



## **Cornerstone Baptist Church CIO, Leeds**

### **Report of the Managing Trustees and Financial Statements**

**for the year ended 31 December 2023**

**Charity Registered in England and Wales (Incorporated from 15 July  
2022):1195098**

**CORNERSTONE BAPTIST CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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# **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

## **Introduction**

The Managing Trustees present to you their annual report, along with the financial statements of Cornerstone Baptist Church (CBC) for the year ended 31 December 2023. We have continued to work out the agreed vision for the Church, seeking to establish a structure of One Church, Three Sites, Many Gatherings. This vision reflects the unity across the Church, meeting at the three sites in Headingley, Horsforth and Bramley and representing the four current gatherings, with the expectation that more might develop and grow in the future. This year has also been significant with the Church entering a period of change with the departure of the Senior Minister Peter Morden in June 2023 and starting to explore future ministry for the Church.

We are delighted to report to you the various activities that have been going on throughout Cornerstone over the last year and hope that you enjoy reading about all that has been achieved. We have returned to holding Church meetings in person, been pleased to have the election of a Church Treasurer to join the Elders and Finance Team and called Duncan Stow to ministerial training as a Recognised Local Minister at the Cragg Hill Gathering (Horsforth). This report is a great opportunity to look back and thank God for all that he has enabled us as a Church to do during 2023 and provides a chance to look forward to what we hope to do during 2024.

The accounts 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS102)) and the Baptist Union of Great Britain Guidelines F03 Charity Accounts Over £250,000(11/2023).

The structure of this report makes sure we answer all the questions asked by the SORP, in particular: reference and administrative details of the Charity; its trustees and advisors; the structure, governance and management under which we operate; our objectives and activities; financial review; and plans for future periods.

## **Reference and Administrative details of the Charity, its Trustees and advisors:**

### **Registered Office**

South Parade,  
Headingley  
Leeds  
LS6 3LF

### **Email**

info@cbcl.org.uk

### **Website**

www.cbcl.org.uk

### **Registered charity number**

(unincorporated) 1128935 (The incorporated charity number is: 1195098, completed 15<sup>th</sup> July 2022).

### **Bank**

Virgin Money, 94-96 Briggate, Leeds LS1 6NP

### **Independent Examiner**

Jessica Lawrence FCA CTA  
Azets Audit Services Limited  
12, King Street  
Leeds LS1 2HL

## **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

### **Managing Trustees**

Revd Dr P Morden	Senior Minister (resigned 30 June 2023)
S J Burras	Elder
B A Crosse	Elder
S J Halligan	Elder
R Hughes	Elder and Church Secretary
J Jones	Elder
N Richards	Elder (resigned 27 January 2023)
S Thresher	Elder
A E Shipley	Elder (appointed 23 November 2023)
R A Shepherd	Elder (appointed Church Treasurer 23 November 2023)
DM Stow	Recognised Local Minister for Cragg Hill (appointed 28 September 2023)

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

CBC is a registered charity, charity number 1128935. CBC CIO was registered as a charity on 15 July 2022, number 1195098, succeeding Cornerstone Baptist Church, which is in the process of becoming a linked charity. The Charity was registered on 1 April 2009 with the Charity Commission. The Church is a member of the Baptist Union of Great Britain.

The Church operates under an inter-dependent model, which means we have four gatherings meeting on three sites – Cragg Hill (Horsforth), Headingley, the Lantern (Headingley) and Connect@Copperbeech (Bramley). There are four leadership teams, one for each site, with each leadership team including an Elder and Leader appointed by the whole Church meeting. We are working in Bramley in connection with the Salvation Army. The Lantern, which started in January 2022 at our Headingley site, runs in partnership with Leeds Vineyard, which has a special focus on reaching out to the homeless and vulnerable in the Headingley area.

### **Managing Trustees**

The Elders act as the Managing Trustees of Cornerstone. The Church members' meeting appoints Elders to be responsible for the governance of the Church and where there are ministers of the Church, they will also be members of the eldership because of their role and responsibilities.

With the exception of a newly appointed minister, Elders shall be chosen from among Church members (provided they have been a Church member for a minimum period of six months) with the maximum number being agreed from time to time by the Church members' meeting. Elders are initially appointed for three years, following which they may be re-appointed for three years before they must take at least a one-year sabbatical.

The appointment of Elders shall be undertaken by processes that are public, clear, and open so that all Church members are able to consider prayerfully who should be appointed. The process will ensure that notice is given of any forthcoming election so that Church members may freely nominate prospective Elders. Selection of Elders shall be by secret ballot. In order to be elected, a nominee must receive positive votes from two-thirds of those voting.

The Church Secretary is appointed from among the eldership by the Church meeting.

## **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

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### **Induction and training**

A 'Welcome pack' has been collated to ensure that new Managing Trustees understand and meet the eligibility criteria for Managing Trustees, as defined by the Charity Commission, and understand their role and responsibilities to CBC as a Managing Trustee. The pack also includes the most recent Report and Accounts, and minutes from the three latest Elders' meetings.

### **Risk Management**

The Church operates with the eldership taking on wider responsibilities in overseeing sub-committees, which cover safeguarding, fabric and repair and finance, with other groups to be established as needed. This change was made to streamline the leadership structure and to facilitate quicker decision making. Sub-committees have been formed to support the Elders, with a lead Elder and Church members who offer their expertise in various areas. This has included maintaining repairs of the fabrics of buildings identified through the quinquennial review. A review of these arrangements was due in 2023. The risk register has undergone an initial review with a number of recommendations and updates being made, the elders have begun to work through the outcomes to best address the risks starting with those identified as having the greatest impact for the Church and which don't currently have mitigations listed in the register.

### **Data Protection**

The Church has a Data Protection Policy document which is used to ensure compliance with the UK Data Protection Act 2018 (DPA), which incorporates the requirements of the EU General Data Protection Regulation. Data processing and data protection remain under review to ensure that this remains the case.

### **Safeguarding**

Safeguarding is overseen by a dedicated team of representatives with experience of safeguarding children and vulnerable adults from across the three sites and led by the Safeguarding Officer. Monthly meetings take place to discuss any concerns that have been recorded, together with any action(s) taken. The Safeguarding Team reports to the Elders each month. Each term, the Team delivers safeguarding training, with a specialist emphasis on a particular aspect of safeguarding. Records of training attendance are kept, with a focus on members who lead and help with groups. The Church safeguarding policy is agreed by the Church meeting annually.

### **Volunteers**

In undertaking activities to further the aims and objectives of the Church, significant use is made of volunteers. All activities detailed in the rest of this report are organised and run by teams of volunteers, along with the involvement of the staff employed by the Church.

### **Public benefit**

When reviewing the aims and objectives of the Charity, and in planning future activities, the Elders have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission, and particularly the guidance for charities for the

## **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

advancement of religion. The Church proclaims the Gospel of Jesus Christ. This benefit is available to all who come into contact with the Church in any way.

#### **Objectives and Activities**

Our Purpose Statement, and core values and a review of some of the activities to achieve them are listed below.

#### **Purpose statement 'Passion for God - Love for People - Heart for Mission'**

We have sought to use these three statements as the basis of the 3-year vision which has been worked out for the Church and agreed by the Church meeting in September 2022.

#### **Core values 'Following Jesus, Word and Spirit, Engaging in Mission, Embracing Adventure, Growing Community, Faithful in Prayer**

We adopted Joshua 1:9 as our verse for the year, which say, "Have I not commanded you? Be strong and courageous. Do not be afraid; do not be discouraged, for the LORD your God will be with you wherever you go."

This verse was chosen as the Church has navigated through a time of significant change and seeks to bring encouragement to courageously press into the vision and work it out. There can be challenges but the call to make Jesus known in our communities and to live out the hope of the gospel in every activity of the Church is something that brings great joy and fulfilment to the Church. The reassurance of God's promise to be with us is a source of great hope which sits at the heart of all the Church seeks to do.

The year has been challenging with the eldership overseeing a time of change across the Church with the departure of Peter Morden as senior minister, which has particularly affected the pastoral support for the Lantern Gathering as well as line management and support for the ministry team and wider staff team. The elders have also engaged in meeting with members of the Connect Gathering mediated by the YBA, following staffing changes within the Church. In a time of interregnum, the Church has engaged in a period exploring interim ministry as well as future full-time ministry and it has been encouraging to see good engagement from across the Church to step into the gaps to enable the Church activities listed below to continue and thrive.

While the Church regularly meets in person across the gatherings, the morning service at Headingley has continued to be streamed online each week for those unable to attend, and the sermons at both Cragg Hill and Headingley are now recorded and available online, and this has enabled us to maintain connection with a good number of Church attenders. A whole Church weekly notice sheet has been circulated both by email and with physical copies for those who don't have access to the internet, which contains information about the regular activities as well as special events across the life of the Church. The life and work of the gatherings has continued and is briefly noted here along with some of the mission projects which draw strength from across the whole Church.

#### **Greenhouse Café (Headingley)**

The Green House Café was established initially in September 2019 in order to meet the vision of Cornerstone Baptist Church particularly with a "love for people" and "heart for mission". The ethos of the Café is to provide a welcoming, homely place for simple food, conversation and shelter

## **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

for those who need it. It currently opens on Tuesdays and Wednesdays, staffed by the Cafe Manager and a group of volunteers. The days of opening compliment the activity sessions for Under 5s, providing space for young children and their carers to attend. The Café is also a key place for Lantern family coming for the welcome and a free meal, made possible by the pay it forward scheme (PIF) and the Government Household Support Fund from LCCT. The running of the Café has been affected more recently the unexpected long-term sickness of the Café Manager. A temporary Manager is currently in post, successfully supervising food preparation, the running of the Café and the group of volunteers who support the work. The Café was opened up for an extra day per week for a period in 2023 but this proved a relatively short arrangement due to the Café manager's necessary sickness absence. The Café has given an average of 4.6 meals/day through the pay it forward scheme and had daily takings of above £200, which has covered running costs. The Green House Café receives many positive comments and good feedback from those attending. It is regarded as an important place of safety and somewhere to receive good food by those who depend on the PIF meal provision.

#### **Headingley Gathering**

The Headingley gathering has been pursuing the vision God has given us to teach and minister the Gospel, to love and disciple each other, and to do so in an inter-cultural and inter-generational way. The Under 5s work at Cornerstone includes two parent and toddler groups as well as Café Tots and Sunday Tots at Headingley and Cragg Hill. The number of families that Kate Burkett (Young Families Coordinator) and the volunteer team (20 people) engaged with and supported over 2023 has increased. Both parent and toddler groups (Headingley Tots and Cragg Hill Tots) continue to prove popular. There is a strong emphasis on Christian outreach to the children and the adults with the gospel being clearly and compassionately shared. Some families from these two groups are also engaging with Church services and other activities, such as Café Tots and Cragg Hill's Friday Drop-In. Highlights from 2023 include summer picnics in local parks, Easter Teddy Praise, the all-age Christingle event and Christmas parties.

Children's and Youth work at Headingley has been further developed following the appointment of Mark Twine as the Children and Young People's Team Leader in September 2022. The Junior Church on a Sunday has seen consistent attendance and interactions across the three age groups and the Friday night youth groups (LIFT and LUX) have grown in number with children inviting their friends to join. Monthly all-age services at Headingley have helped the whole Gathering engage in worship. The children and youth small groups provide space to share the hope of the gospel and journey with the young people through times of change. New initiatives have included a monthly games event on a Sunday afternoon and Warhammer Wednesday, as well as engagement with a local school.

Sunday worship continues to welcome new regulars. Some are long term residents and others are in Leeds for studies. The gathering continues to develop in inter-cultural and inter-generational worship and community. A group that focuses on developing these aspects is supported by Rehema Machuka, our joint intern with Transformations Leeds, working alongside volunteers. A Bible study group supports the discipleship of international students, as well as the time of fellowship after the Sunday service in Student Plus.

#### **Connect@Copperbeech**

The Connect@Copperbeech Gathering at Bramley continues to meet at Copper Beech Hub which is run by The Salvation Army. The partnership with The Salvation Army is due for renewal but the ongoing work is based upon common goals and one Lord. Together they continue to reach out and serve their local community of Bramley. Connect@Copperbeech meets at the hub on a Sunday, along with several activities throughout the week. The Bramley Youth Brass Band programme continues to provide free

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### **FOR THE YEAR ENDED 31 DECEMBER 2023**

music lessons to children in Bramley and last August the group ran a week-long summer club resulting in a community concert. The Craft Corner group continues to provide a safe welcoming space to share and enjoy crafts. Youth and children's groups have continued, including Hub Club for primary school aged children and Youth Hub for high school aged young people. Last year, with some financial help from Cornerstone and The Salvation Army, four young people from Connect@Copperbeech were able to attend the week-long Yorkshire School of Christian Arts camp in Harrogate. The Bible club continues to meet and offers an opportunity to engage with the community and share the word of God together. Connect@Copperbeech was involved in a busy Christmas programme of events, with another successful Toy Appeal that saw Christmas gifts delivered to local families as well as carols with the Bramley Youth Brass Band. Connect@Copperbeech continues to play an active role in the Bramley Churches Together group and together the group ran a family fun day in the community in July 2023.

#### **Cragg**

The Cragg Gathering in the Horsforth area has continued to grow in numbers attending its Sunday worship, small groups and outreach activities. Sunday mornings attendance averages around 50 to 60 people, there are four small groups which meet fortnightly and the Friday morning drop in sees regularly up to 40 people coming to experience a warm welcome and a bacon butty. Be it local residents, the postal staff, Church friends or Mums who attend the Monday Tots group, increasing drop in has become as stepping stone into the wider Church life. As a Church we are always looking for ways to connect with our community, be it a community skip, a bonfire night, coronation celebrations, a fortnightly football night and hosted Alpha last summer for those interested in discovering more

The Church is a busy place creating a friendly open environment for building relationships. We are delighted to offer the building as a welcoming venue for Hidden Homeless, two Choirs, Rainbows, Brownies and refugee events. Alongside this the Church allotments are a hive of activity from spring to late autumn and the Cragg Monday Tots groups is extremely popular with 20 tots coming with their carers to enjoy fun, food, songs and a Bible story on a weekly basis.

We are committed to growing as a worshipping community, which includes making our Sunday worship accessible to all ages with children's provision 3 weeks in the month and an all-age service on the fourth Sunday. The musicians in the Church are growing in number and we are looking forward to hosting 'The Worship Room' a monthly Friday night worship space. As a gathering members meet twice a week for prayer, once on Zoom and once on a Friday lunchtime and we have an active Whats App Prayer group as we seek to soak the life and outreach of the Church in prayer. In February 2024, 47 people went away to the Lake District for a Church weekend away.

Cragg has supported an Intern this year for the first time for a number of years, financing and supporting him on a year of service and growth. Many of the members are active in the shared mission of the Horsforth Churches Together group, they have supported a farmers' market, the Horsforth Shed, the planning of a food pantry, primary schools' assemblies reaching 2,100 children every half term and a refugee conversation club.

#### **The Lantern**

The Lantern is now in its third year and is a partnership between Cornerstone and Leeds Vineyard. It meets on Sunday afternoons in the Greenhouse Cafe at Headingley. The purpose of this outreach is to provide food to those who find themselves on the margins of society and, through a short service, to help them experience the love of Jesus for themselves. The number of guests increased during the



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summer of 2023, and we have averaged 20 per week, over the last six months, who receive a hot meal and dessert. About half that number stay on for the song, talk and opportunity for prayer.

The team, made up of Cornerstone and Vineyard members, has been consistent over the last two years and has received relevant training from staff at The Lighthouse Leeds, for encountering people who bear the scars of trauma and have challenging behaviours.

The Lantern Leaders, made up of CBC and Vineyard members, meet every two months to deal with emerging issues, agree vision for the future and plan services and seasonal events. The full team meetings are held less frequently as, since December 2023, the group has had regular debriefing sessions each Sunday, after the guests have left, to talk through lessons learned from any incidents and to pray for each other and our friends.

#### **Mission Partners**

The Church encourages and supports individuals (sometimes financially) in a variety of mission and charitable activities including missionaries in France, Japan and further afield taking the gospel, human skills and compassion with BMS World Mission, Serving in Mission, and the Overseas Missionary Fellowship. We also support a member to help overseas parents in their children's education with SHARE Education Services and Teach Beyond. One of our members also engages in long term mission activities in Guinea Bissau, through Bible translation work. The Church also supports local mission through the Baptist Home Mission Fund.

The Church continues to support and encourage Transformations Leeds, a local charity working with churches to reach out to international students in Leeds with God's love and has enjoyed having a shared intern working between the two organisations. Their vision and ours is for God to transform international students' lives so that they go home and transform the nations. The Church has also supported its own intern Evan Walker who has served across the Church.

We had further members engage with the Bradford School of Theology this year and our hope is for others to undertake this excellent 2-year part-time course each year on an ongoing basis.

We have returned to in person meetings predominantly across the life of the Church, including the Church meeting, which while reducing the accessibility of these meetings for some has helped in rebuilding and maintaining relationships across the Church following the pandemic.

Finally, this year the Church has celebrated 6 believers' baptisms across the Cragg Hill, Headingley and Lantern Gatherings.

## **CORNERSTONE BAPTIST CHURCH MANAGING TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Financial review**

During the year, total income amounted to £328,917 (2022: £352,538) of which voluntary income was the main component and totalled £267,130 (2022: £304,454). Expenditure for the year totalled £324,286 (2022: £335,965), making net income for the year of £4,631 (2022: net income £16,573).

The main components of expenditure are staff costs, donations to mission agencies and individuals, and repairs. The Church has an aspiration of using 10% to 11% of its voluntary income to support individuals and institutions engaging in activities which mirror the Church's vision and objectives. Currently the level donations is higher than this but we will struggle to maintain this level, particularly as individuals' pattern of giving has changed with people much more likely to give to specific charitable causes outside of their Church giving, rather than include this within their giving to the Church. In 2023 13.7% of income (2022: 11.9%) was used in this way.

As in the previous year we continue to carefully review all of our expenditure with the objective over the short to medium term of minimising any annual net deficit and thus maintaining our unrestricted reserves at a healthy level. In the slightly longer term we do plan to return to annual net surpluses.

At the balance sheet date, the Church had total net assets of £544,214 (2022: £539,581). Uncommitted reserves freely available for Church charitable activities increased by £6,550 to £195,175 (2022: £188,625).

The Managing Trustees consider that the minimum reserves necessary with no reliance on bank financing are 6 weeks of staff costs, that is £20,304 (2022: £23,285) at the year end. Reserves held at the balance sheet date would finance the Church charitable activities for 32 weeks (2022: 29 weeks).

The Managing Trustees seek to maintain adequate free reserves to be able to meet liabilities as they fall due. Funds not immediately required are deposited with the Baptist Union Corporation.

#### **Funds held as custodian trustee on behalf of others**

Neither the Church nor its managing trustees hold funds as custodian trustee on behalf of others.

#### **Plans for future periods**

Despite the challenges we currently face in interregnum in the immediate future we do plan to develop further in the following areas:

- to encourage people to engage in discipleship groups to grow further in their faith as well as helping new and non-believers explore faith through courses such as Alpha;
- to continue to build good partnership relationships with Leeds Vineyard, the Salvation Army and with the Churches Together networks that the Church is a part of in Headingley and Horsforth, to make Jesus known across Leeds;
- for the Headingley Gathering to further develop its mission focus within the local community, particularly through the work of the Green House Café;

**CORNERSTONE BAPTIST CHURCH  
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**FOR THE YEAR ENDED 31 DECEMBER 2023**

- to develop leadership teams across the Church reflective of the membership, with diversity in age and ethnicity to help shape the future direction of the Church;
- to continue to explore ways of developing inter-generational and inter-cultural worship across the Church; and
- to continue to shape Church structure to build good lines of communication and accountability between the Leadership Teams, Eldership, and Staff Team, to enable the vision and plans to be realised.



Ruth Hughes (Church Secretary) and Andrew Shepherd (Church Treasurer)

## **CORNERSTONE BAPTIST CHURCH INDEPENDENT EXAMINER'S REPORT**

### **Independent examiner's report to the trustees of Cornerstone Baptist Church**

I report to the trustees on my examination of the accounts of Cornerstone Baptist Church (the charity) for the year ended 31 December 2023.

### **Responsibilities and basis of report**

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

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

### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my independent examination work, for this report, or for the opinions I have formed.

Jessica Lawrence FCA CTA

*Jessica Lawrence*

Azets Audit Services Limited  
12 King Street  
Leeds LS1 2HL

07/08/2024

**CORNERSTONE BAPTIST CHURCH**

## STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED 31 DECEMBER 2023**

		Unrestricted			Designated		Restricted		2023		Restated		Restated	
	Note	Funds		Funds	Funds		Funds	Funds		Total	Unrestricted	Designated	Restricted	Total
		£	£	£	£	£	£	£	£					
<b>Income from:</b>														
Donations and legacies	2	279,663	-	2,160					316,436					
Trading activities	3	43,827	-	-					31,884					
Investments - bank interest		3,267	-	-					1,618					
<b>Total</b>		<b>326,757</b>	<b>-</b>	<b>2,160</b>	<b>328,917</b>	<b>349,938</b>	<b>-</b>	<b>2,600</b>	<b>352,538</b>					
<b>Expenditure on:</b>														
Charitable activities	4	320,209	-	4,077					335,092					
<b>Total</b>		<b>320,209</b>	<b>-</b>	<b>4,077</b>	<b>324,286</b>	<b>335,092</b>	<b>-</b>	<b>873</b>	<b>335,965</b>					
<b>Net income</b>		<b>6,548</b>	<b>-</b>	<b>(1,917)</b>	<b>4,631</b>	<b>14,846</b>	<b>-</b>	<b>1,727</b>	<b>16,573</b>					
<b>Transfers between funds</b>														
<b>Reconciliation of funds</b>														
Total funds brought forward														
At 1 January 2023		188,625	347,570	3,386	<b>539,581</b>	173,779	347,570	1,659	523,008					
<b>Total funds carried forward</b>														
At 31 December 2023	17	195,173	347,570	1,469	<b>544,212</b>	188,625	347,570	3,386	539,581					

**CORNERSTONE BAPTIST CHURCH**  
**BALANCE SHEET AS AT 31 DECEMBER 2023**

		2023	As restated
		£	2022
	Note		£
<b>Fixed assets:</b>			
Tangible assets	10	353,783	356,353
Investments	11	-	3
<i>Total fixed assets</i>		<b>353,783</b>	356,356
<b>Current assets:</b>			
Debtors	12	14,905	14,287
Short term deposits	13	79,919	76,652
Cash at bank and in hand		107,926	100,676
<i>Total current assets</i>		<b>202,750</b>	191,615
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	14	(12,321)	(8,390)
<i>Net current assets</i>		<b>190,429</b>	183,225
<b>Total net assets</b>		<b>544,212</b>	539,581
<b>The funds of the charity:</b>			
Restricted funds	16/17	1,469	3,386
Unrestricted designated funds	16/17	347,570	347,570
Other unrestricted funds		195,173	188,625
<b>Total charity funds</b>	16/17	<b>544,212</b>	539,581

The financial statements were approved by the Managing Trustees on 18 April 2024 and signed on their behalf by:



Ruth Hughes (Church Secretary)



Andrew Shepherd (Church Treasurer)

**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. Principal accounting policies**

**Basis of preparation**

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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS102)) and the Baptist Union of Great Britain Guidelines F03 Charity Accounts Over £250,000(11/2023).

Cornerstone Baptist Church meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

**Going concern**

The Managing Trustees have prepared financial projections, which take into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the Church to continue in operational existence for the foreseeable future and have adequate contingency plans in the event that income streams are reduced. Whilst the global economy has been significantly impacted by lower than usual economic growth, rising interest rates, global inflation above pre-pandemic levels and the disruption resulting from the war in Ukraine the Charity still has reserves sufficient to meet its immediate requirements. Thus, the Managing Trustees have continued to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

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

Donations, gifts and lettings income are recognised when receivable.

Income from government and other grants is recognised when the Charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the Church has been notified of the Executor(s) intention to make a distribution.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. All expenditure is accounted for on an accruals basis.

**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**1. Principal accounting policies (continued)**

Expenditure on raising funds comprises fundraising costs incurred in seeking donations, usually for a particular mission project.

Expenditure on ministry includes the costs of preaching the Gospel and caring for individuals and communities both within and outside the Church.

Expenditure on mission includes the costs of outreach to children and their families and the communities around our Church buildings and the other sites where the Church meets. Other charitable expenditure promotes the same aims.

Expenditure on administration and support costs includes staff costs of the Buildings Manager, cleaners and Operations Manager and the costs of maintaining the Church buildings, equipment and the supply of services within the buildings.

**Grants payable**

Grants payable are donations to other Christian organisations to further the charitable purposes of the Church around Leeds, the UK and the world, or to individuals connected with the Church to enable them to train for or to exercise their Christian ministry. Details are given in note 19 to the financial statements. Grants are considered carefully when the budget is prepared. There is no certainty that any particular grant will be paid in future years, or that the amount will remain the same.

**Land and buildings**

The Headingley Church premises are incorporated within the financial statements at the historical cost (£27,237) and the manse properties in Adel and Headingley are stated at cost.

No depreciation is provided on any of the properties as the Managing Trustees consider that the residual value of the property is such that any charge would be immaterial. As the expected useful life of these assets is believed to be in excess of fifty years, periodic impairment reviews are undertaken by the Managing Trustees at the balance sheet date. Any material deficit between the anticipated recoverable amount of the properties and their carrying value in the accounts is recognised in the statement of financial activities.

**Equipment**

Equipment with an acquisition cost of £5,000 or more is capitalised and depreciated over 5 years, otherwise all Church equipment is written off in the year of purchase.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.



**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Principal accounting policies (continued)**

**Investments**

Investments are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing market price, except for shares in the trading subsidiary company, which are carried at cost. The results of the trading subsidiary are not consolidated into those of the Church as total consolidated income does not exceed £1,000,000.

**Cash and deposits**

Cash at bank and in hand includes cash in hand and deposits repayable within 24 hours without penalty at the balance sheet date. Short term deposits include deposits with a short maturity of three months or less from the date of acquisition or opening of the deposit account.

**Operating leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Church. Designated funds are unrestricted funds, which the Managing Trustees have decided at their discretion to set aside for a particular purpose. Restricted funds are funds, which the donor has specified are to be used solely for a particular area of the Church's work or for purchases of specific assets for use by the Church.

**Taxation**

As a registered charity, Cornerstone Baptist Church is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes. The Church receives no similar exemption for VAT, except that under the terms of the Listed Places of Worship grant scheme the Church can recover the VAT incurred on repairs to the fabric of its churches, which are both listed buildings.

**Pension costs**

As explained in note 18, the Church participates in the Baptist Pension Scheme, a multi-employer scheme, which is unable to identify the assets and liabilities attributable to the Church. In accordance with FRS102, amounts paid to the Scheme are accounted for as if they were those of a defined contribution scheme.

The Church also participates in a defined contribution scheme. Amounts due in respect of such schemes are charged to the Statement of Financial Activities.

**Recognition and valuation of donated services**

The Church's activities are dependent upon volunteers in all areas. Occasionally, travel expenses are reimbursed but there is no recognition in these accounts of the time donated by volunteers.

**Current asset measurement**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Tax recoverable is included at the amount receivable at the balance sheet date. Creditors are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at the settlement amount.

**CORNERSTONE BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal accounting policies (continued)**

**Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Managing Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Managing Trustees are of the opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

**2. Income from donations and legacies**

	<b>2023</b>	2022
	<b>£</b>	£
<b>Unrestricted</b>		
Planned giving by standing orders/cheques/weekly envelopes	<b>204,512</b>	241,462
Loose cash offerings	<b>3,988</b>	2,862
Income tax recoverable	<b>45,919</b>	54,135
Green House Café	<b>14,693</b>	11,982
Church organisations	<b>3,371</b>	3,156
Horsforth Community Aspects Project - Welcome spaces grant	<b>1,250</b>	-
Lantern Partnership gifts to Green House Café	<b>1,000</b>	-
Leeds Vineyard contribution to the Lantern partnership	<b>500</b>	1,000
Legacies	<b>1,000</b>	300
Other income	<b>3,430</b>	1,539
	<b>279,663</b>	316,436
<b>Restricted</b>		
Cragg Hill drop-in	<b>160</b>	-
Household Support Fund grant (Lantern partnership)	<b>2,000</b>	2,600
	<b>2,160</b>	2,600
	<b>281,823</b>	319,036

**3. Income from trading activities**

	<b>2023</b>	Restated 2022
	<b>£</b>	£
Premises lettings	<b>43,827</b>	31,884
	<b>43,827</b>	31,884

**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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#### 4. Expenditure on charitable activities

<i>Ministry costs</i>									
Staff costs	43,312	-	-	-	43,312	75,870	-	-	75,870
Staff expenses	762	-	-	-	762	854	-	-	854
Resources and events	1,167	-	-	-	1,167	1,178	-	-	1,178
	<b>45,241</b>	-	-	-	<b>45,241</b>	<b>77,902</b>	-	-	<b>77,902</b>
<i>Mission</i>									
Staff costs	56,176	-	-	-	56,176	55,001	-	-	55,001
Staff expenses	1,323	-	-	-	1,323	263	-	-	263
Resources and events	16,499	-	2,023	-	18,522	14,375	-	759	15,134
	<b>73,998</b>	-	2,023	-	<b>76,021</b>	<b>69,639</b>	-	759	<b>70,398</b>
<i>Administration</i>									
Staff costs	76,484	-	-	-	76,484	70,930	-	-	70,930
Staff expenses	402	-	-	-	402	513	-	-	513
	<b>76,886</b>	-	-	-	<b>76,886</b>	<b>71,443</b>	-	-	<b>71,443</b>

**CORNERSTONE BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**4. Expenditure on charitable activities (continued)**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
<i>Other charitable activities</i>								
Donations - see note 19	32,857	-	2,054	34,911	35,504	-	-	35,504
Volunteer expenses	280	-	-	280	701	-	-	701
Conferences and events	2,326	-	-	2,326	1,703	-	-	1,703
Intern expenses and accommodation	3,192	-	-	3,192	1,020	-	-	1,020
Books, resources and materials	2,522	-	-	2,522	1,982	-	-	1,982
Other costs	733	-	-	733	737	-	114	851
Subscriptions	3,696	-	-	3,696	4,152	-	-	4,152
	<b>45,606</b>	-	2,054	<b>47,660</b>	45,799	-	114	45,913
<i>Support costs including governance costs</i>								
Communications and stationery	9,222	-	-	9,222	8,534	-	-	8,534
Utilities and council tax	29,569	-	-	29,569	27,276	-	-	27,276
Building repairs and maintenance	18,450	-	-	18,450	17,511	-	-	17,511
Equipment, furniture and fittings	9,189	-	-	9,189	3,426	-	-	3,426
Insurance	9,079	-	-	9,079	9,207	-	-	9,207
Legal fees	600	-	-	600	2,135	-	-	2,135
Fees paid to the independent examiner	2,370	-	-	2,370	2,220	-	-	2,220
	<b>78,479</b>	-	-	<b>78,479</b>	70,309	-	-	70,309
<b>Total expenditure on charitable activities</b>	<b>320,209</b>	-	<b>4,077</b>	<b>324,286</b>	335,092	-	873	335,965

**CORNERSTONE BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Net income for the year is stated after charging:**

	<b>2023</b>	2022
	<b>£</b>	£
Independent examiner's remuneration (Net of VAT)	<b>1,975</b>	1,850

**6. Related parties**

The custodian trustee of all the Church properties is the Yorkshire Baptist Association (YBA) (Charity number 247173). Both the Church and the YBA are members of the Baptist Union of Great Britain. Donations made to the Baptist Union Home Mission Fund by the Church are shown in note 19, there were no outstanding balances at the year-end (2022: £Nil).

During the year the wife of one of the Managing Trustees was employed in the Cragg Hill cleaning post.

Related party transactions relating to the ministers are shown in note 7.

**7. Managing Trustee remuneration and benefits**

	<b>Rev Dr P Morden</b>	<b>Mr D Stow</b>
	<b>£</b>	<b>£</b>
Stipends	19,810	16,060
Employer's National Insurance	2,106	1,228
Pension contributions to DC scheme	2,338	1,279
Council tax and travel expenses	1,529	70
Total for the year ended 31 December 2023	<b>25,783</b>	<b>18,637</b>
Total for the year ended 31 December 2022	48,819	-

The Ministers, who were ex-officio members of the Eldership, were remunerated by the Church during the year and the amounts are shown above. Rev Dr P Morden occupied a manse as part of his conditions of employment. Similarly, Mr D Stow occupied a manse with effect from October 2023, as part of his conditions of employment.

**8. Managing Trustees' expenses**

On occasion the Managing Trustees act as agents for the Church and make purchases on its behalf and are reimbursed for this expenditure, e.g. payment for stationery or catering. Such expenditure is not related to the services provided by the Managing Trustees and so is not disclosed. Apart from such expenditure and that disclosed in note 7, none of the Managing Trustees were remunerated, provided with benefits, or paid expenses for services provided to the Church.

**CORNERSTONE BAPTIST CHURCH**  
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**9. Staff costs and emoluments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>158,214</b>	179,885
Employer's National Insurance	<b>6,449</b>	3,916
Pension contributions to DC schemes	<b>11,295</b>	12,251
Pension deficiency contributions to DB schemes (note 18)	<b>12</b>	5,747
	<b>175,970</b>	201,799

The average monthly headcount during the year was 9 (2022: 10). During the year the Church employed two Ministers, two Team Leaders, a Young Families Co-ordinator, an Operations Manager, a Buildings Manager, a Café Manager a Cook & Cafe Assistant and three cleaners. No employee received remuneration of more than £60,000 per annum (2022: no employee) and there were no employee benefits other than those disclosed above. The Trustees consider the key management personnel are the Trustees and the Ministry Team. The employee benefits of the key personnel total £117,486 (2022: £158,564).

**10. Tangible assets**

	<b>As restated Freehold Land and Buildings</b>	<b>CTI/AV Equipment</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2023	<b>347,571</b>	<b>12,852</b>	<b>360,423</b>
Adjustments in year	-	-	-
At 31 December 2023	<b>347,571</b>	<b>12,852</b>	<b>360,423</b>
<b>Depreciation</b>			
At 1 January 2023	-	<b>(4,070)</b>	<b>(4,070)</b>
Depreciation charge for the year	-	<b>(2,570)</b>	<b>(2,570)</b>
At 31 December 2023	-	<b>(6,640)</b>	<b>(6,640)</b>
<b>Net book value</b>			
At 1 January 2023	<b>347,571</b>	<b>8,782</b>	<b>356,353</b>
At 31 December 2023	<b>347,571</b>	<b>6,212</b>	<b>353,783</b>

Freehold land and buildings comprises one church and associated halls at South Parade in Headingley, together with two manses. The manses and the Headingley church are included at cost. The Church is the beneficial owner of the property, but legal title is held by the YBA as custodian trustee.

CTI/AV Equipment comprises the cost of all equipment purchases with a unit value in excess of £5,000 or with a significant expected life.

**CORNERSTONE BAPTIST CHURCH**  
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**11. Fixed Asset Investment**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Subsidiary company		
Adel Baptist Congregation Limited	-	3
	<b>-</b>	<b>3</b>

The Church held 3 shares of £1 each in its wholly owned subsidiary company Adel Baptist Congregation Limited, a company registered in England (Company number 3829942). These were the only shares allotted, called up and fully paid. The company ceased to trade in October 2018 and was dissolved on 5 September 2023.

**12. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other debtors	<b>7,613</b>	7,639
Prepayments and accrued income	<b>7,292</b>	6,648
	<b>14,905</b>	<b>14,287</b>

**13. Short term deposits**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Baptist Union Corporation	<b>79,919</b>	76,652
	<b>79,919</b>	<b>76,652</b>

**14. Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>2,598</b>	1,430
Social security costs and other taxes	<b>2,280</b>	-
Other creditors	<b>2,264</b>	143
Accruals and deferred income	<b>5,179</b>	6,817
	<b>12,321</b>	<b>8,390</b>

**CORNERSTONE BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Commitments under operating leases**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total minimum lease payments under non-cancellable operating leases fall due as follows:		
Other leases - within one year	<b>6,765</b>	960
Other leases - within two to five years	<b>2,400</b>	9,165
	<b>9,165</b>	10,125

**16. Movement in funds during the year**

<b>Current year</b>	<b>Balance 1 Jan 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers between funds</b>	<b>Balance 31 Dec 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
Cragg Hill drop-in	605		(421)	-	344
		160			
Lantern Household Support Fund grant	1,727	2,000	(2,602)	-	1,125
South Africa Fundraising	1,054	-	(1,054)	-	-
	<b>3,386</b>	<b>2,160</b>	<b>(4,077)</b>	<b>-</b>	<b>1,469</b>
<b>Unrestricted Funds</b>					
General	188,625	326,757	(320,209)	-	195,173
Designated funds:					
Property Fund	347,570	-	-	-	347,570
	<b>536,195</b>	<b>326,757</b>	<b>(320,209)</b>	<b>-</b>	<b>542,743</b>
<b>Total Funds</b>	<b>539,581</b>	<b>328,917</b>	<b>(324,286)</b>	<b>-</b>	<b>544,212</b>



**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**16. Movement in funds during the year (continued)**

<b>Previous year</b>	<b>Balance 1 Jan 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers between funds</b>	<b>Balance 31 Dec 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
Cragg Hill drop-in	605	-	-	-	<b>605</b>
Lantern Household Support Fund grant	-	2,600	(873)	-	<b>1,727</b>
South Africa Fundraising	1,054	-	-	-	<b>1,054</b>
	<b>1,659</b>	<b>2,600</b>	<b>(873)</b>	<b>-</b>	<b>3,386</b>
<b>Unrestricted Funds</b>					
General	173,779	349,938	(335,092)	-	<b>188,625</b>
Designated funds:					
Property Fund as restated	347,570	-	-	-	<b>347,570</b>
	<b>521,349</b>	<b>349,938</b>	<b>(335,092)</b>	<b>-</b>	<b>536,195</b>
<b>Total Funds</b>	<b>523,008</b>	<b>352,538</b>	<b>(335,965)</b>	<b>-</b>	<b>539,581</b>

**Purpose of Restricted Funds**

Cragg Hill Drop-In	For the benefit of the Drop-In activities at the Cragg Hill site.
Lantern Household Support Fund grant	Support for the Lantern project, a partnership between Cornerstone and Leeds Vineyard to provide a space where adults with multiple and complex needs can find friendship, food and faith.
South Africa Fundraising	Raising funds to support mission trips to Sethani, South Africa.

**Purpose of Designated Fund**

Property Fund	This represents the holding value of the Church properties.
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**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**17. Analysis of net assets between funds at the year end**

<b>Current year</b>	<b>Unrestricted Funds</b>		<b>Restricted Funds</b>	<b>Total Funds</b>
	<b>General</b>	<b>Designated</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of net assets between funds</b>				
Tangible fixed assets	6,212	347,570	-	<b>353,782</b>
Investments	-	-	-	-
Net current assets	188,964	-	1,469	<b>190,432</b>
<b>Total net assets</b>	<b>195,175</b>	<b>347,570</b>	<b>1,469</b>	<b>544,214</b>

  

<b>Previous year</b>	<b>Unrestricted Funds</b>		<b>Restricted Funds</b>	<b>Total Funds</b>
	<b>General</b>	<b>Designated</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of net assets between funds</b>				
Tangible fixed assets	8,783	347,570	-	<b>356,353</b>
Investments	3	-	-	<b>3</b>
Net current assets	179,839	-	3,386	<b>183,225</b>
<b>Total net assets</b>	<b>188,625</b>	<b>347,570</b>	<b>3,386</b>	<b>539,581</b>

**18. Pensions**

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

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date, the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum Pensionable Income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd.

In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity.

This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Some Church members of staff are members of the Basic Section of the Scheme; members pay reduced contributions of 5% of Pensionable Income, and the Church pays a total of 5%. There is no income protection insurance for members of the Basic Section.

**CORNERSTONE BAPTIST CHURCH  
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**18. Pensions (continued)**

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme. The Ministers and members of the Church staff are eligible to join the Scheme.

**Actuarial valuation as at 31 December 2019**

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316 million, giving a deficit of £18 million (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows:

<b>Type of assumption</b>	<b>% p.a.</b>
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% p.a.)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% p.a.)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme will commence in 2023 to reflect the position as at 31 December 2023.

**CORNERSTONE BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**18. Pensions (continued)**

**Recovery plan**

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

On 30 June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

<b>Pension cost for the year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
DC contributions for ministers	2,823	4,348
DC contributions for staff	8,472	5,091
DB deficit payments	12	5,747
	<b>11,307</b>	<b>15,186</b>

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**19. Donations made during the year**

		<b>2023</b>	<b>2022</b>
	<b>Purpose of donation</b>	<b>£</b>	<b>£</b>
BMS World Mission	Support of worldwide mission activities	3,120	6,240
Christians in Queenswood	Support for evangelistic Christmas event	100	96
Churches Together in Headingley	Local ecumenical activities	50	-
Fellowship Fund	Available for use at ministers' discretion	757	-
Fusion	Student mentoring and support	150	150
Home for Good	Promoting fostering and adoption	-	120
Home Mission Fund	Support of national Baptist activities	3,120	6,240
Horsforth Churches Together	Local ecumenical activities	450	300
Horsforth Live at Home Scheme	Providing support services for older people	-	250
Human Leeds	Support for mission activities by Leeds CUs	-	200
Lantern Project gifts to Green House Café	Pay-it-forward gifts	1,000	-
LCCT	Horsforth Chaplaincy Project	3,000	3,000
Leeds Faith in Schools	Support for local schools' work	-	180
Leeds University CU	Work with students	100	100
Lighthouse West Yorkshire	Community support for vulnerable people	-	200
OMF	Mission work in Japan (Levi Booth)	6,000	6,000
St George's Crypt	Work with Leeds homeless	-	200
St Mary's Menston School Fund	Donation to the Bambisanani Partnership	1,054	-
Salvation Army	Work in Bramley with Connect	3,000	-
SIM	Mission work in France and Belgium	6,000	6,000
Teach Beyond	Work with missionary families	6,000	6,000
The Children's Society	Support for young people	-	28
Transformations Leeds	Mission work with international students	610	-
UCCF	Work with students	400	200
<b>Total donations</b>		<b>34,911</b>	<b>35,504</b>

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**20. Prior period adjustments**

Two adjustments have been made to the prior period. First, Cragg Hill Church property, valued at £1 million, has been removed from both tangible fixed assets and unrestricted designated funds. Because this property is held under a separate trust deed it wasn't included in the transfer of assets on the formation of the CIO and was included in the balance sheet in error. This adjustment has had the effect of reducing both Tangible Fixed Assets and Unrestricted Designated Funds by £1,000,000 as follows:

	<b>General funds</b>
	<b>£</b>
Opening Tangible Assets as previously reported	1,356,353
<b>Prior year adjustment:</b>	
Cragg Hill Church property removed from Tangible Fixed Assets	<u>(1,000,000)</u>
Restated Opening Tangible Assets	356,353
 Opening Unrestricted Designated Funds as previously reported	 1,347,570
<b>Prior year adjustment:</b>	
Cragg Hill Church property removed from Unrestricted Designated Funds	<u>(1,000,000)</u>
Restated Opening Unrestricted Designated Funds	347,570

Secondly, the Green House Café has been re-classified as a Mission activity of the Church instead of an "other trading activity." As a result, its income is now included in income from donations and legacies (see note 2) and its expenditure as Mission costs (see note 4). This adjustment has had the effect of decreasing income from trading activities by £11,982 and increasing unrestricted income from donations and legacies by £11,982 as follows:

	<b>General funds</b>
	<b>£</b>
Prior year income from Donations and Legacies	304,454
<b>Prior year adjustment:</b>	
Income from Green House Café re-classified as a Mission activity	<u>11,982</u>
Restated prior year income from Donations and Legacies	316,436
 Prior year income from Trading Activities	 43,866
<b>Prior year adjustment:</b>	
Income from Green House Café re-classified as a Mission activity	<u>(11,982)</u>
Restated prior year income from Trading Activities	31,884