred to above. Given the above reserves policy, this higher level of reserves is considered by the trustees to be more than the required level for normal operating purposes. However, there is uncertainty around the overall cost of employing a trainee pastor, especially around the need for accommodation, given the high level of rental costs in the Bromley area. Therefore, the trustees are happy with the level of unrestricted funds for the present until a trainee pastor is appointed and their costs are known.

Investment Policy

The church's investment policy is to hold liquid assets with low risk. Its funds are held in bank accounts with CAF Bank, which allow unlimited instant withdrawals and payments, and with Grace Baptist Charities Limited (GBCL). During the year the church transferred £50,000 [2022: nil] from its CAF account to a new Deposit Account operated on the church's behalf by GBCL. This is in addition to the £27.0k [2022: £26.7k] held in the "GBCL Legacy Account". These GBCL accounts are subject to a small annual management charge but earn a better rate of interest than funds held by the church at CAF Bank. There are terms for withdrawal of the funds, but the amount currently held is accessible with two months' notice.

Key Risks and Uncertainties

The previous report referred to the growth of the church congregation as an area of uncertainty, with a considerable number of the attendees yet to join the church through formal membership. This uncertainty continues, although the numbers have now stabilised to some degree.

A new source of uncertainty this year relates to the search for a new trainee pastor, with the timing and financial cost of that appointment as yet unknown. The main financial risk for the church in the coming year is the extent to which the £50,000 designated for a new trainee pastor will be sufficient, depending on their accommodation and training needs. Despite this risk, the church rejoices in the opportunity to train a pastor for future service in the wider church.

As always, the church depends on the Lord to provide for our needs, knowing that "every good gift and every perfect gift is from above" (James 1:17).

Approved by the Trustees on 19 July 2023 and signed on its behalf by:

Daniel Jarvis
Pastor

Charity Number 1184711

I report to the trustees on my examination of the accounts of the above charity ("the Charity") for the 12 months ending 31 March 2023. These are set out on pages 10 to 13 following this report.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

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

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

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

19 July 2023

Heather Wells MIAB
Heather's Bookkeeping Services
33 Acorn Way
Wigston
Leicestershire LE18 3YA

Hayes Lane Baptist Church - CIO - Charity Number 1184711

Receipts and Payments Account - for accounting period 1 April 2022 to 31 March 2023

Section A Receipts and Payments

	Note	Unrestricted funds to the nearest £	Designated funds to the nearest £	Restricted funds to the nearest £	Total funds 2023 to the nearest £	Total funds 2022 to the nearest £
A1 Receipts						
Donations		144,780	-	20,406	165,186	146,799
Gift Aid receipts		25,865	-	2,828	28,693	28,671
Legacies		-	-	-	-	-
Receipts from club activities		11,064	-	-	11,064	8,001
Investment income		501	378	-	879	311
Rent		-	-	-	-	-
Other income	2	16,002	-	-	16,002	17,862
Sub-total		198,212	378	23,234	221,824	201,644
A2 Asset and investment sales and transfers						
Receipt from sale of fixed assets		-	-	-	-	-
Sub-total		-	-	-	-	-
Total receipts		198,212	378	23,234	221,824	201,644
A3 Payments						
Ministry	3	101,478	-	-	101,478	80,109
Manse		3,377	-	-	3,377	9,919
Chapel	4	14,670	10,953	-	25,623	46,485
Administration		3,294	880	-	4,174	2,792
Donations	5	34,841	-	24,481	59,322	52,326
Youth work/evangelism/church life		13,344	-	-	13,344	10,024
Sub-total		171,004	11,833	24,481	207,318	201,655
A4 Assets and investment purchases and transfers						
Purchase of fixed assets		-	-	-	-	4,634
Sub-total		-	-	-	-	4,634
Total payments		171,004	11,833	24,481	207,318	206,289
Net of receipts over payments		27,208	(11,455)	(1,247)	14,506	(4,645)
A5 Transfers between funds		(49,980)	50,000	(20)	-	-
A5 Cash funds last year end		63,533	20,352	(762)	83,123	87,768
Cash funds this year end	8, 9	40,761	58,897	(2,029)	97,629	83,123

Hayes Lane Baptist Church - CIO - Charity Number 1184711

Receipts and Payments Account - for accounting period 1 April 2022 to 31 March 2023

Section B Statement of assets and liabilities at the end of the period

	Note	Unrestricted funds to the nearest £	Designated funds to the nearest £	Restricted funds to the nearest £	Total funds 2023 to the nearest £	Total funds 2022 to the nearest £
B1 Cash funds						
Cafcash Account		7,256	-	-	7,256	12,087
Gold Account		12,239	-	(2,029)	10,210	42,010
GBCL Legacy Account	6	18,115	8,897	-	27,012	26,654
GBCL Deposit Account	6	266	50,000	-	50,266	-
Barclays Football Club Account		1,393	-	-	1,393	491
Cash in hand		1,492	-	-	1,492	1,881
Total cash funds		40,761	58,897	(2,029)	97,629	83,123
B2 Other monetary assets		-	-	-	-	-
B3 Investment assets		-	-	-	-	-
B4 Assets retained for the charity's own use						
Church premises					3,269,137	2,918,872
Fixtures, fittings & furnishings					106,328	94,935
Church manse					422,026	360,706
Total insured assets	7				3,797,491	3,374,513
B5 Liabilities						
Builder's retention		-	-	-	-	3,295
Donations to be passed on	8, 9	-	-	3,018	3,018	(1,750)
		-	-	3,018	3,018	1,545

Hayes Lane Baptist Church - CIO - Charity Number 1184711

Receipts and Payments Account - for accounting period 1 April 2022 to 31 March 2023

NOTES TO THE ACCOUNTS

Note 1: Basis of accounts.

Hayes Lane Baptist Church (the Church) is a Charitable Incorporated Organisation (CIO) registered with the Charities Commission under Charity Number 1184711. These accounts have been prepared on a "Receipts and Payments" basis and accord with Section 133 of the Charities Act 2011. The trustees consider this basis of accounting to be appropriate given that the income in both 2022 and 2023 periods was less than £250,000.

Note 2: Other income

The Other Income shown in A1 above relates to payments from Grace Baptist Charities Limited ("GBCL") of £16,002 [2022: £14,962] for the secondment of Tim Gardner, the Church's employed evangelist. For some years now GBCL has paid the Church for two days per week of Tim's time, to support evangelism work in other churches in the same association. The Other Income in 2022 also includes an amount of £2,900, paid to the church as repayment for benevolent housing support given by the Church in the 2021 financial year.

Note 3: Payments to trustees

The trustees of the Church consist of the current elders and deacons. There was no trustees' remuneration nor other trustee benefits for the 12 months ending 31 March 2023 [2022: £nil].

However, during the current financial year, two of the elders were employed by the church: Daniel Jarvis as Pastor and Tim Gardner as Evangelist. In addition, one of the other elders, Jonathan Gooch, was paid for ad hoc ministry work and Tim Gardner's sister-in-law, Bev Gardner was paid for administration work, both on a self-employed basis. The trustees considered carefully and followed the provisions in the church's governing documentation and Charity Commission guidance on the paying of trustees. The following remuneration, benefits and expense payments were made in the period.

	Total 2023 to the nearest £	Total 2022 to the nearest £
Gross salary	63,425	60,924
Employers NI (net of Allowance)	1,569	2,033
Pension (incl accrual)	13,614	6,468
Expenses	53	632
Self-employed services	19,352	6,977
	98,013	77,034

Note 4: Chapel costs

Chapel costs include the costs of running the church building, including maintenance, utilities, car parking, insurance and cleaning. The total costs of £25,623 [2022: £46,485] include £2,395 [2022: £7,510] for payment to the builders that completed the new lobby. Last year's costs also included £15,427 for Audio Visual upgrades.

Note 5: Donations paid

Donations made by the Church can be categorised as follows.

	Unrestricted to the nearest £	Restricted to the nearest £	Total 2023 to the nearest £	Total 2022 to the nearest £
UK mission	3,927	1,750	5,677	8,780
International mission	28,455	2,246	30,701	27,317
Relief and development aid	250	20,410	20,660	13,244
Benevolent	2,209	75	2,284	2,985
Total	34,841	24,481	59,322	52,326

Note 6: Funds held with Grace Baptist Charities Limited

The church has two accounts [2022: one] with Grace Baptist Charities Limited ("GBCL" or "the Association"). The Legacy Account relates to the amounts remaining from Brian Lane's estate. There have been no drawdowns from this Legacy Fund in this accounting period [2022: £nil]. The Deposit Account was opened towards the end of 2022 to set aside funds designated for a trainee pastor. Both accounts earn higher interest than the Church's bank accounts with CAF.

Note 7: Non-monetary assets held for Church use

The Church is the beneficial owner (subject to the relevant trusts) of the assets listed in B4 above, the legal title to which is held by the custodian trustee (Grace Baptist Charities Limited). The asset values shown under B4 have been based on latest available insurance values.

Hayes Lane Baptist Church - CIO - Charity Number 1184711

Receipts and Payments Account - for accounting period 1 April 2022 to 31 March 2023

Note 8: Restricted funds

The Church aims to pass on gifts restricted for specific causes (eg Harvest Offering) as soon as possible. Sometimes the Church passes on the anticipated Gift Aid on these gifts at the same time. This often leads to negative restricted funds while the Church waits to claim the Gift Aid. The table below shows a breakdown of the restricted funds. The anticipated Gift Aid for the 2022/23 tax year was claimed and received in May 2023 [2021/22: April 2022].

	Receipts	Payments	Transfers to unrestricted	Total 2023 Funds	Total 2022 Funds
	to the nearest £	to the nearest £	to the nearest £	to the nearest £	to the nearest £
Donations/Gift Aid for other charities/causes	23,234	24,481	20	(3,018)	(1,751)
Legacy gift to be used for evangelism	-	-	-	989	989
Total restricted funds	23,234	24,481	20	(2,029)	(762)

Note 9: Designated funds

The table below shows a breakdown of the Church's designated funds. These are funds that the Church has decided to use in a certain way, usually for large and irregular items of expenditure, but is not restricted to do so by the original donor of the funds.

	Transfers from/(to) Unrestricted	Receipts	Payments	Total 2023 Funds	Total 2022 Funds
	to the nearest £	to the nearest £	to the nearest £	to the nearest £	to the nearest £
Reserve Fund for large items	-	378	11,833	8,897	20,352
Trainee pastor	50,000	-	-	50,000	-
Total	50,000	378	11,833	58,897	20,352

SIGNATURES

Signed by two trustees on behalf of all of the trustees

Signature

Print Name and Role

Daniel Jarvis Elder
Cheryl Summers Deacon and Treasurer

Date of approval

19-Jul-23
19-Jul-23