

**BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)**

**Charity Registration Number: 312325**

**31 December 2021**

**Annual Report and Accounts**

# **BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)**

## **Annual Report and Accounts 2021 Contents**

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	<b>Page</b>
<b>Legal &amp; Administrative Information</b>	<b>2</b>
<b>Annual Report of the Trustees</b>	<b>3</b>
<b>Independent Examiner's Report</b>	<b>5</b>
<b>Receipts &amp; Payments Account</b>	<b>6</b>
<b>Statement of Assets &amp; Liabilities</b>	<b>7</b>
<b>Notes to the Accounts</b>	<b>8</b>

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Legal & Administrative Information For the year ended 31 December 2021

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

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Trustees Report For the year ended 31 December 2021

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The Trustees submit their annual report and accounts of Battersea Church (Educational Foundation) ("the Church") for the year ended 31 December 2021. 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:

2021 was a year of transition for Battersea Chapel whilst in the midst of the global Covid-19 pandemic.

Activities held care:

- Socially distanced in -person Sunday services (once the restrictions were lifted)
- Weekly virtual Bible Studies
- Monthly prayer meetings

Social activities were largely curtailed due to the COVID-19 restrictions and the protracted move to the new church building happened 6 months later than anticipated. However, we were able to welcome a new minister and his family with an ordination service in person.

### 3. Achievements

Although social activities were largely curtailed due to the COVID-19 restrictions and the protracted move to the new church building happened 6 months later than anticipated. However, we were able to welcome a new minister and his family with an ordination service in person. Also, the church membership number remained more or less the same.

### 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 decreased by £26,843 during the year to £309,104 (2020: Increased by £17,058 to £335,947).

There was a major reorganisation of funds during the year, to correct the allocations of funds in prior years to restricted funds because the funds were in fact, upon further investigation, either designated or unrestricted funds and not restricted funds. Details can be found in note 5.

#### 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 £51,900 (2020: £76,400). More details can be found in note 6.

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Trustees Report For the year ended 31 December 2021

### 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 2021 the Church had net free reserves of £308,744 (2020: £234,376).

	2021 £	2020 £
<b>Total cash reserves</b>	<b>309,104</b>	<b>335,947</b>
Less: restricted funds	(360)	(101,571)
<b>Free reserves</b>	<b>308,744</b>	<b>234,376</b>
<b>Free reserves requirement:</b>		
3 month's budgeted routine expenditure	20,000	15,000

### 5. Responsibilities of Trustees for the Accounts

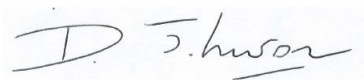
Charity law requires the Trustees to prepare accounts for each accounting year which record the receipts and payments of the charity for the year. The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity 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

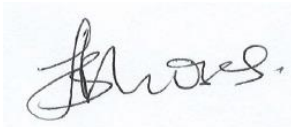
The report of the Trustees was approved by the Trustees on the xxxxx 2022 and signed on its behalf by:



**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 2021**

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I report on the accounts of Battersea Church (Educational Foundation) for the year ended 31 December 2021, set out on pages 6 to 12.

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**

**Xxxx 2022**

## BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

### Receipts & Payments Account For the year ended 31 December 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>Receipts</b>					
Donations and legacies		61,635	-	61,635	50,332
Lettings		1,500	-	1,500	-
Investments		778	-	778	116
Other		5,400	-	5,400	-
<b>Total Receipts</b>		<b>69,313</b>	<b>0</b>	<b>69,313</b>	<b>50,448</b>
<b>Payments</b>					
Charitable activities	2	95,156	1,000	96,156	33,390
<b>Total Payments</b>		<b>95,156</b>	<b>1,000</b>	<b>96,156</b>	<b>33,390</b>
<b>Surplus of payments over receipts</b>		<b>(25,843)</b>	<b>(1,000)</b>	<b>(26,843)</b>	<b>17,058</b>
Transfer between funds		100,211	(100,211)	-	-
Total cash funds brought forward		234,376	101,571	335,947	318,889
<b>Total cash funds carried forward</b>	<b>4,5</b>	<b>308,744</b>	<b>360</b>	<b>309,104</b>	<b>335,947</b>

An analysis of restricted funds can be found at note 5.

## BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

### Statement of Assets & Liabilities As at 31 December 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>Assets</b>					
Tangible Assets	3	-	-	-	-
Investments		725	-	725	619
Debtors		-	-	-	-
Cash At Bank And In Hand	4,5	308,744	360	309,104	335,947
		<u>308,744</u>	<u>360</u>	<u>309,104</u>	<u>336,566</u>
<b>Liabilities</b>					
Pension deficit	6	51,900	-	51,900	76,400
<b>Total Assets Less Liabilities</b>		<u><b>308,744</b></u>	<u><b>360</b></u>	<u><b>309,104</b></u>	<u><b>336,566</b></u>

The Accounts were approved by the Trustees on the xxxxx 2022 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 2021

### 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 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Provision of Pastor				
Net salary & PAYE	18,619	-	18,619	9,018
Pension	4,904	-	4,904	5,897
Council tax	1,335	-	1,335	1,146
Relocation costs	1,675	-	1,675	-
Manse insurance	511	-	511	-
Manse repairs and maintenance	22,736	-	22,736	-
Other	499	-	499	-
	<b>50,279</b>	<b>0</b>	<b>50,279</b>	<b>16,061</b>
Church life & outreach				
Preaching fees	100	-	100	612
Travel & subsistence	-	-	-	160
Music	145	-	145	-
Other	86	-	86	-
Gifts & grants	947	-	947	-
	<b>1,278</b>	<b>0</b>	<b>1,278</b>	<b>772</b>
Office Costs				
Telephone, broadband, website	2,536	-	2,536	2,221
Subscriptions	611	-	611	639
Professional fees	-	-	-	433
Printing, stationery & postage	1,388	-	1,388	106
Sundry	992	-	992	887
	<b>5,527</b>	<b>0</b>	<b>5,527</b>	<b>4,286</b>
Provision of buildings and facilities				
Heat, light & water	4,214	-	4,214	5,863
Insurance	3,437	-	3,437	4,329
Maintenance, cleaning, security	15,714	-	15,714	408
Equipment	12,448	1,000	13,448	269
Sundry	138	-	138	-
	<b>35,951</b>	<b>0</b>	<b>36,951</b>	<b>10,869</b>
Governance				
Independent examination	2,121	-	2,121	1,402
	<b>95,156</b>	<b>0</b>	<b>96,156</b>	<b>33,390</b>

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Notes to the Accounts For the year ended 31 December 2021

### 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.

### 4. Unrestricted Funds (Current year)

#### 4a Current year

	At 1 January 2021 £	Receipts £	Payments £	Transfers £	At 31 December 2021 £
<b>Unrestricted funds</b>	234,376	69,312	(95,156)	76,787	285,319
<b>Designated funds:</b>					
Book agency	0	-	-	159	159
Building Fund	0	-	-	16,596	16,596
Communion Fund	0	-	-	4,874	4,874
Outing fund	0	-	-	1,026	1,026
Sunday school fund	0	-	-	512	512
Youth Group	0	-	-	257	257
	0	0	0	23,424	23,424
	<b>234,376</b>	<b>69,312</b>	<b>(95,156)</b>	<b>100,211</b>	<b>308,743</b>

#### 4b Prior year

	At 1 January 2020 £	Receipts £	Payments £	Transfers £	At 31 December 2020 £
<b>Unrestricted funds</b>	217,428	50,338	(33,390)	-	234,376
	<b>217,428</b>	<b>50,338</b>	<b>(33,390)</b>	<b>0</b>	<b>234,376</b>

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Notes to the Accounts For the year ended 31 December 2021

### 5. Restricted Funds

<b>5a Current year</b>	<b>At 1 January 2021 £</b>	<b>Receipts £</b>	<b>Payments £</b>	<b>Transfers £</b>	<b>At 31 December 2021 £</b>
Book agency	159	-	-	(159)	0
Building Fund	16,596	-	-	(16,596)	0
Communion Fund	4,874	-	-	(4,874)	0
Courses	5,540	-	-	(5,540)	0
Encouragers	1,043	-	-	(1,043)	0
Garden fund	115	-	-	(115)	0
Men's group	89	-	-	(89)	0
Minibus fund	360	-	-	-	360
Outing fund	1,026	-	-	(1,026)	0
PA Equipment	1,000	-	(1,000)	-	0
Roof Replacement	70,000	-	-	(70,000)	0
Sunday school fund	512	-	-	(512)	0
Youth Group	257	-	-	(257)	0
	<b>101,571</b>	<b>0</b>	<b>(1,000)</b>	<b>(100,211)</b>	<b>360</b>

The reason for the transfers is to correct the allocations of funds in prior years to restricted funds because these funds were in fact, upon further investigation, either designated or unrestricted funds.

<b>5b Prior year</b>	<b>At 1 January 2020 £</b>	<b>Receipts £</b>	<b>Payments £</b>	<b>Transfers £</b>	<b>At 31 December 2020 £</b>
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
	<b>101,461</b>	<b>110</b>	<b>0</b>	<b>0</b>	<b>101,571</b>

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Notes to the Accounts For the year ended 31 December 2021

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### 5. Restricted Funds (continued)

Descriptions of the restricted funds, now designated 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 3<sup>rd</sup> Sunday of the week and set aside 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.

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

### 6. 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 2020, deficiency

# BATTERSEA CHURCH (EDUCATIONAL FOUNDATION)

## Notes to the Accounts For the year ended 31 December 2021

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contributions are payable until 30 June 2026. 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 £51,900 (2020: £76,400).

### **7. Related Party Transactions**

Adebayo Babalola, a trustee from April 2021, was paid a salary at a rate of £24,500 per annum in his employed capacity as pastor and occupied the Church's manse property rent free for the better performance of his duties.