

**WOODGRANGE BAPTIST CHURCH**

**31 March 2021**

**Annual Report and Financial Statements**

Charity Registration no 1151805

Simply Churches  
Chartered Accountants  
17 Heathville Road  
London N19 3AL

# **WOODGRANGE BAPTIST CHURCH**

## **Annual Report and Financial Statements 2021 Contents**

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# WOODGRANGE BAPTIST CHURCH

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

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<b>Charity Name</b>	Woodgrange Baptist Church. The Church was established in September 1882																						
<b>Charity Registration no</b>	1151805.																						
<b>Principal Address</b>	Woodgrange Baptist Church, Romford Road, London, E7 8AA																						
<b>Governing Document</b>	Trust Deed dated 13 June 1881 and The Church Constitution, adopted on 9 December 2009.																						
<b>Objectives</b>	The principal purpose of the Church is the advancement of the Christian Faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.																						
<b>Affiliations</b>	The church is a member of the Baptist Union of Great Britain and the London Baptist Association																						
<b>Holding Trustee</b>	London Baptist Property Board Limited																						
<b>Managing Trustees</b>	<p>The Managing Trustees who served during the year or who were serving at the date of this report were. There were no elections in June 2020 due to the Covid-19 lockdown. All deacons were asked and agreed to serve for an extra year. Members were notified, and the arrangement was formally approved by them at the next church meeting on 28 March 2021.</p> <p><u>Minister</u> Rev Bruce Stokes</p> <p><u>Deacons</u></p> <table><tbody><tr><td>Laura Ansah</td><td>Elected 2 June 2019</td></tr><tr><td>Ronald Christian</td><td>Elected 2 June 2019</td></tr><tr><td>Anne Collard</td><td>Re-elected 2 June 2019</td></tr><tr><td>Geraldine Corcho</td><td>Re-elected June 2019</td></tr><tr><td>Suzy De Freitas</td><td>Elected June 2019</td></tr><tr><td>Eileen Giddings</td><td>Elected 2 June 2019</td></tr><tr><td>Tamara King</td><td>Elected 2 June 2019</td></tr><tr><td>Andrew Mathias</td><td>Re-elected 2 June 2019</td></tr><tr><td>Dorothy Mbiyu</td><td>Elected 2 June 2019</td></tr><tr><td>Anne Mitchell</td><td>Re-elected 2 June 2019</td></tr><tr><td>Sandra Ramsay</td><td>Re-elected 2 June 2019</td></tr></tbody></table>	Laura Ansah	Elected 2 June 2019	Ronald Christian	Elected 2 June 2019	Anne Collard	Re-elected 2 June 2019	Geraldine Corcho	Re-elected June 2019	Suzy De Freitas	Elected June 2019	Eileen Giddings	Elected 2 June 2019	Tamara King	Elected 2 June 2019	Andrew Mathias	Re-elected 2 June 2019	Dorothy Mbiyu	Elected 2 June 2019	Anne Mitchell	Re-elected 2 June 2019	Sandra Ramsay	Re-elected 2 June 2019
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Andrew Mathias	Re-elected 2 June 2019																						
Dorothy Mbiyu	Elected 2 June 2019																						
Anne Mitchell	Re-elected 2 June 2019																						
Sandra Ramsay	Re-elected 2 June 2019																						
<b>Key Management Personnel</b>	Those in charge of planning, directing, controlling, running and operating the Charity, including those members of staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the charity are the Managing Trustees																						
<b>Bankers</b>	HSBC 59-60 The Mall Stratford London E15 1XA																						
<b>Independent examiner</b>	John Helm ACA Simply Churches 17 Heathville Road London N19 3AL																						

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# WOODGRANGE BAPTIST CHURCH

## Annual Report of the Church Executive For the year ended 31 March 2021

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The Church Executive submits its annual report and the financial statements of Woodgrange Baptist Church (“the Church”) for the year ended 31 March 2021. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

### **I. Structure, Governance & Management**

#### **1.1 Trustees**

The Church has two classes of trustees as follows:

##### **1.1.1 Managing Trustees**

The Managing Trustees of the Church are responsible for the day to day management of the Church’s business in accordance with the Church’s objects. The Managing Trustees are the members of the Church Executive elected by the Church members’ meeting. The Church Executive consists of all the deacons, the church secretary, the church treasurer, with the minister as ex officio member. Deacons will normally serve a term of office of three years. Deacons are elected at the church AGM annually (one third at a time). Ministers are appointed at Special Church Meetings and serve without fixed term. They can only be removed at Special Church Meetings.

The Church Executive meets approximately 10 times per annum to discuss a full range of matters relating to finance, fabric, general administration, the implementation of the church governing document, and responsibility for the keeping of the church membership roll.

None of the Church’s officers, with the exception of the Minister, receives remuneration. Anne Mitchell has received payment for her work with the ladies’ fitness club in previous years (see note 16 on page 23), although these sessions did not take place in 2020-21 and Sandra Ramsay is paid for her work as church administrator, but both services are provided separately from their roles as trustees.

The induction process for any church member newly-appointed to the Church Executive comprises an initial meeting with the Minister and receipt of copies of:

- the Church Constitution
- the most recent financial statements
- the Charity Commission’s guidance ‘The Essential Trustee’.

##### **1.1.2 Holding Trustee**

The holding trustee is responsible for holding the Church’s land and buildings on trust for the benefit of the church and ensuring that the use of the land and buildings is as envisaged by the Trust Deed. The holding trustee is appointed by the Members without fixed term and can be removed by the Members.

#### **1.2 Church Members**

Church Membership is open to those who:

- accept the beliefs of the Church;
- commit themselves to serving Christ within the Church and beyond;
- abide by the decisions of the Church Members’ Meeting;
- acknowledge their responsibilities as Church Members;
- have their membership application accepted by the Church Members’ Meeting.

Church Members share in the responsibility for the finances, administration, maintenance and activities of the church and elect the Church Executive. Church Members meet regularly each year for business meetings, and receive reports from the Church Executive.

The Church would not be able to function without the considerable support of volunteer church members in all areas of church life. The Church Executive wishes to express its sincere thanks for their considerable contributions.

### **2. Activities & Strategies**

Woodgrange Baptist Church is a vibrant, urban, multi-ethnic, evangelical congregation with a membership of around 85. On a wider front the Church is in membership with the London Baptist Association and the Baptist Union of Great Britain. The Church Executive has given due regard to the Charity Commissions’ guidance on public benefit. During the year the Church continued to carry out the following activities in order to promote the Gospel in the local neighbourhood and beyond:

- Sunday morning worship
- Bible Study across three fortnightly home groups

# WOODGRANGE BAPTIST CHURCH

## Annual Report of the Church Executive For the year ended 31 March 2021

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- Prayer meetings on Sundays
- Various weekly activities for the benefit of the community
  - Mondays                      Toddler Group
  - Tuesdays                     Winter Food Kitchen
  - Wednesdays                 Women's Health Club
  - Thursdays                 Toddler Group
  - Thursday                     Foodbank
  - Fridays                        Lunch Club + activities for older people
  - Saturdays                     Football Academy for 6-16 year olds
- Outings
- Pastoral support and advocacy

### 3. Achievements and Performance

For the duration of the year activities had to be restricted. 'In person' services were stopped in March 2020, and the church moved to meeting online via Zoom. The following weekday activities were closed:

- Parent Toddler Groups
- Kick London Football Academy
- The Friday Lunch Club & Drop-in
- Women's Health Club

The church continued to operate the Thursday Foodbank and Tuesday Winter Food Kitchen (the latter from October until March). Demand for the foodbank grew exponentially, with numbers rising from 20-a-week to 100-a-week. A substantial number of weekly referrals were made by the Newham Food Alliance, a rapidly-formed co-ordinating organisation, and some additional food was provided by the Felix Project, St. Mark's Church Forest Gate, and a number of generous individuals. Two grants were also provided through the Council which helped with the purchase of staple foods for the clients.

Preparing the building for groups to return (policies and procedures, signage etc) took some time, and the church opened for worship in the September, allowing, where appropriate, user groups back in at the same time. This only lasted for two months. The building was closed again during November, opened briefly in December, and then closed until the beginning of April. The disruption was felt by everyone.

During the periods of lockdown the church met on Zoom, and when meeting 'in person' the services were streamed on YouTube. Those without the necessary technology received written news updates, and sermons were also sent out to a WhatsApp group of well over 100. Homegroups tended to be better attended as Zoom obviated the need for travel. Many 'doorstep' pastoral visits were made during the Summer months and phone-calls during the Winter.

6 members died during the year, and by March 2021 the membership stood at 78. There were no baptisms or weddings during the period.

The minister, who retired at the end of April 2021, invested considerable time in the pastoral support of older, more isolated members of the congregation. With both the caretaker and administrator/community worker furloughed for most of the year, he took over the running of the foodbank and various other practical chores. He also prepared the trustees for the coming period of pastoral transition.

### 4. Financial Review

#### 4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 8 and 9 respectively. The Church's funds increased by £61,845 (2020: £9,886). The balance sheet shows total net assets of £3,308,621 (2020: £3,246,776).

Included in total funds are amounts totalling £34,955 (2020: £20,390) which are restricted. These monies have either been raised for, and their use restricted to, specific purposes, or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in note 12 to the accounts together with an analysis of movements in the year.

# WOODGRANGE BAPTIST CHURCH

## Annual Report of the Church Executive For the year ended 31 March 2021

### 4.2 Reserves Policy

The Church Executive has examined the requirements for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets. The Church Executive considers that, given the nature of the Church's work, free reserves should be equivalent to approximately 6 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The Church Executive is 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 March 2021 the Church had net free reserves of £1,366,203 (2020: £1,345,320) as follows:

	2021 £	2020 £
<b>Total reserves</b>	<b>3,308,621</b>	<b>3,246,776</b>
Less: endowment funds	(730)	(730)
Less: restricted funds	(34,955)	(20,390)
Less: unrestricted fixed assets used for the continuing work of the church	(1,980,250)	(2,002,500)
Add: creditors due in more than one year	49,017	82,518
Add: provisions	24,500	39,646
<b>Free reserves</b>	<b>1,366,203</b>	<b>1,345,320</b>
<b>Free reserves requirement:</b>		
6 month's budgeted routine expenditure	70,000	70,000
Anticipated expenditure on the church building	--	200,000
<b>Free reserves</b>	<b>70,000</b>	<b>270,000</b>

### 4.3 Investment Policy

The church maintains a small portfolio of properties to provide a rental income. Any funds in excess of day to day requirements are placed on interest bearing deposit.

### 4.4 Grants Policy

The Church makes grants to support missionary endeavours both in the UK and abroad. The policy of the church is to give grants on the basis that they are subject to annual review and only renewed on the basis of meeting set criteria. The missionary societies regularly supported include BMS World Mission ([www.bmsworldmission.org](http://www.bmsworldmission.org)), the BUGB Home Mission Fund ([www.baptist.org.uk/homemission](http://www.baptist.org.uk/homemission)). In addition the Church makes anonymous love gifts, at the discretion of the minister and elders, to those in need within the Church fellowship. For details of grants made, see note 4.

## 5. Going Concern Review

At time of preparation of this financial statement, in January 2022, the Covid-19 pandemic, which had such a dramatic effect on life in the United Kingdom from early 2020 onwards, was still ongoing but with much less destructive impact on life than previously. Thankfully, no further lockdowns were required after March 2021 and Woodgrange church life maintained a level of normalcy, with restrictions. Other groups, who provide a good amount of the church's income, were also able to meet regularly in the church building, and this allowed church income to stabilise. With this and the faithful giving of the Woodgrange congregation throughout the pandemic, Woodgrange Baptist Church finances have remained solid and allowed Woodgrange to give faithfully generously without encroaching on the reserve funds maintained in case of serious financial difficulty. For these reasons Woodgrange Baptist Church remains a going concern and has sufficient funds to remain so for at least the 12 months following this report.

## 6. Plans for Future Periods

The church entered a further period of change because, as has been mentioned above, the current minister retired in April 2021. The most immediate plans involve maintaining the church's current community work and serving its congregation as best possible while waiting for the pandemic lockdown restrictions to ease. The trustees are also currently taking the time to assess past work and prioritise for the future, while being aware that the next minister, when he takes up the post, will need to have an important contribution to the church's future plans.

# WOODGRANGE BAPTIST CHURCH

## Annual Report of the Church Executive For the year ended 31 March 2021

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### **7. Responsibilities of Trustees for the Financial Statements**

The Church Executive is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the Church Executive to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those financial statements, the Church Executive is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the charity will continue.

The Church Executive is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. The Church Executive is 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. The Church Executive is responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

### **8. Approval**

The report of the Church Executive was approved by the Church Executive on 2 February 2022 and signed on its behalf by:

**Anne Mitchell**  
Secretary

# **WOODGRANGE BAPTIST CHURCH**

## **Report of the Independent Examiner to the Church Executive of Woodgrange Baptist Church**

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I report on the financial statements of Woodgrange Baptist Church for the year ended 31 March 2021, set out on pages 8 to 20.

This report is made solely to the Church Executive 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 Church Executive 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 Trust and the Church Executive for my independent examination, for this report, or the opinions I have formed.

### **RESPECTIVE RESPONSIBILITIES OF CHURCH EXECUTIVE AND EXAMINER**

The Church Executive considers that an audit is not required for this year (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 Church Executive 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**

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
  - proper accounting records are kept (in accordance with section 130 of the Act); and
  - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act;or
2. to which, in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.

**John Helm ACA**

**2 February 2022**



## WOODGRANGE BAPTIST CHURCH

### Statement of Financial Activities For the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £
<b>Income from:</b>									
Donations and legacies	2	73,925	21,337	-	95,263	72,672	13,990	-	86,662
Charitable activities		-	-	-	-	11,966	-	-	11,966
Other trading activities		15,985	-	-	15,985	73,308	-	-	73,308
Investments		25,039	-	-	25,039	36,294	-	-	36,294
<b>Total Income</b>		<b>114,949</b>	<b>21,337</b>	<b>0</b>	<b>136,287</b>	<b>194,240</b>	<b>13,990</b>	<b>0</b>	<b>208,230</b>
<b>Expenditure on:</b>									
Raising funds	3	6,601	-	-	6,601	9,055	-	-	9,055
Charitable activities	4	137,018	6,772	-	143,791	175,956	13,333	-	189,289
<b>Total Expenditure</b>		<b>143,619</b>	<b>6,772</b>	<b>0</b>	<b>150,392</b>	<b>185,011</b>	<b>13,333</b>	<b>0</b>	<b>198,344</b>
Net gains/(losses) on investments		75,950	-	-	75,950	-	-	-	-
<b>Net income</b>		<b>47,280</b>	<b>14,565</b>	<b>0</b>	<b>61,845</b>	<b>9,229</b>	<b>657</b>	<b>0</b>	<b>9,886</b>
Transfers between funds		-	-	-	-	-	-	-	-
Other recognised gains and losses		-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>47,280</b>	<b>14,565</b>	<b>0</b>	<b>61,845</b>	<b>9,229</b>	<b>657</b>	<b>0</b>	<b>9,886</b>
<b>Total funds brought forward</b>		<b>3,225,656</b>	<b>20,390</b>	<b>730</b>	<b>3,246,776</b>	<b>3,216,427</b>	<b>19,733</b>	<b>730</b>	<b>3,236,890</b>
<b>Total funds carried forward</b>		<b>3,272,936</b>	<b>34,955</b>	<b>730</b>	<b>3,308,621</b>	<b>3,225,656</b>	<b>20,390</b>	<b>730</b>	<b>3,246,776</b>

# WOODGRANGE BAPTIST CHURCH

## Balance Sheet As at 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Total 2020 £
<b>Fixed Assets</b>						
Tangible Assets	5	1,980,250	-	-	1,980,250	2,002,500
Investments	6	1,300,950	-	-	1,300,950	1,225,000
		<u>3,281,200</u>	<u>0</u>	<u>0</u>	<u>3,281,200</u>	<u>3,227,500</u>
<b>Current Assets</b>						
Debtors	7	10,233	-	-	10,233	12,076
Cash At Bank And In Hand		92,123	34,955	730	127,808	172,497
		<u>102,356</u>	<u>34,955</u>	<u>730</u>	<u>138,041</u>	<u>184,573</u>
<b>Creditors - Amounts Falling Due Within One Year</b>						
	8	37,103	-	-	37,103	43,133
<b>Net Current Assets</b>						
		<u>65,253</u>	<u>34,955</u>	<u>730</u>	<u>100,938</u>	<u>141,440</u>
<b>Creditors - Amounts Falling Due After More Than One Year</b>						
	9	49,017	-	-	49,017	82,518
<b>Provisions</b>						
	10	24,500	-	-	24,500	39,646
<b>Net Assets</b>						
		<u><u>3,272,936</u></u>	<u><u>34,955</u></u>	<u><u>730</u></u>	<u><u>3,308,621</u></u>	<u><u>3,246,776</u></u>
Represented by:						
<b>Endowment Funds</b>	11	-	-	730	730	730
<b>Restricted Income Funds</b>	12	-	34,955	-	34,955	20,390
<b>Unrestricted Income Funds</b>		3,272,936	-	-	3,272,936	3,225,656
<b>Total Funds</b>						
		<u><u>3,272,936</u></u>	<u><u>34,955</u></u>	<u><u>730</u></u>	<u><u>3,308,621</u></u>	<u><u>3,246,776</u></u>

The financial statements were approved by the Church Executive on 2 February 2022 and signed on its behalf by:

**Cynthia Gowdie**  
Treasurer

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

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### **I. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **Basis of accounting**

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of freehold land and buildings which are shown at market value.

The financial statements include all transactions, assets and liabilities for which the Church is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The Church meets the definition of a public benefit entity under FRS 102.

#### **Going Concern**

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

#### **Income recognition**

Voluntary income and donations (including legacies) are accounted for once the Charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

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

#### **Expenditure recognition**

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The Church is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Charitable expenditure includes those costs in fulfilling the Church's principal objects, as outlined in the Report of the Church. These include grants payable and governance costs:

- Grants payable are payments made to third parties in furtherance of the Church's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Church.
- Governance costs comprise all costs involving the public accountability of the Church and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The church pays pension contributions for the Ministers into the Baptist Pension Scheme, a final salary defined benefit scheme for contributions until 31 December 2011 and a defined contribution scheme for contributions made thereafter. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. The scheme is therefore accounted for as a defined contribution scheme, with contributions payable to the scheme being accounted for on an accruals basis. In addition, the church currently pays contributions towards a deficit on the defined benefit scheme. Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The deficit, discounted to present value, is fully provided in these accounts and the charge to the income and expenditure account, which is included in the total pension cost, is the employer contributions payable as adjusted by the movement in the discounted provision.

Rentals under operating leases are charged as incurred over the term of the lease.

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

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### **I. Accounting Policies (continued)**

#### **Tangible Fixed Assets**

The church land and buildings and the church manse are stated at valuation less accumulated depreciation. They will be revalued on a five yearly basis. The next valuation will take place for the year ended 31 March 2023.

The cost of furniture, fittings and equipment, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as three years.

#### **Investments**

Investment properties are stated at market value and revalued every five years. Realised and unrealised gains and losses on investments are reflected through the Statement of Financial Activities. An in-house review is performed annually based on information from local house price changes.

#### **Debtors**

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

#### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Provisions have been calculated at the best estimate of the settlement amount and discounted to present value at the reporting date.

#### **Loans**

The Church's loans with the London Baptist Property Board qualify as basic financial instruments and are classified as concessionary loans. Concessionary loans are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Fund accounting**

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 2. Income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Donations & legacies				
Offerings and donations	55,841	9,476	65,318	76,157
Income tax reclaimed	7,636	-	7,636	10,255
Grants received	10,448	11,861	22,309	250
	<u>73,925</u>	<u>21,337</u>	<u>95,263</u>	<u>86,662</u>
Income from charitable activities				
Toddler group	-	-	-	2,311
Church socials/retreats	-	-	-	8,620
Other	-	-	-	1,035
	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,966</u>
Other trading income				
Lettings income	15,985	-	15,985	73,308
Other income	-	-	-	-
	<u>15,985</u>	<u>0</u>	<u>15,985</u>	<u>73,308</u>
Investment income				
Bank Interest	74	-	74	318
Rent	24,965	-	24,965	35,976
	<u>25,039</u>	<u>0</u>	<u>25,039</u>	<u>36,294</u>
	<u><b>114,949</b></u>	<u><b>21,337</b></u>	<u><b>136,287</b></u>	<u><b>208,230</b></u>

The church operates a foodbank in conjunction with Churches Foodbank. During the year 3,950 (2020: 662) food parcels with an average value of £18.50 were provided to individuals or families (total value approx. £73,000), with the food having been donated to the church or purchased as described on page 4.

The following grants are in respect of Government funded schemes:

- £ 7,061 – London Borough of Newham for the Foodbank
- £ 10,448 (2019: £nil) - Job Retention Scheme

### 3. Expenditure on Raising Funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Repairs, maintenance, equipment & cleaning	1,062	-	1,062	3,201
Gas & electricity	406	-	406	-
Council tax	186	-	186	-
Water	1,831	-	1,831	1,788
Insurance	1,929	-	1,929	2,320
Loan interest (refurbishment)	1,187	-	1,187	1,746
	<u>6,601</u>	<u>0</u>	<u>6,601</u>	<u>9,055</u>

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 4. Resources Expended – Charitable Activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Provision of Minister				
Gross salary & Employer's National Insurance	32,620	-	32,620	32,448
Pension contributions (see note below)	(9,439)	-	(9,439)	7,637
Telephone	427	-	427	660
Minister expenses	37	-	37	20
Council Tax	1,230	-	1,230	1,183
Manse heat & light	1,080	-	1,080	684
Manse maintenance & cleaning	-	-	-	510
	<b>25,955</b>	<b>0</b>	<b>25,955</b>	<b>43,142</b>
Church Life & Outreach				
Advertising	528	-	528	426
Evangelism & special events	-	160	160	319
Community trips, outings & retreats	-	-	-	11,520
Books, magazines & media	121	-	121	927
Youth work	-	-	-	1,201
Training	184	-	184	-
Organisations & events	455	-	455	663
Foodbank	-	6,537	6,537	8,467
Food & catering	-	-	-	1,038
Music	834	-	834	547
Speakers fees	-	-	-	300
Memberships & Licences	1,289	-	1,289	1,289
Gifts to individuals and organisations (see note below)	7,800	75	7,875	18,598
Other	105	-	105	1,893
	<b>11,316</b>	<b>6,772</b>	<b>18,088</b>	<b>47,188</b>
Office Costs				
Support staff gross salary & Employer's National Insurance	12,768	-	12,768	10,179
Support staff pension contributions	983	-	983	491
Printing, stationery, postage & consumables	60	-	60	93
Software	144	-	144	168
Small equipment purchases	-	-	-	428
Professional fees	1,360	-	1,360	960
Pension administration charge	2,230	-	2,230	1,858
Other	(26)	-	(26)	393
	<b>17,519</b>	<b>-</b>	<b>17,519</b>	<b>14,570</b>
Provision of Church building and facilities				
Gross salaries	7,800	-	7,800	7,800
Heat & light	3,985	-	3,985	8,360
Water	1,038	-	1,038	3,240
Insurance	5,800	-	5,800	5,964
Repairs & maintenance	32,641	-	32,641	16,301
Loan interest (church refurbishment)	1,516	-	1,516	2,737
Cleaning (incl salaries)	5,642	-	5,642	14,098
Professional fees	-	-	-	2,283
Depreciation: Church fixtures, fittings & equipment	-	-	-	261
Depreciation: Church buildings	22,250	-	22,250	22,250
Other	516	-	516	35
	<b>81,188</b>	<b>0</b>	<b>81,188</b>	<b>83,329</b>
Governance				
Independent examination/Audit	1,040	-	1,040	960
Trustee expenses	-	-	-	100
	<b>1,040</b>	<b>0</b>	<b>1,040</b>	<b>1,060</b>
	<b>137,018</b>	<b>6,772</b>	<b>143,790</b>	<b>189,289</b>

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 4. Expenditure on Charitable Activities (continued)

#### 4a. Gifts to Individuals and organisations

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Gifts to individuals:	300	-	300	884
Gifts to organisations:				
BUGB Home Mission	7,500	-	7,500	7,500
BMS World Mission	-	75	75	7,500
BMS World Mission – Church Harvest Appeal 2020	-	-	-	338
BMS World Mission - via BMS Birthday Scheme	-	-	-	450
CSW (persecuted church)	-	-	-	358
Agape (Patrick Musoke)	-	-	-	1,568
	<u>7,500</u>	<u>75</u>	<u>7,575</u>	<u>17,714</u>
	<u>7,800</u>	<u>75</u>	<u>7,875</u>	<u>18,598</u>

#### 4b. Staff costs

	2021 £	2020 £
Included within Expenditure on Charitable Activities are the following staff costs:		
Gross salaries	55,131	51,478
Social security costs	3,839	3,863
Employer's Annual Allowance	(3,839)	(3,000)
Pension contributions - current	3,344	8,895
Pension contributions – credit (movement on deficit provision – see note 10)	(11,801)	(767)
	<u>46,674</u>	<u>60,469</u>
Of which the following salaries and pension contributions were in relation to Key Management Personnel:		
Gross salaries	33,104	32,209
Pension contributions - current	2,362	8,404
Pension contributions – credit (movement on deficit provision – see note 10)	(11,801)	(767)

	2021 Number	2020 Number
The average number of employees during the year:		
Full time workers	1	1
Part time workers	3	3

The average number of employees during the year was 4 (2020: 3), being 1 full time minister (2020: 1) 1 part time caretaker (2020: 1), 1 part time administrator (2020: nil) and 1 part time cleaner (2020: 1). No employee received emoluments in excess of £60,000 during the year.

One trustee received £2,199 (2020 £4,447) in reimbursement for expenditure (including building repairs and maintenance, manse heat and light, services, church food bank supplies, small equipment purchases, office supplies and advertising) incurred in the normal course of church business. One other trustee received £118 (2020: £115) in reimbursement for expenditure (including hygiene supplies and a minister's anniversary gift).

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 5. Tangible Fixed Assets

	Freehold land & buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2020	2,225,000	14,373	2,239,373
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<u>2,225,000</u>	<u>14,373</u>	<u>2,239,373</u>
<b>Depreciation</b>			
At 1 April 2020	222,500	14,373	236,873
Charge For Year	22,250	-	22,250
Disposals	-	-	-
At 31 March 2021	<u>244,750</u>	<u>14,373</u>	<u>259,123</u>
<b>Net Book Value</b>			
At 31 March 2021	<u>1,980,250</u>	<u>0</u>	<u>1,980,250</u>
At 31 March 2020	<u>2,002,500</u>	<u>0</u>	<u>2,002,500</u>

All of the fixed assets are used for charitable purposes. All properties are included at valuation. Properties are revalued on a 5 yearly basis and the next valuation is due on 31 March 2023.

The Church's functional freehold properties are:

- The Church Romford Road, London E7 8AA
- The Manse, 345, Romford Road, London E7 8AA

### 6. Fixed Asset Investments

Investment properties	2021 £	2020 £
At 1 April	1,225,000	1,225,000
Revaluation	75,950	-
Disposals/redemptions	-	-
At 31 March	<u>1,300,950</u>	<u>1,225,000</u>

The church's investment properties are:

- 345a & 345b Romford Road, London, E7 8AA. This property currently also includes the manse (see note 5).
- 146 Claremont Road, London E7 0PX

The valuation in 2018/19 was carried out by local estate agents, Wilkinson, based on similar properties recently sold in the area. The valuation in 2020/21 was undertaken by the trustees with reference to the average price change for flats in Newham, as published by HM Land Registry in its House Pricing Index data.



# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 7. Debtors

	2021 £	2020 £
Prepayments	6,877	7,172
Lettings income receivable	1,071	2,395
Gift Aid Receivable	2,285	2,509
	<u>10,233</u>	<u>12,076</u>

### 8. Creditors - Amounts Falling Due Within One Year

	2021 £	2020 £
Loan – individual	-	-
Loan 1 - London Baptist Property Board – concessionary loan	24,712	24,712
Loan 2 - London Baptist Property Board – concessionary loan	8,400	8,400
Other creditors including taxation and social security	1,991	2,986
Accruals	2,000	7,035
	<u>37,103</u>	<u>43,133</u>

See note 9 for details of the loan with the London Baptist Property Board.

### 9. Creditors - Amounts Falling Due After More Than One Year

	2021 £	2020 £
Loan 1 - London Baptist Property Board – concessionary loan	18,844	43,823
Loan 2 - London Baptist Property Board – concessionary loan	30,173	38,695
	<u>49,017</u>	<u>82,518</u>

The terms of the loans are:

- Loan 1: interest is payable at a variable percentage rate per annum; the capital is repayable in equal quarterly instalments over ten years commencing 6 months from the date of the first draw down, which was 13 February 2012. The loan is secured against the property.
- Loan 2: interest is payable at a variable percentage rate per annum; the capital is repayable in equal quarterly instalments over ten years commencing 6 months from the date of the first draw down, which was 12 December 2014. The loan is secured against the property.

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 10. Provisions

	2021 £	2020 £
Balance brought forward	39,646	44,775
Deficit contributions made in the year	(3,345)	(4,362)
Unwinding of discount	(11,801)	(767)
	<hr/>	<hr/>
Balance carried forward	<b>24,500</b>	<b>39,646</b>

A provision has been included for deficit contributions due to the Baptist Pension Scheme. The current deficit reduction plan requires contributions to be made until June 2026. The provision has been calculated based on the current deficit contributions, assuming they will increase by 3.3% inflation per annum and the total liability has been discounted to present value at 2.0%.

The Church has been advised that the cost for the church to buyout their Pension Scheme liabilities at 30 November 2021 was approximately £33,500.

More details of the pension provision can be found in note 13.

### 11. Endowment Funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2021 £
JH French Settlement	730	-	-	-	-	730

**JH French Settlement.** A former minister (J H French) in the 1920's bequeathed some funds to the church. The capital is not expendable. The dividends are to be applied "for the upkeep of the buildings"

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 12. Restricted Funds

12a: Current Year	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2021 £
Near Neighbours project	2,550	-	-	-	-	2,550
Baptist Missionary Society	0	180	(160)	-	-	20
Good News	21	-	-	-	-	21
Music project	4,800	960	-	-	-	5,760
Football ministry	1	-	-	-	-	1
A Place To Be (AP2B)	2,186	-	-	-	-	2,186
East End Community Forum grant	-	4,840	(4,777)	-	-	63
Foodbank	0	15,357	(1,761)	-	-	13,596
BMS Harvest Appeal	74	-	(74)	-	-	0
Fitness class	1,148	-	-	-	-	1,148
Building Fund	9,610	-	-	-	-	9,610
	<u>20,390</u>	<u>21,337</u>	<u>(6,772)</u>	<u>0</u>	<u>0</u>	<u>34,955</u>

  

12b: Prior Year	At 1 April 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2020 £
Near Neighbours project	2,550	-	-	-	-	2,550
Baptist Missionary Society	0	450	(450)	-	-	0
Newham/Let's get the party started	0	250	(250)	-	-	0
Good News	6	15	-	-	-	21
Music project	3,920	880	-	-	-	4,800
Football ministry	241	-	(240)	-	-	1
Patrick Musoke (Agape)	67	1,166	(1,233)	-	-	0
A Place To Be (AP2B)	2,186	-	-	-	-	2,186
Foodbank	0	4,463	(4,463)	-	-	0
BMS Harvest Appeal	0	413	(339)	-	-	74
CSW	5	353	(358)	-	-	0
Fitness class	1,148	-	-	-	-	1,148
Minister Pension	0	6,000	(6,000)	-	-	0
Building Fund	9,610	-	-	-	-	9,610
	<u>19,733</u>	<u>13,990</u>	<u>(13,333)</u>	<u>0</u>	<u>0</u>	<u>20,390</u>

Descriptions of the main restricted funds are as follows:

**Near Neighbours Project.** Funds provided by the Church Urban Fund specifically for the running of an inter-cultural cooking project, designed to raise awareness and strengthen friendships between people of different Faith groups.

**Baptist Missionary Society.** This fund is used to collect any money donated to BMS as part of the Birthday Scheme and is sent off to Baptist Missionary Society roughly quarterly.

**Newham Grant – Christmas 2020.** Newham Borough Council offer grants for community groups holding parties, and this one was used for a Christmas party for the attendees of the church's baby toddler group.

**Good News.** This fund contains an ongoing donation to allow the purchase of the Good News newspaper.

**Music Project.** A member of the church gave money regularly to allow the church to set up some sort of music project, e.g. a choir, for young people within the church.

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

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### 12. Restricted Funds (continued)

**Football Ministry.** was a grant awarded by IBM to our football academy several years ago to support the work of the church's weekly Kick London football school.

**Patrick Musoke.** This restricted fund was used to allow the congregation to support the children's work of Agape ministries, a charity set up by Reverend, now Bishop, Patrick Musoke in Uganda. Following discussion, the church decided to withdraw its support from this organisation in 2019.

**A Place To Be (AP2B).** Funds raised specifically for the equipping of a space in the church building for use by the youth group. The grant was intended to be used to give the church youth a stake in the decoration.

**East End Community Forum grant.** Grant for the church's foodbank.

**Foodbank.** Funds raised specifically for the operation of a foodbank by the church.

**CSW.** Funds raised specifically for Christian Solidarity Worldwide who focus on persecuted Christians. The Church's Christmas offering was dedicated to this charity.

**Fitness class.** The weekly Ladies Fitness Class effectively runs at a loss but helps to support ladies in our community who for religious or cultural reasons find it easier to take part in less public fitness sessions that are run by a female fitness instructor. The ladies who attend pay a subscription fee, but a grant was received a few years ago that partially subsidises the club, and the fund is slowly reducing year on year.

**Building Fund.** This fund was set up when it was discovered that the fascias on the bricks on the front of the main church buildings were degrading and also that the tower on the south-eastern corner of the church would need to be effectively rebuilt. Both repairs will be very expensive, and we are currently waiting on the sale of 146 Claremont Road in order to carry out the work, so this fund will remain in place until that is complete, but will be used to contribute to the cost.

### 13. Pensions

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 Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.]

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

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

# WOODGRANGE BAPTIST CHURCH

## Notes to the Financial Statements For the year ended 31 March 2021

### 13. Pensions (continued)

The key financial assumptions underlying the valuation were as follows:

RPI price inflation assumption	3.20%
CPI price inflation assumption	2.70%
Minimum Pensionable Income increases (CPI plus 1.0% pa)	0.50%
Assumed investment returns	
- Pre-retirement	2.95%
- Post retirement	1.70%
Deferred pension increases	
- Pre April 2009	3.20%
- Post April 2009	2.50%
Pension increases	
- Based on CPI with an annual floor of 0% and annual cap of 5%	2.70%

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension (credit)/cost for the Church is £(8,457) (2020: £8,128). The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2021.

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

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

#### 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.

Under the current Recovery Plan signed in September 2020, deficiency contributions are payable until 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.

### 14. Related Party Transactions

Rev Bruce Stokes, a Managing Trustee and member of the Church Executive, received gross remuneration of £33,104 (2020: £32,209) and pension contributions (including deficit contributions) of £5,706 (2020: £7,637) during the year in his employed capacity of Minister. Rev Bruce Stokes also occupied the Church manse, rent free, as part of his contract of employment for the better performance of his duties. The Church contributed £1,080 (2020: £684) towards heating and lighting costs.

Lois Stokes, the spouse of Bruce Stokes, received gross remuneration of £1,942 (2020: £1,914) for cleaning services. £4,777 was also paid to Lois for expenses incurred on behalf of the church's food bank. This spend was on the back of a £4,800 grant made to the church for use by the food bank. The remainder of the money given was spent in financial year 2021-22.

The Trustees made aggregate unrestricted donations of £20,790 (2020: £14,995) during the year.