

BAPTIST BUILDING CIO

England & Wales · Charity number 1185767

Details

Status Registered

Legal form CIO

Registered 2019-10-11

Register [View on the Charity Commission register](#)

Contact

Address Wonford Chapel
36-38 Wonford Street
Exeter
EX2 5DL

Phone 07506663761

Email admin@baptistbuilding.org

Website www.baptistbuilding.org

Activities

Objects: THE OBJECTS OF THE CIO ARE, FOR THE PUBLIC BENEFIT, THE ADVANCEMENT OF THE CHRISTIAN FAITH BY FACILITATING THE MISSION OF BAPTIST CHURCHES IN THE UNITED KINGDOM AND IRELAND.

Activities: The advancement of the Christian faith by facilitating the mission of Baptist Churches in the United Kingdom and Ireland by making loans and grants for the building, purchase, enlargement and repairs to places of worship and other halls belonging to Churches or Colleges of the Baptist denomination of the Christian faith.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£271,678	£143,245	-	-
2023-12-31	£215,807	£125,304	-	-
2022-12-31	£54,794	£68,463	-	-
2021-12-31	£1,425,501	£407,886	£5,687,264	1
2020-12-31	£4,768,870	£99,221	£4,669,649	0

Trustees

Name	Role	Appointed
Andrew Meirion Lewis BSc DipArb FRICS FCI Arb		2019-10-11
DAVID WILFRED THOMPSON		2024-06-19
John David Levick		2023-09-01
John Walker LLB DLP		2019-10-11
MARK ROGERS		2024-06-19
PHILIP MICHAEL SMEDLEY		2019-10-11
Rev Hayley Jayne Young		2025-03-12
Rev Helen Anne Wordsworth		2024-03-13
Rev IAN JOHN BUNCE		2019-10-11

BAPTIST BUILDING CIO

England & Wales - Charity number 1185767

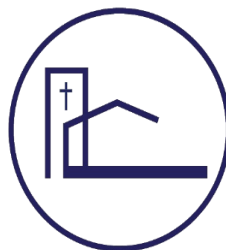
Accounts



BAPTIST BUILDING CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



CHARITY NO: 1185767

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

INDEX	PAGE
Trustees' Annual Report	1 - 8
Independent Auditor's Report	9-12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16-25

BAPTIST BUILDING CIO

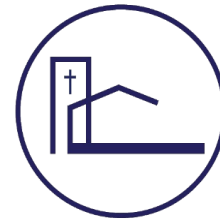
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their report together with financial statements of the charity for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published in October 2019.

Objectives and activities for public benefit

Baptist Building CIO was formed on 11 October 2019 and has taken over the activities of the Baptist Building Fund*.

The main object of this charity is the advancement of the Christian faith for the public benefit by facilitating the mission of Baptist Churches in the United Kingdom and Ireland.



To achieve this, Baptist Building CIO aims to partner with Baptist Churches and other charitable bodies of the Baptist Denomination by:



making loans to Baptist Churches to help them to purchase, build, expand, repair and improve their premises, including places of worship and other halls or buildings.

We currently offer loans of £30,000-£500,000, repayable over 10 years by regular instalments (quarterly or half-yearly).

The Trustees have the power to vary any loan terms, on a case by case basis.

The loans are interest-free and borrowers are invited to make a thank-offering donation to this charity on completion of the repayment of their loan.



making grants to small Baptist Churches mainly in rural or deprived urban areas to help them to purchase, build, expand, repair and improve their premises where that building project is intended to have a big impact on their local mission work.

We periodically offer discretionary grants of £5,000-£25,000 to qualifying Churches from our Empowering Change Fund when designated funds are available for this purpose, usually with a 3-4 month window for Churches to apply.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission general guidance on public benefit when reviewing the Fund's aims and objectives, in planning future activities, and in setting the grant making policy for the year.

To achieve the object of our charity, our loans and grants are advertised from time to time in Baptist publicity, and communicated to a network of Baptist organisations, including the Baptist Union of Great Britain, the Baptist Union of Scotland, the Baptist Union of Wales, the Grace Baptist Trust Corporation and the Association of Baptist Churches in Ireland. Baptist Building CIO also participates in exhibitions at Baptist Assemblies.

A website helps to further publicise this charity and can be found at: www.baptistbuilding.org

*The Baptist Building Fund was established in London in 1824 and is a charity registered in England & Wales with registered Charity Number 218823.

Achievement and performance

Our Loans - Transforming Buildings for Mission

Over **£3 million** out on loan
to **35 churches** during the year*
to help them to **REBUILD**,
EXPAND and **RENEW** their buildings



*At year end, 31 loans were outstanding (£2,859,990)
after 4 churches completed their loan repayments.

New Loans in 2024

We paid out 3 new loans totalling **£510,000**

Ellon Baptist Church** (new Church building)

Welton Baptist Church** (chapel renovations)

Croes y Parc Baptist Church (repairs to church wall)

**loans approved in 2023

Building a new home - Ellon Baptist Church

At Ellon Baptist Church, we have long dreamed of a building of our own that we can use to show God's love to the people in our community. We are a church planted in Ellon, Aberdeenshire about 30 years ago, with a heart for trying to make the love of Jesus known in a really practical way in our town and community. As well as our church services and groups, we run toddlers groups, we have knitting groups, sewing groups, seniors groups, youth groups, children's groups, we host a food bank and more...



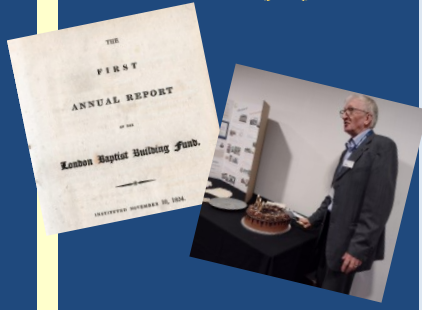
For many years we rented local spaces but in 2011 we started a building fund to enable us to have our own building and identity in Ellon. We purchased a site in 2016, received planning permission in 2019 and started building our new church in 2022. Our church family gave generously but there was a financial shortfall. Baptist Building CIO have graciously supported us with a significant interest-free loan to enable us to complete this project.

It's amazing the conversations that the building works have generated with local people as they've seen it coming together. We can see God's hand and provision at every stage of the project, and we are grateful that we have our new home from which to serve the community.



Achievement and performance

200 YEARS



This year we celebrated the bicentenary of Baptist Building!

We marked **200 years** of supporting Baptist churches with their building projects with a commemorative event at the Baptist Assembly in June, led by our outgoing Chair, Andrew Burgess.

Over the years we have made nearly **5000** loans and grants to Baptist churches, totalling nearly **£22 million!**

Our Grants - Empowering Change

We recycle 25% of all funds we receive from closed churches into our **Empowering Change Grant Fund** which we have created to support small building projects, making a real difference to church mission and outreach.

As part of our bicentenary commemoration, at the start of the year our trustees added to the grant pot, making **£200,000** available for small church grants.

By the year end, we had offered grants to **8 churches** across the British Isles totalling over **£100,000** given to support Baptist churches

This helped **small churches** with a **big heart** for local mission to:

- install new kitchens
- upgrade windows and doors
- add solar panels and eco-friendly heating
- resurface church halls and outdoor play spaces

Including additional funds received from closed churches during 2024, there is over £100,000 available support more churches again next year.



BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Financial Review

A key funding source for this charity is thank-offerings donations received from Churches following completion of repayment of their loans.

In 2024 £23,550 was donated to us as thank-offerings

These donations help with our running costs
(Administration & Governance, totalling £38,481).

We also received legacies and sale proceeds of closed Churches where Baptist Building CIO or its predecessors are named as the ultimate beneficiary.

During the year, the charity received **£142,909** from the balance of proceeds of closed Churches where our charity was the beneficiary of the ultimate trust, of which **£35,727** was made available for grants and the balance was added to our loan funds. No gifts in kind were received during 2024, and no fundraising activities were carried out in the year.



Charity expenditure (excluding grants and costs associated with ultimate trusts) is considered to be modest at **0.6% of total funds**, and is incurred in promoting the aims and awareness of the charity and dealing with its administration.

Availability of funds for loans

The Trustees wish to make the maximum amount of funds available to Baptist Churches and colleges that need assistance with their building projects by way of loans, rather than making investments.

At the end of 2024, 49% of the funds available had been advanced to Churches by way of loans, leaving cash reserves of £2,878,775 available for loans. Of this sum at year end:

- ➔ £332,343 had been approved for loans to be made to Churches for specific projects (subject to meeting conditions) to be drawn down by the churches as their funding requires.
- ➔ loan applications and enquiries had been received which, if all progress successfully, would utilise nearly £1.9 million of the available funds.

Plans for the future

In order to facilitate the policy of maximising the use of fund as loans to Churches, the Trustees intend to continue:

- ➔ publicising our loans through the relevant communication avenues
- ➔ making known the availability of funding to key personnel with the Baptist Denominations
- ➔ keeping under review the maximum loan limit and loan criteria

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Financial Policies

Investment policy and performance

The investment policy of the Fund of using interest bearing accounts with the charity's bankers is currently considered to be satisfactory, since the primary objective of this Fund is not to make investment gains but to provide the maximum available funding for making loans. However, the Trustees regularly review the position in light of the level of cash funds held by this charity and the current economic climate of increasing inflation and interest rates.

The main source of increasing the net asset base of the Fund is the closure and sale of Baptist churches where this charity or its predecessor, the Baptist Building Fund, is the ultimate beneficiary. The timing of funds from this source is outside the control of the Trustees.

Risk management

The Trustees examine the major risks that the charity faces each financial year. The charity has developed systems to monitor and control these risks in order to mitigate any impact they may have on the charity in the future.

The principal risk faced by this charity is the potential for one or more of the churches to whom loans have been advanced being unable to repay their loan in full. In order to minimise this risk, the Trustees carry out a review of the finances of each church that makes an application for a loan, in an endeavour to ascertain their ability to make repayments on time. They also seek a commendation from the local Regional Baptist Association, and carry out a review of the work for which the loan is required to satisfy themselves that the relevant professional advisors with adequate professional indemnity insurance have been engaged by the church. Once a loan is made, this charity lodges its interest in the Church property with The Land Registry, or in some cases, takes a formal charge over it.

The charity has insurance for potential liability arising from actions by the Trustees.

Reserves Policy

It is the policy of this charity to maintain the General Fund at a level which equates to approximately six months' expenditure on support costs (approximately £19,000). The charity's policy is to keep the Capital Fund at the maximum level possible, and the level of reserves ensures that the charity can fulfil its main objectives and respond to existing commitments and to expected new funding requests on a timely basis.

The Trustees have the discretion to make transfers between the General Fund and the Capital Fund as necessary.

Total Funds at 31 December 2024 amounted to £5,892,531, being made up of:

- ➔ **General Fund** balance amounting to **£22,803**, all of which were free reserves
- ➔ **Designated Fund** balance amounting to **£130,963** and related to monies set aside to be used by way of grants for projects within Baptist Churches.
- ➔ The remaining free reserves of **£5,738,765** being held in the **Capital Fund**. Of this, £2,859,990 is committed in the form of concessionary loans made, £332,343 has been offered as loans (subject to Churches meeting the conditions) and £2,546,432 is available for making loans.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, Governance and Management

Baptist Building CIO is a lasting testimony to the group of London Baptist ministers who were blessed with the vision of setting up the Baptist Building Fund in 1824. It has helped hundreds of Baptist churches with building projects since its inception. Since June 2020 this charity has taken over the activities of the Baptist Building Fund (being the sole subscriber and trustee of that charity) and continues its good work.

Baptist Building CIO is a Charitable Incorporated Organisation which is a registered charity administered under the terms of its Governing Document. The activities of this charity are controlled by the Trustees, details of whom are set out on page 7 of this Report. The Trustees were appointed in the Governing Document as approved by the Trustees of the Baptist Building Fund on the creation of this CIO. Future Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

Trustee Recruitment

New Trustees are recruited via networking and advertising within organisations of the Baptist Denomination. Trustees are usually selected from those with experience in Baptist Church governance, and from a variety of professional and similar backgrounds. It is expected that they will bring to this charity the benefit of their expertise. As this experience has been gained with similarly minded charities, it is generally considered that additional training is not required on appointment.

Governance

The Trustees all act in an honorary capacity, and generally give at least 4 days of their time each year in preparing for and attending Trustee Meetings. A number of Trustees with specialist expertise give more time to assist the workings of the charity on a voluntary basis, for example in reviewing loan or grant applications.

Trustee Meetings normally occur three times each year, either face-to-face or online. At their meetings, the Trustees transact the business of the charity, including making decisions about any loan and grant applications, ensuring that they conform to the Governing Document and general requirements of the charity. Trustees give due regard to any changes in laws applicable to charity trustees from time. Trustees are required to disclose all relevant interests and, in accordance with the charity's policy, to withdraw from decisions where a conflict of interest arises.

The charity has working relationships with all Baptist Unions in the United Kingdom, the Association of Baptist Churches in Ireland and The Grace Baptist Trust Corporation. Where loan applications are made to "Baptist" bodies other than this Fund, the Administrator may exchange information with those other "Baptist" bodies to save duplication of work.

Key management personnel

The Trustees consider the Board of Trustees and the Administrator as comprising the key management personnel of the charity who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The Administrator deals with the day to day administration of the charity and prepares reports for presentation to the Board of Trustees at the Trustee Meetings.

All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and any related party transactions are disclosed in notes 8 & 20 to the financial statements.

The remuneration of the Administrator is reviewed annually.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Reference and administrative details

Charity Registration Number 1185767

Registered address
Wonford Chapel
36-38 Wonford Street
EXETER
Devon
EX2 5DL

Trustees

Apart from the first Charity Trustees who were appointed by the Trustees of Baptist Building Fund, every Charity Trustee is appointed by a resolution passed at a properly convened meeting of Charity Trustees.

The Charity Trustees are :

Mr Andrew C Burgess MA (*resigned 19 June 2024*)

Revd Ian J Bunce

Mr Eric Cousins FCCA (*resigned 19 June 2024*)

Mr O Philip Jones LLB (*resigned 13 November 2024*)

Mr David M Leverett FCA (*resigned 13 November 2024*)

Mr John Levick

Mr Andrew M Lewis BSc DipArb FRICS FCI Arb

Mr John D Montgomery

Mr Mark Rogers (*appointed 19 June 2024*)

Mr P Michael Smedley FRICS ACI Arb

Mr David W Thompson (*appointed 19 June 2024*)

Mr John Walker LLB DLP NP SSC

Revd. Dr. Helen A Wordsworth RN, RM, RHV, RNT,
MTh, DMin, QN (*appointed 13 March 2024*)

Dr Robert A Wordsworth (*resigned 19 June 2024*)

Revd. Hayley J Young (*appointed 12 March 2025*)

Administrator

(to whom day to day management of the charity is delegated)

Mrs Emily A Baker

Independent Auditor

Griffin Chartered Accountants
Courtenay House
Pynes Hill
EXETER
EX2 5AZ

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

Solicitors

Tollers LLP
1 Waterside Way
Bedford Road
NORTHAMPTON
NN4 7XD

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees' responsibilities

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial position of the charity during the year and of its financial position at the end of the year.

In preparing those financial statements, the Trustees should follow best practice and:

- * select suitable accounting policies and apply them consistently;
- * observe the methods and principles in the Charities SORP;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES



REVD. IAN J BUNCE
Chair

11 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Opinion

We have audited the financial statements of the Baptist Building CIO 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 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom 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 those 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 Trust'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 section of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

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 this gives rise to 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 8), 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 the 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 THE BAPTIST BUILDING CIO

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout our 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 purpose 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 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 (i.e. gives rise to a true and fair view).

We communicate with those charged with governance regarding, among other things, 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)


In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the finance statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing the supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the finance statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Griffin
Chartered Accountants
Courtenay House
Pynes Hill
EXETER
EX2 5AZ

Date 19/6/25

Griffin is eligible to act as an auditor in terms of Section 1212 of The Companies Act 2006.

BAPTIST BUILDING CIO
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	General Fund £	Designated Fund £	Capital Fund £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	2	23,550	0	0	23,550	41,330
Investments	3	105,219	0	0	105,219	117,628
Other						
- Proceeds of ultimate trusts	4	0	0	142,909	142,909	56,849
Total income		128,769	0	142,909	271,678	215,807
Expenditure on:						
Charitable activities						
Cost of loan and grant making	5	38,481	104,764	0	143,245	125,304
Total expenditure		38,481	104,764	0	143,245	125,304
Net income		90,288	(104,764)	142,909	128,433	90,503
Transfers between Funds		(90,000)	161,632	(71,632)	0	0
Net Movement in Funds		288	56,868	71,277	128,433	90,503
Reconciliation of funds:						
Total funds brought forward	17	22,515	74,095	5,667,488	5,764,098	5,673,595
Total funds carried forward	17	22,803	130,963	5,738,765	5,892,531	5,764,098

All income and expenditure derive from continuing activities, and relate to unrestricted funds.

The accompanying notes on pages 16 to 25 form part of these financial statements.

BAPTIST BUILDING CIO

BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024		2023	
		£	£	£	£
Fixed Assets					
Investments	9		2,859,990		3,071,179
Capital equipment	10		0		0
Current Assets					
Debtors	11	3,346		4,028	
Investments	12	2,314,627		2,218,485	
Cash at bank and in hand		770,306		479,313	
			3,088,279		2,701,826
Creditors: Amounts falling due within one year	13	55,738		8,907	
Net Current Assets			3,032,541		2,692,919
Total Assets less Current Liabilities being Net Assets			5,892,531		5,764,098
Charity Funds					
Unrestricted funds					
General Fund	17		22,803		22,515
Designated Fund	17		130,963		74,095
Capital Fund	17		5,738,765		5,667,488
			5,892,531		5,764,098

The financial statements were approved and authorised for issue by the Trustees on 11 June 2025.

Signed on behalf of the Board of Trustees:



Revd. I J Bunce
Chair



J Levick
Trustee

The accompanying notes on pages 16 to 25 form part of these financial statements.

BAPTIST BUILDING CIO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	128,433	90,503
Adjustments for:		
Interest received	(105,219)	(117,628)
Depreciation	0	0
Decrease/(increase) in debtors	682	(667)
(Decrease)/increase in creditors	46,831	998
Net cash provided by /(used in) operating activities	70,727	(26,794)
Cash flow from investing activities		
Interest received	105,219	117,628
Movements in loans to Churches		
Loans made	(510,000)	(1,275,000)
Loans repaid	721,189	457,986
Purchase of fixed assets	0	0
Net cash flow from investing activities	316,408	(699,386)
Change in cash and cash equivalents in the reporting period	387,135	(726,180)
Cash and cash equivalents at 31 December 2023	2,697,798	3,423,978
Cash and cash equivalents at 31 December 2024	3,084,933	2,697,798
Cash and cash equivalents consists of:		
Cash at bank and in hand	3,084,933	2,697,798
Cash and cash equivalents at 31 December 2024	3,084,933	2,697,798

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARATION

Baptist Building CIO is charitable incorporated organisation which is a registered charity administered under the terms of its Governing Document in England. The address of the registered office is given in the charity information on page 7 of these financial statements. The nature of the charity's operations and principal activities are assisting Baptist Churches with building projects.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention to include certain items at a fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The charity's financial statements present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In applying the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the trustees, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below.

CHARITY AS A GOING CONCERN

The Trustees confirm that, having considered their expectation and intentions for the next twelve months and the availability of working capital, the Charity is a going concern.

INCOME RECOGNITION

Donations and legacies

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

All monetary donations and legacies are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the charity is entitled are included in the statement of financial activities where the value has been ascertained with a reasonable degree of certainty.

Gifts in kind are accounted for at the trustees' estimate of their value to the charity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME RECOGNITION (continued)

Donations and legacies (continued)

No amount of volunteer time is included in the financial statements but further detail is given in the Trustees' Annual Report.

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

Proceeds from ultimate trusts

Proceeds from ultimate trusts are recognised in the accounts when the charity is entitled to the incoming resources, the amount can be reliably measured and it is probable that the incoming resources will be received. Entitlement is usually established on completion of the sale of the relevant property.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: -

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure (including Charitable Donations)

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant, the Trustees have agreed to make a grant, and any conditions of the grant have been met.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include costs related to trustees' meetings, audit and legal fees. The basis on which support costs have been allocated is set out in note 5 and governance costs are set out in note 6.

CHARITABLE ACTIVITIES

Cost of charitable activities including grants made, support costs and governance costs are shown in note 5.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND ACCOUNTING

Unrestricted funds are donations, and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated Funds are unrestricted funds which have been designated for specific purposes by the Trustees.

The Capital Fund is maintained at the maximum possible level. Transfers are made from the General Fund to the Capital Fund from time to time, to retain within the General Fund an amount that equates to approximately six months' expenditure.

INVESTMENTS

Social investments are programme related investments which are those held to further our charitable activities. They include concessionary loans.

CONCESSIONARY LOANS

Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any amounts deemed to be irrecoverable.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and 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 expected useful lives on the following basis:

Office equipment	50%
------------------	-----

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2 INCOME FROM DONATIONS AND LEGACIES	2024	2023
	£	£
Thank-offerings from Churches (see below)	23,550	41,200
Church Donations	0	130
	23,550	41,330
Thank-offerings from Churches	£	£
4531 St Mary's, Dundee	0	2,000
4535 Beckenham	0	5,600
4539 Johnstone	0	5,000
4542 Sheringham	0	10,000
4543 Leyland	1,050	0
4544 West Croydon	5,000	0
4545 WOSAL, Wolverhampton	5,000	0
4559 Croes-Y-Parc	0	3,000
4563 Omagh	12,500	0
4570 Dumfries	0	15,000
4584 Swansea, Aenon	0	600
	23,550	41,200
3 INCOME FROM INVESTMENTS	2024	2023
	£	£
Bank Interest	105,219	117,628
	105,219	117,628
4 PROCEEDS OF ULTIMATE TRUSTS	2024	2023
	£	£
Beulah, Rhymney	5,470	38,327
Capel Bethania	82,791	0
Coxall	2,581	16,325
Crewkerne & Misterton	40,056	0
Treharris	12,011	0
Waunarwydd	0	2,197
	142,909	56,849

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

5 CHARITABLE ACTIVITIES	2024	2023
	£	£
General Fund - Support costs		
Administrator's salary/fees (see note 7)	17,003	15,792
Travel costs (excluding Trustee Meetings)	2,478	1,300
Computer consultancy	260	0
Printing, stationery, postage and telephone	310	274
Bank charges	106	191
Insurance	4,035	3,704
General publicity	4,148	1,201
Website	192	32
Governance costs (see note 6)	9,679	10,122
Depreciation on fixed assets	0	0
Charitable Donations	270	250
	38,481	32,866

Support costs are all attributable to the charity's loan and grant making activity.

Designated Fund - Grants	£	£
2023 Cycle		
57West & Clarence Road	0	10,000
Crown Road Sutton	0	10,000
Darkhouse	0	12,000
Harbour Mission, Wick	0	6,500
Headland	0	6,000
Mount Pleasant	0	7,000
Oxgangs	0	8,402
Somersham	0	5,000
Stradbroke	0	9,476
Winter Gardens	0	18,060
2024 Cycle		
Croyde	8,620	0
Lydbrook	5,000	0
Whitchurch	25,000	0
Winton United	18,698	0
Aylesham (to be paid in 2025)	5,500	0
Amott Road, Peckham (to be paid in 2025)	19,000	0
Castlederg (to be paid in 2025)	11,466	0
South Bank, Redcar (to be paid in 2025)	11,480	0
	104,764	92,438
	143,245	125,304

All grants were paid to Baptist Churches as contributions towards small building projects for missional activities. Without this work being carried out, each Church would have to restrict their community ministry.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6 GOVERNANCE COSTS	2024	2023
	£	£
Trustees' Meetings (including travel costs)	1,573	1,503
Audit fees (BBCIO) and Independent Examination (BBF)	7,680	7,680
Legal fees	426	939
	9,679	10,122
7 EMPLOYEES	2024	2023
	£	£
Staff costs during the year were as follows:		
Wages and salaries	16,507	15,332
National Insurance costs	0	0
Pension costs (NEST - see note 21)	496	460
	17,003	15,792

The average number of employees during the year was 1 (2023:1).

No employee earned £60,000 per annum or more in the current or preceding accounting year.

8 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

a) Payments to Trustees

No trustee or person with a family or business connection with a trustee received any remuneration or benefits in the year, directly or indirectly from the charity.

Expenses reimbursements paid to 10 (2023: 6) trustees during the year amounted to £2,824 (2023: £1,424) in respect of travelling and other expenses incurred on behalf of the charity.

b) Payments to Administrators

During 2024, the employment costs of the Administrator totalled £17,003 (2023: £15,792), being the remuneration of the key management personnel. The Administrator was reimbursed for travelling expenses, postage, stationery, publicity and website costs amounting to £3,747 (2023: £2,309).

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

9 FIXED ASSET INVESTMENTS

SOCIAL INVESTMENTS

LOANS TO CHURCHES

	Programme related investments	
	2024	2023
	£	£
Cost at 1 January 2024	3,071,179	2,254,165
Loans made (see below)	510,000	1,275,000
Loans repaid	(721,189)	(457,986)
At 31 December	2,859,990	3,071,179

No interest is charged on the loans, which are usually secured by registering this Fund's interest with The Land Registry or by a formal legal charge on the property. Loans are usually repayable over ten years. Loans amounting to £489,788 (2023: £401,938) are due within one year, and £2,370,203 (2023: £2,669,241) are due after more than one year.

Concessionary Loan Commitments

At the end of the period, the Trustees agreed to make finance available as loans to two churches totalling £332,343 (2023: one church of £50,000) subject to conditions yet to be fulfilled. The advancement of any agreed loan may be affected by the availability of liquid funds of this charity and the projects for which churches had requested payment of the loans. Some of the agreed loans may not be taken up by the churches during the next 12 months.

LOANS ADVANCED TO CHURCHES

The following loans were advanced during the period: -

	2024	2023
	£	£
4587 Evesham	0	400,000
4589 Carlton Rode	0	40,000
4590 Custom House	0	435,000
4591 Rayleigh	0	400,000
4592 Eilon	400,000	0
4593 Croes Y Parc	60,000	0
4595 Welton	50,000	0
	510,000	1,275,000

10 FIXED ASSETS

	Office equipment	2024	2023
		Total	Total
	£	£	£
Cost brought forward	1,837	1,837	1,837
Additions/disposals	-10	-10	0
Cost at 31 December 2024	1,827	1,827	1,837
Depreciation brought forward	1,837	1,837	1,837
Disposals	-10	-10	0
Depreciation at 31 December 2024	1,827	1,827	1,837
Net book value at 31 December 2024	0	0	0

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11 DEBTORS	2024	2023
	£	£
Other debtors	0	1
Prepayments	3,346	4,027
	3,346	4,028

Debtors amounting to nil (2023: nil) may not be recoverable within one year.

12 CURRENT ASSET INVESTMENTS	2024	2023
	£	£
Unlisted investments	2,314,627	2,218,485
	2,314,627	2,218,485

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2024	2023
	£	£
Trade creditors	48,030	1,185
Accruals and deferred income	7,708	7,722
	55,738	8,907

14 GENERAL FUND

The purpose of the General Fund is to meet all administrative and fund raising costs incurred during the period. At the absolute discretion of the Trustees, transfers may be made to or from the Capital Fund.

15 DESIGNATED FUND

The Trustees have a policy of transferring a percentage of the net sale proceeds of closed churches into the Designated Fund with a view to making grants for missional work on applications from Baptist Churches, totalling £35,727 in 2024. The Trustees also made a special one-off discretionary transfer of £125,905 from the Capital Fund to commemorate the Bicentenary by making £200,000 available for grants in Summer 2024. The total transferred into the Designated Fund during the year was £161,632.

16 CAPITAL FUND

The Capital Fund is primarily used for granting of loans in accordance with the objects of the Charity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

17 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements 2024

	Balance brought forward £	Income £	Expenditure £	Transfers £	Balance carried forward £
Unrestricted funds					
General Fund	22,515	128,769	38,481	(90,000)	22,803
Designated Fund	74,095	0	104,764	161,632	130,963
Capital Fund	5,667,488	142,909	0	(71,632)	5,738,765
	5,764,098	271,678	143,245	0	5,892,531

Analysis of fund movements 2023

	Balance b/f £	Income £	Expenditure £	Transfers £	Balance c/f £
Unrestricted funds					
General Fund	21,423	158,958	32,866	(125,000)	22,515
Designated Fund	150,673	0	92,438	15,860	74,095
Capital Fund	5,501,499	56,849	0	109,140	5,667,488
	5,673,595	215,807	125,304	0	5,764,098

Analysis of net assets between funds 2024

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	0	0	2,859,990	2,859,990
Current assets	78,541	130,963	2,878,775	3,088,279
	78,541	130,963	5,738,765	5,948,269
Current liabilities	55,738	0	0	55,738
	22,803	130,963	5,738,765	5,892,531

Analysis of net assets between funds 2023

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	0	0	3,071,719	3,071,719
Current assets	31,422	74,095	2,595,769	2,701,286
	31,422	74,095	5,667,488	5,773,005
Current liabilities	8,907	0	0	8,907
	22,515	74,095	5,667,488	5,764,098

The purpose of each fund is described in notes 14 to 16, and appropriate transfers have been made between them to fulfil the criteria.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

18 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2024	Cashflow	At 31 December 2024
	£	£	£
Cash at bank and in hand	2,697,798	387,135	3,084,933

19 EVENTS AFTER THE REPORTING DATE

There have been no relevant events after the reporting date.

20 RELATED PARTY TRANSACTIONS

With the exception of the reimbursement of expenses and remuneration as set out in note 8 on page 21, there were no transactions between the Trustees and the charity during the year.

21 PENSIONS

Defined Contribution Scheme

The charity contributes to Nest Pension Scheme, which is a defined contribution pension scheme run by Nest Corporation (a public body) for the benefit of its members.

Members pay 5% of their Pensionable Income into this Scheme and the employer pays 3%. The assets of the scheme are held separately from those of the CIO in an independently administered fund. The pension cost charge represents contributions payable by the CIO to the fund and amounted to £496 (2023: £460). £Nil (2023: £Nil) was due to the fund at the balance sheet date.

BAPTIST BUILDING CIO

England & Wales - Charity number 1185767

Accounts



BAPTIST BUILDING CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023



CHARITY NO: 1185767

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

INDEX	PAGE
Trustees' Annual Report	1 - 8
Independent Auditor's Report	9-12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16-25

BAPTIST BUILDING CIO

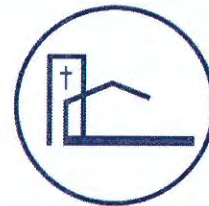
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report together with financial statements of the charity for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published in October 2019.

Objectives and activities for public benefit

Baptist Building CIO was formed on 11 October 2019, taking over the activities of the Baptist Building Fund*.

The main object of this charity is the advancement of the Christian faith for the public benefit by facilitating the mission of Baptist Churches in the United Kingdom and Ireland.




To achieve this, Baptist Building CIO aims to partner with Baptist Churches and other charitable bodies of the Baptist Denomination by:

-  making loans to Baptist Churches to help them to purchase, build, expand, repair and improve their premises, including places of worship and other halls or buildings.

We currently offer loans of £30,000-£500,000, repayable over 10 years by regular instalments (quarterly or half-yearly).

The Trustees have the power to vary any loan terms, on a case by case basis.

The loans are interest-free and borrowers are invited to make a thank-offering donation to this charity on completion of the repayment of their loan.

-  making grants to small Baptist Churches mainly in rural or deprived urban areas to help them to purchase, build, expand, repair and improve their premises where that building project is intended to have a big impact on their local mission work.

We periodically offer discretionary grants of £5,000-£25,000 to qualifying Churches from our Empowering Change Fund when designated funds are available for this purpose, usually with a 3-4 month window for Churches to apply.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission general guidance on public benefit when reviewing the Fund's aims and objectives, in planning future activities, and in setting the grant making policy for the year.

To achieve the object of our charity, our loans and grants are advertised from time to time in Baptist publicity, and communicated to a network of Baptist organisations, including the Baptist Union of Great Britain, the Baptist Union of Scotland, the Baptist Union of Wales, the Grace Baptist Trust Corporation and Regional Baptist Associations. Baptist Building CIO also participates in exhibitions at Baptist Assemblies.

A website helps to further publicise this charity and can be found at: www.baptistbuilding.org

*The Baptist Building Fund was established in London in 1824 and is a charity registered in England & Wales with registered Charity Number 218823.

Achievement and performance

Our Loans - Transforming Buildings for Mission

Over **£3 million** on loan to **32 Churches**

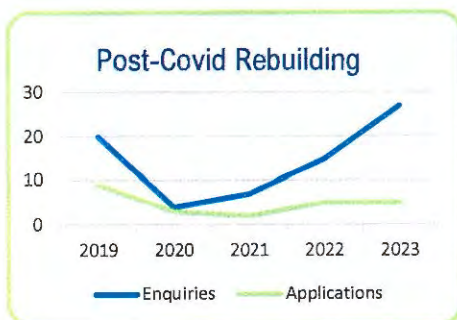
to help them to

REBUILD, EXPAND and **RENEW**

their buildings for mission



At year end, 32 loans were outstanding amounting to £3,071,179 after 7 churches completed their loan repayments in 2023.



During the year we received loan enquiries

from **27 Churches**

This was a significant increase from 2022 (15 enquiries) and indicates that church planning for building projects is continuing to recover post-Covid despite the economic challenges.

There were 5 new applications for loans totalling **£1.4 million**

Of these, at the end of 2023:

- ➔ 2 applications amounting to £835,000 had been paid out (see below)
- ➔ 1 application for £50,000 had been approved subject to conditions being met
- ➔ 1 church had withdrawn their application as they used another funding source
- ➔ the remaining application for £400,000 was going through our review process

New loans made

We paid out 4 loans totalling **£1,275,000**

Evesham Baptist Church* (new Church building)

Carleton Rode Baptist Church* (repairs to listed building)

Rayleigh Baptist Church (major extension and renovation)

Custom House Baptist Church (major extension and renovation)

*loans approved in 2022



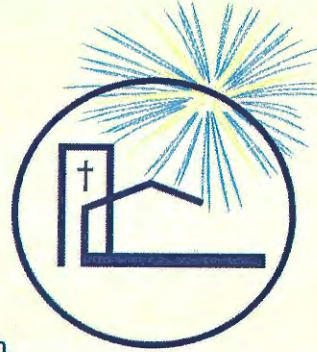
Achievement and performance

Our Grants - Empowering Change

Where we receive proceeds of sale from a closed church building, we seek to turn this into a blessing for other churches by making a percentage (usually 25%) available for grants in our Designated Fund to help fund small-scale building projects,

**making a
real difference**

to Church mission and outreach.



During 2023 we paid out grants to 10 churches* across the British Isles

totalling over **£92,000** in grant funding

This helped **small churches with a big heart for local mission** to:

- ➔ create warm spaces with welcoming entrances
- ➔ modernise facilities to host youth and dementia groups
- ➔ revive indoor and outdoor community areas
- ➔ enable outreach projects supporting the homeless

Our grants support the churches as they work for God's kingdom,
blessing our Baptist church families
and their local communities

*(including one from our 2022 grant cycle)



An Empowering Change story from Crown Road Church, Sutton

£10,000 for new doors and windows to improve frontage of the church

"Our church has an interesting history going back to the 1860s but the building is old and needs attention. We have a small (but growing) congregation so we were delighted to receive a grant from BBCIO to help us.

Our aim was dual - to reduce our heating bills and to improve our kerb appeal.

The day after the builders left, a passerby called across to one of our members leaving the building

"I never realized there was a church here and I've lived here all my life."

Mission accomplished, I'd say! "

Vivienne Aitchison (Pastor at Crown Road Church)

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Financial Review

A key funding source for this charity is
thank-offerings donations received from Churches
following completion of repayment of their loans.

In 2023 **£41,200** was donated to us as thank-offerings

These donations covered our Support Costs
(Administration & Governance, totalling £32,866).

We also receive other donations, plus legacies and sale proceeds of closed Churches where Baptist Building CIO or its predecessors are named as the ultimate beneficiary.

During the year, the charity received **£56,849** from the balance of proceeds of closed Churches where our charity was the beneficiary of the ultimate trust, of which **£15,860** was made available for grants and the balance was added to our loan funds. No gifts in kind were received during 2023, and no fundraising activities were carried out in the year.



Charity expenditure (excluding grants and costs associated with ultimate trusts)
is considered to be modest at less than **0.6% of total funds**,
and is incurred in promoting the aims and awareness of the charity
and dealing with its administration.

Availability of funds for loans

The Trustees wish to make the maximum amount of funds available to Baptist Churches and colleges that need assistance with their building projects by way of loans, rather than making investments.

At the end of 2023, **54%** of the funds available had been advanced to Churches by way of loans, leaving cash reserves of £2,697,798 at the end of the year. Of this sum at year end:

- ➔ £50,000 had been approved for loans to be made to Churches for specific projects (subject to meeting conditions) to be drawn down by the churches as their funding requires.
- ➔ loan applications and enquiries had been received which, if all progress successfully, would utilise nearly £2.2 million of the available funds.

Plans for the future

In order to facilitate the policy of maximising the use of fund as loans to Churches, the Trustees intend to continue:

- ➔ publicising our loans through the relevant communication avenues
- ➔ making known the availability of funding to key personnel with the Baptist Denominations
- ➔ keeping under review the maximum loan limit and loan criteria

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Financial Policies

Investment policy and performance

The investment policy of the Fund of using interest bearing accounts with the charity's bankers is currently considered to be satisfactory, since the primary objective of this Fund is not to make investment gains but to provide the maximum available funding for making loans. However, the Trustees regularly review the position in light of the level of cash funds held by this charity and the current economic climate of increasing inflation and interest rates.

The main source of increasing the net asset base of the Fund is the closure and sale of Baptist churches where this charity or its predecessor, the Baptist Building Fund, is the ultimate beneficiary. The timing of funds from this source is outside the control of the Trustees.

Risk management

The Trustees examine the major risks that the charity faces each financial year. The charity has developed systems to monitor and control these risks in order to mitigate any impact they may have on the charity in the future.

The principal risk faced by this charity is the potential for one or more of the churches to whom loans have been advanced being unable to repay their loan in full. In order to minimise this risk, the Trustees carry out a review of the finances of each church that makes an application for a loan, in an endeavour to ascertain their ability to make repayments on time. They also seek a commendation from the local Regional Baptist Association, and carry out a review of the work for which the loan is required to satisfy themselves that the relevant professional advisors with adequate professional indemnity insurance have been engaged by the church. Once a loan is made, this charity lodges its interest in the Church property with The Land Registry, or in some cases, takes a formal charge over it.

The charity has insurance for potential liability arising from actions by the Trustees.

Reserves Policy

It is the policy of this charity to maintain the Capital Fund at the maximum level possible, consistent with retaining the General Fund at a level which equates to approximately six months' expenditure on support costs (approximately £16,000). The level of reserves ensures that the charity can fulfil its main objectives and respond to existing commitments and expected new funding requests on a timely basis.

The Trustees have the discretion make transfers between the General Fund and the Capital Fund as necessary.

Total Funds at 31 December 2023 amounted to £5,764,098, being made up of:

- ➔ **General Fund** balance amounting to **£22,515**, all of which were free reserves
- ➔ **Designated Fund** balance amounting to £74,095 and related to monies set aside to be used by way of grants for projects within Baptist Churches.
- ➔ The remaining free reserves of **£5,667,488** being held in the **Capital Fund**. Of this, £3,071,179 is committed in the form of concessionary loans made, £50,000 has been offered as loans (subject to Churches meeting the conditions) and £2,596,309 is available for making loans.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, Governance and Management

Baptist Building CIO is a lasting testimony to the group of London Baptist ministers who were blessed with the vision of setting up the Baptist Building Fund in 1824. It has helped hundreds of Baptist churches with building projects since its inception. Since June 2019 this charity has taken over the activities of the Baptist Building Fund (being the sole subscriber and trustee of that charity) and continues its good work.

Baptist Building CIO is a Charitable Incorporated Organisation which is a registered charity administered under the terms of its Governing Document. The activities of this charity are controlled by the Trustees, details of whom are set out on page 7 of this Report. The Trustees were appointed in the Governing Document as approved by the Trustees of the Baptist Building Fund on the creation of this CIO. Future Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

Trustee Recruitment

New Trustees are recruited via networking and advertising within organisations of the Baptist Denomination. Trustees are usually selected from those with experience in Baptist Church governance, and from a variety of professional and similar backgrounds. It is expected that they will bring to this charity the benefit of their expertise. As this experience has been gained with similarly minded charities, it is generally considered that additional training is not required on appointment.

Governance

The Trustees all act in an honorary capacity, and generally give at least 4 days of their time each year in preparing for and attending Trustee Meetings. A number of Trustees with specialist expertise give more time to assist the workings of the charity on a voluntary basis, for example in reviewing loan or grant applications.

Trustee Meetings normally occur three times each year, either face-to-face or on-line. At their meetings, the Trustees transact the business of the charity, including making decisions about any loan and grant applications, ensuring that they conform to the Governing Document and general requirements of the charity. Trustees give due regard to any changes in laws applicable to charity trustees from time. Trustees are required to disclose all relevant interests and, in accordance with the charity's policy, to withdraw from decisions where a conflict of interest arises.

The charity has working relationships with all Baptist Unions in the United Kingdom and The Grace Baptist Trust Corporation. Where loan applications are made to "Baptist" bodies other than this Fund, the Administrator may exchange information with those other "Baptist" bodies to save duplication of work.

Key management personnel

The Trustees consider the Board of Trustees and the Administrator as comprising the key management personnel of the charity who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The Administrator deals with the day to day administration of the charity and prepares reports for presentation to the Board of Trustees at the Trustee Meetings.

All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and any related party transactions are disclosed in notes 8 & 21 to the financial statements.

The remuneration of the Administrator is reviewed annually.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and administrative details

Charity Registration Number	1185767
Registered address	Wonford Chapel 36-38 Wonford Street EXETER Devon EX2 5DL

Trustees

Apart from the first Charity Trustees who were appointed by the Trustees of Baptist Building Fund, every Charity Trustee is appointed by a resolution passed at a properly convened meeting of Charity Trustees.

The Charity Trustees are :

Mr Andrew C Burgess MA	Mr John D Montgomery (appointed 27/09/23)
Reverend Ian J Bunce	Mr Andrew M Lewis BSc DipArb FRICS FCI Arb
Mr Eric Cousins FCCA	Mr P Michael Smedley FRICS ACI Arb
Reverend Catriona J M Gorton (resigned 28/06/23)	Mr John Walker LLB DLP NP SSC
Mr O Philip Jones LLB	Revd. Dr. Helen Anne Wordsworth RN, RM, RHV, RNT, MTh, DMin, QN (appointed 13/03/2024)
Mr David M Leverett FCA	Dr Robert A Wordsworth
Mr John Levick (appointed 01/09/23)	

Administrator

(to whom day to day management of the charity is delegated)

Mrs Emily A Blake

Independent Auditor

Griffin Chartered Accountants
Courtenay House
Pynes Hill
EXETER
EX2 5AZ

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

Solicitors

Tollers LLP
1 Waterside Way
Bedford Road
NORTHAMPTON
NN4 7XD

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees' responsibilities

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial position of the charity during the year and of its financial position at the end of the year.

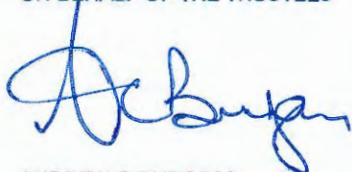
In preparing those financial statements, the Trustees should follow best practice and:

- * select suitable accounting policies and apply them consistently;
- * observe the methods and principles in the Charities SORP;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES



ANDREW C BURGESS
Chairman

19 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Opinion

We have audited the financial statements of the Baptist Building CIO 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 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom 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 those 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 Trust'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 section of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

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 this gives rise to 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 8), 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 the 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 THE BAPTIST BUILDING CIO

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout our 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 purpose 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 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 (i.e. gives rise to a true and fair view).

We communicate with those charged with governance regarding, among other things, 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the finance statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing the supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the finance statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Griffin
Chartered Accountants
Courtenay House
Pynes Hill
EXETER
EX2 5AZ



Date 6/8/24

Griffin is eligible to act as an auditor in terms of Section 1212 of The Companies Act 2006.

BAPTIST BUILDING CIO
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	General Fund £	Designated Fund £	Capital Fund £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and legacies	2	41,330	0	0	41,330	35,115
Investments	3	117,628	0	0	117,628	19,439
Other						
- Proceeds of ultimate trusts	4	0	0	56,849	56,849	240
Total income		158,958	0	56,849	215,807	54,794
Expenditure on:						
Charitable activities						
Cost of loan and grant making	5	32,866	92,438	0	125,304	68,463
Total expenditure		32,866	92,438	0	125,304	68,463
Net income		126,092	(92,438)	56,849	90,503	(13,669)
Transfers between Funds		(125,000)	15,860	109,140	0	0
Net Movement in Funds		1,092	(76,578)	165,989	90,503	(13,669)
Reconciliation of funds:						
Total funds brought forward	17	21,423	150,673	5,501,499	5,673,595	5,687,264
Total funds carried forward	17	22,515	74,095	5,667,488	5,764,098	5,673,595

All income and expenditure derive from continuing activities, and relate to unrestricted funds.

The accompanying notes on pages 16 to 25 form part of these financial statements.

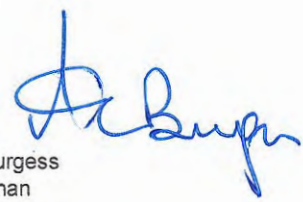
BAPTIST BUILDING CIO


BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023		2022	
		£	£	£	£
Fixed Assets					
Investments	9		3,071,179		2,254,165
Capital equipment	10		0		0
Current Assets					
Debtors	11	4,028		3,361	
Investments	12	2,218,485		519,226	
Cash at bank and in hand		479,313		2,904,752	
		<u>2,701,826</u>		<u>3,427,339</u>	
Creditors: Amounts falling due within one year	13	<u>8,907</u>		<u>7,909</u>	
Net Current Assets			2,692,919		3,419,430
Total Assets less Current Liabilities being Net Assets			5,764,098		5,673,595
Charity Funds					
Unrestricted funds					
General Fund	17		22,515		21,423
Designated Fund	17		74,095		150,673
Capital Fund	17		5,667,488		5,501,499
			<u>5,764,098</u>		<u>5,673,595</u>

The financial statements were approved and authorised for issue by the Trustees on 19 June 2024

Signed on behalf of the Board of Trustees:


A C Burgess
Chairman


D M Leverett
Trustee

The accompanying notes on pages 16 to 25 form part of these financial statements.

BAPTIST BUILDING CIO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	90,503	(13,669)
Adjustments for:		
Interest received	(117,628)	(19,439)
Depreciation	0	919
Decrease/(increase) in debtors	(667)	116,713
(Decrease)/increase in creditors	998	(35,010)
Net cash provided by /(used in) operating activities	(26,794)	49,514
Cash flow from investing activities		
Interest received	117,628	19,439
Movements in loans to Churches		
Loans made	(1,275,000)	(250,000)
Loans repaid	457,986	725,330
Purchase of fixed assets	0	0
Net cash flow from investing activities	(699,386)	494,769
Change in cash and cash equivalents in the reporting period	(726,180)	544,283
Cash and cash equivalents at 31 December 2022	3,423,978	2,879,695
Cash and cash equivalents at 31 December 2023	2,697,798	3,423,978
Cash and cash equivalents consists of:		
Cash at bank and in hand	2,697,798	3,423,978
Cash and cash equivalents at 31 December 2023	2,697,798	3,423,978

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARATION

Baptist Building CIO is charitable incorporated organisation which is a registered charity administered under the terms of its Governing Document in England. The address of the registered office is given in the charity information on page 7 of these financial statements. The nature of the charity's operations and principal activities are assisting Baptist Churches with building projects.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention to include certain items at a fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The charity's financial statements present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In applying the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the trustees, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below.

CHARITY AS A GOING CONCERN

The Trustees confirm that, having considered their expectation and intentions for the next twelve months and the availability of working capital, the Charity is a going concern.

INCOME RECOGNITION

Donations and legacies

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

All monetary donations and legacies are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the charity is entitled are included in the statement of financial activities where the value has been ascertained with a reasonable degree of certainty.

Gifts in kind are accounted for at the trustees' estimate of their value to the charity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME RECOGNITION (continued)

Donations and legacies (continued)

No amount of volunteer time is included in the financial statements but further detail is given in the Trustees' Annual Report.

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

Proceeds from ultimate trusts

Proceeds from ultimate trusts are recognised in the accounts when the charity is entitled to the incoming resources, the amount can be reliably measured and it is probable that the incoming resources will be received. Entitlement is usually established on completion of the sale of the relevant property.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: -

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure (including Charitable Donations)

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant, the Trustees have agreed to make a grant, and any conditions of the grant have been met.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include costs related to trustees' meetings, audit and legal fees. The basis on which support costs have been allocated is set out in note 5 and governance costs are set out in note 6.

CHARITABLE ACTIVITIES

Cost of charitable activities including grants made, support costs and governance costs are shown in note 5.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND ACCOUNTING

Unrestricted funds are donations, and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated Funds are unrestricted funds which have been designated for specific purposes by the Trustees.

The Capital Fund is maintained at the maximum possible level. Transfers are made from the General Fund to the Capital Fund from time to time, to retain within the General Fund an amount that equates to approximately six months' expenditure.

INVESTMENTS

Social investments are programme related investments which are those held to further our charitable activities. They include concessionary loans.

CONCESSIONARY LOANS

Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any amounts deemed to be irrecoverable.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and 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 expected useful lives on the following basis:

Office equipment	50%
------------------	-----

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 INCOME FROM DONATIONS AND LEGACIES	2023 £	2022 £
Thank-offerings from Churches (see below)	41,200	35,000
Church Donations	130	115
	41,330	35,115
Thank-offerings from Churches	£	£
Andover	0	10,000
Beckenham	5,600	0
Chipping Sodbury	0	12,000
Croes-Y-Parc	3,000	0
Dumfries	15,000	0
Farnworth	0	3,000
Johnstone	5,000	0
St Mary's, Dundee	2,000	2,000
Sevenoaks, Vine	0	5,000
Sheringham	10,000	0
Swansea, Aenon	600	0
Tarporley	0	3,000
	41,200	35,000
3 INCOME FROM INVESTMENTS	2023 £	2022 £
Bank Interest	117,628	19,439
	117,628	19,439
4 PROCEEDS OF ULTIMATE TRUSTS	2023 £	2022 £
Beulah, Rhymney	38,327	0
Coxall	16,325	0
Preston, Fishergate (balance)	0	240
Waunarlwydd	2,197	0
	56,849	240

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

5 CHARITABLE ACTIVITIES	2023	2022
	£	£
General Fund - Support costs		
Administrator's salary/fees (see note 7)	15,792	14,274
Travel costs (excluding Trustee Meetings)	1,300	1,084
Computer consultancy	0	185
Printing, stationery, postage and telephone	274	249
Bank charges	191	220
Insurance	3,704	3,448
General publicity	1,201	20
Website	32	249
Governance costs (see note 6)	10,122	11,025
Depreciation on fixed assets	0	919
Charitable Donations	250	250
	32,866	31,923

Support costs are all attributable to the charity's loan and grant making activity.

Designated Fund - Grants	£	£
57West & Clarence Road	10,000	0
Coatbridge	0	10,090
Crown Road Sutton	10,000	0
Darkhouse	12,000	0
Ebenezer, Coalville	0	7,000
Ewhurst	0	6,850
Harbour Mission, Wick	6,500	0
Headland	6,000	0
Mount Pleasant	7,000	0
Oxgangs	8,402	0
Rainham	0	12,600
Somersham	5,000	0
Stradbroke	9,476	0
Winter Gardens	18,060	0
	92,438	36,540
	125,304	68,463

All grants were paid to Baptist Churches as contributions towards small building projects for missional activities. Without this work being carried out, each Church would have to restrict their community ministry.

Capital Fund - Grants	£	£
N/A	0	0
	0	0

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

6 GOVERNANCE COSTS	2023 £	2022 £
Trustees' Meetings (including travel costs)	1,503	2,030
Audit fees (BBCIO) and Independent Examination (BBF)	7,680	7,320
Legal fees	939	1,675
	10,122	11,025
7 EMPLOYEES	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	15,332	13,859
National Insurance costs	0	0
Pension costs (NEST - see note 22)	460	415
	15,792	14,274

The average number of employees during the year was 1 (2022: 1).

No employee earned £60,000 per annum or more in the current or preceding accounting year.

8 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

a) Payments to Trustees

No trustee or person with a family or business connection with a trustee received any remuneration or benefits in the year, directly or indirectly from the charity.

Expenses reimbursements paid to 6 (2022: 6) trustees during the year amounted to £1,424 (2022: £1,619) in respect of travelling and other expenses incurred on behalf of the charity.

b) Payments to Administrators

During 2023, the employment costs of the Administrator totalled £15,792 (2022: £14,274), being the remuneration of the key management personnel. The Administrator was reimbursed for travelling expenses, postage, stationery, publicity and website costs amounting to £2,309 (2022: £814).

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9 FIXED ASSET INVESTMENTS

SOCIAL INVESTMENTS
LOANS TO CHURCHES

	Programme related investments	
	2023	2022
	£	£
Cost at 1 January 2023	2,254,165	2,729,495
Loans made (see below)	1,275,000	250,000
Loans repaid	(457,986)	(725,330)
At 31 December	3,071,179	2,254,165

No interest is charged on the loans, which are usually secured by registering this Fund's interest with The Land Registry or by a formal legal charge on the property. Loans are usually repayable over ten years. Loans amounting to £401,938 (2022: £404,894) are due within one year, and £2,669,241 (2022: £1,849,271) are due after more than one year.

Concessionary Loan Commitments

At the end of the period, the Trustees agreed to make finance available as loans to one church totalling £50,000 (2022: two churches of £475,000) subject to conditions yet to be fulfilled. The advancement of any agreed loan may be affected by the availability of liquid funds of this charity and the projects for which churches had requested payment of the loans. Some of the agreed loans may not be taken up by the churches during the next 12 months.

LOANS ADVANCED TO CHURCHES

The following loans were advanced during the period: -

	2023	2022
	£	£
Carleton Rode	40,000	0
Custom House	435,000	0
Evesham	400,000	0
Fressingfield	0	250,000
Rayleigh	400,000	0
	1,275,000	250,000

10 FIXED ASSETS

	Office equipment	2023 Total	2022 Total
	£	£	£
Cost brought forward	1,837	1,837	1,837
Additions	0	0	0
Cost at 31 December 2023	1,837	1,837	1,837
Depreciation brought forward	1,837	1,837	918
Charge for the year	0	0	919
Depreciation at 31 December 2023	1,837	1,837	1,837
Net book value at 31 December 2023	0	0	0

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

11 DEBTORS	2023	2022
	£	£
Other debtors	1	3
Prepayments	4,027	3,358
	4,028	3,361

Debtors amounting to nil (2022: nil) may not be recoverable within one year.

12 CURRENT ASSET INVESTMENTS	2023	2022
	£	£
Unlisted investments	2,218,485	519,226
	2,218,485	519,226

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Trade creditors	1,185	589
Accruals and deferred income	7,722	7,320
	8,907	7,909

14 GENERAL FUND

The purpose of the General Fund is to meet all administrative and fund raising costs incurred during the period. At the absolute discretion of the Trustees, transfers may be made to or from the Capital Fund.

15 DESIGNATED FUND

Trustees transferred a percentage of the net sale proceeds of some closed churches into the Designated Fund with a view to making grants for missional work on applications from Baptist Churches.

16 CAPITAL FUND

The Capital Fund is primarily used for granting of loans in accordance with the objects of the Charity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

17 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements 2023

	Balance brought forward £	Income £	Expenditure £	Transfers £	Balance carried forward £
Unrestricted funds					
General Fund	21,423	158,958	32,866	(125,000)	22,515
Designated Fund	150,673	0	92,438	15,860	74,095
Capital Fund	5,501,499	56,849	0	109,140	5,667,488
	5,673,595	215,807	125,304	0	5,764,098

Analysis of fund movements 2022

	Balance b/f £	Income £	Expenditure £	Transfers £	Balance c/f £
Unrestricted funds					
General Fund	23,792	54,554	31,923	(25,000)	21,423
Designated Fund	67,622	0	36,540	119,591	150,673
Capital Fund	5,595,850	240	0	(94,591)	5,501,499
	5,687,264	54,794	68,463	0	5,673,595

Analysis of net assets between funds 2023

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	0	0	3,071,719	3,071,719
Current assets	31,422	74,095	2,595,769	2,701,286
	31,422	74,095	5,667,488	5,773,005
Current liabilities	8,907	0	0	8,907
	22,515	74,095	5,667,488	5,764,098

Analysis of net assets between funds 2022

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	0	0	2,254,165	2,254,165
Current assets	29,332	150,673	3,247,334	3,427,339
	29,332	150,673	5,501,499	5,681,504
Current liabilities	7,909	0	0	7,909
	21,423	150,673	5,501,499	5,673,595

The purpose of each fund is described in notes 14 to 16, and appropriate transfers have been made between them to fulfil the criteria.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

18 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023	Cashflow	At 31 December 2023
	£	£	£
Cash at bank and in hand	3,423,978	(726,180)	2,697,798

19 CONTINGENT LIABILITIES

As at 31 December 2023 the second tranche of a grant awarded to Oxfgangs Community Church for renovations of £1,598 had not been paid out at year-end because the necessary conditions had not been met.

20 EVENTS AFTER THE REPORTING DATE

There have been no relevant events after the reporting date.

21 RELATED PARTY TRANSACTIONS

With the exception of the reimbursement of expenses and remuneration as set out in note 8 on page 21, there were no transactions between the Trustees and the charity during the year.

22 PENSIONS

Defined Contribution Scheme

The charity contributes to Nest Pension Scheme, which is a defined contribution pension scheme run by Nest Corporation (a public body) for the benefit of its members.

Members pay 5% of their Pensionable Income into this Scheme and the employer pays 3%. The assets of the scheme are held separately from those of the CIO in an independently administered fund. The pension cost charge represents contributions payable by the CIO to the fund and amounted to £460 (2022: £415). £Nil (2022: £Nil) was due to the fund at the balance sheet date.



BAPTIST BUILDING CIO

England & Wales - Charity number 1185767

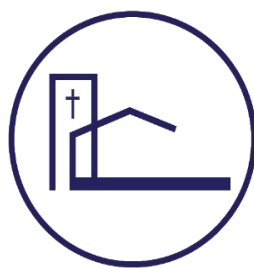
Accounts



BAPTIST BUILDING CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



CHARITY NO: 1185767

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

INDEX	PAGE
Trustees' Annual Report	1 - 8
Independent Auditor's Report	9-12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16-25

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report together with financial statements of the charity for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published in October 2019.

Objectives and activities for public benefit

Baptist Building CIO was formed on 11 October 2019 and has taken over the activities of the Baptist Building Fund to protect the exposure of the Trustees to unlimited liabilities.

The main object of this charity is the advancement of the Christian faith for the public benefit by facilitating the mission of Baptist churches in the United Kingdom.

To achieve this, Baptist Building CIO aims to partner with UK Churches and other charitable bodies of the Baptist Denomination by:



making loans to Baptist Churches to help them to purchase, build, expand, repair and improve their premises, including places of worship and other halls or buildings.

We currently offer loans of £30,000-£500,000, repayable over 10 years (or up to 20 years for loans over £250,000), repayable by regular instalments (quarterly or half-yearly). The Trustees have the power to offer loans of over £500,000 and to vary any loan terms, on a case by case basis. The loans are interest-free and borrowers are invited to make a thank-offering donation to this charity on completion of the repayment of their loan.



making grants to small Baptist Churches mainly in rural or deprived urban areas to help them to purchase, build, expand, repair and improve their premises where that building project is intended to have a big impact on their local mission work.

We periodically offer discretionary grants of £5,000-£25,000 to qualifying Churches from our Empowering Change Fund when designated funds are available for this purpose, usually with a 3-4 month window for Churches to apply.

The Trustees confirm that they have referred to the guidance contained in The Charity Commission general guidance on public benefit when reviewing the Fund's aims and objectives, in planning future activities, and in setting the grant making policy for the year.

To achieve the object of our charity, our loans and grants are advertised from time to time in Baptist publicity, and communicated to a network of Baptist organisations, including the Baptist Union of Great Britain, the Baptist Union of Scotland, the Baptist Union of Wales, the Grace Baptist Trust Corporation and Regional Baptist Associations. Baptist Building CIO also participates in exhibitions at Baptist Assemblies. A website helps to further publicise this charity, and can be found at: www.baptistbuilding.org

Achievement and performance

Our Loans - Transforming Buildings for Mission

Over **£2.25M** on loan to **32 Churches**

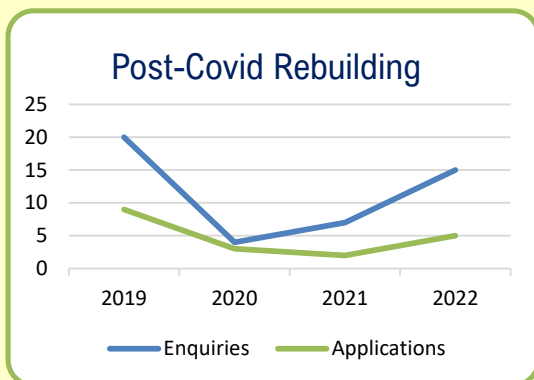
to help them to

REBUILD, EXPAND and **RENEW**

their buildings for mission



At year end, 32 loans were outstanding amounting to £2,254,165 after 5 churches completed their loan repayments in 2022.



During the year we received loan enquiries

from **15 Churches**

This was a significant increase from 2021 (7 enquiries) and indicates that church planning for building projects is recovering after the impact of Covid.

5 Churches applied for loans totalling **£685,000**

Of these:

- ➔ two applications amounting to £475,000 have been approved to be paid out when the loan conditions had been completed.
- ➔ the remaining 3 applications totalling £210,000 are going through our review process

New loans made

We paid out 1 loan of **£250,000** to Fressingfield Baptist Church (approved in 2021) to support them in completing their new-build church.



Achievement and performance

Our Grants - Empowering Change

Where we receive proceeds of sale from a closed church building, we seek to turn this into a blessing for other churches by making 25% available for grants in our Designated Fund to help fund small-scale building projects,

**making a
real difference**

to Church mission and outreach.



During 2022 we paid out grants to 4 churches amounting to **£36,540**

This helped to

add accessible toilets



and



replace doors and windows

From our September 2022 grant cycle, one grant of **£12,000** was approved for

building a community garden
and safe play area



(to be paid out once conditions are met)

An Empowering Change story from Ebenezer Baptist Church, Coalville

£7,000 for new frontage & lobby doors and replacing old windows.

"The new doors are
transformational..."

...they give a modern view and are much more open and welcoming.
Many people have commented on the change.

Numbers at our Sunday service, Coffee Morning and Toddler Group are increasing.
We have just started a Craft and Chat group, attracting people not previously known to us.

We are much encouraged by these developments and believe the improvements to the building are definitely playing their part. We have just received in some new members and are having our first baptism for many a long year next week."

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Review

The principal funding source for this charity is thank-offerings donations received from churches following completion of repayment of their loans.

In 2022 **£35,000** was donated to us as thank-offerings

These donations covered our Support Costs
(Administration & Governance, totalling £31,923).

We also receive other donations, plus legacies and sale proceeds of closed churches where Baptist Building CIO or its predecessors are named as the ultimate beneficiary.

During the year, the charity received £240 from the balance of proceeds of closed Churches where the Baptist Building Fund was the beneficiary of the ultimate trust.

No gifts in kind were received during 2022, and no fundraising activities were carried out in the year.

Charity expenditure (excluding grants and costs associated with ultimate trusts)

is considered to be modest at **0.6% of total funds**,
and is incurred in promoting the aims and awareness of the charity
and dealing with its administration.

Availability of funds for loans

The Trustees wish to make the maximum amount of funds available to Baptist Churches and colleges that need assistance with their building projects by way of loans, rather than making investments.

At the end of 2022, **40%** of the funds available had been advanced to Churches by way of loans, leaving cash reserves of £3,423,978 at the end of the year. Of this sum at year end:

- ➔ £475,000 had been approved for loans to be made to churches for specific projects (subject to meeting conditions) to be drawn down by the churches as their funding requires.
- ➔ loan enquiries had been received which, if all progress to being successful loan applications, would utilise nearly £2 million of the available funds.

Plans for the future

In order to facilitate the policy of maximising the use of fund as loans to Churches, the Trustees intend to continue:

- ➔ publicising our loans through the relevant communication avenues
- ➔ making known the availability of funding to key personnel with the Baptist Denominations
- ➔ keeping under review the maximum loan limit and loan criteria



BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Policies

Investment policy and performance

The investment policy of the Fund of using interest bearing accounts with the charity's bankers is currently considered to be satisfactory, since the primary objective of this Fund is not to make investment gains but to provide the maximum available funding for making loans. However, the Trustees have planned a review of investment options in 2023 in light of the increased level of cash funds held by this charity and the current economic climate of increasing inflation and interest rates.

The main source of increasing the net asset base of the Fund is the closure and sale of Baptist churches where this charity or its predecessor, the Baptist Building Fund, is the ultimate beneficiary. The timing of funds from this source is outside the control of the Trustees.

Risk management

The Trustees examine the major risks that the charity faces each financial year. The charity has developed systems to monitor and control these risks in order to mitigate any impact they may have on the charity in the future.

The principal risk faced by this charity is the potential for one or more of the churches to whom loans have been advanced being unable to repay their loan in full. In order to minimise this risk, the Trustees carry out a review of the finances of each church that makes an application for a loan, in an endeavour to ascertain their ability to make repayments on time. They also seek a commendation from the local Regional Baptist Association, and carry out a review of the work for which the loan is required to satisfy themselves that the relevant professional advisors with adequate professional indemnity insurance have been engaged by the church. Once a loan is made, this charity lodges its interest in the Church property with The Land Registry, or in some cases, takes a formal charge over it.

The charity has insurance for potential liability arising from actions by the Trustees.

Reserves Policy

It is the policy of this charity to maintain the Capital Fund at the maximum level possible, consistent with retaining the General Fund at a level which equates to approximately six months' expenditure on support costs (approximately £16,000). The level of reserves ensures that the charity can fulfil its main objectives and respond to existing commitments and expected new funding requests on a timely basis.

The Trustees have the discretion make transfers between the General Fund and the Capital Fund as necessary.

Total Funds at 31 December 2022 amounted to £5,673,595, being made up of:

- ➔ **General Fund** balance amounting to **£21,423**, all of which were free reserves
- ➔ **Designated Fund** balance amounting to **£150,673** and related to monies set aside to be used by way of grants for projects within Baptist Churches.
- ➔ The remaining free reserves of **£5,501,499** being held in the **Capital Fund**. Of this, £2,254,165 is committed in the form of concessionary loans made, £475,000 has been offered as loans (subject to Churches meeting the conditions) and £2,772,334 is available for making loans.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, Governance and Management

Baptist Building CIO is a lasting testimony to the group of London Baptist ministers who were blessed with the vision of setting up the Baptist Building Fund in 1824. It has helped hundreds of Baptist churches with building projects since its inception. Since June 2019 this charity has taken over the activities of the Baptist Building Fund (being the sole subscriber and trustee of that charity) and continues its good work.

Baptist Building CIO is a Charitable Incorporated Organisation which is a registered charity administered under the terms of its Governing Document. The activities of this charity are controlled by the Trustees, details of whom are set out on page 7 of this Report. The Trustees were appointed in the Governing Document as approved by the Trustees of the Baptist Building Fund on the creation of this CIO. Future Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

Trustee Recruitment

New Trustees are recruited via networking and advertising within organisations of the Baptist Denomination. Trustees are usually selected from those with experience in Baptist Church governance, and from a variety of professional and similar backgrounds. It is expected that they will bring to this charity the benefit of their expertise. As this experience has been gained with similarly minded charities, it is generally considered that additional training is not required on appointment.

Governance

The Trustees all act in an honorary capacity, and generally give at least 4 days of their time each year in preparing for and attending Trustee Meetings. A number of Trustees with specialist expertise give more time to assist the workings of the charity on a voluntary basis, for example in reviewing loan or grant applications.

Trustee Meetings normally occur three times each year, either face-to-face or on-line. At their meetings, the Trustees transact the business of the charity, including making decisions about any loan and grant applications, ensuring that they conform to the Governing Document and general requirements of the charity. Trustees give due regard to any changes in laws applicable to charity trustees from time. Trustees are required to disclose all relevant interests and, in accordance with the charity's policy, to withdraw from decisions where a conflict of interest arises.

The charity has working relationships with all Baptist Unions in the United Kingdom and The Grace Baptist Trust Corporation. Where loan applications are made to "Baptist" bodies other than this Fund, the Administrator may exchange information with those other "Baptist" bodies to save duplication of work.

Key management personnel

The Trustees consider the Board of Trustees and the Administrator as comprising the key management personnel of the charity who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The Administrator deals with the day to day administration of the charity and prepares reports for presentation to the Board of Trustees at the Trustee Meetings.

All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and any related party transactions are disclosed in notes 8 & 20 to the financial statements.

The remuneration of the Administrator is reviewed annually.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and administrative details

Charity Registration Number 1185767

Registered address
Wonford Chapel
36-38 Wonford Street
EXETER
Devon
EX2 5DL

Trustees

Apart from the first Charity Trustees who were appointed by the Trustees of Baptist Building Fund, every Charity Trustee is appointed by a resolution passed at a properly convened meeting of Charity Trustees.

The Charity Trustees are: -

Mr Andrew C Burgess MA
Reverend Ian J Bunce
Mr Eric Cousins FCCA
Reverend Catriona J M Gorton BA BSc (*resigned 28/06/23*)
Mr O Philip Jones LLB

Mr David M Leverett FCA
Mr Andrew M Lewis BSc DipArb FRICS FCIArb
Mr P Michael Smedley FRICS ACIArb
Mr John Walker LLB DLP NP SSC
Dr Robert A Wordsworth

Administrator

(to whom day to day management of the charity is delegated)

Mrs Emily A Blake

Independent Auditor

Griffin Chartered Accountants
Airport Business Park
Unit 4 Silverdown Office Park
EXETER
Devon
EX5 2UX

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

Solicitors

Tollers LLP
1 Waterside Way
Bedford Road
NORTHAMPTON
NN4 7XD

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees' responsibilities

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial position of the charity during the year and of its financial position at the end of the year.

In preparing those financial statements, the Trustees should follow best practice and:

- * select suitable accounting policies and apply them consistently;
- * observe the methods and principles in the Charities SORP;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES

ANDREW C BURGESS
Chairman

28 June 2023

Opinion

We have audited the financial statements of the Baptist Building CIO for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom 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 those 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 Trust'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 section of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

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 this gives rise to 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 8), 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout our 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 purpose 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 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 (i.e. gives rise to a true and fair view).

We communicate with those charged with governance regarding, among other things, 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the finance statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing the supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the finance statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Griffin
Chartered Accountants
Unit 4 Silverdown Office Park
Exeter Airport Business Park
EXETER
Devon EX5 2UX

Date

Griffin is eligible to act as an auditor in terms of Section 1212 of The Companies Act 2006.

BAPTIST BUILDING CIO
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	General Fund £	Designated Fund £	Capital Fund £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies	2	35,115	0	0	35,115	24,775
Investments	3	19,439	0	0	19,439	2,510
Other						
- Proceeds of ultimate trusts	4	0	0	240	240	1,398,216
Total income		54,554	0	240	54,794	1,425,501
Expenditure on:						
Charitable activities						
Cost of loan and grant making	5	31,923	36,540	0	68,463	407,886
Total expenditure		31,923	36,540	0	68,463	407,886
Net income		22,631	(36,540)	240	(13,669)	1,017,615
Transfers between Funds		(25,000)	119,591	(94,591)	0	0
Net Movement in Funds		(2,369)	83,051	(94,351)	(13,669)	1,017,615
Reconciliation of funds:						
Total funds brought forward	16	23,792	67,622	5,595,850	5,687,264	4,669,649
Total funds carried forward	16	21,423	150,673	5,501,499	5,673,595	5,687,264

All income and expenditure derive from continuing activities, and relate to unrestricted funds.

The accompanying notes on pages 16 to 25 form part of these financial statements.

BAPTIST BUILDING CIO

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022		As restated 2021	
		£	£	£	£
Fixed Assets					
Investments	9		2,254,165		2,729,495
Capital equipment	10		0		919
Current Assets					
Debtors	11	3,361		120,074	
Investments	12	519,226		510,037	
Cash at bank and in hand		2,904,752		2,369,658	
			<u>3,427,339</u>		<u>2,999,769</u>
Creditors: Amounts falling due within one year	13		<u>7,909</u>		<u>42,919</u>
Net Current Assets			3,419,430		2,956,850
Total Assets less Current Liabilities being Net Assets			5,673,595		5,687,264
Charity Funds					
Unrestricted funds					
General Fund	17		21,423		23,792
Designated Fund	17		150,673		67,622
Capital Fund	17		5,501,499		5,595,850
			5,673,595		5,687,264

The financial statements were approved and authorised for issue by the Trustees on 28 June 2023

Signed on behalf of the Board of Trustees:

A C Burgess
Chairman

D M Leverett
Trustee

The accompanying notes on pages 16 to 25 form part of these financial statements.

BAPTIST BUILDING CIO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	(13,669)	1,017,615
Adjustments for:		
Interest received	(19,439)	(2,510)
Depreciation	919	918
Decrease/(increase) in debtors	116,713	(67,103)
(Decrease)/increase in creditors	(35,010)	29,162
Net cash provided by /(used in) operating activities	49,514	978,082
Cash flow from investing activities		
Interest received	19,439	2,510
Movements in loans to Churches		
Loans made	(250,000)	(350,000)
Loans repaid	725,330	465,030
Purchase of fixed assets	0	(1,837)
Net cash flow from investing activities	494,769	115,703
Change in cash and cash equivalents in the reporting period	544,283	1,093,785
Cash and cash equivalents at 31 December 2021	2,879,695	1,785,910
Cash and cash equivalents at 31 December 2022	3,423,978	2,879,695
Cash and cash equivalents consists of:		
Cash at bank and in hand	3,423,978	2,879,695
Cash and cash equivalents at 31 December 2022	3,423,978	2,879,695

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARATION

Baptist Building CIO is charitable incorporated organisation which is a registered charity administered under the terms of its Governing Document in England. The address of the registered office is given in the charity information on page 7 of these financial statements. The nature of the charity's operations and principal activities are assisting Baptist Churches with building projects.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention to include certain items at a fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The charity's financial statements present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In applying the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the trustees, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below.

INCOME RECOGNITION

Donations and legacies

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

All monetary donations and legacies are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the charity is entitled are included in the statement of financial activities where the value has been ascertained with a reasonable degree of certainty.

Gifts in kind are accounted for at the trustees' estimate of their value to the charity.

No amount of volunteer time is included in the financial statements but further detail is given in the Trustees' Annual Report.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME RECOGNITION (continued)

Donations and legacies (continued)

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

Proceeds from ultimate trusts

Proceeds from ultimate trusts are recognised in the accounts when the charity is entitled to the incoming resources, the amount can be reliably measured and it is probable that the incoming resources will be received. Entitlement is usually established on completion of the sale of the relevant property.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: -

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure (including Charitable Donations)

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant, the Trustees have agreed to make a grant, and any conditions of the grant have been met.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include costs related to trustees' meetings, audit and legal fees. The basis on which support costs have been allocated is set out in note 5.

CHARITABLE ACTIVITIES

Cost of charitable activities including grants made, support costs and governance costs are shown in note 5.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND ACCOUNTING

Unrestricted funds are donations, and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated Funds are unrestricted funds which have been designated for specific purposes by the Trustees.

The Capital Fund is maintained at the maximum possible level. Transfers are made from the General Fund to the Capital Fund from time to time, to retain within the General Fund an amount that equates to approximately six months' expenditure.

INVESTMENTS

Social investments are programme related investments which are those held to further our charitable activities. They include concessionary loans.

CONCESSIONARY LOANS

Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any amounts deemed to be irrecoverable.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and 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 expected useful lives on the following basis:

Office equipment	50%
------------------	-----

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2 INCOME FROM DONATIONS AND LEGACIES	2022	2021
	£	£
Thank-offerings from Churches (see below)	35,000	24,400
Church Donations	115	0
Personal Subscriptions and Donations	0	375
	35,115	24,775
Thank-offerings from Churches	£	£
Andover	10,000	0
Bristol, Totterdown	0	3,500
Chipping Sodbury	12,000	0
Didsbury	0	900
Farnworth	3,000	0
Ipswich, Colchester Road	0	10,000
St Mary's, Dundee	2,000	0
Rothwell (Leeds)	0	0
Sevenoaks, The Vine	5,000	5,000
South Oxhey	0	5,000
Tarporley	3,000	0
	35,000	24,400
3 INCOME FROM INVESTMENTS	2022	2021
	£	£
Bank Interest	19,439	2,510
	19,439	2,510
4 PROCEEDS OF ULTIMATE TRUSTS	2022	2021
	£	£
Abertillery Baptist Church	0	102,306
Deal Baptist Church	0	100,000
Kingston, John Bunyan Baptist Church	0	1,195,910
Preston, Fishergate (balance)	240	0
	240	1,398,216

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022

5 CHARITABLE ACTIVITIES	2022	2021
	£	£
General Fund - Support costs		
Administrator's salary/fees (see note 7)	14,274	14,502
Travel costs	1,084	1,304
Computer consultancy	185	190
Printing, stationery, postage and telephone	249	360
Bank charges	220	229
Insurance	3,448	3,246
General publicity	20	20
Website	249	129
Governance costs (see note 6)	11,025	12,772
Depreciation on fixed assets	919	918
Charitable Donations	250	0
	31,923	33,670

Support costs are all attributable to the charity's loan and grant making activity.

Designated Fund - Grants	£	£
Coatbridge Baptist Church	10,090	0
Ebenezer Baptist Church, Coalville	7,000	0
Ewhurst Baptist Church	6,850	0
Ewyas Harold Baptist Church	0	4,239
Hainault Baptist Church	0	11,000
Heanor Baptist Church	0	15,000
Montacute Baptist Church	0	10,000
Oxford, John Bunyan Baptist Church	0	10,000
Rainham Christian Fellowship	12,600	0
Sutton St James Baptist Church	0	25,000
	36,540	75,239
	68,463	108,909

All grants were paid to Baptist Churches as contributions towards small building projects for missional activities. Without this work being carried out, each Church would have to restrict their community ministry.

Capital Fund - Grant	£	£
The London Baptist Property Board Limited	0	298,977
	0	298,977

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6 GOVERNANCE COSTS	2022	2021
	£	£
Trustees' Meetings	2,030	3,043
Audit fees	6,360	5,940
Audit fees due to previous auditors	0	1,320
Independent examination of Baptist Building Fund	960	900
Legal fees	1,675	1,569
	11,025	12,772
7 EMPLOYEES	2022	2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	13,859	8,667
National Insurance costs	0	48
Pension costs (NEST - see note 22)	415	260
	14,274	8,975

The average number of employees during the year was 1 (2021:1).

No employee earned £60,000 per annum or more in the current or preceding accounting year.

8 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

a) Payments to Trustees

No trustee or person with a family or business connection with a trustee received any remuneration or benefits in the year, directly or indirectly from the charity.

Expenses reimbursements paid to 6 (2021: 9) trustees during the year amounted to £1,619 (2021: £1,565) in respect of travelling and other expenses incurred on behalf of the charity.

b) Payments to Administrator

During 2022, the employment costs of the Administrator totalled £14,274 (2021: £14,502 including consultant fees), being the remuneration of the key management personnel. The Administrator was reimbursed for travelling expenses, postage, stationery, telephone, fixed assets, Land Registry fees and website costs amounting to £814 (2021: £3,325).

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9 FIXED ASSET INVESTMENTS

SOCIAL INVESTMENTS LOANS TO CHURCHES

	Programme related investments	
	2022	2021
	£	£
Cost at 1 January 2022	2,729,495	2,844,525
Loans made (see below)	250,000	350,000
Loans repaid	(725,330)	(465,030)
At 31 December	2,254,165	2,729,495

No interest is charged on the loans, which are usually secured by registering this Fund's interest with The Land Registry or by a formal legal charge on the property. Loans are repayable over ten years. Loans amounting to £404,894 (2021: £444,830) are due within one year, and £1,849,271 (2021: £2,284,665) are due after more than one year.

Concessionary Loan Commitments

At the end of the period, the Trustees agreed to make finance available as loans to two churches totalling £475,000 (2021: one church of £250,000) subject to conditions yet to be fulfilled. The advancement of any agreed loan may be affected by the availability of liquid funds of this charity and the projects for which churches had requested payment of the loans. Some of the agreed loans may not be taken up by the churches during the next 12 months.

LOANS ADVANCED TO CHURCHES

The following loans were advanced during the period: -

	2022	2021
	£	£
Dover	0	30,000
Fressingfield	250,000	0
Sutton-in-the-Elms	0	250,000
Swansea, Aenon	0	30,000
West Bromwich	0	40,000
	250,000	350,000

10 FIXED ASSETS

	Office equipment		2021 Total £
	2022 Total £	2022 Total £	
Cost brought forward	1,837	1,837	0
Additions	0	0	1,837
Cost at 31 December 2022	1,837	1,837	1,837
Depreciation brought forward	918	918	0
Charge for the year	919	919	918
Depreciation at 31 December 2022	1,837	1,837	918
Net book value at 31 December 2022	0	0	919

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11 DEBTORS	2022	2021
	£	£
Other debtors	3	117,205
Prepayments	3,358	2,869
	3,361	120,074

Debtors amounting to nil (2021: nil) may not be recoverable within one year.

12 CURRENT ASSET INVESTMENTS	2022	2021
	£	£
Unlisted investments	519,226	510,037
	519,226	510,037

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
	£	£
Trade creditors	589	36,079
Accruals and deferred income	7,320	6,840
	7,909	42,919

14 GENERAL FUND

The purpose of the General Fund is to meet all administrative and fund raising costs incurred during the period. At the absolute discretion of the Trustees, transfers may be made to or from the Capital Fund.

15 DESIGNATED FUND

Trustees transferred 25% of the net sale proceeds of some closed churches into the Designated Fund with a view to making grants for missional work on applications from Baptist Churches.

16 CAPITAL FUND

The Capital Fund is primarily used for granting of loans in accordance with the objects of the Charity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022

17 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements 2022

	Balance brought forward £	Income £	Expenditure £	Transfers £	Balance carried forward £
Unrestricted funds					
General Fund	23,792	54,554	31,923	(25,000)	21,423
Designated Fund	67,622	0	36,540	119,591	150,673
Capital Fund	5,595,850	240	0	(94,591)	5,501,499
	5,687,264	54,794	68,463	0	5,673,595

Analysis of fund movements 2021

	Balance b/f £	Income £	Expenditure £	Transfers £	Balance c/f £
Unrestricted funds					
General Fund	15,177	27,285	33,670	15,000	23,792
Designated Fund	92,284	0	75,239	50,577	67,622
Capital Fund	4,562,188	1,398,216	298,977	(65,577)	5,595,850
	4,669,649	1,425,501	407,886	0	5,687,264

Analysis of net assets between funds 2022

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	0	0	2,254,165	2,254,165
Current assets	29,332	150,673	3,247,334	3,427,339
	29,332	150,673	5,501,499	5,681,504
Current liabilities	7,909	0	0	7,909
	21,423	150,673	5,501,499	5,673,595

Analysis of net assets between funds 2021

	General fund £	Designated fund £	Capital fund £	Total £
Fixed Assets	919	0	2,729,495	2,730,414
Current assets	65,792	67,622	2,866,355	2,999,769
	66,711	67,622	5,595,850	5,730,183
Current liabilities	42,919	0	0	42,919
	23,792	67,622	5,595,850	5,687,264

The purpose of each fund is described in notes 14 to 16, and appropriate transfers have been made between them to fulfil the criteria.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

18 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2022	Cashflow	At 31 December 2022
	£	£	£
Cash at bank and in hand	2,879,695	544,283	3,423,978

19 CONTINGENT LIABILITIES

As at 31 December 2022 a £12,000 grant had been awarded to Darkhouse BC for building a community garden and safe play area. This grant had not been paid out at year-end because the necessary conditions had not been met.

20 EVENTS AFTER THE REPORTING DATE

There have been no relevant events after the reporting date.

21 RELATED PARTY TRANSACTIONS

With the exception of the reimbursement of expenses and remuneration as set out in note 8 on page 21, there were no transactions between the Trustees and the charity during the year.

22 PENSIONS

Defined Contribution Scheme

The charity contributes to Nest Pension Scheme, which is a defined contribution pension scheme run by Nest Corporation (a public body) for the benefit of its members. Members pay 5% of their Pensionable Income into this Scheme and the employer pays 3%. The assets of the scheme are held separately from those of the CIO in an independently administered fund. The pension cost charge represents contributions payable by the CIO to the fund and amounted to £415 (2021: £260). £Nil (2021: £76) was due to the fund at the balance sheet date.

BAPTIST BUILDING CIO

England & Wales - Charity number 1185767

Accounts

BAPTIST BUILDING CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY NO: 1185767

BAPTIST BUILDING CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

INDEX	PAGE
Trustees' Annual Report	1 - 6
Independent Auditor's Report	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 23

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report together with financial statements of the charity for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published in October 2019.

Objectives and activities for public benefit

Baptist Building CIO was formed on 11 October 2019 and remained dormant until 1 June 2020. On that date the Trustees of Baptist Building Fund transferred their assets, liabilities and activities to Baptist Building CIO in order to protect the exposure of the Trustees to unlimited liabilities.

The main object of this charity is the advancement of the Christian faith by facilitating the mission of Baptist churches in the United Kingdom. The Trustees confirm that they have referred to the guidance contained in The Charity Commission general guidance on public benefit when reviewing the Fund's aims and objectives, in planning future activities, and in setting the grant making policy for the year.

The charity furthers its charitable purposes for the public benefit through its loan and grant-making policies which aim at:

- making loans to Baptist churches with or without interest for the building, purchase, enlargement, repair or removal of debts on places of worship, manses and other halls or buildings belonging to the Churches or the Colleges of the Baptist denomination throughout the United Kingdom;
- making grants to Baptist Churches and other charitable bodies including but not exclusively The Baptist Union of Great Britain, the Baptist Union of Scotland, the Baptist Union of Wales, the Irish Baptist Network and the Grace Baptist Trust Corporation or their successors in title.

Currently individual loans from the charity do not exceed £250,000 in any one case and are normally repayable by twenty half-yearly instalments, but the Trustees have power to vary these terms provided that the normal repayment term is not exceeded by more than two further years. In November 2021 the Trustees resolved to continue that policy but also offer loans of £250,001 to £500,000 repayable over 10 to 20 years, with discretion to make loans of more than £500,000 on a case by case basis. New loans are repayable quarterly. Borrowers are invited to make a thank-offering to the charity on completion of the repayment of their loan.

To achieve the object of the charity, advertisements are made from time to time in Baptist publicity, by communication with the Regional Baptist Associations and The Baptist Union Corporation Limited, and by participating in exhibitions at Baptist Assemblies. A website helps to further publicise this charity, and can be found at: - www.baptistbuilding.org.

The Trustees all act in an honorary capacity, and generally give at least four days of their time each year in preparing for and attending meetings. In addition, a number of Trustees assist with due diligence for each loan application including examining the financial and property aspects of each application, and the time taken to examine each one is on average at least two days, provided by the Trustees on a voluntary basis. From time to time Trustees may visit a church to further examine their loan application, and this may take a whole day per visit including travelling time.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Grant making policy

This charity has established its grant making policy to achieve its objectives for the public benefit. The aim of the charity is to assist in the advancement of the Christian faith by facilitating the mission of Baptist churches. This grant-making policy is reviewed from time to time to ensure that it reflects the charity's objects and thereby advances public benefit.

Achievement and performance

During the year the Trustees received enquiries from seven Baptist churches.

Trustees received loan applications from two churches during the year, requesting loans totalling £500,000. Of these, one application amounting to £250,000 was paid out in 2021 and one application amounting to £250,000 was approved to be paid out when the loan conditions had been completed. Three applications amounting to £100,000 which had been received in 2020 were approved and paid out in 2021.

During the year 4 churches completed their loan repayments.

At 31 December 2021, 36 loans were outstanding amounting to £2,729,495.

The Trustees have a Designated Fund known as the Empowering Change Fund into which they transfer 25% of the sale proceeds of closed Churches. This Fund was created to enable grants to be made to smaller Churches which would make a real difference to their mission work. Grants were made to six Churches during the year amounting to £75,239. At 31 December 2021, four grant applications totalling £38,450 had been approved to be paid out when our conditions had been met.

Financial review

The principal funding sources are thank-offerings from churches following completion of repayment of their loans, legacies and sale proceeds of churches where this Fund or the Baptist Building Fund is the ultimate beneficiary.

No gifts in kind were received during the year. No fundraising activities were also carried out in the year.

Charity expenditure (excluding grants and costs associated with ultimate trusts) is considered to be modest at 0.6% of total funds, and is incurred in promoting the aims and awareness of the charity, and dealing with its administration. Where the sale proceeds of a church property are received by this charity under the terms of an ultimate trust whereby the property is to be held or disposed of in such manner as the Trustees shall direct or appoint, Trustees have resolved to provide up to 25% of such amounts into a Designated Fund known as the Empowering Change Fund to enable grants to be made to churches.

The monies held by this charity have been applied in providing loans to churches to enable them to expand, repair and improve their premises, for use by Baptists. The Trustees wish to use the funds available to them in assisting churches rather than making investments. At the end of the financial period, 48% of the funds available had been advanced to churches by way of loans, leaving cash reserves of £2,879,695 at the end of the year. Of this sum, £250,000 had been approved for loans to be made to Churches for specific projects to be drawn down by the churches as their funding requires.

During the year, the charity received £1,398,216 from the sale proceeds of closed Churches where Baptist Building Fund was the beneficiary of the ultimate trust.

The operations of the charity are such that COVID-19 has not had a noticeable impact.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Investment policy and performance

The investment policy of the Fund of using interest bearing accounts with the Fund's bankers is considered to be satisfactory, since the primary objective of this Fund is not to make investment gains but to provide the maximum available funding for making loans.

The main source of increasing the net asset base of the Fund is the closure and sale of Baptist churches where this Fund or Baptist Building Fund is the ultimate beneficiary. The timing of funds from this source is outside the control of the charity Trustees.

Risk management

The Trustees examine the major risks that the charity faces each financial year. The charity has developed systems to monitor and control these risks in order to mitigate any impact they may have on the charity in the future.

The principal risk faced by this charity is the potential for one or more of the churches to whom loans have been advanced being unable to repay their loan in full. In order to minimise this risk, Trustees carry out a review of the finances of each church that makes an application for a loan, in an endeavour to ascertain their ability to make repayments on time. They also seek a commendation from the local Regional Baptist Association, and carry out a review of the work for which the loan is required to satisfy themselves that the relevant professional advisers with adequate professional indemnity insurance have been engaged by the church. The charity also lodges their interest in the property with The Land Registry, or in some cases, takes a formal charge over the church property.

The charity has insurance for potential liability arising from actions by the Trustees.

Reserves policy

It is the policy of this charity to maintain the Capital Fund at the maximum level possible, consistent with retaining the General Fund at a level which equates to approximately six months' expenditure on support costs (approximately £17,000). At 31 December 2021 the General Fund balance amounted to £23,792 of which all were free reserves. The Designated Fund balance amounted to £67,622 and related to monies set aside to be used by way of grants for projects within Baptist Churches. The remaining free reserves of £5,595,850 are held in the Capital Fund. This has been loaned or is available for making loans.

Total funds at 31 December 2021 amounted to £5,687,264. After deducting £2,729,495 committed in the form of concessionary loans and £67,622 designated to provide for future grants to Churches, free reserves totalled £2,890,147. Of this, £23,792 has been retained on the General Fund to meet support costs. This equates to approximately six months' of normal expenditure. The Trustees have the discretion make transfers between the General Fund and the Capital Fund as necessary. The remaining free reserves of £2,866,355 are held in the Capital Fund. It is the charity's policy to maintain the Capital Fund at the maximum level possible. There was one loan commitment at 31 December 2021 amounting to £250,000. The level of reserves ensures that the charity can fulfil its main objectives and respond to existing commitments and expected new funding requests on a timely basis.

Plans for the future

Baptist Building CIO is a lasting testimony to the group of London Baptist ministers who were blessed with the vision of setting up the Baptist Building Fund in 1824. It has helped hundreds of Baptist churches with building projects since its inception. The Trustees wish to continue dealing with the net assets of Baptist Building CIO in the same manner.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for the future (continued)

The Trustees intend to continue following the policy of making the maximum amount of funds available to Baptist churches and colleges that need assistance with their building projects. In order to facilitate this, the Trustees will continue to make known the availability of funding to key personnel within the Baptist Denominations. The maximum loan limit within this Fund was increased to £500,000 on 3 November 2021. At 31 December 2021, enquiries had been received which, if all progress to being successful loan applications, would utilise £700,000 of available funds.

Structure, governance and management

Baptist Building CIO is a Charitable Incorporated Organisation which is a registered charity administered under the terms of its Governing Document. The activities of this charity are controlled by the Trustees, details of whom are set out on page 5 of this Report. The Trustees were appointed in the Governing Document as approved by the Trustees of Baptist Building Fund on the creation of this CIO. Future Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

Trustees are usually selected from those with experience in Baptist Church governance, and from a variety of professional and similar backgrounds. It is expected that they will bring to this charity the benefit of their expertise. As this experience has been gained with similarly minded charities, it is generally considered that additional training is not required on appointment. Trustees give due regard to changes in laws applicable to charity trustees from time to time.

The Trustees normally meet three times each year, either in person or on-line. At their meetings the Trustees transact the business of the charity and in particular scrutinise loan applications to ensure that they conform to the Governing Document and general requirements of the charity. This includes an assessment of the borrower's ability to repay their loan and the appropriateness and suitability of schemes for which the loans are sought. The Administrator deals with the day to day administration of the charity and prepares reports for presentation to the Trustees. Each loan application is reviewed for financial viability and property legal compliance by Trustees with expertise in these areas, and their reports are consolidated by the Administrator. Trustees decide, on the information before them, whether or not to make a loan. They may require specific conditions to be met before advancing a loan.

The Grants Committee (currently six Trustees) reviews each grant application and makes proposals for accepting or rejecting them to the full board of Trustees. If objections are raised by Trustees, these are discussed and decided upon at the next Trustees' meeting.

The charity has working relationships with all Baptist Unions in the United Kingdom and The Grace Baptist Trust Corporation. Where loan applications are made to "Baptist" bodies other than this Fund, the Administrator may exchange information with those other "Baptist" bodies to save duplication of work.

Key management personnel

The Trustees consider the Board of Trustees and the Administrator as comprising the key management personnel of the charity who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and any related party transactions are disclosed in note 8 to the financial statements.

Trustees are required to disclose all relevant interests and, in accordance with the Fund's policy, to withdraw from decisions where a conflict of interest arises.

The remuneration of the Administrator is reviewed annually.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Reference and administrative details

Charity Registration Number 1185767

Registered address Wonford Chapel
36-38 Wonford Street
EXETER
Devon
EX2 5DL

Trustees

Apart from the first Charity Trustees who were appointed by the Trustees of Baptist Building Fund, every Charity Trustee is appointed by a resolution passed at a properly convened meeting of Charity Trustees.

The Charity Trustees are: -

Mr Andrew C Burgess MA	Mr Andrew M Lewis BSc DipArb FRICS FCI Arb
Reverend Ian J Bunce	Reverend Martin R Poole BD (to 28 September 2021)
Mr Eric Cousins FCCA	Mr P Michael Smedley FRICS ACI Arb
Reverend Catriona J T Gorton BA BSc MPhil	Mr John Walker LLB DLP NP SSC
Mr O Philip Jones LLB	Dr Robert A Wordsworth
Mr David M Leverett FCA	

Administrator (to whom day to day management of the charity is delegated)

until 30 April 2021	Mr David M Leverett FCA
from 1 May 2021	Mrs Emily A Blake LLB

Independent Auditor Griffin Chartered Accountants
Airport Business Park
Unit 4 Silverdown Office Park
EXETER
Devon
EX5 2UX

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

Solicitors Tollers LLP
1 Waterside Way
Bedford Road
NORTHAMPTON
NN4 7XD

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees' responsibilities

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

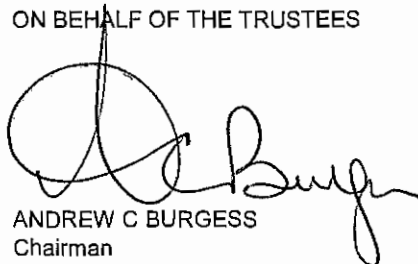
Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial position of the charity during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the Fund's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES



ANDREW C BURGESS
Chairman

29 June 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Opinion

We have audited the financial statements of the Baptist Building CIO for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom 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 2021, 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 those 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 Trust'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 section of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

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 this gives rise to 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 6), 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 the 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 THE BAPTIST BUILDING CIO

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout our 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 purpose 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 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 (i.e. gives rise to a true and fair view).

We communicate with those charged with governance regarding, among other things, 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)


In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the finance statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing the supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the finance statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Griffin
Chartered Accountants
Unit 4 Silverdown Office Park
Exeter Airport Business Park
EXETER
Devon EX5 2UX

Date 08/07/22

Griffin is eligible to act as an auditor in terms of
Section 1212 of The Companies Act 2006.

BAPTIST BUILDING CIO
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	General Fund £	Designated Fund £	Capital Fund £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies	2	24,775	0	0	24,775	4,719,689
Investments	3	2,510	0	0	2,510	849
Other						
- Proceeds of ultimate trusts	4	0	0	1,398,216	1,398,216	48,332
Total income		27,285	0	1,398,216	1,425,501	4,768,870
Expenditure on:						
Charitable activities						
Cost of loan and grant making	5	33,670	75,239	298,977	407,886	99,221
Total expenditure		33,670	75,239	298,977	407,886	99,221
Net income		(6,385)	(75,239)	1,099,239	1,017,615	4,669,649
Transfers between Funds		15,000	50,577	(65,577)	0	0
Net Movement in Funds		8,615	(24,662)	1,033,662	1,017,615	4,669,649
Reconciliation of funds:						
Total funds brought forward	16	15,177	92,284	4,562,188	4,669,649	0
Total funds carried forward	16	23,792	67,622	5,595,850	5,687,264	4,669,649

All income and expenditure derive from continuing activities, and relate to unrestricted funds.

The accompanying notes on pages 14 to 23 form part of these financial statements.

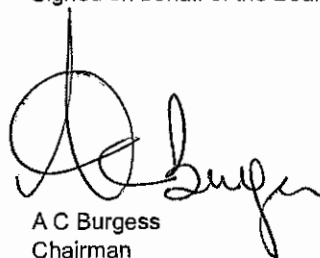
BAPTIST BUILDING CIO


BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021		2020	
		£	£	£	£
Fixed Assets					
Investments	9		2,729,495		2,844,525
Capital equipment	10		919		0
Current Assets					
Debtors	11	120,074		52,971	
Cash at bank and in hand		2,879,695		1,785,910	
			<u>2,999,769</u>		<u>1,838,881</u>
Creditors: Amounts falling due within one year	12		<u>42,919</u>		<u>13,757</u>
Net Current Assets			2,956,850		1,825,124
Total Assets less Current Liabilities being Net Assets			5,687,264		4,669,649
Charity Funds					
Unrestricted funds					
General Fund	16		23,792		15,177
Designated Fund	16		67,622		92,284
Capital Fund	16		5,595,850		4,562,188
			<u>5,687,264</u>		<u>4,669,649</u>

The financial statements were approved and authorised for issue by the Trustees on 29 June 2022.

Signed on behalf of the Board of Trustees:


A C Burgess
Chairman


D M Leverett
Trustee

The accompanying notes on pages 14 to 23 form part of these financial statements.

BAPTIST BUILDING CIO

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	1,017,615	4,669,649
Adjustments for:		
Interest received	(2,510)	(849)
Depreciation	918	0
Decrease/(increase) in debtors	(67,103)	(52,971)
(Decrease)/increase in creditors	29,162	13,757
Net cash provided by /(used in) operating activities	978,082	4,629,586
Cash flow from investing activities		
Interest received	2,510	849
Movements in loans to Churches		
Loans transferred from Baptist Building Fund	0	(2,845,290)
Loans made	(350,000)	(300,000)
Loans repaid	465,030	300,765
Purchase of fixed assets	(1,837)	0
Net cash flow from investing activities	115,703	(2,843,676)
Change in cash and cash equivalents in the reporting period	1,093,785	1,785,910
Cash and cash equivalents at 31 December 2020	1,785,910	0
Cash and cash equivalents at 31 December 2021	2,879,695	1,785,910
Cash and cash equivalents consists of:		
Cash at bank and in hand	2,879,695	1,785,910
Cash and cash equivalents at 31 December 2021	2,879,695	1,785,910

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARATION

Baptist Building CIO is charitable incorporated organisation which is a registered charity administered under the terms of its Governing Document in England. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are assisting Baptist Churches with building projects.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention to include certain items at a fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The charity's financial statements present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In applying the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the trustees, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below.

The comparative figures throughout these financial statements are for the period 1 June to 31 December 2020.

INCOME RECOGNITION

Donations and gifts

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME RECOGNITION (continued)

Donations and gifts (continued)

The transfer of assets and liabilities for nil consideration from Baptist Building Fund does not meet the definition of a merger and was in substance a gift. As a result, the excess of the fair value of assets received over liabilities assumed has been recognised as a gain and is shown separately within income as a donation received. Due to the nature of the assets and liabilities transferred, fair value is considered equivalent to cost.

Legacies to which the charity is entitled are included in the statement of financial activities where the value has been ascertained with a reasonable degree of certainty.

Gifts in kind are accounted for at the trustees' estimate of their value to the charity.

No amount of volunteer time is included in the financial statements but further detail is given in the Trustees' Annual Report.

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

Proceeds from ultimate trusts

Proceeds from ultimate trusts are recognised in the accounts when the charity is entitled to the incoming resources, the amount can be reliably measured and it is probable that the incoming resources will be received. Entitlement is usually established on completion of the sale of the relevant property.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: -

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to make a grant subject to conditions.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

BAPTIST BUILDING CIO

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021**

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include costs related to trustees' meetings, audit and legal fees. The basis on which support costs have been allocated is set out in note 5.

CHARITABLE ACTIVITIES

Cost of charitable activities including grants made, support costs and governance costs are shown in note 5.

FUND ACCOUNTING

Unrestricted funds are donations, and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

The Capital Fund is maintained at the maximum possible level. Transfers are made from the General Fund to the Capital Fund from time to time, to retain within the General Fund an amount that equates to approximately six months' expenditure.

INVESTMENTS

Social investments are programme related investments which are those held to further our charitable activities. They include concessionary loans.

CONCESSIONARY LOANS

Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any amounts deemed to be irrecoverable.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and 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 expected useful lives on the following basis:

Office equipment	50%
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DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

2 INCOME FROM DONATIONS AND LEGACIES	2021		2020
	£	£	£
Thank-offerings from Churches (see below)	24,400		35,000
Church Donations	0		15
Personal Subscriptions and Donations	375		200
Transferred from Baptist Building Fund (see below)	0		4,684,474
	24,775		4,719,689
The funds transferred from Baptist Building Fund on 1 June 2020 were: -			
General Fund	0		14,334
Designated Fund	0		164,201
Capital Fund	0		4,505,939
	0		4,684,474
The net assets transferred were:-			
Loans to churches	0		2,845,290
Current assets			
Debtors, prepayments and accrued income	0	55,646	
Cash at bank	0	1,794,229	
	0	<u>1,849,875</u>	
Current liabilities			
Sundry creditors	0	<u>10,691</u>	1,839,184
	0		4,684,474
Thank-offerings from Churches			
	£		£
Bristol, Totterdown	3,500		0
Buckhurst Hill	0		7,000
Didsbury	900		0
Ipswich, Colchester Road	10,000		0
Liverpool, Old Roan, Aintree	0		5,000
Newport, Castlehold, Isle of Wight	0		10,000
Northampton, Abbey Centre	0		1,750
Rothwell (Leeds)	0		6,250
Sevenoaks, The Vine	5,000		0
South Oxhey	5,000		5,000
	24,400		35,000
3 INCOME FROM INVESTMENTS			
	2021		2020
	£		£
Bank Interest	2,510		849
	2,510		849

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

4 PROCEEDS OF ULTIMATE TRUSTS	2021	2020
	£	£
Abertillery Baptist Church	102,306	0
Deal Baptist Church	100,000	0
Kingston, John Bunyan Baptist Church	1,195,910	0
Witchford Baptist Church	0	48,332
	1,398,216	48,332
5 CHARITABLE ACTIVITIES	2021	2020
	£	£
General Fund - Support costs		
Administrator's salary/fees	14,502	6,533
Travel costs	1,304	262
Computer consultancy	190	0
Printing, stationery, postage and telephone	360	335
Bank charges	229	108
Insurance	3,246	531
General publicity	20	20
Website	129	154
Governance costs (see note 6)	12,772	7,278
Depreciation on fixed assets	918	0
	33,670	15,221
Designated Fund - Grants		
Ainess Baptist Church	0	20,000
Bexhill-on-Sea, Sidley Baptist Church	0	10,000
Buckhaven Baptist Church	0	5,000
Chiddingfold Baptist Church	0	7,500
Dennistoun Baptist Church	0	25,000
Ewyas Harold Baptist Church	4,239	0
Hainault Baptist Church	11,000	0
Heanor Baptist Church	15,000	0
Islay Baptist Church	0	11,500
Montacute Baptist Church	10,000	0
New Addington Baptist Church	0	5,000
Oxford, John Bunyan Baptist Church	10,000	0
Sutton St James Baptist Church	25,000	0
	75,239	84,000
	108,909	99,221

All grants were paid to Baptist Churches as contributions towards small building projects for missional activities. Without this work being carried out, each Church would have to restrict their community ministry.

Support costs are all attributable to the charity's loan and grant making activity.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

5 CHARITABLE ACTIVITIES (CONTINUED)	2021	2020
	£	£
Capital Fund - Grant		
The London Baptist Property Board Limited	298,977	0
	298,977	0
6 GOVERNANCE COSTS	2021	2020
	£	£
Trustees' Meetings	3,043	108
Audit fees	5,940	0
Audit fees due to previous auditors	1,320	6,270
Independent examination of Baptist Building Fund	900	0
Legal fees	1,569	900
	12,772	7,278
7 EMPLOYEES	2021	2020
	£	£
Staff costs during the year were as follows:		
Wages and salaries	8,667	0
National Insurance costs	48	0
Pension costs (NEST)	260	0
	8,975	0

The average number of employees during the year was 1 (2020:0).

No employee earned £60,000 per annum or more in the current or preceding accounting period.

8 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

a) Payments to Trustees

Other than the Administrator until 30 April 2021 (Mr David Leverett), no trustee or person with a family or business connection with a trustee received any remuneration or benefits in the year, directly or indirectly from the charity. Mr Leverett was remunerated £5,600 for his work in administering the fund (2020: £6,533). His remuneration was agreed by the trustees.

On 1 May 2021, he was succeeded by Mrs Emily Blake who is employed by the charity.

Expenses reimbursements paid to 9 (2020: 3) trustees (excluding the Administrator) during the year amounted to £1,565 (2020: £348) in respect of travelling and other expenses incurred on behalf of the charity.

b) Payments to Administrators

During 2021, the fees and employment costs of the Administrators totalled £14,502 (2020: £6,533), being the remuneration of the key management personnel. The Administrators were reimbursed for travelling expenses, postage, stationery, telephone, fixed assets, Land Registry fees and website costs amounting to £3,325 (2020: £920).

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

10 FIXED ASSETS	Office equipment	2021 Total
	£	£
Cost brought forward	0	0
Additions	1,837	1,837
Cost at 31 December 2021	1,837	1,837
Depreciation brought forward	0	0
Charge for the year	918	918
Depreciation at 31 December 2021	918	918
Net book value at 31 December 2021	919	919

11 DEBTORS	2021	2020
	£	£
Other debtors	117,205	49,997
Prepayments	2,869	2,974
	120,074	52,971

Debtors amounting to nil (2020: £49,997) may not be recoverable within one year.

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Trade creditors	36,079	2,957
Accruals and deferred income	6,840	10,800
	42,919	13,757

13 GENERAL FUND

The purpose of the General Fund is to meet all administrative and fund raising costs incurred during the period. At the absolute discretion of the Trustees, transfers may be made to or from the Capital Fund.

14 DESIGNATED FUND

Trustees transferred 25% of the net sale proceeds of some closed churches into the Designated Fund with a view to making grants for missional work on applications from Baptist Churches.

15 CAPITAL FUND

The Capital Fund is primarily used for granting of loans in accordance with the objects of the Fund.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements 2021

	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
	£	£	£	£	£
Unrestricted funds					
General Fund	15,177	27,285	33,670	15,000	23,792
Designated Fund	92,284	0	75,239	50,577	67,622
Capital Fund	4,562,188	1,398,216	298,977	(65,577)	5,595,850
	4,669,649	1,425,501	407,886	0	5,687,264

Analysis of fund movements 2020

	Balance b/f	Income	Expenditure	Transfers	Balance c/f
	£	£	£	£	£
Unrestricted funds					
General Fund	0	50,398	15,221	(20,000)	15,177
Designated Fund	0	164,201	84,000	12,083	92,284
Capital Fund	0	4,554,271	0	7,917	4,562,188
	0	4,768,870	99,221	0	4,669,649

Analysis of net assets between funds 2021

	General fund	Designated fund	Capital fund	Total
	£	£	£	£
Fixed Assets	919	0	2,729,495	2,730,414
Current assets	65,792	67,622	2,866,355	2,999,769
	66,711	67,622	5,595,850	5,730,183
Current liabilities	42,919	0	0	42,919
	23,792	67,622	5,595,850	5,687,264

Analysis of net assets between funds 2020

	General fund	Designated fund	Capital fund	Total
	£	£	£	£
Fixed Assets	0	0	2,844,525	2,844,525
Current assets	28,934	92,284	1,717,663	1,838,881
	28,934	92,284	4,562,188	4,683,406
Current liabilities	13,757	0	0	13,757
	15,177	92,284	4,562,188	4,669,649

The purpose of each fund is described in notes 13 to 15, and appropriate transfers have been made between them to fulfil the criteria.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2021	Cashflow	At 31 December 2021
Cash at bank and in hand	1,785,910	1,093,785	2,879,695

18 EVENTS AFTER THE REPORTING DATE

Since the balance sheet date, the trustees have allocated 10% of the proceeds of sale of the former John Bunyan Baptist Church, Kingston amounting to £119,591 to the Empowering Change Fund.

19 RELATED PARTY TRANSACTIONS

With the exception of the reimbursement of expenses and remuneration as set out in note 8 on page 19, there were no transactions between the Trustees and the Charity during the year.

20 PENSIONS

Defined Contribution Scheme

The charity contributes to Nest Pension Scheme, which is a defined contribution pension scheme run by Nest Corporation (a public body) for the benefit of its members.

Members pay 5% of their Pensionable Income into this Scheme and the employer pays 3%. The assets of the scheme are held separately from those of the CIO in an independently administered fund. The pension cost charge represents contributions payable by the CIO to the fund and amounted to £260 (2020: £Nil). £76 (2020: £Nil) was payable to the fund at the balance sheet date and is included in creditors.

BAPTIST BUILDING CIO

England & Wales - Charity number 1185767

Accounts

BAPTIST BUILDING CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 11 OCTOBER 2019 TO
31 DECEMBER 2020

CHARITY NO: 1185767

BAPTIST BUILDING CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

INDEX	PAGE
Trustees' Annual Report	1 - 6
Independent Auditor's Report	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 21

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

The Trustees present their report together with financial statements of the charity for the period ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland published in October 2019.

Objectives and activities for public benefit

Baptist Building CIO was formed on 11 October 2019 and remained dormant until 1 June 2020. On that date the Trustees of Baptist Building Fund transferred their assets, liabilities and activities to Baptist Building CIO in order to protect the exposure of the Trustees to unlimited liabilities.

The main object of this charity is the advancement of the Christian faith by facilitating the mission of Baptist churches in the United Kingdom. The Trustees confirm that they have referred to the guidance contained in The Charity Commission general guidance on public benefit when reviewing the Fund's aims and objectives, in planning future activities, and in setting the grant making policy for the year.

The charity furthers its charitable purposes for the public benefit through its loan and grant-making policies which aim at:

- making loans to Baptist churches with or without interest for the building, purchase, enlargement, repair or removal of debts on places of worship, manses and other halls or buildings belonging to the Churches or the Colleges of the Baptist denomination throughout the United Kingdom;
- making grants to other charitable bodies including but not exclusively The Baptist Union of Great Britain or its successor in title and the Grace Baptist Trust Corporation or its successor in title.

Currently loans from the charity do not exceed £250,000 in any one case and are normally repayable by twenty half-yearly instalments, but the Trustees have power to vary these terms provided that the normal repayment term is not exceeded by more than two further years. Borrowers are invited to make a thank-offering to the charity on completion of the repayment of their loan.

To achieve the object of the charity, advertisements are made from time to time in Baptist publicity, by communication with the Regional Baptist Associations and The Baptist Union Corporation Limited, and by participating in exhibitions at Baptist Assemblies. A website helps to further publicise this charity, and can be found at: - www.baptistbuildingcio.org.uk.

With the exception of the Administrator, the Trustees all act in an honorary capacity, and generally give at least four days of their time each year in preparing for and attending meetings. In addition, a number of Trustees assist with due diligence for each loan application including examining the financial and property aspects of each loan application, and the time taken to examine each one is on average at least two days, provided by the Trustees on a voluntary basis. From time to time Trustees may visit a church to further examine their loan application, and this may take a whole day per visit including travelling time.

Grant making policy

This charity has established its grant making policy to achieve its objectives for the public benefit. The aim of the charity is to assist in the advancement of the Christian faith by facilitating the mission of Baptist churches. This grant making policy is reviewed from time to time to ensure that it reflects the charity's objects and thereby advances public benefit.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

Achievement and performance

During the period the Trustees received enquiries from five Baptist churches.

Trustees received loan applications from three churches during the period, requesting loans totalling £100,000. Of these, one application amounting to £30,000 was approved to be paid out in 2021; one application amounting to £40,000 was approved to be paid out when the loan conditions had been completed; and one application amounting to £30,000 was in progress. Three applications amounting to £333,000 were transferred from Baptist Building Fund were paid out during the period.

During the period 4 churches completed their loan repayments.

At 31 December 2020, 36 loans were outstanding amounting to £2,844,525.

During the period, the Trustees created a Designated Fund known as the Empowering Change Fund into which they agreed to transfer 25% of the sale proceeds of closed Churches. This Fund was created to enable grants to be made to smaller Churches which would make a real difference to their mission work. Grants were made to seven Churches during the period amounting to £84,000.

Financial review

The principal funding sources are thank-offerings from churches following completion of repayment of their loans, legacies and sale proceeds of churches where this Fund is the ultimate beneficiary.

No gifts in kind were received during the period.

Charity expenditure (excluding grants and costs associated with ultimate trusts) is considered to be modest at 0.5% of total funds, and is incurred in promoting the aims and awareness of the charity, and dealing with its administration. Where the sale proceeds of a church property are received by this charity under the terms of an ultimate trust whereby the property is to be held or disposed of in such manner as the Trustees shall direct or appoint, Trustees have resolved to provide up to 25% of such amounts into a Designated Fund known as the Empowering Change Fund to enable grants to be made to churches.

The monies held by this charity have been applied in providing loans to churches to enable them to expand, repair and improve their premises, for use by Baptists. The Trustees wish to use the funds available to them in assisting churches rather than making investments. At the end of the financial period, 61% of the funds available had been advanced to churches by way of loans, leaving cash reserves of £1,785,910. at the end of the period. Of this sum, £70,000 had been approved for loans to be made to Churches for specific projects to be drawn down by the churches as their funding requires.

During the period, the charity received £48,332 from the sale proceeds of closed Churches where Baptist Building Fund was the beneficiary of the ultimate trust.

The Trustees also received the approval of The Charity Commission to release the Restricted Fund for the sale proceeds of the former Golborne Baptist Church which had been limited to use only with Churches in Lancashire as defined in 1895.

The operations of the charity are such that COVID-19 has not had a noticeable impact.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

Investment policy and performance

The investment policy of the Fund of using interest bearing accounts with the Fund's bankers is considered to be satisfactory, since the primary objective of this Fund is not to make investment gains but to provide the maximum available funding for making loans.

The main source of increasing the net asset base of the Fund is the closure and sale of Baptist churches where this Baptist Building Fund is the ultimate beneficiary. The timing of funds from this source is outside the control of the charity Trustees.

Risk management

The Trustees examine the major risks that the charity faces each financial year. The charity has developed systems to monitor and control these risks in order to mitigate any impact they may have on the charity in the future.

The principal risk faced by this charity is the potential for one or more of the churches to whom loans have been advanced being unable to repay their loan in full. In order to minimise this risk, Trustees carry out a review of the finances of each church that makes an application for a loan, in an endeavour to ascertain their ability to make repayments on time. They also seek a commendation from the local Regional Baptist Association, and carry out a review of the work for which the loan is required to satisfy themselves that the relevant professional advisers with adequate professional indemnity insurance have been engaged by the church. The charity also lodges their interest in the property with The Land Registry, or in some cases, takes a formal charge over the church property.

The charity has insurance for potential liability arising from actions by the Trustees.

Reserves policy

It is the policy of this charity to maintain the Capital Fund at the maximum level possible, consistent with retaining the General Fund at a level which equates to approximately six months' expenditure on support costs. At 31 December 2020 the General Fund balance amounted to £15,177 of which all were free reserves. The Designated Fund balance amounted to £92,284 and related to monies set aside to be used by way of grants for projects within Baptist Churches. The remaining free reserves of £4,562,188 are held in the Capital Fund. This has been loaned or is available for making loans.

Total funds at 31 December 2020 amounted to £4,669,649. After deducting £2,844,525 committed in the form of concessionary loans and £92,284 designated to provide for future grants to Churches, free reserves totalled £1,732,840. Of this, £15,177 has been retained on the General Fund to meet support costs. This equates to approximately six months' of normal expenditure. The Trustees have the discretion make transfers between the General Fund and the Capital Fund as necessary. The remaining free reserves of £1,717,663 are held in the Capital Fund. It is the charity's policy to maintain the Capital Fund at the maximum level possible. There were two loan commitments at 31 December 2020 amounting to £70,000. The level of reserves ensures that the charity can fulfil its main objectives and respond to existing commitments and expected new funding requests on a timely basis.

Plans for the future

Baptist Building Fund is a lasting testimony to the group of London Baptist ministers who were blessed with the vision of setting up the Fund in 1824. It has helped hundreds of Baptist churches with building projects in the since its inception. The Trustees wish to continue dealing with the net assets of Baptist Building CIO in the same manner.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

Plans for the future (continued)

The Trustees intend to continue following the policy of making the maximum amount of funds available to Baptist churches and colleges that need assistance with their building projects. In order to facilitate this, the Trustees will continue to make known the availability of funding to key personnel within the Baptist Denominations. The maximum loan limit within Baptist Building Fund was increased to £250,000 on 24 February 2016. At 31 December 2020, enquiries had been received which, if all progress to being successful loan applications, would utilise £970,000 of available funds.

Structure, governance and management

The Baptist Building CIO is a Charitable Incorporated Organisation which is a registered charity administered under the terms of its Governing Document. The activities of this charity are controlled by the Trustees, details of whom are set out on page 5 of this Report. The Trustees were appointed in the Governing Document as approved by the Trustees of Baptist Building Fund on the creation of this CIO. Future Trustees must be appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

Trustees are usually selected from those with experience in Baptist Church governance, and from a variety of professional and similar backgrounds. It is expected that they will bring to this charity the benefit of their expertise. As this experience has been gained with similarly minded charities, it is generally considered that additional training is not required on appointment. The Trustees give due regard to changes in laws applicable to charity trustees from time to time.

The Trustees normally meet three times each year, either in person or on-line. At their meetings the Trustees transact the business of the charity and in particular scrutinise loan applications to ensure that they conform to the Governing Document and general requirements of the charity. This includes an assessment of the borrower's ability to repay their loan and the appropriateness and suitability of schemes for which the loans are sought. The Administrator deals with the day to day administration of the charity and prepares reports for presentation to the Trustees. Each loan application is reviewed for financial viability and property legal compliance by Trustees with expertise in these areas, and their reports are consolidated by the Administrator. Trustees decide, on the information before them, whether or not to make a loan. They may require specific conditions to be met before advancing a loan.

The charity has working relationships with all Baptist Unions in the United Kingdom and The Grace Baptist Trust Corporation. Where loan applications are made to "Baptist" bodies other than this Fund, the Administrator may exchange information with those other "Baptist" bodies to save duplication of work for the benefit of the applicant.

Key management personnel

The Trustees consider the board of Trustees and the Administrator as comprising the key management personnel of the charity who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and any related party transactions are disclosed in note 7 to the financial statements.

Trustees are required to disclose all relevant interests and, in accordance with the Fund's policy, to withdraw from decisions where a conflict of interest arises.

The remuneration of the Administrator is reviewed annually.

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

Reference and administrative details

Charity Registration Number 1185767

Registered address Crugybar
66 St Mary's Road
KETTERING
Northamptonshire
NN15 7BW

Trustees

Apart from the first Charity Trustees who were appointed by the Trustees of Baptist Building Fund, every Charity Trustee is appointed by a resolution passed at a properly convened meeting of Charity Trustees.

The first Charity Trustees are: -

Mr Andrew C Burgess MA	Mr Andrew M Lewis BSc DipArb FRICS FCI Arb
Reverend Ian J Bunce	Reverend Martin R Poole BD
Mr Eric Cousins FCCA	Mr P Michael Smedley FRICS ACI Arb
Reverend Catriona J T Gorton BA BSc MPhil	Mr John Walker LLB DLP NP SSC
Mr O Philip Jones LLB	Dr Robert A Wordsworth
Mr David M Leverett FCA	

Administrator (to whom day to day management of the charity is delegated)

until 30 April 2021

Mr David M Leverett FCA

from 1 May 2021

Mrs Emily A Blake LLB

Independent Auditor

Azets Audit Services
Thorpe House
93 Headlands
KETTERING
Northamptonshire NN15 6BL

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING, Kent ME19 4JQ

Solicitors

Tollers LLP
2 Exchange Court
Cottingham Road
CORBY
Northamptonshire NN17 1TY

BAPTIST BUILDING CIO

ANNUAL REPORT FOR THE PERIOD 11 OCTOBER 2019 TO
31 DECEMBER 2020

Trustees' responsibilities

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial position of the charity during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the Fund's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE TRUSTEES

ANDREW C BURGESS
Chairman

23 June 2021

Opinion

We have audited the financial statements of the Baptist Building CIO for the year ended 31 December 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom 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 2020, 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 those 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 Trust'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 section of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BAPTIST BUILDING CIO

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 this gives rise to 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 6), 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 the 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 judgment and maintain professional scepticism throughout our audit. We also:

Auditor's responsibilities for the audit of the financial statements (continued)

- 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 purpose 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 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 (i.e. gives rise to a true and fair view).

We communicate with those charged with governance regarding, among other things, 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the finance statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing the supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the finance statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Annette Armer (Senior Statutory Auditor)

28 September 2021

**AZETS AUDIT SERVICES
STATUTORY AUDITOR
THORPE HOUSE
93 HEADLANDS
KETTERING
NORTHAMPTONSHIRE
NN15 6BL**

Azets Audit Services is eligible to act as an auditor in terms of Section 1212 of The Companies Act 2006.

BAPTIST BUILDING CIO
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD FROM 11 OCTOBER 2019 TO 31 DECEMBER 2020

	Note	General Fund £	Designated Fund £	Capital Fund £	Total 2020 £
Income and endowments from:					
Donations and legacies	2	49,549	164,201	4,505,939	4,719,689
Investments	3	849	0	0	849
Other					
- Proceeds of ultimate trusts	4	0	0	48,332	48,332
Total income		50,398	164,201	4,554,271	4,768,870
Expenditure on:					
Charitable activities					
Cost of loan and grant making	5	15,221	84,000	0	99,221
Total expenditure		15,221	84,000	0	99,221
Net income		35,177	80,201	4,554,271	4,669,649
Transfers between Funds		(20,000)	12,083	7,917	0
Net Movement in Funds		15,177	92,284	4,562,188	4,669,649
Reconciliation of funds:					
Total funds brought forward		0	0	0	0
Total funds carried forward	14	15,177	92,284	4,562,188	4,669,649

All income and expenditure derive from continuing activities, and relate to unrestricted funds.

The accompanying notes on pages 14 to 21 form part of these financial statements.

BAPTIST BUILDING CIO

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020	
		£	£
Fixed Assets			
Investments	8		2,844,525
Current Assets			
Debtors	9	52,971	
Cash at bank and in hand		1,785,910	
		<u>1,838,881</u>	
Creditors: Amounts falling due within one year	10	<u>13,757</u>	
Net Current Assets			1,825,124
Total Assets less Current Liabilities being Net Assets			4,669,649
Charity Funds			
Unrestricted funds			
General Fund	11		15,177
Designated Fund	12		92,284
Capital Fund	13		4,562,188
			4,669,649

The financial statements were approved and authorised for issue by the Trustees on 23 June 2021.

Signed on behalf of the Board of Trustees:

A C Burgess
Chairman

D M Leverett
Trustee

The accompanying notes on pages 14 to 21 form part of these financial statements.

BAPTIST BUILDING CIO

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2020

	2020
	£
Reconciliation of net movement in funds to net cash flow from operating activities	
Net movement in funds	4,669,649
Adjustments for:	
Interest received	(849)
Movements in loans to Churches	
Loans transferred from Baptist Building Fund	(2,845,290)
Loans made	(300,000)
Loans repaid	300,765
Decrease/(increase) in debtors	(52,971)
(Decrease)/increase in creditors	13,757
Net cash provided by /(used in) operating activities	1,785,061
Cash flow from investing activities	
Interest received	849
Net cash flow from investing activities	849
Change in cash and cash equivalents in the reporting period	1,785,910
Cash and cash equivalents at 11 October 2019	0
Cash and cash equivalents at 31 December 2020	1,785,910
Cash and cash equivalents consists of:	
Cash at bank and in hand	1,785,910
Cash and cash equivalents at 31 December 2020	1,785,910

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF PREPARATION

Baptist Building CIO is charitable incorporated organisation which is a registered charity administered under the terms of its Governing Document in England. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are assisting Baptist Churches with building projects.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention to include certain items at a fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The charity's financial statements present information about it as an individual undertaking.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In applying the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Although actual results may differ from estimates of this type, in the opinion of the trustees, this is unlikely to result in material adjustments to the carrying value of assets and liabilities.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below.

INCOME RECOGNITION

Donations and gifts

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME RECOGNITION (continued)

Donations and gifts (continued)

The transfer of assets and liabilities for nil consideration from Baptist Building Fund does not meet the definition of a merger and is in substance a gift. As a result, the excess of the fair value of assets received over liabilities assumed has been recognised as a gain and is shown separately within income as a donation received. Due to the nature of the assets and liabilities transferred, fair value is considered equivalent to cost.

Legacies to which the charity is entitled are included in the statement of financial activities where the value has been ascertained with a reasonable degree of certainty.

Gifts in kind are accounted for at the trustees' estimate of their value to the charity.

No amount of volunteer time is included in the financial statements but further detail is given in the Trustees' Annual Report.

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

Proceeds from ultimate trusts

Proceeds from ultimate trusts are recognised in the accounts when the charity is entitled to the incoming resources, the amount can be reliably measured and it is probable that the incoming resources will be received. Entitlement is usually established on completion of the sale of the relevant property.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: -

- Costs of raising funds;
- Expenditure on charitable activities;
- Other expenditure
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to make a grant subject to conditions.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 DECEMBER 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include costs related to trustees' meetings, audit and legal fees. The basis on which support costs have been allocated is set out in note 5.

CHARITABLE ACTIVITIES

Cost of charitable activities including grants made, support costs and governance costs are shown in note 5.

FUND ACCOUNTING

Unrestricted funds are donations, and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

The Capital Fund is maintained at the maximum possible level. Transfers are made from the General Fund to the Capital Fund from time to time, to retain within the General Fund an amount that equates to approximately six months' expenditure.

INVESTMENTS

Social investments are programme related investments which are those held to further our charitable activities. They include concessionary loans.

CONCESSIONARY LOANS

Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any amounts deemed to be irrecoverable.

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 DECEMBER 2020

2 INCOME FROM DONATIONS AND LEGACIES	2020
	£
Thank-offerings from Churches (see below)	35,000
Church Donations	15
Personal Subscriptions and Donations	200
Transferred from Baptist Building Fund (see below)	4,684,474
	4,719,689
The funds transferred from Baptist Building Fund on 1 June 2020 were: -	
General Fund	14,334
Designated Fund	164,201
Capital Fund	4,505,939
	4,684,474
The net assets transferred were:-	
Loans to churches	2,845,290
Current assets	
Debtors, prepayments and accrued income	55,646
Cash at bank	1,794,229
	<u>1,849,875</u>
Current liabilities	
Sundry creditors	10,691
	<u>1,839,184</u>
	4,684,474
Thank-offerings from Churches	
	£
Buckhurst Hill	7,000
Liverpool, Old Roan, Aintree	5,000
Newport, Castlehold, Isle of Wight	10,000
Northampton, Abbey Centre	1,750
Rothwell (Leeds)	6,250
South Oxhey	5,000
	35,000
3 INCOME FROM INVESTMENTS	2020
	£
Bank Interest	849
	849

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

4 PROCEEDS OF ULTIMATE TRUSTS	2020 £
Witchford Baptist Church	48,332
	48,332
5 CHARITABLE ACTIVITIES	2020 £
General Fund	
Support costs:	
Administrator's fees	6,533
Travel costs	262
Printing, stationery, postage and telephone	335
Bank charges	108
Insurance	531
General publicity	20
Website	154
Governance costs (see note 6)	7,278
	15,221
Designated Fund - Grants	
Alness Baptist Church	20,000
Bexhill-on-Sea, Sidley Baptist Church	10,000
Buckhaven Baptist Church	5,000
Chiddingfold Baptist Church	7,500
Dennistoun Baptist Church	25,000
Islay Baptist Church	11,500
New Addington Baptist Church	5,000
	84,000
	99,221
<p>All grants were paid to Baptist Churches as contributions towards small building projects for missional activities. Without this work being carried out, each Church would have to restrict their community ministry.</p>	
<p>Support costs are all attributable to the charity's loan and grant making activity.</p>	
6 GOVERNANCE COSTS	2020 £
Trustees' Meetings	108
Audit	6,270
Legal fees	900
	7,278

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

7 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

a) Payments to Trustees

Other than the Administrator (Mr David Leverett), no trustee or person with a family or business connection with a trustee received any remuneration or benefits in the period, directly or indirectly from the charity. Mr Leverett is remunerated for his work in administering the fund. His remuneration is agreed by the trustees.

Expenses reimbursements paid to 3 trustees (excluding the administrator) during the period amounted to £138 in respect of travelling and other expenses incurred on behalf of the charity.

b) Payments to Administrator

During the period, the Administrator received fees of £6,533 and was reimbursed for travelling expenses, postage, stationery, telephone and website costs amounting to £920.

No employee received £60,000 per annum or more in the current accounting period.

8 FIXED ASSET INVESTMENTS

SOCIAL INVESTMENTS LOANS TO CHURCHES

	Programme related investments
	2020
	£
Cost	
At 11 October 2019	0
Transferred from Baptist Building Fund	2,845,290
Loans made (see below)	300,000
Loans repaid	(300,765)
At 31 December 2020	2,844,525

No interest is charged on the loans, which are usually secured by registering this Fund's interest with The Land Registry, or by a formal legal charge on the property. Loans are repayable over ten years. Loans amounting to £428,080 are due within one year, and £2,416,445 are due after more than one year.

Concessionary Loan Commitments

At the end of the period, the Trustees agreed to make finance available as loans to two churches of £70,000 subject to conditions yet to be fulfilled. The advancement of any agreed loan may be affected by the availability of liquid funds of this charity and the progress of the projects for which churches had requested payment of the loan.

Some of the agreed loans may not be taken up by the churches during the next twelve months.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

8 FIXED ASSET INVESTMENTS (continued)

LOANS ADVANCED TO CHURCHES

The following loans were advanced during the period: -

	2020
	£
Dunchurch	250,000
Newport, St Julian's	50,000
	300,000

9 DEBTORS

	2020
	£
Other debtors	49,997
Prepayments	2,974
	52,971

Debtors amounting to £49,997 may not be recoverable within one year.

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020
	£
Trade creditors	2,957
Accruals and deferred income	10,800
	13,757

11 GENERAL FUND

The purpose of the General Fund is to meet all administrative and fund raising costs incurred during the period. At the absolute discretion of the Trustees, transfers may be made to or from the Capital Fund.

12 DESIGNATED FUND

Trustees transferred 25% of the net sale proceeds of closed churches into the Designated Fund with a view to making grants for missional work on applications from Baptist Churches.

13 CAPITAL FUND

The Capital Fund is primarily used for granting of loans in accordance with the objects of the Fund.

BAPTIST BUILDING CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

14 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements 2020

	Balance brought forward	Income	Expenditure	Transfers	Balance carried forward
	£	£	£	£	£
Unrestricted funds					
General Fund	0	50,398	15,221	(20,000)	15,177
Designated Fund	0	164,201	84,000	12,083	92,284
Capital Fund	0	4,554,271	0	7,917	4,562,188
	0	4,768,870	99,221	0	4,669,649

Analysis of net assets between funds 2020

	General fund	Designated fund	Capital Fund	Total
	£	£	£	£
Investments	0	0	2,844,525	2,844,525
Current assets	28,934	92,284	1,717,663	1,838,881
	28,934	92,284	4,562,188	4,683,406
Current liabilities	13,757	0	0	13,757
	15,177	92,284	4,562,188	4,669,649

The purpose of each fund is described in notes 11 to 13, and appropriate transfers have been made between them to fulfil the criteria.

15 EVENTS AFTER THE REPORTING DATE

Since the balance sheet date, the Trustees have been notified that they are the ultimate beneficiaries of Abertillery Baptist Church. They have given instructions to the Holding Trustees to transfer the title of the property to Baptist Building CIO. It is the intention of the Trustees to dispose of the property on the open-market as soon as possible.

On 30 April 2021, the charity received the net sale proceeds of the former John Bunyan Baptist Church, Kingston-upon-Thames amounting to £1,275,000 before costs. 25% of the amount net of all costs will be paid to The London Baptist Property Board Limited, and the balance retained within the charity to fulfil its objectives and activities.

16 RELATED PARTY TRANSACTIONS

On 1 June 2020, the Trustees of Baptist Building Fund transferred their assets, liabilities and activities to Baptist Building CIO. Details are set out on pages 1 and 11 and in notes 1 and 2.