



African Pastors' Fellowship

Trustees' Report and Financial Statements for the year
ended 31 December 2022

Registered Charity number 282756

Karen Hanlan Independent Examiner Limited

African Pastors' Fellowship
Financial Statements
for the year ended 31 December 2022

Contents

	Page
Report of the trustees	3-7
Statement of Trustees responsibilities	8
Report of the independent examiner	9
Statement of financial activities	10
Balance sheet	11
Principle accounting policies	12-14
Notes to the financial statements	15-28

Report of the trustees

The trustees of the African Pastors' Fellowship ("the Charity") have pleasure in presenting their report and financial statements for the year ended 31 December 2022. The financial statements comply with the Charities Act 2011, the Constitution 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 (FRS102) (updated 1 January 2019).

OBJECTIVES AND ACTIVITIES

As set out in its Constitution, the Charity is established for the advancement of the Christian Religion by the provision of financial, spiritual and medical assistance to Church leaders of all denominations and their dependents in Africa, and other such countries as from time to time may be determined, and the training of such leaders. This is achieved by providing:

- A:
1. Local Training courses
 2. Related literature in relevant languages
 3. Basic equipment for ministry – books, bicycles, etc
 4. Additional pastoral care
- B: Expanding a fellowship of supporters who will aid the work of the African Pastors' Fellowship in developing countries through prayer and practical giving.

In shaping the objectives for the year and planning activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The vision of APF is to empower Christian leaders so as to enable effective ministry that delivers community transformation through the local church.

The mission of APF is to develop the capacity of Christian leaders in partnership with African agencies to provide training, equipment and pastoral care (APF pastor the pastors that pastor the pastors).

The ultimate goal of our charitable objectives is to bring community transformation, mainly in rural sub-Saharan east Africa, through the local church (registered networks, denominations and related partner NGOs). This is achieved largely through investment in capacity building of faith community leaders (both lay and ordained). The future strategy is to resource and release indigenous leaders with vision, capacity and an existing ministry 'pastoring pastors' so as to increase, multiply and better culturally contextualise the work. Some projects bring obvious and immediate community transformation (such as sustainable domestic solar technology) while other projects (such as training in family values, entrepreneurship and sustainable farming) will bring lasting benefit in the longer-term.

ACHIEVEMENTS AND PERFORMANCE

Activity and Achievements

2022 was a productive year.

Substantial progress was made increasing the number of eVitabu subscribers and building digital capacity both practically and theologically. The biggest growth of eVitabu users was in Kenya due to the work of RITC, but there was also significant expansion in Malawi, Uganda and Zambia, and organically across the continent. There are now 1,250 eVitabu users in 34 nations reaching an estimated number of 1.25m believers with Biblical, theological, social justice and development resources that are being used to shape communities with Christian hope.

A number of significant new partnerships were developed such as with Baptist and Free Church networks in Zambia, the Church of Uganda Provincial Secretariat and the International Association of Evangelical Chaplains supporting the pioneering work of Christian Leaders Fellowship in Mogadishu, Somalia.

75 grants were sent to support the ministry of African Training Partners (ATPs). There were around 40 grants for in-service-training conferences in Burundi, Kenya, Malawi, Rwanda, Tanzania, Uganda and Zambia. Some ATPs received academic scholarships, travel costs, subsistence and support with administration and compliance costs. Multiple eVitabu awareness raising workshops and induction events were delivered, plus a variety of church and community projects such as Growing Greener in Malawi continue to be funded. Financial support was also availed for youth worker training and pastoral responses to humanitarian needs such as assistance for vulnerable women and children, medical and funeral costs for African friends and partners.

There were four visits by UK personnel to Africa for networking, monitoring and training purposes. It is anticipated this will begin to reduce as ATPs are resourced and released to deliver training and is made possible by the growth of digital communications, especially in Africa.

There will always remain a need for in-person contact but the mentoring and coaching of ATPs is seen as a more efficient, appropriate and sustainable model than multiple inter-continental trips each year.

All of the above Africa-facing activity was supported by the UK team delivering excellent levels of administration, regulatory compliance and governance. This is an essential cost to the charity, especially with our mission being in the developing world, the diligence and skill of the UK staff should not be underestimated.

The successes and achievements briefly outlined above are set against a challenging financial backdrop where regular monthly unrestricted income for core costs is rarely enough to meet fixed monthly payments. Funding is hard to come by, especially for UK costs, and often makes cash-flow and future planning a significant challenge. The need is great but resources are few.

FINANCIAL REVIEW

Finances in 2022

2022 was a challenging year for the charity from a financial perspective. Overall, income was slightly down on 2021 and expenditure was higher, in part due to increased overseas travel. There was also a reduction in the value of investments due to global economic pressures impacting the charity.

We remain very grateful for the generosity of our supporters who continue to provide for the work of APF through regular giving, responding to appeals and from gifts in wills. We also continue to benefit from generous gifts from grant making trusts.

Overall, our finances remain satisfactory, enabling us to move forward with our strategic objectives but the day-to-day challenge of cash-flow makes mid- to long-term planning very difficult.

Pension Liabilities and Reserves Policy

As explained below, the accounting policies of FRS102 require us to include as a liability agreed deficit contributions to be paid to the Baptist Pension Scheme over the next 7 years. At the end of last year that liability was £37,264. However, during 2022 an agreement was signed with the insurance company Just Group to secure plan members' pension benefits. The agreement is referred to as a 'buy-in policy' which means that Just Group are now providing financial backing for all defined benefit pensions provided through the scheme. As a result, the scheme is no longer in a shortfall position and, although risks remain, the Trustees of the scheme have agreed that deficit recovery contributions will reduce to £1 per month from August 2022. Consequently, the pension liability recorded in these accounts has reduced to £68.

The current reserves policy is to maintain, as a minimum, sufficient general funds to cover at least three months' unavoidable costs, being approximately £25,000. General funds at 31 December 2022 were £12,886 which is below policy requirements and Trustees are working to build these to the minimum level over the next few years.

The Trustees are confident that the charity will have sufficient cashflows to meet the annual liabilities as they become due, and, at this stage, see no reason to curtail charitable expenditure from planned levels. The Trustees will, however, continue to monitor this situation carefully.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The African Pastors' Fellowship is a registered charity (No. 282756) and governed by its Constitution originally adopted on 1 June 1981 and subsequently amended on 27 November 1990, 16 June 1999 and 27 March 2003.

Appointment of trustees, induction & training

New Trustees are appointed by invitation to join the Board given that they have the necessary skills and experience to contribute to the Trust's activities and to be able to discharge their obligations as Trustees.

Management

The Trustees delegate the day to day running and administering of the Charity and its activities to the CEO and UK staff team.

African Pastors' Fellowship
Financial Statements
for the year ended 31 December 2022

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:

Revd Richard Suffern	-	Chairman
Mr Andrew Richardson	-	Treasurer
Mr John Chambers		
Revd David J Howard		
Revd Richard Tucker		
Revd Andrew North		
Mrs Florence Anne Lyttle		

Chief Executive Officer:

Revd David Stedman

Projects & Finance Coordinator:

Mr Geoff Holder

Charity Number: 282756

Registered Office:

Station House
Station Approach
Adisham
Canterbury
CT3 3JE

Independent Examiner:

Karen Hanlan, ACA
Karen Hanlan Independent Examiner Limited
1 Saracen Close
Ettington
CV37 7SZ

Bankers:

Yorkshire Bank
7-11 High Street
Coventry
CV1 5SB

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4JQ

CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Approved by the Board and signed on its behalf by:

Revd Richard Suffern
Chairman of Trustees

Date: 24 April 2023

Statement of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards including Statement of Recommended Practice 2015 'Accounting and Reporting by Charities'.

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit incurred by the Charity for that year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to exist.

The trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively;
- its assets are safeguarded against un-authorised use or disposition;
- proper records are maintained and financial information used within the Charity or for publication is reliable;
- the Charity complies with relevant laws and regulations.

Independent Examiner's Report to the Trustees of the African Pastors' Fellowship

I report to the trustees on my examination of the accounts of the African Pastors Fellowship ('the Charity') for the year ended 31 December 2022 which are set out on pages 10-28.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I can 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 2011 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.

Karen Hanlan, Institute of Chartered Accountants, England & Wales
Karen Hanlan Independent Examiner Limited
1 Saracen Close, Ettington, CV37 7SZ

Date: 24/4/2023

African Pastors' Fellowship
Financial Statements
for the year ended 31 December 2022

Statement of financial activities

	Note	Un- restricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	1	92,399	61,470	153,869	156,500
Other trading activities	2	5,802	-	5,802	7,096
Investments	37	-	-	37	12
TOTAL INCOME		98,238	61,470	159,708	163,608
EXPENDITURE ON:					
Raising Funds		(26,651)	-	(26,651)	(21,400)
Charitable activities		(73,184)	(79,694)	(152,878)	(156,453)
Other expenditure		(680)	-	(680)	(560)
TOTAL EXPENDITURE	3	(100,515)	(79,694)	(180,209)	(178,413)
Net gains on investments		(10,032)	-	(10,032)	2,266
Net expenditure		(12,309)	(18,224)	(30,533)	(12,539)
Transfers between funds		(10,893)	10,893	-	-
Other recognised gains	12	34,870	-	34,870	739
NET MOVEMENT IN FUNDS		11,668	(7,331)	4,337	(11,800)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,218	35,166	36,384	48,184
Total funds carried forward		12,886	27,835	40,721	36,384

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

All income and expenditure derive from continuing activities.

African Pastors' Fellowship
Financial Statements
for the year ended 31 December 2022

Balance sheet

	Notes	2022 £	2021 £
Fixed Assets			
Tangible assets	5	-	-
Investments	6	33,730	57,415
		33,730	57,415
Current Assets			
Debtors	7	2,565	1,547
Cash at bank and in hand		11,478	19,495
Total current assets		14,043	21,042
Current Liabilities			
Creditors: amounts falling due within one year	8	(6,984)	(9,953)
Net current assets		7,059	11,089
Creditors: amounts falling due in more than one year	9	(68)	(32,120)
Net assets		40,721	36,384
Funds of the Charity:			
Restricted Funds	10	27,835	35,166
Unrestricted Funds			
- General	10	12,954	38,482
- Designated pension liability	10	(68)	(37,264)
Total un-restricted funds		12,886	1,218
Total funds of the Charity		40,721	36,384

The accompanying accounting policies and notes form part of these financial statements.

Approved by the Trustees and signed on their behalf by:

Revd Richard Suffern
Chairman of Trustees

Date: 24 April 2023

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (updated 1 January 2019) – (Charities SORP (FRS102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Charity 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).

Going Concern

The financial statements have been prepared on a going concern basis which assumes that the charity will continue to operate. The validity of this assumption is dependent upon the continuance of support from its donors. The charity's budget for 2023 shows that the charity will be able to operate in the foreseeable future. Based on this understanding the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments, which would result from the basis of preparation being inappropriate.

Funds

General accumulated funds are unrestricted funds available for general purposes and include funds designated for a particular purpose; the use of such funds remains at the discretion of the trustees.

Restricted funds are funds subject to conditions imposed by the donor or by specific terms of the appeal under which the funds are raised. The restrictive conditions are binding upon the Charity.

Income and expenditure

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income relating to future periods is deferred until activity takes place.

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 of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Staff costs are allocated to expenditure categories in accordance with the amount of time spent by staff across the different activities in which the Charity operates.

Principal accounting policies (continued)

Irrecoverable VAT is allocated to the expense heading to which it relates in accordance with standard accounting practice

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP FRS 102, general volunteer time is not recognised.

On receipt, donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay for the facilities provided; a corresponding amount is then recognised in expenditure in the period of receipt.

Investment income

Bank interest and dividends are shown on the basis of amounts receivable in the year.

Tangible fixed assets

Depreciation is provided at a rate calculated to write off the cost on a straight-line basis over the estimated useful life of the asset at the following rates:

Office & Computer equipment	-	3 years
-----------------------------	---	---------

Fixed assets are capitalised when their cost exceeds £500.

Investments

Investments are initially recognised at cost and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

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

Taxation

As a registered charity, no provision is considered necessary for taxation.

Principal accounting policies (continued)

Pensions

The Charity makes contributions to a Pension Scheme at rates determined by the rules of the scheme. Contributions are charged to employee costs in the year in which they are payable.

The Charity also participates in the Baptist Pension Scheme and has been notified of the estimated employer debt on withdrawal from the scheme based on the financial position of the scheme as at 31 December 2016. See note 12 for further information.

Notes to the financial statements

1. Income from donations and legacies

	2022		
	Un-restricted £	Restricted £	Total £
Gifts and donations	74,090	30,870	104,960
Gift Aid receivable	14,248	-	14,248
Legacies receivable	386	-	386
Grants	135	30,600	30,735
Donated facilities/services	3,540	-	3,540
	92,399	61,470	153,869

	2021		
	Un-restricted £	Restricted £	Total £
Gifts and donations	73,705	23,534	97,239
Gift Aid receivable	11,945	-	11,945
Legacies receivable	6,366	-	6,366
Grants	-	37,550	37,550
Donated facilities/services	3,400	-	3,400
	95,416	61,084	156,500

Donated facilities comprise the use of office space provided free of charge.

2. Income from trading activities

	2022 £	2021 £
Fundraising events	4,951	6,107
Fees receivable	851	989
	5,802	7,096

Notes to the financial statements (continued)

3. Analysis of expenditure

	Raising funds	Charitable activities	2022 Other Expenditure	Total
	£	£	£	£
Investment managers fees	183	-	-	183
Salaries (Inc. £25,028 restricted)	20,633	64,567	-	85,200
Printing, publicity& platform fees	425	-	-	425
UK Fundraiser	3,486	-	-	3,486
UK Fundraising Events	1,924	-	-	1,924
African project costs - restricted	-	50,672	-	50,672
Other African project& travel costs	-	17,228	-	17,228
News & Prayer publications	-	3,994	-	3,994
UK office costs (including in-kind £3,540)	-	6,610	-	6,610
Postage & stationary	-	1,043	-	1,043
UK travel & hospitality	-	3,306	-	3,306
UK Training	-	4,358	-	4,358
Website costs	-	-	-	-
Independent Examiners' fee	-	1,100	-	1,100
Trustees meetings and expenses	-	-	-	-
Interest cost on pension liability	-	-	680	680
Total	26,651	152,878	680	180,209

	Raising funds	Charitable activities	2021 Other Expenditure	Total
	£	£	£	£
Investment managers fees	237	-	-	237
Salaries	18,455	63,844	-	82,299
Printing & publicity	2,708	-	-	2,708
African project costs - restricted	-	70,851	-	70,851
African visit & travel costs	-	7,075	-	7,075
News & Prayer publications	-	3,879	-	3,879
UK office costs (including in-kind £3,345)	-	6,669	-	6,669
Postage & stationary	-	1,516	-	1,516
UK travel & hospitality	-	1,412	-	1,412
UK Training	-	20	-	20
Website costs	-	187	-	187
Independent Examiners' fee	-	1,000	-	1,000
Trustees meetings and expenses	-	-	-	-
Interest cost on pension liability	-	-	560	560
Total	21,400	156,453	560	178,413

Notes to the financial statements (continued)

4. Analysis of staff costs, trustee remuneration and expenses

	2022	2021
	£	£
Salaries	77,031	74,062
National Insurance	3,011	3,278
Pensions (Baptist Pension Scheme – see note 12)	4,508	4,335
Pensions (Other schemes)	650	624
Total	<u>85,200</u>	<u>82,299</u>
	No.	No.
Average number of employees (full-time equivalent)	<u>2</u>	<u>2</u>

No employee had employee benefits in excess of £60,000 (2021: £nil).

Key management personnel comprise the Chief Executive Officer and the Trustees. Employee benefits for key management personnel total £49,588 (2021: £47,681) including pension contributions.

The charity Trustees were not paid nor received any other benefits from employment or provision of professional services in the year (2021: £nil). No Travel expenses or other costs were reimbursed to Trustees (2021: £nil).

5. Tangible fixed assets

	Office Equipment £
Cost	
At beginning and end of year	<u>3,501</u>
Depreciation	
At beginning and end of year	<u>3,501</u>
Net Book Value	
At 31 December 2022 and 2021	<u>-</u>

Notes to the financial statements (continued)

6. Investments

	2022	2021
	£	£
At beginning of the year	57,409	55,271
Additions	10	11
Disposals	(47,387)	(139)
Revaluations	(10,032)	2,266
At end of year	-	57,409
Historical cost	-	48,000
Investments comprised:		
Listed investment funds	-	57,409
Cash awaiting investment	33,730	6
	33,730	57,415

7. Debtors

	2022	2021
	£	£
Prepayments	475	333
Gift aid receivable	1,163	560
Other income receivable	928	654
	2,565	1,547

8. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	4,997	2,915
Other creditors including taxation and social security	1,987	1,894
Liability for pension fund deficit contributions (see note 12)	-	5,144
	6,984	9,953

9. Creditors: amounts falling due in more than one year

	2022	2021
	£	£
Liability for pension fund deficit contributions (see note 12)	68	32,120

African Pastors' Fellowship
Financial Statements
for the year ended 31 December 2022

Notes to the financial statements (continued)

10. Funds

	Balance at beginning of year £	Income £	2022 Expenditure £	Transfers £	Gains/ (losses) £	Balance at end of year £
Restricted funds						
<i>eVitabu</i>						
- eVitabu devices	629	-	-	-	-	629
- Christian Leaders Fellowship, Somalia	-	6,250	(1,265)	-	-	4,985
- eVitabu general	6,734	21,248	(39,145)	11,163	-	-
	7,363	27,498	(40,410)	11,163	-	5,614
<i>African Training Partners</i>						
- African Partners Project	-	12,838	(11,173)	-	-	1,665
- Wisdom Bible School	2,500	-	(350)	-	-	2,150
- Atirir Bible School	1,825	1,680	(1,620)	-	-	1,885
- Church of Uganda	-	6,250	(4,175)	5,000	-	7,075
- St Paul's TC (Kapsabet)	-	2,400	(1,000)	-	-	1,400
- Training Ministry/Cephas	4,289	-	(4,289)	-	-	-
- Children's Workers Training	2,651	200	(3,015)	164	-	-
	11,265	23,368	(25,622)	5,164	-	14,175
<i>Church Community Projects</i>						
- Local Language Bibles	11,295	4,700	(5,966)	(5,250)	-	4,779
- Bicycles	1,324	66	(575)	-	-	815
- Pastoral Care	1,000	-	(1,000)	-	-	-
- Growing Greener	-	5,600	(5,416)	(184)	-	-
- Jubilee Trees	527	238	(705)	-	-	60
- Other Solar projects	2,392	-	-	-	-	2,392
	16,538	10,604	(13,662)	(5,434)	-	8,046
Total Restricted Funds	35,166	61,470	(79,694)	10,893	-	27,835
Unrestricted funds						
- General fund	38,482	98,238	(99,835)	(13,899)	(10,032)	12,954
- Designated pension reserve	(37,264)	-	(680)	3,006	34,870	(68)
-	1,218	98,238	(100,515)	(10,893)	24,838	12,886
Total Funds	36,384	159,708	(180,209)	-	24,838	40,721

Notes to the financial statements (continued)

Transfers to restricted funds relate to spending on projects from general funds where project funding was insufficient. The transfer of £5,000 from Local Language Bibles to OM Church of Uganda relates to an agreed transfer for the use of funds with the relevant funder. Transfers from the pension reserve relate to payments made during the year towards the deficit on the Baptist Pension Fund.

	2021					
	Balance at beginning of year £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at end of year £
Restricted funds						
- Local Language Bibles	11,821	8,150	(8,676)	-	-	11,295
- eVitabu	14,991	18,060	(25,688)	-	-	7,363
- Bicycles	4,671	1,038	(4,385)	-	-	1,324
- Pastoral Care	3,904	6,271	(9,175)	-	-	1,000
- Training	-	1,500	(1,500)	-	-	-
- St Paul's TC (Kapsabet)	566	2,400	(2,966)	-	-	-
- Training Ministry	-	4,800	(511)	-	-	4,289
- Children's Workers Training	2,651	-	-	-	-	2,651
- Growing Greener	-	5,450	(5,450)	-	-	-
- Jubilee Trees	1,299	474	(1,246)	-	-	527
- Other Solar projects	2,392	-	-	-	-	2,392
- Wisdom Bible School	-	5,000	(2,500)	-	-	2,500
- Atirir Bible School	827	3,898	(2,900)	-	-	1,825
Covid Relief	1,571	4,043	(5,614)	-	-	-
- Mozambique Partnerships	240	-	(240)	-	-	-
	44,933	61,084	(70,851)	-	-	35,166
Unrestricted funds						
General fund	45,764	102,524	(107,002)	(5,070)	2,266	38,482
Designated pension reserve	(42,513)	-	(560)	5,070	739	(37,264)
	48,184	163,608	(178,413)	-	3,055	36,384

Transfers to restricted funds relate to spending on projects from general funds where project funding was insufficient.

Notes to the financial statements (continued)

Projects have been grouped under the Charity's key activity headings and specific funds are for the purpose described below:

eVitabu

eVitabu - an Android app placing an entire library of text, audio, and video resources into the hands of African church and community leaders. The app contains resources from academic institutions, development agencies, publishers, and prominent Christian leaders in a range of languages. Funding is allocated for research, development, production, and delivery of eVitabu. During 2022 funding for eVitabu came from sponsorships, church and individual donations and grants from the Tufton Charitable Trust, Andrew Kane Partnership Trust, Radstock Trust, River Trust, Seedfield Trust and Souter Trust.

Christian Leaders Fellowship, Somalia - CLF is a network of churches and pastors from various nations working with the UN in the Mogadishu International Airport Green Zone. APF supports an outreach to the hospital within the Green Zone, which is popular with local Somali's, as well as eVitabu use among leaders and together with the International Association of Evangelical Chaplains a conference is being organised for civilians and service personnel to reflect on chaplaincy in conflict zones, especially in majority Muslim locations. This will take place in Wakiso, Kampala, in June 2023.

African Training Partners

African Partners Workers (APWs) – APW is a generic term used to describe key personnel and partners in Africa who are either commissioned to work on a contracted basis in the delivery of charity objectives and/or apply to the charity for funding to deliver training programmes, eVitabu workshops, academic scholarships and pastoral grants for personal need or seed funding community based projects. APWs include each of the partners listed below as well as individuals such as Daniel Odor Gwara (Kenya) and Heavenlight Luoga (Tanzania).

Wisdom Bible School – Wisdom Bible School provides training for rural pastors in Gakenke and Rulindo Districts of northern Rwanda. Recent Rwandan government regulations require pastors to have a basic accredited theological qualification and the Wisdom Bible School is supporting the formal training of rural pastors who cannot continue to lead their churches without it. During 2021, funding came from Goodnews Evangelical Mission.

Atirir Bible School – Funding supports theology students attending Atirir Bible School in rural north-eastern Uganda. During 2021, funding for Atirir Bible School included grants from Canterbury Baptist Church and the Ulting Trust.

Church of Uganda – A major partnership agreement with the Church of Uganda National Secretariat was agreed. APF is helping the Church of Uganda in its vision to provide ministry and

Notes to the financial statements (continued)

academic resources to its Tier 2 clergy. eVitabu will be used as a platform for high performing clergy to publish papers while also cascading the app nationally to an estimated 4000 leaders.

Two training events took place in 2022. The first was with directors and principals of Church of Uganda theological colleges, the second with representatives from colleges and diocese. The programme continues in June 2023 when 12 hand-picked advocates from among the initial cohort will be trained to train others in the use of eVitabu.

St Paul's TC (Kapsabet) – APF receives funds from St Barbara's Church in Coventry and manages their transfer and delivery to St Paul's Theological College in Kapsabet, Kenya. The support is allocated for infrastructure improvements at St John's Theological College and to make good theological education more accessible across the region.

Children's Workers Training – The Children's Worker Training fund is used to support children's and youth leader training in Rwanda. This is achieved through APF partners including the Word of Life Church network in western Rwanda and Église Évangélique de la Bonne Volonté au Rwanda in the north of the country.

Church Community Projects

Local Language Bibles – Across rural Africa, church leaders have very limited access to Bibles, especially in their own languages. The Local Language Bible fund is used to purchase and distribute Bibles to church leaders serving in remote areas through APF partners. During 2021 beneficiaries included the Northern Ugandan Inter-Church Alliance, Église Évangélique de la Bonne Volonté au Rwanda and Transformational Compassion Network, Kenya. Funding was received from OM Special Projects.

Pastoral Care – The Pastoral Care Fund enables APF to respond quickly when church leaders and their families experience serious and unforeseen difficulties, require travel grants or educational fees. During 2021, Pastoral Care grants were used to cover emergency costs for individuals and partner organisations in Uganda, Kenya and Rwanda.

Growing Greener – The Growing Greener fund is used to run sustainable agriculture training to help rural communities reduce poverty and adapt to climate change impacts. The training is delivered by church leaders from New Life Christian Church in Malawi and Word of God Ministries in Zambia. During 2022, funding for Growing Greener came from Operation Agri.

Jubilee Trees – In partnership with Cephas Leadership Foundation (previously the Baptist Union of Uganda) and Climate Stewards, the Jubilee Trees project is planting indigenous trees around churches in Uganda to provide shade, timber and fruit, in addition to improving local ecosystems and biodiversity. The trees combat climate change by capturing carbon in the atmosphere. Climate Stewards match fund 50% of the project's budget.

Notes to the financial statements (continued)

Other Solar projects – APF works with Morogoro Diocese, Tanzania and Kigeme Diocese, Rwanda to provide church leaders with household solar power for lighting and income from mobile phone charging services. A small percentage of the profits from mobile phone charging services is used by pastors in the project to pay back into the schemes so more solar units can be bought and others can benefit.

Notes to the financial statements (continued)

11. Analysis of net assets between funds

Fund balances at 31 December 2022 are represented by:	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed Assets	-	-	-
Investments	5,895	27,835	33,730
Current assets	14,043	-	14,043
Current liabilities	(6,984)	-	(6,984)
Long term liabilities	(68)	-	(68)
Total	12,886	27,835	40,721

Fund balances at 31 December 2021 are represented by:	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed Assets	-	-	-
Investments	43,291	14,124	57,415
Current assets	-	21,042	21,042
Current liabilities	(9,953)	-	(9,953)
Long term liabilities	(32,120)	-	(32,120)
Total	1,218	35,166	36,384

12. Pension commitments

Baptist Pension Scheme

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

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined

Notes to the financial statements (continued)

contribution scheme. The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

One member of staff is eligible to join the Scheme, which is not contracted out of the State Second Pension.

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 Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit 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. 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.

Actuarial valuation as at 31 December 2016

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). The Charity and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

Notes to the financial statements (continued)

The key assumptions underlying the valuation were as follows:

Type of assumption	%pa
RPI price inflation assumption	3.50
CPI price inflation	2.75
Minimum Pensionable Income increases (CPI plus 1.0% pa)	3.50
Assumed investment returns	
- Pre-retirement	3.50
- Post retirement	2.25
Deferred pension increases	
- Pre April 2009	3.50
- Post April 2009	2.50
Pension increases	
- Main Scheme pension Pre-April 2006	2.70
- Main Scheme pension Post April 2006	2.00

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2019.

As there are a large number of contributing employers participating in the Scheme, the Charity is unable to identify its share of the underlying assets and liabilities of the schemes. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Charity in relation to this scheme is £4,508 (2021 £4,335), excluding deficiency contributions.

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.

Consequent upon the departure of the previous Director in 2010, the Charity had a cessation event under Section 75 of the Pensions Act 1995. This makes the Charity liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Director who was a member of the Scheme. At present the Charity is paying the ongoing deficiency contributions outlined above, and the balance sheet liability below is based on those deficiency contributions. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time.

Under the current Recovery Plan dated 16 December 2018, deficiency contributions are payable until December 2028. These contributions are broadly based on employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

Notes to the financial statements (continued)

During 2022 an agreement was put in place with an insurance company to secure DB plan members pension benefits. As a result there is no longer a shortfall in the scheme and deficit contributions have reduced to £1 per month from August 2022. Hence the deficit liability is substantially reduced.

Movement in balance sheet liability

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movements in the provision are set out below:

	2022 £	2021 £
Balance sheet liability at start of year	37,264	42,513
Deficiency contributions paid	(3,006)	(5,070)
Interest cost	680	560
Other recognised gains *	(34,870)	(739)
	<hr/>	<hr/>
Balance sheet liability at end of year	68	37,264

*comprises any change in agreed deficit recovery plan and change in assumptions between year ends.

This liability represents the present value of the deficit contributions agreed as at 31 December 2022 and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	2022	2021
Discount rate	4.8%	1.9%
Future increases to minimum pensionable income	3.2%	3.3%
	<hr/>	<hr/>

13. Transactions with related parties

There were the following transactions with related parties during the year:

Donations and gifts, without conditions, from 6 Trustees - £11,735 (2021: £6,025),

14. Controlling Interests

The Charity is controlled by the Trustees.

Notes to the financial statements (continued)

15. Prior Year Comparative Statement of Financial Activities for 2021

	Un- restricted funds £	Restricted funds £	Total funds £
INCOME FROM:			
Donations and legacies	95,416	61,084	156,500
Other trading activities	7,096	-	7,096
Investments	12	-	12
	<u>102,524</u>	<u>61,084</u>	<u>163,608</u>
EXPENDITURE ON:			
Raising Funds	(21,400)	-	(21,400)
Charitable activities	(85,602)	(70,851)	(156,453)
Other expenditure	(560)	-	(560)
TOTAL EXPENDITURE	(107,562)	(70,851)	(178,413)
	<u>2,266</u>	<u>-</u>	<u>2,266</u>
Net gains on investments	2,266	-	2,266
Net expenditure	(2,772)	(9,767)	(12,539)
Other recognised gains	739	-	739
NET MOVEMENT IN FUNDS	(2,033)	(9,767)	(11,800)
RECONCILIATION OF FUNDS			
Total funds brought forward	3,251	44,933	48,184
Total funds carried forward	1,218	35,166	36,384