

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Charity Registration Number: 312325

31 December 2020

Annual Report and Accounts

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Annual Report and Accounts 2020 Contents

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BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Legal & Administrative Information For the year ended 31 December 2020

Charity Name	Battersea Church (Educational Foundation).
Principal Address	6 Wye St, Battersea, London SW11 2SR.
Charity Registration	312325. The church was registered with the Charity Commission on 5 December 1962.
The Governing Document	Scheme dated 25 July 2006
Object	<ol style="list-style-type: none">1. The advancement of the religious and other charitable work of the church of protestant dissenters of the Baptist denomination.2. The advancement of education both secular and in accordance with the tenets of the church of protestant dissenters of the Baptist denomination.
Trustees	<p>The Trustees who served during the year or who were serving at the date of this report were:</p> <p>Abiodun Christabel Oyeleke Janee Hankins Toni Jackson (resigned 31 March 2021) Daniel Johnson Bre Antonia Mc Dermott- King Hilary Sheikh Foluke Adenrele Moses Patience Nandi Mtopa-Offei Reverend Leroy Burke (resigned on 31 March 2021) Pastor Adebayo Babalola (appointed on 1 April 2021)</p>
Key Management Personnel	Those in charge of directing, controlling, running and operating the Church on a day to day basis are the Trustees.
Bankers	<p>Barclays Bank PLC 7-11 St Johns Hill London SW11 1TRb</p> <p>National Savings & Investment Sunderland SR43 2SB</p>
Independent Examiner	John Helm ACA Simply Churches Limited 17 Heathville Road London N19 3AL

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Trustees Report For the year ended 31 December 2020

The Trustees submit their annual report and accounts of Battersea Church (Educational Foundation) ("the Church") for the year ended 31 December 2020. The legal and administrative information set out earlier in this document forms part of this report.

1. Structure, Governance & Management

The office bearers and any other leadership team members for the time being constitute the trustees. There must be at least three, and they must meet at least twice a year.

None of the Trustees receive remuneration apart from the Pastor.

2. Activities

The Trustees have given due regard to the Charity Commissions' guidance on public benefit. During the year the Church carried out the following activities in order to promote the Gospel in the local neighbourhood and also to benefit the community:

- Sunday services
- House groups (stopped in March 2020 during the lockdowns because of Covid-19)
- Youth clubs none, due to Covid
- Bible study online every Tuesday
- Social events cancelled due to Covid
- Baptismal classes none, due to covid

3. Achievements

Due to Covid-19 restrictions church activities were very limited during the year 2020. Despite this, we quickly adapted by moving our Sunday services online in order to be compliant with the Government and Baptist Union of Great Britain's guidelines on Covid-19. We are very proud of our efforts in supporting the local community and community groups (Kambala project) with food donations during the pandemic. We also successfully held two Covid-secure funerals during the year. Additionally, we kept the momentum going with preparing for the upcoming church move to a new site and we are happy that despite all the challenges in the year, the church membership remains the same. Lastly, we interviewed a few candidates for the role of a minister, albeit remotely and we were able to appoint a new minister of religion for our church, Battersea Chapel

4. Financial Review

4.1 Financial Activity and Financial Position

The church is funded by the freewill offerings of members and others, together with some lettings income.

The Church's cash resources increased by £17,058 during the year to £335,947 (2019: decreased by £3,329 to £318,889).

4.2 Pension Deficit

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The estimated employer debt is based on the service of the minister(s) and their dependants and has been calculated as (2019: £83,100). More details can be found in note 5.

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Trustees Report For the year ended 31 December 2020

4.3 Reserves Policy

The Trustees consider that, given the nature of the church's work, free reserves should be equivalent to approximately 3 months' routine general fund expenditure, plus committed future expenditure on other projects where funds permit. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the Church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2020 the Church had net free reserves of £234,376 (2019: £217,428).

	2020 £	2019 £
Total cash reserves	335,947	318,889
Less: restricted funds	(101,571)	(101,461)
Free reserves	234,376	217,428
Free reserves requirement:		
3 month's budgeted routine expenditure	15,000	15,000

5. Responsibilities of Trustees for the Accounts

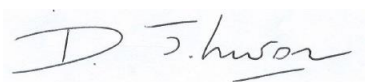
Charity law requires the Trustees to prepare accounts for each accounting year which record the receipts and payments of the charity for the year. The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011. The Trustees also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

6. Approval

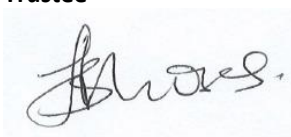
The report of the Trustees was approved by the Trustees on the 10 September 2021 and signed on its behalf by:



Christabel Abiodun OYELEKE
Trustee



Daniel Johnson
Trustee



Foluke Adenrele MOSES
Trustee

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Independent Examiner's Report For the year ended 31 December 2020

I report on the accounts of Battersea Church (Educational Foundation) for the year ended 31 December 2020, set out on pages 6 to 10.

This report is made solely to the Trustees in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the 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 the law, I do not accept responsibility to anyone other than the Trustees for my independent examination, for this report, or the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND EXAMINER

The Trustees consider that an audit is not required for this period (under section 144(2) of the Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the Act);
- To follow the procedures laid down in the General Direction given by the Charity Commission (under section 145(5)(b) of the Act); and
- To state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

INDEPENDENT EXAMINER'S STATEMENT

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

1. accounting records were not kept in respect of the church 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.



John Helm ACA

10 September 2021

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Receipts & Payments Account For the year ended 31 December 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	Total 2019 £
Receipts					
Donations and legacies		50,222	110	50,332	47,797
Lettings		-	-	-	1,430
Investments		116	-	116	1,077
Total Receipts		50,338	110	50,448	50,304
Payments					
Charitable activities	2	33,390	-	33,390	53,633
Total Payments		33,390	0	33,390	53,633
Surplus of payments over receipts		16,948	110	17,058	(3,329)
Transfer between funds					-
Total cash funds brought forward		217,428	101,461	318,889	322,218
Total cash funds carried forward		234,376	101,571	335,947	318,889

An analysis of restricted funds can be found at note 4.

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Statement of Assets & Liabilities As at 31 December 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	Total 2019 £
Assets					
Tangible Assets	3	-	-	-	-
Investments		619	-	619	788
Debtors		-	-	-	-
Cash At Bank And In Hand		234,376	101,571	335,947	318,889
		<u>234,995</u>	<u>101,571</u>	<u>336,566</u>	<u>319,677</u>
Liabilities					
Pension deficit	5	76,400	-	76,400	83,100
Total Assets Less Liabilities		<u>234,995</u>	<u>101,571</u>	<u>336,566</u>	<u>319,677</u>

The Accounts were approved by the Trustees on the 10 September 2021 and signed on its behalf by:



Christabel Abiodun OYELEKE
Trustee



Foluke Adenrele MOSES
Trustee

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Notes to the Accounts For the year ended 31 December 2020

1. Accounting Policies

The accounts have been prepared on a receipts and payments basis with a statement of assets and liabilities.

2. Payments – Charitable Activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	Total 2019 £
Provision of Pastor				
Net salary & PAYE	9,018	-	9,018	27,535
Pension	5,897	-	5,897	9,248
Council tax	1,146	-	1,146	1,242
	16,061	0	16,061	38,025
Church life & outreach				
Preaching fees	612	-	612	-
Travel & subsistence	160	-	160	-
	772	0	772	0
Office Costs				
Telephone, broadband	2,221	-	2,221	3,214
Subscriptions	639	-	639	609
Professional fees	433	-	433	1,413
Printing & stationery	106	-	106	1,010
Sundry	887	-	887	(1,088)
	4,286	0	4,286	5,158
Provision of buildings and facilities				
Heat, light & water	5,863	-	5,863	3,680
Insurance	4,329	-	4,329	4,226
Maintenance & cleaning	408	-	408	2,504
Equipment	269	-	269	40
	10,869	0	10,869	10,450
Governance				
Independent examination	1,402	-	1,402	-
	33,390	0	33,390	53,633

3. Tangible Fixed Assets

There are two properties:

- The church property at 6 Wye St, Battersea, London SW11 2SR. The church property is held in the name of the London Baptist Property Board.
- The manse at 111, Plough Road SW11 2BJ is occupied by the Pastor for the better performance of his duties. The manse is held in the name of Battersea Chapel.

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Notes to the Accounts For the year ended 31 December 2020

4. Restricted Funds

	At 1 January 2020 £	Receipts £	Payments £	Transfers £	At 31 December 2020 £
Book agency	159	-	-	-	159
Building Fund	16,596	-	-	-	16,596
Communion Fund	4,764	110	-	-	4,874
Courses	5,540	-	-	-	5,540
Encouragers	1,043	-	-	-	1,043
Garden fund	115	-	-	-	115
Men's group	89	-	-	-	89
Minibus fund	360	-	-	-	360
Outing fund	1,026	-	-	-	1,026
PA Equipment	1,000	-	-	-	1,000
Roof Replacement	70,000	-	-	-	70,000
Sunday school fund	512	-	-	-	512
Youth Group	257	-	-	-	257
	101,461	110	0	0	101,571

Descriptions of the restricted funds are as follows:

Building fund: This is money set aside for any emergency building work.

Communion Fund: This is money collected during the communion service, every 3rd Sunday of the week. This is normally used for internal and external charity work at the discretion of the Pastor.

Outing fund: Money set aside to help families who cannot afford to join the annual seaside trip but need the break. Any surplus from each outing is added back to this fund.

PA equipment: Money set aside for the Music Team.

Roof replacement: Substantial amount of money set aside in case we need to replace the roof due to adverse weather.

Special collections: Money given by members aside from their tithes and regular offering. The income was always unrestricted and should not have been accounted as restricted in prior years and so has now been transferred to unrestricted.

Sunday school fund: this is money set aside to purchase gifts and resources for the Sunday school children.

BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

Notes to the Accounts For the year ended 31 December 2020

5. Pension Deficit

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister 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%. 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.

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%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it has been agreed to increase the standard rate of deficiency contributions from churches and other employers involved in the DB Plan. Under the current Recovery Plan dated 16 December 2019, deficiency contributions are payable until 31 December 2028. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

The estimated employer debt is based on the service of the minister(s) and their dependants and has been calculated as £76,400 (2019: £83,100).

6. Related Party Transactions

Leroy Burke, a trustee, was paid a salary at a rate of £27,000 per annum (2019: £27,000) in his employed capacity as pastor and occupied the Church's manse property rent free for the better performance of his duties. Leroy Burke resigned as pastor on 31 March 2020.