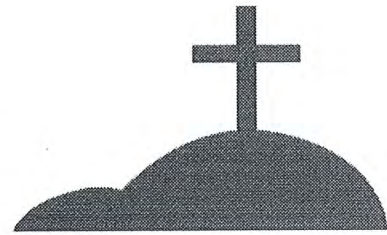


EAST HILL
BAPTIST CHURCH



Trustees' Report and Financial Statements
Year Ended 31 December 2018

BLESSED ACCOUNTANTS
328 London Road
Mitcham
CR4 3ND
Tel: 020 8544 1551
Email: accountants@blessedltd.com
Web: www.blessedltd.com

**EAST HILL BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2018
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
328 London Road
Mitcham CR4 3ND

Bankers

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

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**EAST HILL BAPTIST CHURCH
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 2018 the Church had 60 members (2017: 57).

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 Cafe and Young Adults 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. The Toddler Group ran on 3 mornings a week but has been scaled back due to poor attendance in 2018.

**EAST HILL BAPTIST CHURCH
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 partnered with Fe e Vida to establish a cafe on the ground floor of the church building during 2016. The cafe was closed in 2017 pending resolution of town planning issues. Change of use planning permission has now been granted and it is hoped to re-open the cafe under direct management of East Hill Baptist Church during 2019. The Church supported a number of joint events with other Baptist churches in southwest London and with other churches of different denominations in Wandsworth. Events with other Wandsworth churches included 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 re-establish the café and achieve synergies with other uses of the building.

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

In 2018 total receipts were £75,503 (2017: £75,780). Donations a regular giving was £57,397 (2017 £57,745). This included donations of £13,210 to pay for a new boiler. In the previous there were one-off donations of a similar amount. Generated Funds (Fees and Other) fell to £1,393 (2017: £4,747) because of lower attendance at the toddler group. Income from hall hire also fell to £7,182 (2017: £10,313) but Gift Aid receipts increased to £9,074 (2017: £4,068).

Payments increased by £9,060 to £96,978 (2017: £87,918). This was mainly due to higher expenditure on church premises and in particular the replacement of the church boiler.

Overall, payments exceeded receipts for the year by £21,475 (2017: £12,138).

Current assets (including the gift aid debtor) have fallen from £108,696 to £84,821 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 2018**

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 £37,500 as a buffer against unexpected expenses and that, should the level fall below this figure then urgent 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 July}..... 2019 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 2018 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

328 LONDON ROAD
MITCHAM
CR4 3ND



..... 11th May 2019

**EAST HILL BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Unrestricted Funds £s	Designated Funds £s	Restricted Funds £s	Total Funds 2018 £s	Total Funds 2017 £s
Receipts						
Voluntary Receipts						
	Donations and Regular Giving	42,967	14,430	-	57,397	57,745
	Raised for Mission Partners	-	-	5	5	263
	Tax Refunds (Gift Aid)	9,074	-	-	9,074	4,068
Generated Funds	Hall Hire/Property Rent	7,182	-	-	7,182	10,313
	Fees and Other	-	1,393	-	1,393	3,074
Interest on Deposits		452	-	-	452	317
Other incoming resources					-	-
	Total Receipts	59,675	15,823	5	75,503	75,780
Payments						
Church Activities						
Costs of the Ministry	Minister's Stipend, Pension and NIC	5	35,876	-	-	35,876
	Pastoral Assistance & Visiting Preachers		550	-	-	550
	Ministry Expenses		1,504	-	-	1,504
	Missions		4,332	-	5	4,337
	Other	4	7,070	1,273	-	8,343
Premises Costs	Church Premises Costs		25,452	13,832	-	39,285
	Manse costs		3,593	-	-	3,593
Costs of Generating Funds		5	-	3,490	-	3,490
	Total Payments		78,378	18,596	5	96,978
	Net Receipts/(Payments)		(18,703)	(2,773)	-	(21,475)
	Transfers between funds		-	-	-	-
	Net after transfers		(18,703)	(2,773)	-	(21,475)
	Balances brought forward 1 January		99,563	58	-	99,622
	Balances carried forward 31 December		80,861	(2,714)	-	78,147

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 2018**

		Unrestricted Funds £s	Designated Funds £s	Restricted Funds £s	Total Funds 2018 £s	Total Funds 2017 £s
Assets						
Cash Funds	Cash Balances	119	-	-	119	119
	Bank Current Accounts	18,639	(2,714)	-	15,924	17,351
Other Monetary Assets						
	London Baptist Property Board Deposit	61,468	-	-	61,468	81,017
	Cash advance to Rev'd Pountney	635	-	-	635	1,135
Subtotal of Fund balances on the Receipts and Payments Account		80,861	(2,714)	-	78,147	99,622
Debtor	Her Majesty's Revenue & Customs (Gift Aid)	6,674	-	-	6,674	9,074
Total Assets including Debtor		87,535	(2,714)	-	84,821	108,696

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 £s	Designated Funds £s	Restricted Funds £s	Total Funds 2018 £s	Total Funds 2017 £s
Liabilities	London Baptist Association Loan	1,200	-	-	1,200	1,200
Contingent Liabilities	<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 was 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 were 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) a 'cessation event' would have occurred and the church would be legally required to pay in full it's share of the inherited deficit. This could amount to tens of thousands of pounds should it arise. In January 2019 it was announced that the Baptist Union was contributing £33m as part of a 'family solution' to help reduce the deficit on the scheme. Together with other changes this resulted in the estimated deficit reducing to £80m and the estimated date when the deficit would cleared coming forward to 2028. Further details can be found here: https://www.baptistpensions.org.uk/content/pages/documents/1548255161.pdf</p>					

Approved by the Trustees at a Meeting on 13th July 2019 and signed on their 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 2018**

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 these funds 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	118	-	-	-	118
Youth Café	To separately account for Youth Cafe expenses	-	(0)	(673)	-	(673)
Toddler Group	To separately account for Toddler Group finances	(2,630)	1,393	(3,490)	-	(4,727)
Tuesday Fellowship	To meet Tuesday fellowship expenses	2,570	219	(600)	500	2,689
Building Repair Fund	To meet the cost of major building repairs	-	14,210	(13,832)	(500)	(122)
Totals (per Receipts and Payments Account)		58	15,823	(18,596)	-	(2,714)

Notes: For the Toddler Group, Youth Café and Building Repair Fund, payments exceeded receipts and brought forward balances so a deficit balance is carried forward.

- 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	-	5	(5)	-	-
Totals (per Receipts and Payments Account)		-	5	(5)	-	-

Notes: Donations to other causes amounted to £4,337 in total (2017: £4,081). Most of these donations were made from unrestricted funds.

- iv) Reasons for any transfers between funds: £500 was transferred from the Tuesday Fellowship Fund to the Building Repair Fund as a contribution to boiler replacement costs.

**EAST HILL BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 2018 £s	Total 2017 £s
Other costs of ministry included					
Copyright licence		493		493	476
Independent examination fees		660		660	660
Subscriptions to Baptist bodies		590		590	581
Donations to Mission organisations included					
Wandsworth Street Pastors		545		545	556
Home Mission		545		545	556
Mind the Gap Africa		540	5	545	556
Pioneers Peru/Armond Anderyassian-Aznawoole		545		545	556

5 Staff and Transactions with Trustees

	2018	2017
Average number of employees in the year	4.8	5.7
	Total 2018 £s	Total 2017 £s
Gross wages and salaries	39,434	40,868
Employer's National Insurance costs	2,828	3,180
Pension contributions	7,076	6,972
Total Staff Costs	49,338	51,020

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 £28,554 (2017: £28,241) 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 2018 was £635. Premises related expenses of £3,316 (2017: £390) 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 £1,193 (2017: £825). Rev'd Ray Pountney was reimbursed for business expenses totalling £392 (2017: £2,534), Mr Richard Lane (Treasurer) was reimbursed for business expenses totalling £666 (2017: £4,174), Mrs Radhika Lane was reimbursed for business expenses totalling £271 (2017: £216) and Mrs Susan Lansley was reimbursed for business expenses totalling £162 (2017: Nil). 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.