

MALVERN BAPTIST CHURCH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

MALVERN BAPTIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Revd D Clarke (Minister)	(Appointed 2 November 2021)
	Dr M A Smith (Treasurer)	(Appointed 2 November 2021)
	Mr J Berry	(Appointed 2 November 2021)
	Mrs S Chappell (Secretary)	(Appointed 2 November 2021)
	Mr A Noble	(Appointed 1 January 2023)
	Mr G Davies	(Appointed 1 January 2023)

Charity number 1196359

Registered office Malvern Baptist Church
Abbey Road
Great Malvern
WR14 3HG

Accountants Kendall Wadley
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

MALVERN BAPTIST CHURCH

CONTENTS

	Page
Trustees' report	1 - 3
Accountants' report	4
Statement of financial activities	5
Statement of financial position	6
Notes to the financial statements	7 - 10

MALVERN BAPTIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements 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 financial statements and comply with the Charity's constitution, the Charities Act 2011 and "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).

On 1st January 2023, the undertaking, liabilities, staff and assets of the unincorporated charity the Malvern Baptist Church were transferred to this charity Malvern Baptist Church CIO, a charitable incorporated organisation.

Objectives

The principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination. The charity may also advance education and carry out other general charitable purposes in the United Kingdom and/or other parts of the world as the Church may determine.

Public Benefit

The trustees confirm that they have complied with their duties under Section 17 (5) of the Charities Act 2011 to have due regard to the guidance in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Activities

In order to achieve the principal objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday at 10.30 am and some Sunday evenings at 6.30 pm (typically twice a month). There are also occasional services at other times, which are advertised on the Church Notice Board and the website at malvernchristianchurch.org.uk. There is a full children's programme during the morning services.

The Church holds "Café Church" regularly, an informal service that allows members of the church and wider community to discuss ethical and topical subjects. A new venture for Sunday evenings is "Open to God", an informal service where the exercise of spiritual gifts is encouraged. The church seeks to be a friendly and welcoming community and anybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at the Sunday services of worship.

The Church operates "Coffee Stop" on Wednesday mornings, a drop-in coffee shop which offers a friendly environment to members of the church and wider community

The Church has an active Men's group which meets regularly for breakfast and discussion in a local hotel.

From time to time the Church runs courses for people interested in discovering more about Christianity, entitled 'Alpha' and "Encountering Jesus".

MALVERN BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Church runs various events for Young People. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service. The Church is the sponsoring church for Malvern Girls' Brigade and Malvern Boys' Brigade, uniformed Christian youth organisations whose aims are the physical, social, emotional and spiritual development of young people.

The Church has a popular walking group, which meets weekly for local walks and attracts people from both the Church and the community. Occasionally the group tackles longer walks, a few years ago completing a four-day walk of the Peak Pilgrimage Way in Derbyshire.

The Church also makes its building available for community organisations to hire. The Church sees this as good stewardship of our resources and another way to show loving provision for the needs of the wider community. Currently, regular users of the premises include a number of University of the Third Age groups, a museum committee, and a residents' committee.

Achievements and performance

This charity was dormant for the year ended 31 December 2022, therefore it has no achievements or performance to report.

Financial review

The only financial activity this year was a donation of £50 from the unincorporated Malvern Baptist Church to cover bank charges which amounted to £14, thus leaving a total unrestricted reserve of £36.

It is the policy of the Church that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Church's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves have been maintained throughout the year.

The Trustees have assessed the major risks to which the Church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risk.

Plans for future periods

From the 1st January 2023 the charity intends to continue the activities detailed in this report.

Structure, governance and management

The Charity is a charitable incorporated organisation (CIO), governed by its constitution dated 2 November 2021. From the 1st January 2023 these accounts will incorporate the undertaking, liabilities, staff and assets of Malvern Baptist Church, which is an unincorporated charity, constituted by its Trust deed.

Members of the Church are accepted in accordance with the Constitution which requires them to be or have been publicly baptised on the profession of faith in Jesus Christ, or following other modes of baptism to renew their public profession of faith in Jesus Christ.

Members meetings will take place not less than four times per year and the members have the responsibility for the overall policy of the church.

In accordance with the Constitution, the members appoint Trustees, who together with the Minister, Church Secretary and Treasurer (who are also appointed by the Members), are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective. Relevant matters may be submitted to the Church meeting by the Trustees for guidance, or may be raised by members in Church meeting for further consideration by the Trustees.

Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

MALVERN BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees who served during the year and up to the date of signature of the financial statements were:

Revd D Clarke (Minister)	(Appointed 2 November 2021)
Dr S Ayling (Secretary)	(Resigned 31 December 2022)
Dr M A Smith (Treasurer)	(Appointed 2 November 2021)
Mr J Berry	(Appointed 2 November 2021)
Mr D Snell	(Resigned 31 December 2022)
Mrs S Chappell (Secretary)	(Appointed 2 November 2021)
Mr A Noble	(Appointed 1 January 2023)
Mr G Davies	(Appointed 1 January 2023)

The Trustees' report was approved by the Board of Trustees.

Dr M A Smith (Treasurer)

Trustee

26 October 2023

MALVERN BAPTIST CHURCH

CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MALVERN BAPTIST CHURCH FOR THE YEAR ENDED 31 DECEMBER 2022

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Malvern Baptist Church for the year ended 31 December 2022, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made to the charity's Trustees, as a body, in accordance with the terms of our current engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Malvern Baptist Church and state those matters that we have agreed to state to the charity's Trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Malvern Baptist Church and the charity's Trustees as a body, for our work or for this report.

It is your duty to ensure that Malvern Baptist Church has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Malvern Baptist Church. You consider that Malvern Baptist Church is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Malvern Baptist Church. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kendall Wadley

26 October 2023

Chartered Accountants

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

MALVERN BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £
<u>Income from:</u>		
Donations and legacies	3	50
		<hr/>
<u>Expenditure on:</u>		
Charitable activities	4	14
		<hr/>
Net income for the year/ Net movement in funds		36
Fund balances at 2 November 2021		-
		<hr/>
Fund balances at 31 December 2022		36
		<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MALVERN BAPTIST CHURCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£
Current assets			
Cash at bank and in hand		36	
		<hr/>	
Net current assets			36
			<hr/>
Income funds			
Unrestricted funds			36
			<hr/>
			36
			<hr/>

The financial statements were approved by the Trustees on 26 October 2023

Dr M A Smith (Treasurer)
Trustee

MALVERN BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Malvern Baptist Church is a Charitable Incorporated Organisation (CIO) and its registered address is Abbey Road, Great Malvern, WR14 3HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MALVERN BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

MALVERN BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds
	2022 £
Donations and gifts	50

4 Charitable activities

	2022 £
Share of support costs (see note 5)	14

5 Support costs

	Support costs £	Governance costs £	2022 £
Bank charges	14	-	14
	14	-	14
Analysed between Charitable activities	14	-	14

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

MALVERN BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Employees

The average monthly number of employees during the year was:

	2022 Number
Total	-

There were no employees whose annual remuneration was more than £60,000.

8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9 Related party transactions

There were no disclosable related party transactions during the year (- none).