

CHARLOTTE BAPTIST CHAPEL
REPORT AND ACCOUNTS
For the period ended 30 April 2018
Charity No. SC011655

Johnston Smillie Ltd
Chartered Accountants
6 Redheughs Rigg
Edinburgh
EH12 9DQ

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

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**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS

The Elders are pleased to present their report and audited financial statements for the 16 month period ended 30 April 2018. The comparatives are for the year to 31 December 2016.

Reference and Administrative Information

Charity Name:	Charlotte Baptist Chapel
Charity Registration Number:	SCO11655
H.M. Revenue & Customs Reference Number:	CR20140
Operational Address:	[REDACTED]
Senior Pastor:	[REDACTED]
Associate Pastors:	[REDACTED] (from 1 Sep 2018)
Assistant Pastor	[REDACTED] (resigned 31 July 2017)

Elders during the period to 30th April 2018:

[REDACTED]	(ex officio)
[REDACTED]	(ex officio)
[REDACTED]	(ex officio from 1 September 2018)
[REDACTED]	Treasurer ex officio)
[REDACTED]	(transferred to Hope City Church on 26th March 2018)
[REDACTED] Chairman	(resigned 31 May 2017)
[REDACTED] Chairman	(from 1 June 2017)
[REDACTED]	(resigned 31 March 2017)
[REDACTED]	(transferred to Hope City Church on 26th March 2018)
[REDACTED]	(resigned November 2018)
[REDACTED]	(from 1 April 2017)
[REDACTED]	(from 1 June 2017, transferred to Hope City Church on 26th March 2018)
[REDACTED]	(from 1 June 2018)
[REDACTED]	(from 1 June 2018)

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Reference and Administrative Information (cont'd)

Property Trustees:



Treasurer:



Chapel Office Manager:



Auditors:

Johnston Smillie Ltd., Chartered
Accountants and Registered Auditors,
6 Redheughs Rigg, Edinburgh

Chapel Bankers:

The Royal Bank of Scotland,
142-144 Princes Street, Edinburgh

Chapel Solicitors:

Lindsays, W.S., Caledonian Exchange, 19A
Canning Street, Edinburgh

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Structure, Governance and Management

Status of Charity, Governing Document and Affiliation

Between 1 January 2017 and 30 April 2018 the legal status of Charlotte Baptist Chapel ("the Chapel") remained that of an Unincorporated Society, formed for the promotion of the Evangelical Christian Faith. Its members consist of those who have applied for membership, and who, after interview, have satisfied the interviewing Elders as to their suitability for membership. They are then recognised and received into membership by the Congregation.

The Chapel was formed in 1808 by Rev. Christopher Anderson, who purchased the previous Chapel site in his own name, then in 1837 made it over to named Trustees. The Property Trustees, whose names are above, held that building for the use of the Congregation. The "founding document" is therefore the Trust Disposition of 1837. New Property Trustees are assumed, as required, on the recommendation of the Elders of the Chapel.

The Elders, who are the Trustees of the Chapel for the purposes of the Charities and Trustees (Investment) Act 2005 as amended, are responsible for directing the Chapel and for its management and its day to day running.

The Property Trustees hold the Chapel's property in Trust for the members under a Trust contained in the Trust Disposition and Assignment by Christopher Anderson in favour of John Dudgeon and others dated 2 March 1837 and Instrument of Sasine following that dated and recorded in the Register of Sasine for Edinburgh on 3 March 1837. The Property Trustees own the manses at 3 Greenbank Grove, Edinburgh and 41 Cramond Avenue, Edinburgh. Charlotte Baptist Chapel Ltd owns the new church building at 58 Shandwick Place and the related office at 43 Queensferry Street Lane. These properties are held in trust for the church (on the status of CBC Ltd see the Treasurers report).

Ultimate responsibility for the governance of the Chapel rests with the membership in Congregational Meeting. During 2017 a written constitution was adopted by the members and the church moved towards transitioning to a Limited Company. This was not completed by 30 April 2018.

Management and Appointment of Elders and other members of the Leadership Team

The Chapel is self-governing and congregational in policy and its day-to-day running is undertaken by the Elders. The Chapel is independent, there is no relevant connected body however the Chapel is a member of the Fellowship of Independent Evangelical Churches.

Elders are democratically elected every five years on the vote of the members of the Congregation over 18 years of age. An election took place in June 2017 at which 2 Elders were appointed. The Deacons are appointed by the Elders following nomination by the members. The Deacons each have an area of responsibility, under the supervision of the Elders, and are responsible for the day to day activities of that area. Between 1 January 2017 and 30 April 2018 the following were the diaconate responsibilities:

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Structure, Governance and Management (cont'd)

<u>Role</u>	<u>Deacon</u>
Administration	Vacant
Care	
Catering	
Communications	(transferred to Hope City Church on 26th March 2018)
IT	
Property	
Finance	
Staffing	
Welcome	

All Elders have served the Chapel for some time in various roles and are familiar with the Chapel's values, its aims and objectives, constitution and financial situation as well as its day-to-day operations.

Risk Management

The Deacons have conducted a review of the major risk factors to which the Chapel is exposed, including Health and Safety. A risk analysis is updated at least annually. The Elders are satisfied that the systems currently in place mitigate any exposure to the major risks.

Organisational Structure

The Elders meet at least monthly with the Senior and Associate Pastors. The agenda includes items relating to day-to-day activities and pastoral care of those within the fellowship.

Business meetings for Chapel members are convened half yearly (one of which is the Annual General Meeting) and include statements of the Chapel finances, consultation about the work of the Chapel and policy and business remitted from the Elders. Further meetings may be held for members if required.

Additional informal meetings, which are open to all individuals attending the Chapel, are held for sharing and information.

Objectives and Activities

The Chapel's objects are the advancement of the Christian faith primarily in Edinburgh and also throughout Scotland and the rest of the world by all means consistent with the teachings of the Christian Bible including worship, ministry, mission, prayer, witness, education, community service and the support of agencies and individuals and other charitable organisations involved in Christian missionary work and the relief of poverty or other social needs. In addition, the Chapel aims to provide relief to those in need through age, ill health or disability.

Our vision as a church is to see lives transformed through Jesus to the glory of God. Our mission is to glorify God by making disciples of all nations. Disciples of Jesus who Love God, grow in Christ-likeness, serve Christ and go to make disciples who love, grow, serve and go.

For accounting purposes the activities have been stated as:

"Worship, Ministry, Prayer and Witness and Support of Missionaries and Other Organisations."

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Achievements and Performance

We desire to reach out with the gospel; build people up with the gospel; and send people out with the gospel of Jesus Christ.

With a membership of in excess of 570, plus several hundred adherents and visitors to our Sunday services, the Chapel provides a comprehensive programme of support and activities to people of all ages – ranging from children and young people, served by in excess of 150 volunteers, to caring for new mothers by the provision of food for their first week after coming home from hospital.

Around a third of our voluntary income through offerings and donations is given for the needs of people overseas through the various missionaries that we support, and through care and development agencies in response to natural disasters and famine relief.

Significant highlights, events and developments of note in the year include:

- The continued successful use of our building at Shandwick Place and increasing numbers of worshippers every Sunday.
- New members: 80
- Baptisms: 29
- Members who left: 76 (This includes those who moved with the Hope City Church plant)
- Membership numbers in April 2018: 603
- Significant numbers in attendance of free English classes and bible studies at International Café (approx. 45) and The International Fellowship (approx. 50).
- In excess of 160 children in Sunday School and mid-week Programmes.
- Around 150 children and young people in Uniformed Organisations (Scouts and Guides)

Financial review

Principal sources of funding

The Chapel receives its funding from members and those in the fellowship by way of regular offerings, standing orders, many of which are gift aided, and from general donations.

Occasionally we also receive legacies. Between 1 January 2017 and 30 April 2018, these totaled £25,901 (£1,487 in 2016).

There is no investment income other than bank interest. Details of designated funds appear in the notes to the accounts.

Reserves Policy

It is the policy of the Chapel to maintain unrestricted funds i.e. funds not committed or invested in fixed assets, at a level which equates to approximately three months unrestricted expenditure. This allows sufficient funds to enable the ongoing work of the Chapel to be maintained. The total of Unrestricted Funds held (including both the surplus on the General Fund at 30 April 2018 and the Capital Reserve Fund) excluding assets amounted to £150,203 (£176,162 in 2016) and was, therefore, above the required level.

Grant Making Policy

The Chapel makes grants from its donated income to beneficiaries and organisations that are generally known to the Elders and the Chapel. The beneficiaries are involved in activities or ministries compatible with the Chapel's objectives. Between 1 January 2017 and 30 April 2018 we donated £367,206 (£316,490 in 2016).

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Plans for future periods

The Chapel plans to continue its regular activities with a particular emphasis on prayer and preaching. We also aim to use growth groups as a means of providing care for one another on a more local level. On 30th April 2018 our plans for the future included:-

- Ensuring we have a staff team that is sufficient for the needs of a growing church;
- Planting churches locally on a regular basis;
- Supporting churches in Scotland by training and sending out pastors;
- Developing a care ministry to meet practical needs within the fellowship and beyond;
- Developing and implementing a strategy for sharing the gospel as widely as possible within Edinburgh.

Responsibilities of the Leadership Team

The Elders and Property Trustees are responsible for preparing the Report of the Elders and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Elders and Property Trustees to prepare financial statements for each financial period 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 these financial statements, the Elders and Property Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 charity will continue in business.

The Elders and Property Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are 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.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

REPORT OF THE ELDERS (cont'd)

Responsibilities of the Leadership Team (cont'd)

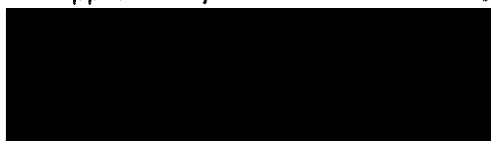
The Elders and Property Trustees for the purpose of charity law and who served during the period between 1 January 2017 and 30 April 2018 are set out on page 3 and 4.

As Elders and Property Trustees we certify that:

- So far as we are aware there is no relevant audit information of which the Chapel's auditors are unaware; and
- We have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Chapel's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities FRS102 (revised 2015).

Approved by the Elders on 22/1/2019 and signed on their behalf by



 (Chairman)

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

TREASURER'S REPORT

Introduction

We produce our accounts to comply with the Statement of Recommended Practice for Charity Accounts (SORP 2015).

It should be noted that this report and accounts unusually covers a 16 month accounting period (Jan 1st 2017 to April 30th 2018). This is due to the transition of Charlotte Baptist Chapel (the unincorporated voluntary association) to Charlotte Baptist Chapel Limited (the company limited by guarantee) that occurred on May 1st 2018. Therefore there is no direct correlation between the numbers presented in this document compared to previous year's accounting periods.

Total receipts in this accounting period were £1,035,803 (£942,927 in 2016). Total expenditure is £1,167,829 (£927,974 in 2016). The accounts show a deficit of £132,026.

Review of General Fund – Note 12

The offerings received by way of collections and Gift Aid in 2017/18 were £674,822 (2016: £434,660).

The overall income received into the unrestricted funds during 2017/18 was £698,599 (2016: £484,787).

Total expenditure in 2017/18 was £645,209 (2016: £504,506). This represents an increase of £140,703 on 2016. As in previous years by far the greatest outlay of £373,278 (£279,906 in 2016) related to salaries. For 2017/18 this equated to 58% of expenditure (55% in 2016).

These increases are due to a 16 month instead of the normal 12 month accounting period.

General Reserves - Note 12

The General Reserve which is the unrestricted funds closed 2017/18 with a balance of £1,125,203 (2016: £176,162), which includes a gain on revaluation of fixed assets of £975,000 (2016: nil).

In previous years we have always felt it prudent to retain at least three months of the General Fund expenditure in reserve. Applying that test would mean we should retain not less than £120,976 in reserve at the end of the financial period. The larger surplus is mostly due to the April 30th 2018 accounting end point not reflecting a linear budget spend for the whole year. We normally have a higher surplus during the first half of any given year.

Youth Council – Note 13

Youth council's income for 2017/18 was £7,663 (2016: £5,946). Its expenditure was £9,698 (2016: £5,946) giving a deficit of £2,035 (2016: £nil). Its reserves at the beginning of 2017/18 were £17,702 and after taking into account the deficit and transfers in the period, are now £13,911 as at 30 April 2018.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

TREASURER'S REPORT (Cont'd)

Mission Fund – Note 13

The Global Mission Ministry oversees the Chapel's missionary family under the direction of the Elders. In addition for the period it administered and dispersed funds received for members of our missionary family. From January 2018 onwards, the Global Mission fund merged with the General fund and became a budget line item in the General Budget. This now provides the funding for dispersing money to our missionary families and is not reliant on Mission specified income but rather General income. The reasons for this will become apparent in the next paragraph.

The total income received by the Mission Fund in the period was £214,149 (£212,126 in 2016). The overall mission expenditure in the period was £327,041 (£259,589 in 2016). This large deficit between Mission income and expenditure over two consecutive years was unsustainable and drove the merger between the Mission and General funds.

Included within the Mission fund are the following:

The Overseas Missionary Retirement Fund now has a balance of £83,475 (£88,200 as at 31 December 2016). This represents funds set aside to assist retiring Missionaries resettle in the UK or elsewhere following their retirement from their Mission field.

The Sheila Masterton Memorial Fund to be used to provide funding for training now has a balance of £22,046 as at 30 April 2018 (£31,469 as at 31 December 2016).

Greta Arthur Fund – Note 14

The Greta Arthur Fund comprises a legacy from the late Miss Arthur which was left to the Chapel "to be used for either or both of the following purposes and in such proportions as [the Chapel's] Elders Court in its discretion may choose :-

- (a) For the furtherance of youth work ; and
- (b) To aid missionary work organised through the Chapel

As at 30 April 2018 the Fund had a balance of £69,538. As at 31 December 2016 the Fund had a balance of £90,638 following disbursements approved by the Elders. This fund is separate from the General / Capital / Mission reserves detailed elsewhere in this report.

Shandwick Place funds – Notes 13 and 14

These funds represent funds restricted or designated for the purchase and renovation of the new church building in Shandwick Place. At the 30 April 2018 the fund balance stands at £1,550,050 (£1,610,352: 2016) restricted and £2,919,339 (£2,885,749: 2016) designated. These funds represent the assets which are the building and its refurbishment costs. They do not reflect cash in hand.

Risk Assessment and Reserve Policy

These are commented on in the Report of the Elders. The Chapel's bank accounts are not covered by the Government's deposit guarantee scheme.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

TREASURER'S REPORT (Cont'd)

2017/18

As we sign off on these final set of accounts for the Unincorporated Voluntary Association that is Charlotte Baptist Chapel we have so many reasons to be thankful from a financial perspective to the Lord our God.

In recent years we embarked upon our move to Shandwick Place which saw truly exceptional levels of giving. That project was completed and closed out in 2017 with overall income and expenditure approximately matching.

However, by the end of 2017 regular giving was approximately 20% less than required to meet the anticipated 2018 expenditure. This was due to 1) members being sent to the new Hope City Church plant and redirecting their giving there, 2) greatly reduced giving directed to the Global Mission fund and 3) a small deficit in our General income. Never the less, the elders decided not to make cuts to the General or Mission budget, but rather step out in faith in the hope that God would meet our needs through the sacrificial generous giving of His people.

At that time some structural changes were made to our accounts in that the Global Mission and General funds were merged and Global Mission expenditure became a General Budget line item. This facilitated much greater flexibility in directing our money where it was most needed to meet all our budget requirements and enhanced our ability to monitor overall spending throughout the year. Even so, without an increase in giving, there was a real possibility that we may have to reduce the level of support provided to our Global Mission partners.

In January 2018 we embarked on a "Giving for Gospel Growth" initiative with the anticipation that with God's grace our income would increase to the required level. My thanks to that team led by Robert Naysmith and comprised Paul and Shiona Rees, Ruth Woods, Bruce Goodbrand and myself. A five sermon series, an updated website giving area, a new giving form and a new giving booklet all helped to raise awareness of our financial responsibilities both towards God and our local church resulting in many households starting giving and many more reviewing and increasing their giving. As I write this report at the end of 2018 we must all be thankful to God that we have almost achieved the 20% increase set in faith by the elders and that we have not had to reduce our current Global Mission partner's level of support.

However, we cannot afford to relax our giving as although we are able to meet our anticipated 2019 budget requirements, normal year on year inflation requires us to increase our income each year. The elders would also like to progress some further Gospel Growth initiatives which will require additional regular funding. Can I therefore encourage us all to review our giving once again in 2019?

Now a few words concerning our transition to a Company Limited by Guarantee. While the only visible change to the majority of our congregation was switching giving to new bank accounts and completing new giving forms (the diligence and timeliness for which we are very grateful), it would be remiss of me not to recognise the following folks for the significant amount of additional work and effort they have expended to meet the 1 May 2018 deadline and throughout the remainder of the year. This includes the wider Transition Team led by Tim Prime, comprising of Graeme Watson, Roger Pagan and myself and with my personal thanks to the whole finance team comprising of Mary Harrison, Mary Hume, Harry Robertson, Andy Cockburn, Anthony Chow, Derek Hamilton and myself. The result of their many additional hours of effort has been a successful transition to Charlotte Baptist Chapel Limited, company number SC422575 – incorporated on 24 April 2012, with charitable status granted on 16 March 2018, OSCR number SC048212. From 1 May 2018 the accounting will be by the new company and accounts will continue to be presented to the membership in the present fashion.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

TREASURER'S REPORT (Cont'd)

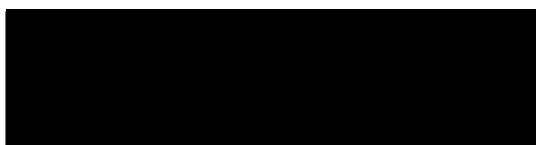
While this report and accounts cover the period to 30 April 2018 our budgets continue to run from 1 January to 31 December as normal. Therefore a 2018 budget of £660,443 combining the General and Global Mission budgets resulted in an overall decrease of £14,400 from 2016. This reflects the deficit anticipated for 2018 based on current giving levels and before any increases in giving previously mentioned have been realised.

Turning to address a couple of general matters, the use of Gift Aid provides a significant addition to our income during any year, as can legacies when they are received. If you are a UK taxpayer please consider making your donations under the Gift Aid scheme. Giving is a personal decision but I would encourage each person who attends the Chapel to consider their responsibilities with regard to the Chapel. If you wish any more information on Gift Aid or leaving a legacy please speak to any member of the Finance Committee.

In addition to my thanks to my hard working and selfless colleagues in the Finance Committee, special mentions should be made of the invaluable assistance we receive from the many budget holders that faithfully manage their budgets throughout the year together with others who have responsibilities for maintaining ministry accounts and disbursing funds. We must also thank the counting teams who ensure that the weekly offerings are diligently logged and then deposited with the bank. It may be the treasurer that the congregation see at business meetings, but the number of people involved in finance at our church numbers almost 50 and it is these individuals who are the engine of the Chapel's financial operation and credit should be given to them accordingly. I am grateful to all of them and I would invite the congregation to express their own gratitude for the sterling work they do. By its very nature that work can be mundane and unglamorous, yet it is vital for the smooth running of the Chapel and our continued gospel witness in the city centre.

As your Church Treasurer I look forward to serving God and our church family through the challenges and opportunities that God will lay before us to further His kingdom both here in Edinburgh and beyond. There are exciting initiatives being considered by the Elders and Pastoral team, and I, together with the finance team, look forward to managing our finances to facilitate these with God's help and in His will. My sincere thanks for your help, support and encouragement in all these things.

"Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen" Ephesians 3 v20-21



22/1/2019
.....

(Date)

Chapel Treasurer

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CHARLOTTE
BAPTIST CHAPEL**

Opinion on financial statements

We have audited the financial statements of Charlotte Baptist Chapel for the period ended 30 April 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies set out on pages 20 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2018 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CHARLOTTE
BAPTIST CHAPEL (cont'd)**

Other information (cont'd)

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

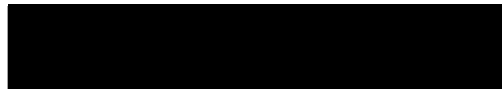
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorresponsibilities. This description forms part of our auditor's report.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CHARLOTTE
BAPTIST CHAPEL (cont'd)**

Use of our report

This report is made solely to the trustees of Charlotte Baptist Chapel, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Johnston Smillie Ltd
Chartered Accountants
Statutory Auditor
6 Redheughs Rigg
Edinburgh
EH12 9DQ

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date.....24/1/19.

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
FOR THE PERIOD ENDED 30 APRIL 2018

	Notes	Unrestricted Fund £	Designated Funds £	Restricted Funds £	2018 Total Funds £	2016 Total Funds £
<u>Income and endowments from:</u>						
Donations and legacies	3	674,822	296,473	25,901	997,196	770,143
Investments		54	144	-	198	885
Charitable activities		12,324	-	-	12,324	6,905
Other income	4	11,399	14,686	-	26,085	164,994
Total		698,599	311,303	25,901	1,035,803	942,927
<u>Expenditure on:</u>						
Charitable activities		645,209	441,168	81,452	1,167,829	927,974
Total	6	645,209	441,168	81,452	1,167,829	927,974
Net income		53,390	(129,865)	(55,551)	(132,026)	14,953
<u>Transfers</u>						
Transfers between funds	15	(79,349)	79,349	-	-	-
<u>Other recognised gains/(losses)</u>						
Gains/(losses) on revaluation of fixed assets	9	975,000	-	-	975,000	-
Net income for the year/Net movement in funds		949,041	(50,516)	(55,551)	842,974	14,953
<u>Reconciliation of funds</u>						
Total funds brought forward		176,162	3,189,308	1,700,990	5,066,460	5,051,507
Total funds carried forward at 30 April 2018	12-14	1,125,203	3,138,792	1,645,439	5,909,434	5,066,460

The notes on pages 20 to 32 form part of these accounts.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

**BALANCE SHEET
AS AT 30 APRIL 2018**

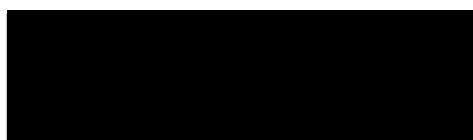
	Notes	2018 £	2016 £
Fixed Assets:			
Tangible assets	9	<u>3,894,717</u>	<u>3,003,556</u>
		3,894,717	3,003,556
Current Assets:			
Debtors	10	1,585,852	1,566,958
Cash at bank and in hand		<u>456,923</u>	<u>597,785</u>
		2,042,775	2,164,743
Creditors: Amounts falling due within one year	11	<u>28,058</u>	<u>101,839</u>
Net Current Assets		<u>2,014,717</u>	<u>2,062,904</u>
Total assets less current liabilities/ Net assets		<u>5,909,434</u>	<u>5,066,460</u>
The funds of the charity:			
Unrestricted Funds:			
Unrestricted Funds		150,203	176,162
Revaluation reserve		<u>975,000</u>	-
Total unrestricted funds	12	1,125,203	176,162
Designated Funds	13	3,138,792	3,189,308
Restricted Funds	14	<u>1,645,439</u>	<u>1,700,990</u>
Total Charity Funds	16	<u>5,909,434</u>	<u>5,066,460</u>

The notes on pages 20 to 32 form part of these accounts.

Approved by the Elders on 22/1/19 and signed on their behalf by:



Chairman



Treasurer

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2018**

	Notes	2018		2016	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		(141,060)		249,631
Investing activities					
Purchase of tangible fixed assets		-		(1,053,087)	
Interest received		198		885	
Net cash (used in)/generated from investing activities			198		(1,052,202)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(140,862)		(802,571)
Cash and cash equivalents at beginning of year			597,785		1,400,356
Cash and cash equivalents at end of year			<u>456,923</u>		<u>597,785</u>

The notes on pages 20 to 32 form part of these accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The principal accounting policies are set out below.

1.1 Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

The preparation of financial statements requires the use of critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

1.2 Going Concern

The trustees consider that there are no material uncertainties about the Charities ability to continue as a going concern.

On 1 May 2018, Charlotte Baptist Chapel started the process of transferring its assets and liabilities to Charlotte Baptist Chapel Ltd. Charlotte Baptist Chapel Ltd is a company limited by guarantee and registered with OSCR under charity number SC048212.

1.3 Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies are accounted for when received or where there is sufficient evidence of entitlement, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.4 Resources expended

Liabilities, including grants, are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Costs are allocated dependent on the activity categories of the resources expended. No costs are apportioned.

Pension costs represent the amounts or contributions payable to the scheme in respect of the accounting period.

NOTES TO THE ACCOUNTS (cont'd)

1. ACCOUNTING POLICIES (cont'd)

1.5 Tangible Fixed Assets

Land and buildings (Manses) are initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently they are measured at fair value at the reporting end date. The surplus or deficit on revaluation is taken to the revaluation reserve.

Land and building (Shandwick Place) are valued as specialist assets and accounted for using their replacement/construction value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset as follows:

Land and Buildings:	2% Straight Line
Equipment, Fixtures & Fittings	25% Straight Line

The charity's policy is to capitalise all fixed assets with a value greater than £500.

1.6 Impairment of fixed assets

At each reporting end date the trustees review the carrying amounts of the tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and the assets value in use.

If the recoverable amount of an asset is estimated to be less than the carrying amount then the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in expenditure in the Statement of Financial Activities.

The trustees have considered whether there is any indication of impairment at the period end and are satisfied that the carrying amounts of tangible assets are not more than the recoverable amounts.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts (where applicable) are shown with borrowings in current liabilities.

NOTES TO THE ACCOUNTS (cont'd)

1. ACCOUNTING POLICIES (cont'd)

1.8 a) Financial assets and financial liabilities

The charity applies the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments unless specifically stated otherwise.

Financial instruments are recognised in the statement of financial position when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a finance transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at market rate of interest for similar debt instrument.

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting charges recognised in income or expense. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Charity has transferred substantially all the risks and reward of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

1.8 b) Basic financial assets

Basic financial assets which include trade and other receivables and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1.8 c) Concessionary Loans

The charity applies the provisions of Section 34 'Specialised activities' paragraphs 34.90 to 34.97 which specifically allows a loan made or received by a Public benefit entity to initially measure these arrangements at the amount received or paid with an impairment review carried out at the end of each reporting period with any impairment loss recognised in the Statement of Financial Activities.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

NOTES TO THE ACCOUNTS (cont'd)

1. ACCOUNTING POLICIES (cont'd)

1.10 UNRESTRICTED FUNDS

General Fund Chapel: This fund is the main income and expenditure fund for the day to day running of the Chapel.

1.11 DESIGNATED FUNDS

Fellowship Fund: This fund is financed by the retiring offerings at the Communion Services and other donations. It is used to help needy members of the congregation and awards are made at the discretion of the Care Ministry in consultation with the Pastoral Team, as and when a need arises.

Miscellaneous Offerings Fund: These are special offerings for a variety of specific purposes.

Thank Offering Fund: This fund is financed from the annual Thank Offering on the Chapel Anniversary Sunday. Its use is announced before the offering is collected each year.

Ministry Apprentices Fund: This relates to income received to fund the Ministry Apprenticeship Scheme.

Niddrie General Fund and Niddrie Community Development Worker Fund: These funds recorded the finances of the Chapel's outreach at Niddrie Community Church and the support for the Development worker and were transferred to the new entity when it became a separate charity. As some income was designated for use for these purposes in the period it was spent as such.

Youth Council Fund: This fund is the main income and expenditure fund for the running of the Youth Work in the Chapel.

Christmas Offering Fund: This fund is financed from the annual offering taken at the Christmas Day service. Its use is announced before the offering is collected each period.

Church Planting Fund: This fund relates to income received to specifically fund church planting.

Explorer Scouts Fund: This fund records income received for and following disbursement of funds to the Explorer Scouts.

Shandwick Place Fund: This fund records the financing of the purchase and subsequent refurbishment of the building at Shandwick Place where designated funds have been used.

NOTES TO THE ACCOUNTS (cont'd)

1. ACCOUNTING POLICIES (cont'd)

1.11 DESIGNATED FUNDS (cont'd)

Mission Fund: This fund administers the financial activities of the Chapel with respect to missions. It provides support for Chapel Missionaries serving in the UK and overseas and a provision for their retirement. Expenditure is made at the discretion of the Mission Board where they have made either a long-term commitment to give support or in response to needs identified by the Board. It is financed by Mission offerings, gift aid giving, prayer meetings and a weekend conference. Included within this fund are amounts received and distributed for specific Mission purposes.

Hope City: This fund records donations made towards the Hope City Church Edinburgh church plant.

1.12 RESTRICTED FUNDS

Greta Arthur Fund: This represents a legacy received "to be used for either or both of the following purposes and in such proportions as [the Chapel's] Elders Court in its discretion may choose:-

- a. For the furtherance of youth work; and
- b. To aid missionary work organised through the Chapel."

Shandwick Place Fund: This fund records the financing of the purchase and subsequent refurbishment of the building at Shandwick Place where restricted income has been used.

Alastair Hay Memorial Fund: This fund represents a legacy received from Alastair Hay to be used for Global Mission Ministry purposes.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

The Property Trustees and Elders received neither remuneration nor expenses in their position as Trustees in either 2018 or 2016.

The following related party transactions were made during the period:

1. Four members of the Pastoral Staff Team also hold office as Elders of the Chapel (2016: Three). The salary costs for these individuals in their Pastoral Staff roles were: Paul Rees £58,642 (2016: £42,211), Liam Garvie £47,622 (2016: £34,058), Adam McNinch £19,862 (2016: £3,500) and Matthew Round £18,909 (2016: £nil). Related pension costs were: Paul Rees £4,565 (2016: £3,377), Liam Garvie £3,683 (2016: £2,725), Adam McNinch £nil (2016: £nil) and Matthew Round £1,498 (2016: £nil).

2. During the period a number of disbursements were made to individuals who are related parties of the Elders of the Chapel. The individuals' names, the amounts disbursed and the relationship to an Elder is as follows: Andy Prime (son of Tim Prime, Elder) £32,654 (2016: £17,410), Sarah Prime's organisation Switch (daughter in law of Tim Prime, Elder) £6,750 (2016: £5,900), Barry Sprott (Elder) £2,850 (2016: £2,325), Erik Thomson (Elder) £nil (2016: £313) and Tze Hung Seeto (son of Elder, Hong-Hai Seeto) £16,000 (2016: £nil), all given as gifts to support their mission work.

3. During the period a total of £110,282 (2016: £76,632) was donated to the Chapel by Elders.

4. Included in debtors is a concessionary loan amounting to £1,550,000 (2016: £1,550,000) due from Charlotte Baptist Chapel Limited in which A. Bruce Goodbrand and Graeme Watson are directors. This company holds the church building at 58 Shandwick Place in trust for the charity.

3. VOLUNTARY INCOME

	Unrestricted Fund £	Designated Funds £	Restricted Funds £	2018 Total Funds £	2016 Total Funds £
Offerings and Donations	674,822	296,473		971,295	768,656
Legacies Received	-	-	25,901	25,901	1,487
	<u>674,822</u>	<u>296,473</u>	<u>25,901</u>	<u>997,196</u>	<u>770,143</u>

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

4. OTHER INCOMING RESOURCES

Other incoming resources totalled £26,085 (2016: £164,994), this was from the following:
Income from the mast at Shandwick Place totalled £11,399 (2016: £13,378), VAT recovered and recoverable from the Listed Places of Worship Grant Scheme of £14,686 (2016: £123,087), £nil from the Wireless Project (2016: £27,010) and £nil for the organ and sound desk (2016: £1,518).

5. GRANTS EXPENDITURE

Total grant expenditure in the period for the support of Missionaries and other organisations was £367,206 (2016: £316,490). Grants have been made in the period to 50 individuals (2016: 53), totalling £291,619 (2016: £228,370). Grants to institutions were £75,587 (2016: £88,120) in total. The grants were applied to the charitable activities as shown by the missionary support and disbursements expenses noted in note 6.

Grants exceeding £200 made to other organisations in the period were as follows:

	2018 £
20 Schemes	820
CEF Britian	500
Christianity Explored Ministries	1,000
Christmas Offering	1,568
Cornhill Fees	1,920
Crawford Print	300
DIME	1,000
66th Exp Scouts	1,820
EoSGP Subscription	250
Free Church of Scotland	908
Hawick Baptist Church	8,750
Junction 12	275
Niddrie	8,436
McCabe Educational Trust	1,000
Operation Mobilisation	2,485
Pembroke Trust	6,770
OMF International UK	200
Switch	6,750
Tearfund	10,228
Wycliffe Bible Translators	734
Wycliffe Ikiaras	6,400
Youth Council	3,516
	<u>65,630</u>
Grants of less than £200 awarded:	9,957
Total Institutional grants	<u><u>75,587</u></u>

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

6. ANALYSIS OF EXPENDITURE

Charitable Activities					
	Method of Allocation	Worship, Ministry, Prayer and Witness	Support of Missionaries and Other Organisations	Total 2018	Total 2016
		£	£	£	£
Missionary Support	Direct	-	239,189	239,189	185,410
Disbursements	Direct	32,733	95,284	128,017	131,080
Salaries	Direct	375,459	-	375,459	279,906
Other Staff Costs	Direct	235	-	235	400
Car Allowances	Direct	1,798	-	1,798	1,238
Pension Premiums	Direct	16,173	-	16,173	13,538
Travel and Accommodation	Direct	3,909	-	3,909	847
Staff training	Direct	3,052	-	3,052	3,804
Office / Administrative Costs	Direct	59,595	-	59,595	69,630
Insurance & Local Taxes	Direct	34,645	-	34,645	33,455
Maintenance	Direct	81,767	-	81,767	66,206
Computer	Direct	5,423	-	5,423	7,242
Professional Fees	Direct	19,595	-	19,595	10,290
Other Finance	Direct	850	-	850	988
Audit Fee	Direct	11,100	-	11,100	9,900
Evangelism	Direct	14,456	-	14,456	6,864
Fellowship	Direct	3,874	-	3,874	3,132
Hope City	Direct	-	29,508	29,508	-
Reception Ministry	Direct	7,876	-	7,876	4,417
Student & Youth	Direct	15,907	-	15,907	12,398
Training & Discipleship	Direct	3,630	-	3,630	2,045
Other M&C Ministry	Direct	14,436	13,496	27,932	22,505
Purchase / Depreciation of Property	Direct	83,839	-	83,839	62,679
		<u>790,352</u>	<u>377,477</u>	<u>1,167,829</u>	<u>927,974</u>

The support/governance costs consist of the audit fees which have been allocated in full to Worship, Ministry, Prayer and Witness.

7. AUDITORS' REMUNERATION

The auditors' remuneration constitutes an audit fee of £11,100 (2016: £9,900), which includes fees for accounts preparation.

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

8. STAFF COSTS AND NUMBERS

	2018	2016
	£	£
Salaries and Wages	352,416	261,415
Social Security Costs	23,043	18,491
Pension Contributions	16,173	13,538
	<u>391,632</u>	<u>293,444</u>

No employee received emoluments of more than £60,000 in either period.

The average number of employees during the period was 15 (2016: 13)

The Charity considers its key management personnel comprise the Elders, none of whom receive remuneration for the post of Elder. The total employment benefits including employer pension contributions of the key management personnel were £154,780 (2016: £85,871).

Pension Costs

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost payable by the Charity to the fund amounted to £16,173 (2016: £13,538). At 30 April 2018, a net figure of £1,468 of pension costs remained outstanding (2016: £1,128).

9. TANGIBLE FIXED ASSETS

	Land & Buildings – Shandwick Place	Land & Building – Manse	Equipment, fixtures & fittings	Total
	£	£	£	£
Cost				
At 1 January 2017	3,181,822	915,213	65,719	4,162,754
Additions during the year	-	-	-	-
Disposals during the year	-	-	-	-
Revaluations	-	975,000	-	975,000
At 30 April 2018	<u>3,181,822</u>	<u>1,890,213</u>	<u>65,719</u>	<u>5,137,754</u>
Depreciation				
At 1 January 2017	179,400	915,213	64,585	1,159,198
Charge for the year	83,083	-	756	83,839
Depreciation eliminated on disposal	-	-	-	-
At 30 April 2018	<u>262,483</u>	<u>915,213</u>	<u>65,341</u>	<u>1,243,037</u>
Net Book Value				
At 30 April 2018	<u>2,919,339</u>	<u>975,000</u>	<u>378</u>	<u>3,894,717</u>
At 31 December 2016	<u>3,002,422</u>	<u>-</u>	<u>1,134</u>	<u>3,003,556</u>

The property at 58 Shandwick Place, Edinburgh is held in trust by Charlotte Baptist Chapel Limited for Charlotte Baptist Chapel Charity.

The Trustees hold the two manse properties for the members one in Cramond, Edinburgh and the other in Greenbank, Edinburgh. These have been revalued at the period end date by Tim Prime, who is a Trustee of Charlotte Chapel and Chartered Surveyor.

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

10. DEBTORS

Amounts Falling Due Within One Year

	2018	2016
	£	£
Prepayments	5,487	12,462
Gift Aid Tax Reclaim	6,365	2,096
Other Debtors - legacy	24,000	-
Concessionary loan - P. Rees	-	2,400
	<u>35,852</u>	<u>16,958</u>

Amounts Falling Due Over One Year

Concessionary Loan to Charlotte Baptist Chapel Limited	<u>1,550,000</u>	<u>1,550,000</u>
	<u>1,550,000</u>	<u>1,550,000</u>

A concessionary loan of £1,550,000 was granted to Charlotte Baptist Chapel Limited in 2012 to fund the purchase of the church building in Shandwick Place. This loan is interest free and has no set repayment terms. This loan was granted to further the objectives of the Charity by providing a new place of worship. The building is held by the company in trust for Charlotte Baptist Chapel.

11. CREDITORS

Amounts Falling Due Within One Year

	2018	2016
	£	£
Accruals	21,188	76,331
PAYE Liabilities	3,253	5,672
Other creditors	3,617	8,437
Deferred Income	-	11,399
	<u>28,058</u>	<u>101,839</u>

Deferred income relates to income received for the siting of a mast but relating to a period after the period end date.

Analysis of Deferred Income:

Opening Deferred income	11,399	11,399
Released in period	(11,399)	(11,399)
Addition to deferred income in period	-	11,399
Closing balance	<u>-</u>	<u>11,399</u>

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

12. UNRESTRICTED FUNDS

	General Fund	Total Unrestricted Funds 2018	2016
	£	£	£
Offerings	674,822	674,822	434,660
Legacies Received	-	-	1,487
Charitable activities	12,324	12,324	6,905
Other Income	11,399	11,399	41,725
Interest received	54	54	10
	<u>698,599</u>	<u>698,599</u>	<u>484,787</u>
Mission support	500	500	-
Disbursements	7,440	7,440	1,345
Salaries	373,278	373,278	279,906
Other Staff Costs	235	235	400
Car Allowances	1,798	1,798	1,238
Pension Premiums	16,173	16,173	13,538
Travel and Accommodation	3,909	3,909	847
Staff training	3,052	3,052	3,804
Office / Administrative Costs	59,593	59,593	69,262
Insurance & Local Taxes	33,495	33,495	28,968
Maintenance	44,203	44,203	30,547
Computer	5,423	5,423	7,242
Professional Fees	21,502	21,502	10,581
Other Finance	850	850	988
Audit Fee	11,100	11,100	9,900
Evangelism	14,456	14,456	6,864
Fellowship	200	200	-
Reception Ministry	7,877	7,877	4,417
Student & Youth	9,401	9,401	12,398
Training & Discipleship	3,630	3,630	2,045
Other M&C Ministry	27,094	27,094	20,216
	<u>645,209</u>	<u>645,209</u>	<u>504,506</u>
Surplus/(Deficit) for year	53,390	53,390	(19,719)
Transfers	(79,349)	(79,349)	(788,596)
Revaluation of Assets	975,000	975,000	-
Fund balance at 1 January 2017	176,162	176,162	984,477
Fund balance at 30 April 2018	<u>1,125,203</u>	<u>1,125,203</u>	<u>176,162</u>

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

13. DESIGNATED FUNDS

	Fellowship	Misc Funds	Thank Offering	Ministry Apprentices	Niddrie General Fund	Niddrie Development	Youth Council	Christmas Offering	Church Planting	Explorer Scouts Family	Shandwick Place	Mission	Hope City	Total Designated Funds 2018	F 2016
Offerings	£ 4,150	-	£ 44,137	-	£ 5,295	53	7,663	890	-	2,455	-	214,005	17,825	296,473	313,379
Legacies Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	14,686	-	-	14,686	182
Gain on Sale of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	144	-	144	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	875
	4,150	-	44,137	-	5,295	53	7,663	890	-	2,455	14,686	214,149	17,825	311,303	314,436
Missionary Support	-	-	-	-	-	-	-	-	-	-	-	236,150	29,508	265,658	185,410
Disbursements	142	-	-	-	5,295	53	9,698	740	-	635	-	87,513	-	104,076	87,206
Salaries	-	-	-	2,181	-	-	-	-	-	-	-	-	-	2,181	-
Maintenance	-	-	-	-	-	-	-	-	-	-	37,565	-	-	37,565	-
Office/Administrative Costs	-	-	-	-	-	-	-	-	-	-	23,486	-	-	23,486	369
Insurance & Local Taxes	-	-	-	-	-	-	-	-	-	-	1,150	-	-	1,150	4,487
Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(291)
Fellowship	3,674	-	-	-	-	-	-	-	-	-	-	-	-	3,674	3,132
Student & Youth	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training & Discipleship	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other M&C Ministry	-	-	-	-	-	-	-	-	-	-	-	3,378	-	3,378	3,018
	3,816	-	-	2,181	5,295	53	9,698	740	-	635	62,201	327,041	29,508	441,168	283,331
(Deficit)/Surplus for year	334	-	44,137	(2,181)	-	-	(2,035)	150	-	1,820	(47,515)	(112,892)	(11,683)	(129,865)	31,105
Transfers	-	-	(19,275)	19,275	-	-	(1,756)	-	(12,877)	-	81,105	-	12,877	79,349	788,596
Fund balance at 1 January 2017	13,787	407	-	1,842	-	-	17,702	-	13,730	-	2,885,749	256,091	-	3,189,308	2,369,607
Fund balance at 30 April 2018	14,121	407	24,862	18,936	-	-	13,911	150	853	1,820	2,919,339	143,199	1,194	3,138,792	3,189,308

CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018

NOTES TO THE ACCOUNTS (cont'd)

14. RESTRICTED FUNDS

	Greta Arthur Fund £	Shandwick Place £	Alastair Hay Memorial Fund £	Total Restricted Funds 2018 £	2016 £
Offerings	-	50	-	50	20,617
Legacies received	-	-	25,851	25,851	-
Other Income	-	-	-	-	123,087
Interest received	-	-	-	-	-
	-	50	25,851	25,901	143,704
Disbursements	21,100	-	-	21,100	41,800
Maintenance	-	-	-	-	35,658
Depreciation of Property	-	60,352	-	60,352	62,679
	21,100	60,352	-	81,452	140,137
(Deficit)/Surplus for period	(21,100)	(60,302)	25,851	(55,551)	3,567
Transfers	-	-	-	-	-
Fund balance at 1 January 2017	90,638	1,610,352	-	1,700,990	1,697,423
Fund balance at 30 April 2018	69,538	1,550,050	25,851	1,645,439	1,700,990

15. FUND TRANSFERS

The main transfers in the year represent amounts transferred to the Shandwick Place designated fund in order to reflect the use of funds for the new property.

16. ANALYSIS OF ASSETS BETWEEN FUNDS

	Total Unrestricted Funds £	Total Designated Funds £	Total Restricted Funds £	Total £
Tangible Fixed Assets	975,378	2,919,339	-	3,894,717
Net Current Assets	149,825	219,453	1,645,439	2,014,717
Net Assets at 30 April 2018	1,125,203	3,138,792	1,645,439	5,909,434

17. CASH GENERATED FROM OPERATIONS

	2018 £	2016 £
Surplus for the period	842,974	14,953
Adjustments for:		
Investment income recognised in profit or loss	(198)	(885)
Depreciation and impairment of tangible fixed assets	83,839	62,679
Gain on revaluation of fixed asset	(975,000)	-
Movements in working capital:		
(Increase)/decrease in debtors	(18,893)	107,223
(Decrease)/increase in creditors	(73,782)	65,661
Cash generated from operations	(141,060)	249,631

18. EVENTS AFTER THE END OF THE PERIOD

On 1 May 2018, Charlotte Baptist Chapel started the process of transferring its assets and liabilities to Charlotte Baptist Chapel Ltd.

Charlotte Baptist Chapel Ltd is a company limited by guarantee and registered with OSCR under charity number SC048212.

**CHARLOTTE BAPTIST CHAPEL
PERIOD ENDED 30 APRIL 2018**

NOTES TO THE ACCOUNTS (cont'd)

19. COMPARATIVE STATEMENT OF AFFAIRS

**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Unrestricted Fund £	Designated Funds £	Restricted Funds £	2016 Total Funds £
<u>Income and endowments from:</u>				
Donations and legacies	436,147	313,379	20,617	770,143
Investments	10	875	-	885
Charitable activities	6,905	-	-	6,905
Other income	41,725	182	123,087	164,994
Total	484,787	314,436	143,704	942,927
<u>Expenditure on:</u>				
Charitable activities	504,506	283,331	140,137	927,974
Total	504,506	283,331	140,137	927,974
Net income	(19,719)	31,105	3,567	14,953
Transfers				
Transfers between funds	(788,596)	788,596	-	-
Net income for the year/Net movement in funds	(808,315)	819,701	3,567	14,953
Reconciliation of funds				
Total funds brought forward	984,477	2,369,607	1,697,423	5,051,507
Total funds carried forward at 31 December 2016	176,162	3,189,308	1,700,990	5,066,460