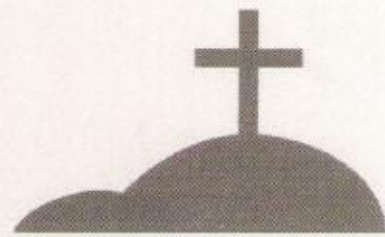


# EAST HILL BAPTIST CHURCH



## Trustees' Report and Financial Statements Year Ended 31 December 2017

BLESSED ACCOUNTANTS  
238 Merton High Street  
Wimbledon  
SW19 1AU  
Tel: 020 8544 1551  
Email: [accountants@blessedltd.com](mailto:accountants@blessedltd.com)  
Web: [www.blessedltd.com](http://www.blessedltd.com)

**EAST HILL BAPTIST CHURCH  
FOR THE YEAR ENDED 31 DECEMBER 2017  
COMPANY INFORMATION**

**Directors/Trustees**

Holding Trustee of the church property:

The London Baptist Property Board

Managing Trustees (Church Leaders serving when the accounts were approved):

Pastor:	Rev'd Ray Pountney
Elders:	Mr Richard Lane (Treasurer)
	Mrs Susan Lansley
	Ms Pari Sailo
	Mr Lennox Moore
Deacons:	Mr Frank Joseph
	Mrs Radhika Lane
	Mrs Donna Moore-Atkinson
	Mrs Helen Morgan-Geary
	Mrs Isilma Niccolls
Life Deacon:	Mrs Mary Moore

**Key staff**

Pastor: Rev'd Ray Pountney

**Governing Document**

Trust Deed dated 12th December 1864. New governing document adopted in 2017.

**Company/Charity Registration Numbers**

Unregistered.

**Address:**

182 East Hill  
Wandsworth  
London SW18 2HD

**Independent Examiner**

Florence Johnson FCCA  
Blessed Accountants  
238 Merton High Street  
Wimbledon London SW19 1AU

**Bankers**

Barclays Bank PLC  
Business Banking  
Octagon House  
Gadbrook Park  
Northwich Cheshire CW9 7RB

**CONTENTS**

	Page
Company Information	1
Trustees' Report	2-4
Independent Examiner's Report	5
Receipts and Payments Account	6
Statement of Assets and Liabilities	7
Notes to the Accounts	8-9

**EAST HILL BAPTIST CHURCH  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Church Leaders have pleasure in submitting the Report and Accounts for the year.

East Hill Baptist Church is an unincorporated association. It is also an unregistered charity excepted from the requirement to register as its property is held in trust by the London Baptist Property Board and its annual income is under £100,000. The Church is a member of the Baptist Union of Great Britain.

**Objects of the charity**

The Church was established on the basis of a Trust Deed dated 1864. The Church adopted a new governing document in 2017 based a model produced by the Baptist Union of Great Britain and agreed with the Charity Commission which contains the following objects:

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.

**Governance**

The policy and operating decisions of the charity rest with the charity's Trustees listed on the previous page (Church Leadership - Pastor, Elders and Deacons - and for matters concerning property the London Baptist Property Board) and through any specific direction of the Church Members' Meeting. The Church Leadership meet regularly to monitor the activities of the Company. The governing document adopted in 2017 specifies the procedure for the election of Elders and Deacons, the Pastor, Treasurer and Secretary by the Church Members' Meeting, their roles and how Church Members' Meetings are run.

At the end of 2017 the Church had 57 members (2016: 56).

**Review of Activities**

**Regular services and other meetings:** The Church has a full programme of regular services and other meetings during the week. Attendance at Sunday services usually exceeds 75. Tuesday Fellowship has grown in popularity and is often attended by more than 25. Weekly Bible studies and meetings of the Youth Group and Bible College also continue to be well supported. Underpinning weekly meetings, the ministries of the worship team, Sunday School and intercessory prayer team remain strong. Less frequent activities include an annual holiday, outings and quarterly breakfasts.

**Outreach:** The Church remained active in reaching out to the community during the year. Street outreach takes place every Saturday and the Minnies and Minders toddler group runs on 3 mornings a week. The Toddler Group has faced increased competition from other local groups and attendance was down in 2017. This activity is being scaled back accordingly.

**EAST HILL BAPTIST CHURCH  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Mission:** The Church continues to support mission work both in the UK and overseas. Former Church Youth Pastor Armond Anderyassian-Aznawoole is serving in Peru and Jenny Hensman's work with Mind the Gap Africa, providing a home and family for orphaned Zimbabwean children, continues to prosper. Support is also provided to Wandsworth Street Pastors and a range of other causes including The BU's Home Mission Fund, BMS Baptist World Mission, Tear Fund, Open Doors, Christian Solidarity Worldwide and Barnabas Fund.

**Partnerships:** Fe e Vida, a Brazillian church, uses the church building on Sunday evenings and during the week and every few months a joint service is held. The Church is working with Fe e Vida to establish a cafe on the ground floor of the church building. After being open for a year the cafe was closed in April 2017 pending resolution of town planning issues. The Church also supported a number of joint events with other Baptist churches in southwest London and other churches of different denominations in Wandsworth. Events with other Wandsworth churches included an annual free barbeque and carol singing at Christmas.

**Regularity:** In planning the activities the Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

#### **Plans for Future Periods**

The Church continues to seek opportunities to encourage members and friends in their walk with Jesus Christ and to reach out to the community with the gospel message. To this end we hope to establish the café and achieve synergies with other uses of the building. We also aim to develop an accredited Bible College with the support of churches in the United States.

#### **Principal Sources of Funding**

The church receives its funding from church members by way of weekly offerings, Gift Aid donations and income from renting the premises to organisations in sympathy with the aims of the Church and from Toddler Group users.

#### **Financial Review**

Total receipts increased by £12,032 compared with 2016. In 2017 income was £75,780 (2016: £63,748). This was largely due to two large one-off donations amounting to £15,000 (included in regular giving) and an increase in other regular giving by 25% to £42,745 (2016: £34,017) for which we give thanks. Generated Funds (Fees and Other) fell by £4,747 to £3,074 (2016:£3,074) because of lower attendance at the toddler group.

Payments reduced by £9,882 to £87,917 (2016: £78,035). This was mainly due to higher expenditure on church premises and manse repairs.

Overall, payments exceeded receipts for the year by £12,138 (2016: £14,287).

Current assets (including the gift aid debtor) have fallen from £116,302 to £108,696 mainly due to the excess of payments on church running costs over receipts from donations.

**EAST HILL BAPTIST CHURCH  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Policy on Reserves**

The Church Leaders have recognised that reserves have been falling and that, if this trend is not addressed then the continuation of the ministry could be put at risk. The Church Leaders have adopted a policy of trying to maintain reserves of at least £100,000 as a buffer against unexpected expenses and that, should the level fall below this figure then economy measures would need to be implemented.

**Grant Making Policy**

The Church makes grants and donations from its income to individuals and organisations that are generally known to the Trustees and the Church. The beneficiaries are involved in activities or ministries compatible with the Church's objectives.

**Risk Statement**

The Church Leaders have reviewed the risks to which a small charity operating with few employees are exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis.

**Trustees' Responsibilities**

Charity law requires the Church Leaders as Trustees/Directors to prepare financial statements for each accounting year which give a true and fair view of the state of the charity and of its income and expenditure for the year.

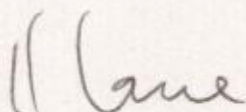
1. Select suitable accounting policies and apply them consistently
2. Make judgements and estimates that are reasonable and prudent
3. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
4. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 2006.

Trustees also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

**Approval**

This report was approved by the Trustees on 12th May 2018 and signed on their behalf by:



Richard Lane, Trustee

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF  
EAST HILL BAPTIST CHURCH**

I have examined the accounts for the year ended 31 December 2017 on pages 6 to 9 following which have been prepared on the basis of the accounting policies set out on page 8.

**Respective Responsibilities of Directors/Trustees and Examiner**

The directors/trustees of the company are responsible for the preparation of accounts; they consider that the audit requirements under section 144 of the Charities Act 2011 do not apply but that an independent examination is needed. I have been appointed to conduct an Independent Examination required by section 145 of the Charities Act 2011 and to report in accordance with the regulations made under section 145 of that Act. It is my responsibility to examine the accounts, without performing an audit, and to report to the trustees.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (1) examine the accounts under section 145 of the Charities Act 2011;
- (2) follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011;
- (3) state whether particular matters have come to my attention.

The charity's gross income did not exceed £250,000 and I am qualified to undertake the examination.

**Basis of Examiner's Statement**

This report is in respect of an examination carried out under section 145 of the Charities Act 2011, and in accordance with the 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 a review of the accounts and making such enquiries as are necessary for the purpose of this report. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Examiner's Statement**

Based on my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, accounting records have not been kept in accordance with section 386 of the Companies Act 2006, or that the accounts presented do not accord with those records, or comply with the accounting requirements of section 396 of the Companies Act 2006. No matter has come to my notice in connection with my examination to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts.



Florence Johnson FCCA  
Blessed Accountants  
238 Merton High Street  
Wimbledon  
London SW19 1AU

12 May 2018

**EAST HILL BAPTIST CHURCH  
RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Unrestricted Funds £s	Designated Funds £s	Restricted Funds £s	Total Funds 2017 £s	Total Funds 2016 £s
<b>Receipts</b>						
<b>Voluntary Receipts</b>						
	Donations and Regular Giving	57,041	705	-	57,745	34,017
	Raised for Mission Partners	-	-	263	263	135
	Tax Refunds (Gift Aid)	4,068	-	-	4,068	11,949
<b>Generated Funds</b>	Hall Hire/Property Rent	10,313	-	-	10,313	8,243
	Fees and Other	-	3,074	-	3,074	7,821
<b>Interest on Deposits</b>		317	-	-	317	444
<b>Other incoming resources</b>					-	1,139
	<b>Total Receipts</b>	<b>71,738</b>	<b>3,778</b>	<b>263</b>	<b>75,780</b>	<b>63,748</b>
<b>Payments</b>						
<b>Church Activities</b>						
<b>Costs of the Ministry</b>						
	Minister's Stipend, Pension and NIC	35,496	-	-	35,496	35,562
	Pastoral Assistance & Visiting Preachers	1,068	-	-	1,068	3,890
	Ministry Expenses	2,587	20	-	2,607	2,228
	Missions	3,818	-	263	4,081	3,620
	Other	5,305	365	-	5,670	4,818
<b>Premises Costs</b>	Church Premises Costs	26,596	-	-	26,596	17,281
	Manse costs	6,885	-	-	6,885	2,459
<b>Costs of Generating Funds</b>		-	5,515	-	5,515	8,178
	<b>Total Payments</b>	<b>81,754</b>	<b>5,901</b>	<b>263</b>	<b>87,917</b>	<b>78,035</b>
	<b>Net Receipts/(Payments)</b>	<b>(10,016)</b>	<b>(2,122)</b>	<b>-</b>	<b>(12,138)</b>	<b>(14,287)</b>
	<b>Transfers between funds</b>	-	-	-	-	-
	<b>Net after transfers</b>	<b>(10,016)</b>	<b>(2,122)</b>	<b>-</b>	<b>(12,138)</b>	<b>(14,287)</b>
	<b>Balances brought forward 1 January 2016</b>	<b>109,579</b>	<b>2,180</b>	<b>-</b>	<b>111,760</b>	<b>126,047</b>
	<b>Balances carried forward 31 December 2016</b>	<b>99,563</b>	<b>58</b>	<b>-</b>	<b>99,622</b>	<b>111,760</b>

The notes on pages 8 and 9 form part of these statements

**EAST HILL BAPTIST CHURCH**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2017	Total Funds 2016
		£s	£s	£s	£s	£s
<b>Assets</b>						
<b>Cash Funds</b>	Cash Balances	119	-	-	119	119
	Bank Current Accounts	17,293	58	-	17,351	9,806
<b>Other Monetary Assets</b>						
	London Baptist Property Board Deposit	81,017	-	-	81,017	100,700
	Cash advance to Rev'd Pountney	1,135	-	-	1,135	1,135
<b>Subtotal of Fund balances on the Receipts and Payments Account</b>		<b>99,564</b>	<b>58</b>	<b>-</b>	<b>99,622</b>	<b>111,760</b>
<b>Debtor</b>	Her Majesty's Revenue & Customs (Gift Aid)	9,074	-	-	9,074	4,543
<b>Total Assets including Debtor</b>		<b>108,638</b>	<b>58</b>	<b>-</b>	<b>108,696</b>	<b>116,303</b>

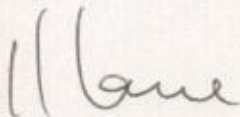
**Assets Retained for Church Use**

East Hill Baptist Church, 182 East Hill, SW18 2HD. The building was constructed in 1997 as part of a development involving demolition of a previous building and disposal of land. At the time the value of the new building was estimated to be £500,000 and the value of the land was also estimated to be £500,000.

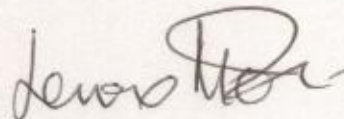
63a Aslett Street, SW18 2BE. The property was purchased in 2004 for £447,000.

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
		£s	£s	£s	£s	£s
<b>Liabilities</b>	London Baptist Association Loan	1,200	-	-	1,200	1,200
<b>Contingent Liabilities</b>	<p>In common with many other Baptist churches, East Hill's Minister is a member of the Baptist Pension Scheme. The continued viability of the Defined Benefit Scheme came under severe pressure due to low investment returns and increased life expectancy and in 2012, the defined benefit scheme was closed and a defined contribution scheme was opened in its place. It has been estimated that, at 31st December 2015, the Defined Benefit Scheme was in deficit by £105m or, put another way, assets were in place to meet 63% of liabilities. Employers' contributions have been increased to eliminate the inherited deficit on the Defined Benefit Scheme by 2035. Should the Minister of the Church leave and not be replaced within three years (the period of grace) the church would be legally required to pay in full its share of the inherited deficit. It is likely this would amount to tens of thousands of pounds should it arise. An update on the funding position of the Defined Benefit Scheme was not available when the accounts were being finalised but the valuation of assets as at 31 December 2016 was £220m, an increase of £40m compared to 31 December 2015.</p>					

Approved by the Trustees at a Meeting on 12th May 2018 and signed on its behalf by



Richard Lane, Trustee



Lennox Moore, Trustee

The notes on pages 8 and 9 form part of these statements



**EAST HILL BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**1 Accounting Policies**

**Basis of preparation of accounts**

In accordance with the Charities Act 2011 (section 133 applying to charities with gross annual income of less than £250,000) the charity trustees have elected to prepare accounts on a Receipts and Payments basis, and also prepare a statement of assets and liabilities. The format adopted follows guidance issued by the Association of Church Accountants and Treasurers. The accounts include the results of East Hill Baptist Church's operations which are described in the Trustee's Report and all of which are continuing.

**Income**

Voluntary income, legacies, Gift Aid and donations are accounted for as received by the charity.

**Value Added Tax**

Value added tax is not recoverable by East Hill Baptist Church and as such is included in the relevant costs in the Receipts and Payments Account.

**Pensions**

The Church offers the Minister membership of the Baptist Pension Scheme. Other staff are invited to request support with pension scheme membership.

**2 Analysis of Fund Movements for the Year**

- i) Unrestricted Funds may be used by the Church for any of its general purposes. The movements in the fund are shown in the Receipts and Payments Account.
- ii) Designated Funds represent sums set aside, out of general unrestricted funds, for specific designated purposes, but they can be transferred back into general unrestricted funds at any time.

Fund Name	Fund Purpose	Balance 1 January £s	Receipts £s	Payments £s	Transfers £s	Balance 31 December £s
Benevolent Fund	To assist needy people	-	133	(15)	0	118
Sunday School	To meet Sunday School expenses	20	(0)	(20)	-	-
Toddler Group	To separately account for Toddler Group finances	(189)	3,074	(5,515)	-	(2,630)
Tuesday Fellowship	To meet Tuesday fellowship expenses	2,349	571	(350)	-	2,570
Totals (per Receipts and Payments Account)		2,180	3,778	(5,901)	-	58

Notes: For the Toddler Group, payments exceeded receipts in the year so a deficit balance is carried forward to 2018.

- iii) Restricted Funds represent either income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, or donations or grants received or invited for a specific purpose. The funds may only be spent on the specific purpose for which they were given. Any balance remaining unspent must be carried forward as a balance on that fund and cannot be absorbed into general funds.

Fund Name	Fund Purpose	Balance 1 January £s	Receipts £s	Payments £s	Transfers £s	Balance 31 December £s
Zimbabwe mission work	To support mission work in Zimbabwe	-	263	(263)	-	-
Totals (per Receipts and Payments Account)		-	263	(263)	-	-

Notes: Donations to other causes amounted to £4,081 in total (2016: £3,620). Most of these donations were made from unrestricted funds.

- iv) Reasons for any transfers between funds: There were no transfers between funds this year.

**EAST HILL BAPTIST CHURCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**3 Assets for Church Purposes**

The Church's premises and a manse are owned by the Church. In managing these assets the Church is assisted by the London Baptist Property Board. A reliable valuation is not available for these assets.

**4 Analysis of Receipts and Payments Items**

	Unrestricted Funds £s	Designated Funds £s	Restricted Funds £s	Total 2017 £s	Total 2016 £s
Other costs of ministry included					
Copyright licence	476			476	468
Independent examination fees	660			660	840
Subscriptions to Baptist bodies	581			581	371
Donations to Mission organisations included					
Wandsworth Street Pastors	556			556	930
Home Mission	556			556	530
Mind the Gap Africa	293		263	556	530
Pioneers Peru/Armond Anderyassian-Aznawoole	556			556	530

**5 Staff and Transactions with Trustees**

	2017	2016
Average number of employees in the year	5.7	7.3
	Total 2017 £s	Total 2016 £s
Gross wages and salaries	40,868	44,466
Employer's National Insurance costs	3,180	2,724
Pension contributions	6,972	6,854
<b>Total Staff Costs</b>	<b>51,020</b>	<b>54,044</b>

No staff received salaries exceeding £60,000 per annum.

**6 Related Party Transactions**

Owing to the nature of the Church's activities and the composition of the Trustees being drawn from the congregation it is inevitable that transactions will take place with the Trustees themselves or with organisations in which Trustees have an interest. During the year, all Trustees made donations to the Church. Rev'd Ray Pountney received a ministerial stipend of £28,241 (2016: £25,864) and benefited from the rent free use of 63a Aslet St. Rev'd Pountney has received an interest-free cash advance from the Church for the purchase of a vehicle. The outstanding balance at 31 December 2017 was £1,135. Premises expenses of £390 (2015: £298) were reimbursed to an organisation for which Rev'd Pountney is a trustee: Wandsworth Youth for Christ. Mrs Radhika Lane (wife of Mr Richard Lane) received wages as a Toddler Group helper of £825 (2016: £2,289). Rev'd Ray Pountney was reimbursed for business expenses totalling £2,534 (2016: nil), Mr Richard Lane (Treasurer) was reimbursed for business expenses totalling £4,174 (2016: £1,440), Mrs Radhika Lane was reimbursed for business expenses totalling £216 (2016: nil) and Ms Pari Sailo was reimbursed for business expenses totalling £154 (2016: £97). Trustees were also involved in collecting funds passed on to third parties for outings/holidays and in support of mission/charitable work. Trustees did not take part in making decisions where they had a conflict of interest.