

Reigate Baptist Church

Report and Accounts

Year ended 31 December 2021

Stewardship 
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

REIGATE BAPTIST CHURCH
CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Ian Curry Margaret Thomas Dr. John Eglington Glenn Hirschfield Lisa Marie Hopkins	Resigned 12th January 2022 Appointed 12th January 2022
-----------------	---	---

Key Staff	Mike Williams Louine Berry	Senior Pastor Church administrator
------------------	-------------------------------	---------------------------------------

Governing Document	Deed of Trust dated 30th October 1998
---------------------------	---------------------------------------

Charity Registration Number	1072718
------------------------------------	---------

Principal Address	Sycamore Walk Reigate RH2 7LR
--------------------------	-------------------------------------

Independent Examiner	Archie McDowall Stewardship 1 Lamb's Passage London EC1Y 8AB
-----------------------------	--

Bankers	CAF Bank Ltd. 25 Kings Hill Avenue West Malling Kent ME19 4JQ
----------------	---

Contents	Page
Charity Information	1
Trustees' Annual Report	2 - 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Cashflow Statement	10 - 11
Notes to the Accounts	12 - 21
Detailed Statement of Financial Activities with Comparatives	22

REIGATE BAPTIST CHURCH

Sycamore Walk
Reigate
Surrey RH2 7LR

Trustee's Report for the year ended 31 December, 2021

1. Objects of the Charity - Principal Activities and Organisation

The church is constituted by a Deed of Trust dated 30 October, 1998 and is registered with the Charity Commission under reference 1072718.

The objects of the Trust are to advance the Christian faith to relieve hardship and to promote and fulfil such other charitable purposes beneficial to the community in the County of Surrey and in such other parts of the United Kingdom or the World as the Trustees think fit. The principal activities carried out in pursuance of these objectives are set out below.

The Trustees who served throughout the year are Mr. Ian Curry, Mrs. Margaret Thomas, Dr. John Eglington and Mr. Glenn Hirschfield. Mr Hirschfield resigned on 12 January 2022, and Mrs Lisa Hopkins was appointed on the same date. The appointment of new Trustees is governed by the Trust Deed, which requires a resolution of the majority of church members voting at a duly constituted church meeting.

2. Financial Review

The total incoming resources for 2021 totaled £527,264 (2020: £417,938) and total expenditure for 2021 totaled £553,150 (2020: £440,793) which produced net outgoing resources for the church of £25,887 (2020: £22,855) before adjusting for revaluation in fixed assets and actuarial valuation of pension schemes. After these adjustments, the net movement in funds was an increase of £161,723 (2020: decrease £26,010), mainly due to the revaluation of the manse property. Income was slightly higher in 2021 compared with 2020, but it is still lower than previous years because of the continuing effects of COVID-19, which prevented the church meeting physically and prevented lettings for part of the year.

Fund balances carried forward amount to £2,297,592 unrestricted funds and £3,406 restricted funds.

3. Review of Activities

Worship and Prayer

Under normal circumstances all are welcome to attend our Sunday morning and regular evening prayer services as well as our Easter and Christmas services. There are presently approximately 225 active members of the church as well as 4 awaiting membership at our next church meeting. Sunday morning attendance is about 300 adults together with children and teenagers attending several age-group meetings, however in accordance with government guidelines physical services were not held from January 2021 until April, when we began meeting physically, but with restricted numbers and online streaming. In September we were able to resume meetings with unrestricted numbers.

Additionally, our regular weekly meetings continued as follows:

- Connect (house) groups.
- Men's Bible Study Group
- Sisters in Christ (Ladies group which met once a month this year)
- Church Prayer meeting continued online or in person, at least once a month.
- Children and Youth groups resumed during the year.

- Toddlers groups resumed during the year.

Outreach and Community

RBC works closely with various outreach projects that benefit the local community and beyond:

Event held:

- 200 children's Activity Advent Boxes were given out to local families.
- Carols by candlelight yearly outreach where we went out to the local community with carols etc.
- Childrens' Christmas Nativity event – welcomed 500 families in a Walk through Nativity show.
- Operation Christmas Child (Samaritans purse) – completed with over 83 boxes collected
- Christmas Hampers were distributed to needy households in the local community
- Christian counselling – continued online with a few meetings on the premises, some online
- Youth Drop-In, an after school group for local school children, continued
- Mission24 outreach into the community.
- Holiday club held with for children Reception aged to year 6, 100 children were in attendance.
- Youth camp/ summer sleep over, held at church with 25 youth attending from the church.

Events continued online:

- The Alpha Course met online for a live stream and Q &A
- The Christmas Carol Service was prerecorded and held online.
- Knit Club, a craft group for members of the church and the community – continued from home
- Daily online Prayer group started in May 2021 and continues to run every morning.

In March 2021 the Foodbank was transferred at no cost, to a new charity, Open Hands.

Government guidance relating to COVID-19 has been followed for all events and full Risk Assessments carried out.

Use of the Church Building

The church building is generally used extensively for outreach and community events. Private letting reduced considerably after the COVID-19 restrictions began. Users include:

- Surrey County Council (mostly for training in education)
- Babcock (mostly for training in education)
- First Community Health
- Alcoholics Anonymous
- The National Blood Service
- Jigsaw (Charity for children who have lost a sibling)
- Citizens Advice Bureau
- Rotary Club
- Reigate School
- East Surrey Clinical Commissioning Group
- SEND (Special Education Needs & Disability)
- R&BCC (Reigate & Banstead Borough Council)
- SWRV (Surrey Welfare Rights Group)
- Sandcross School
- Moonhall School
- Warwick School
- Mission 24 Evangelism Training Course
- TSAR The Arts Society

The only bookings that we were able to accommodate during the pandemic (given the restrictions) were:

- The National Blood Service
- First Community Health (mostly for training in vital healthcare)
- Mission 24 Evangelism Training Course
- Surrey County Council
- TSAR
- Rotary Club
- Reigate School – leadership teams/ staff trainings
- Alcoholics Anonymous and Al anon
- Open Hands Foodbank – continued to operate from the church.

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

4. Achievements and performance

- The preaching and teaching on Sundays and in the Connect Groups enabled members of the congregation to increase their knowledge of God and in the practice of their faith.
- The prayer ministry team prayed for those who requested it and this provided help and comfort for these respondents.
- In 2021, 4 people were baptized and 18 new members were received.
- In the Youth Work about 75 young people have attended the groups in 2021. The average weekly attendance is about 25.

5. Grant Making Policy

The church tithes approximately 10% of its gross undesignated fund giving to Christian organisations and individuals agreed by the leadership. During the year significant gifts were made to:

- Sparkfish for work in local schools
- The South East Baptist Association
- Mission 24
- Westvale Church
- Baptist Missionary Society
- Evangelical Alliance
- Linda Sourris, our missionary in Greece

6. Future Developments and Funding

There are currently no commitments for future major capital expenditure.

7. Governance and Management

The Trustees are required to meet at least once in every year and in practice do so as often as necessary for the proper management of the Trust. Four ordinary members meetings are scheduled each year, together with occasional extraordinary meetings dedicated to particular matters.

The Trustees review remuneration of all Staff, including the Pastor, annually. This is done with a view to the level of responsibility each member of staff has within the church. Salaries are also reviewed with regard to the current rate of inflation.

The Trustees have attended various seminars and training courses relevant to the role of Trustee.

Decisions as to the day-to-day pastoral work of the church are made by the Eldership, two of whom are

also Trustees, but referring to the Trustees in all Financial and Legal matters, including staff appointments and development within their roles.

8. Risk Management

The Trustees and Elders have examined the major strategic business operational and legal risks that the church faces. The Trustees confirm that to the best of their knowledge and belief suitable systems and measures are in place to monitor, manage and mitigate these risks appropriately for the benefit of church members and other users of the premises.

In particular the main risks identified are:

- a. The possibility of personal accident claims being made against the church. The Trustees (together with the Elders) have ensured that proper and regular Health and Safety reviews are carried out for the premises and its' users, and all recommendations considered, and implemented where relevant.
- b. Loss caused by theft or financial fraud. The Trustees have ensured that procedures are in place concerning the cash offerings and all payments made to and by the church to reduce the risk of misappropriation.
- c. Danger to youth and vulnerable adults due to Safeguarding issues. The Trustees have ensured that there is a relevant Safeguarding policy in place, ensuring that all those involved with vulnerable individuals are aware of, and have had, the necessary training.
- d. Losses caused by accidental or malicious damage to the church's assets (namely the church building, any ancillary structures and No. 16 Sycamore Walk), are mitigated by obtaining adequate insurance (at competitive market rates) against these risks and others.

9. Reserves policy

The trustees have determined that the charity should aim to hold unrestricted cash of no less than £60,000 (which equates to 1.5 months of unrestricted expenditure). The current cash reserves are well above this amount.

Measures to safeguard against unauthorised expenditure and to monitor income are constantly reviewed to ensure funds are rigorously protected.

10. Statutory Obligations

The Trustees and Elders have examined the relevant statutory requirements in respect of antidiscrimination, the protection of vulnerable individuals (including children), health & safety, and data protection. The Trustees confirm that to the best of their knowledge and belief the church complies with these obligations and does so in conformity with the objects of the Trust.

11. Responsibilities of Trustees under Charity Law

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the Trustees are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;

3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The 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 Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

12. Bankers

The Trust's principal bankers are CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA.

13. Independent Examiner

The Trust's independent examiner is Archie McDowall, Stewardship Services, 1 Lamb's Passage, London EC1Y 8AB

This report was approved by the Trustees of Reigate Baptist Church and signed on their behalf by:

Ian Curry

Ian Curry, Trustee

Date: 7 September 2022

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
REIGATE BAPTIST CHURCH
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2021 on pages 8 to 22 following, which have been prepared on the basis of the accounting policies set out on pages 12 and 13.

Responsibilities and basis of report

As the charity's trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of Scotland, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Archie McDowall

Archie McDowall
Institute of Chartered Accountants of Scotland

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 27 September 2022

REIGATE BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	431,017	13,253	444,270	348,838
Charitable activities	4	5,237	-	5,237	3,621
Other trading activities	5	35,854	-	35,854	30,725
Investments		70	-	70	251
Other income	6	41,833	-	41,833	34,503
Total income and endowments		514,011	13,253	527,264	417,938
EXPENDITURE ON:					
Charitable activities	7	532,680	20,470	553,150	440,793
Total expenditure		532,680	20,470	553,150	440,793
Net income/(expenditure)		(18,669)	(7,217)	(25,887)	(22,855)
Transfers between funds	17	6,640	(6,640)	-	-
		(12,029)	(13,857)	(25,887)	(22,855)
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets		161,554	-	161,554	-
Actuarial gains/(losses) on defined benefit pension schemes	16	26,055	-	26,055	(3,155)
Net movement in funds		175,580	(13,857)	161,723	(26,010)
Reconciliation of funds:					
Total funds brought forward		2,122,012	17,263	2,139,275	2,165,285
Total funds carried forward	17	2,297,592	3,406	2,300,998	2,139,275

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 12-21 form part of these accounts.

REIGATE BAPTIST CHURCH
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	9	2,224,013	-	2,224,013	2,063,725
		<u>2,224,013</u>	<u>-</u>	<u>2,224,013</u>	<u>2,063,725</u>
CURRENT ASSETS					
Stock	10	-	-	-	390
Debtors	11	16,052	-	16,052	10,135
Cash at bank and in hand	12	155,511	3,406	158,917	208,562
		171,563	3,406	174,969	219,087
CREDITORS: Amounts falling due within one year	13	(12,194)	-	(12,194)	(20,599)
Net current assets / (liabilities)		159,369	3,406	162,775	198,489
Total assets less current liabilities		<u>2,383,383</u>	<u>3,406</u>	<u>2,386,789</u>	<u>2,262,213</u>
CREDITORS: Amounts falling due after more than one year	14	(23,691)		(23,691)	(28,738)
Net assets / (liabilities) excluding pension asset / (liability)		<u>2,359,692</u>	<u>3,406</u>	<u>2,363,098</u>	<u>2,233,475</u>
Defined benefit scheme asset / (liability)	16	(62,100)	-	(62,100)	(94,200)
TOTAL NET ASSETS		<u>2,297,592</u>	<u>3,406</u>	<u>2,300,998</u>	<u>2,139,275</u>
FUND BALANCES					
Unrestricted Funds	17				
General funds		2,297,592	-	2,297,592	2,122,012
		<u>2,297,592</u>	<u>-</u>	<u>2,297,592</u>	<u>2,122,012</u>
Restricted Funds		-	3,406	3,406	17,263
		<u>2,297,592</u>	<u>3,406</u>	<u>2,300,998</u>	<u>2,139,275</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Ian Curry

Ian Curry, Trustee

Date: 7 September 2022

Charity number: 1072718

The notes on page 12-21 form part of these accounts.

REIGATE BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2021
CASH FLOW STATEMENT

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	a	<u>(25,103)</u>	<u>(2,383)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		70	251
Purchase of property, plant and equipment		<u>(13,590)</u>	<u>(7,203)</u>
Net cash provided by/(used in) investing activities		<u>(13,520)</u>	<u>(6,952)</u>
Cash flows from financing activities:			
Repayments of borrowing		(4,977)	(4,857)
Payments made to BU towards pension deficit		<u>(6,045)</u>	<u>(4,455)</u>
Net cash provided by/(used in) financing activities		<u>(11,021)</u>	<u>(9,312)</u>
Change in cash and equivalents in the reporting period		<u>(49,645)</u>	<u>(18,647)</u>
Cash and equivalents at the beginning of the year	b	<u>208,562</u>	<u>227,209</u>
Cash and cash equivalents at the end of the year	b	<u>158,917</u>	<u>208,562</u>

Analysis of changes in net debt:

	At start of year £	Cash-flows £	At end of year £
Cash	208,562	(49,645)	158,917
Bank loans:			
Falling due within one year	(4,000)	-	(4,000)
Falling due after one year	(8,000)	(4,000)	(4,000)
Finance lease obligations:			
Falling due within one year	(885)	71	(956)
Falling due after one year	(20,738)	(1,047)	(19,691)
Total net funds / (debt)	<u>174,939</u>	<u>(54,621)</u>	<u>130,270</u>

REIGATE BAPTIST CHURCH
FOR THE YEAR ENDED 31 DECEMBER 2021
NOTES TO THE CASH FLOW STATEMENT

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	161,723	(26,010)
Adjustments for:		
Depreciation charges and provisions for impairment	14,855	25,822
Dividends, interest and rents from investments	(70)	(251)
Loss/(gain) on the revaluation of fixed assets	(161,554)	-
Increase/(decrease) in defined benefit pension liability	(26,055)	3,155
(Increase)/decrease in stocks	390	(390)
(Increase)/decrease in debtors	(5,916)	624
Increase/(decrease) in creditors	(8,476)	(5,333)
Net cash provided by (used in) operating activities	<u>(25,103)</u>	<u>(2,383)</u>

Note b: Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank with immediate access	58,517	108,162
Notice deposits (with a term of three months or less)	100,250	100,250
Petty cash	150	150
Total cash and cash equivalents	<u>158,917</u>	<u>208,562</u>

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Statutory Information

The charity is a trust registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These 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) ('the Charities SORP')", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

In making this assessment the trustees have considered the impact of Covid-19 and have concluded that its impact on net income will not be material.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church events.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It is primarily income received from property rentals.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the church is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. There are no designated funds as at the year end. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £500 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Are not depreciated on the grounds that they have very long useful lives and the assets will be maintained in such condition that their residual values are not materially different from the amounts shown in the balance sheet.
Equipment	Over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity is a participating employer in the Baptist Union Pension Scheme which, prior to January 2012, was a multi-employer defined benefit pension scheme. The charity is unable to identify its share of this scheme's assets and liabilities therefore, as permitted by FRS 102, the entire scheme is being treated as if it were a defined contribution scheme. The last actuarial valuation indicated that the obligation to provide defined benefits gives rise to a funding deficit and the charity, along with other participating employers, must make additional contributions to remedy the deficit. The obligation to make deficit reduction contributions in future years has been included as a liability in these financial statements. Further information about this defined benefits scheme, and the charity's obligation to contribute towards its funding deficit, is disclosed elsewhere in the notes to these accounts.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Critical accounting estimates and areas of judgement

In preparing financial statements certain judgements, estimates and assumptions have to be made that affect the amounts recognised in the financial statements. The trustees consider the following to be significant:

- i) The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimates for useful economic life and residual value. These estimates are reassessed annually and, when necessary, adjusted to reflect current circumstances.

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies	2021	2020
	£	£
Donations of cash and similar	312,292	268,037
Donations in kind	75,695	32,390
Income tax recoverable	56,284	48,411
	<u>444,270</u>	<u>348,838</u>
Donations in kind comprise the following:	2021	2020
	£	£
Goods donated for:		
Distribution to beneficiaries	72,410	32,390
For use by the charity	3,285	-
	<u>75,695</u>	<u>32,390</u>
4 Income from charitable activities	2021	2020
	£	£
Church retreats and events	5,237	3,621
	<u>5,237</u>	<u>3,621</u>
5 Income from other trading activities	2021	2020
	£	£
Rental income	35,854	30,725
	<u>35,854</u>	<u>30,725</u>
6 Other income	2021	2020
	£	£
Job Retention Scheme grant	19,971	17,505
Insurance claim	21,006	16,723
Other miscellaneous income	856	275
	<u>41,833</u>	<u>16,998</u>
7 Charitable expenditure	2021	2020
	£	£
a Costs incurred directly on specific activities		
Ministry		
Ministers' staff costs	167,954	136,982
Training and conferences	2,851	793
Ministers' housing costs	28,486	16,592
External speakers	2,548	2,050
Youth and children including staff costs	16,783	10,842
Church events & courses	952	-
Other ministry costs	7,924	12,247
Buildings		
Staff costs	65,398	69,625
Utility costs	11,819	13,589
Cleaning	2,480	1,660
Repairs and maintenance	27,334	14,393
Costs of letting	3,422	2,075
Other buildings costs	2,060	1,219
Outreach		
Evangelism and events	7,128	6,655
Literature and publicity	2,075	2,460
Foodbank - donations in kind expensed	72,800	32,000
Grants (see note 6c)	46,885	25,106
	<u>468,898</u>	<u>348,288</u>

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	3,360	4,680
	<u>3,360</u>	<u>4,680</u>
Staff costs	34,542	32,816
Transport	241	193
Catering	4,271	2,037
Office running expenses	5,560	6,349
Equipment, repairs and maintenance	9,641	11,005
Depreciation	14,855	25,822
Insurance	5,634	5,722
Mortgage interest	533	670
Miscellaneous	5,615	3,211
	<u>84,252</u>	<u>92,505</u>
Total expenditure	<u>553,150</u>	<u>440,793</u>

The fee payable to the independent examiner for preparing and examining the accounts was £3,600 (2020: £4,200); no other fees were payable to Stewardship for any other services provided.

c Grants payable

	Institutions £	Individuals £	2021 £
Grants for UK and overseas mission	23,664	3,660	27,324
Grants for the relief of poverty	18,517	1,043	19,560
	<u>42,182</u>	<u>4,703</u>	<u>46,885</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2020 £
Grants for UK and overseas mission	9,844	6,000	15,844
Grants for the relief of poverty	8,762	500	9,262
	<u>18,606</u>	<u>6,500</u>	<u>25,106</u>

The charity's principal grants to institutions comprised:

	2021 £	2020 £
Open Hands	11,401	-
Westvale Community Church	10,000	-
Foodbank	6,346	1,784
Sparkfish	4,500	4,500
Mission 24	3,664	-
Anchor	2,000	2,000
South East Baptist Association	1,000	1,000
Baptist Missionary Society	1,000	-
Evangelical Alliance	1,000	-
Dnipro Hope Mission	50	1,000
Renewed Hope Trust	-	5,000
Barnabas	-	1,000
Grants to institutions for less than £1,000 each	1,221	2,322
	<u>42,182</u>	<u>18,606</u>

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2021 £	2020 £
Gross wages and salaries	239,691	213,938
Social security	13,607	11,335
Pension costs	14,965	13,638
	<u>268,263</u>	<u>238,910</u>

The average monthly number of employees during the year was 16 (2020: 17). Most of the charity's activities are carried out by volunteers.

During the year the church's key management were the Senior Pastor and the Church Administrator. The total employment benefits (excluding housing allowance) for those members of staff were £60,064 (2020: £57,115).

In addition the charity incurred expenditure totalling £16,686 (2020: £16,592) in respect of the customary provision of accommodation to Mike Williams, who is a member of key management, so that they could better perform their duties. This total includes the payment of a housing allowance of £14,400 (2020: £14,400) administered through the payroll.

No trustees or connected parties received employment benefits in either the current or preceding year.

9 Tangible fixed assets

	Church Freehold Property £	Manse Freehold Property £	Furniture and equipment £	Vehicles £	Total 2021 £
Cost					
At 1 January 2021	1,796,445	238,446	238,136		2,273,027
Additions			1,865	11,725	13,590
Gains / (losses) on revaluation		161,554			161,554
Disposals			(17,235)		(17,235)
At 31 December 2021	<u>1,796,445</u>	<u>400,000</u>	<u>222,766</u>	<u>11,725</u>	<u>2,430,936</u>
Accumulated depreciation					
At 1 January 2021	-	-	209,302		209,302
Charge for the year	-	-	14,855		14,855
Eliminated on disposal	-	-	(17,235)		(17,235)
At 31 December 2021	<u>-</u>	<u>-</u>	<u>206,923</u>	<u>-</u>	<u>206,923</u>
Net book value					
At 31 December 2021	<u>1,796,445</u>	<u>400,000</u>	<u>15,843</u>	<u>11,725</u>	<u>2,224,013</u>
At 31 December 2020	<u>1,796,445</u>	<u>238,446</u>	<u>28,834</u>	<u>-</u>	<u>2,063,725</u>

The Manse freehold property was valued at £400,000 on 29 March 2022 by an independent qualified valuer at open market value assuming vacant possession. If freehold property had not been revalued, its carrying value at historical cost would have been £238,446 (2020: £238,446). The Church freehold property is held at cost as valuation is not possible due to the restricted use of the site and lack of comparable properties in the area.

10 Stock

	2021 £	2020 £
Donated goods for foodbank	-	390
	<u>-</u>	<u>390</u>

11 Debtors

	2021 £	2020 £
Tax recoverable	3,762	4,234
Other debtors	2,190	-
Rental income receivable	2,859	3,112
Prepayments & accrued income	7,240	2,789
	<u>16,052</u>	<u>10,135</u>

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12 Cash at Bank and in Hand

	2021	2020
	£	£
Cash at bank with immediate access	58,517	108,162
Notice deposits (with a term of three months or less)	100,250	100,250
Petty cash	150	150
	<u>158,917</u>	<u>208,562</u>

13 Creditors: liabilities falling due within one year

	2021	2020
	£	£
Accruals	7,238	15,714
Loans	4,000	4,000
Mortgage liability	956	885
	<u>12,194</u>	<u>20,599</u>

14 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Loans	4,000	8,000
Mortgage liability	19,691	20,738
	<u>23,691</u>	<u>28,738</u>

15 Mortgage and other loans

The liabilities for the mortgage and further loans referred to in notes 13 and 14 fall due for repayment as follows:

	Bank loans	
	2021	2020
	£	£
Repayable:		
Within one year	956	885
Between one and five years	4,108	4,012
After five years	15,582	16,726
	<u>20,647</u>	<u>21,623</u>
	Concessionary loans	
	2021	2020
	£	£
Repayable:		
Within one year	4,000	4,000
Between one and five years	4,000	8,000
	<u>8,000</u>	<u>12,000</u>

The mortgage referred to in the above notes is secured on 16 Sycamore Walk by way of a fixed and floating charge on the property. Interest is payable at a variable rate, which at the balance sheet date was 2.85%. The loan was being repaid in monthly instalments but was fully redeemed on 28th February 2022.

The concessionary loan referred to in the above notes is unsecured and interest free. It has been provided by the South East Baptist Association and is repayable in instalments of £2,000 twice each year.

16 Pension commitments

The Baptist Union Pension Scheme

Background to the disclosure

The charity is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers. The Scheme comprises a Defined Contribution (DC) Plan and a Defined Benefit (DB) Plan.

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

The DB Plan is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the DB Plan's assets and liabilities to specific employers and means that contributions are accounted for as if the DB Plan were a defined contribution scheme. The pensions costs charged to the SoFA in the year comprise contributions accruing in the year in respect of the DC Plan plus the impact of deficiency contributions to the DB Plan (see below). The charity is obliged to recognise a liability for its expected future deficiency contributions to the DB Plan.

Ministers and some members of the church staff are eligible to join the Scheme.

The Defined Contribution Plan

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The Defined Benefit Plan

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The next actuarial valuation of the DB Plan is due as at 31 December 2022.

Recovery plan

A recovery plan dated 30 September 2020 has been agreed to make good the above deficit in assets. Therefore, in addition to the contributions to the DC Plan set out above, the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

It has been agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction in all deficiency contributions payable between 1 July 2020 and 31 December 2020. The Recovery Plan envisages deficiency contributions continuing until June 2026.

In addition, the Baptist Union of Great Britain contributed a lump sum of £0.5m in 2020.

Key assumptions

The key assumptions underlying the actuarial valuation of the DB Plan were as follows:

<i>Type of financial assumption</i>	<i>% pa</i>
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	2.70

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Movement in Balance Sheet liability

	2021 £	2020 £
In respect of the DB Plan:		
Balance sheet liability at start of the year	94,200	95,500
Minus deficiency contributions paid	(6,045)	(4,455)
Interest cost (recognised in SoFA)	-	-
Remaining change to balance sheet liability* (recognised in SoFA)	(26,055)	3,155
Balance sheet liability at the end of the year	<u>62,100</u>	<u>94,200</u>
Due within 1 year	6,045	4,455
Due after 1 year	56,055	89,745
	<u>62,100</u>	<u>94,200</u>

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Other recognised gains/losses 2021 £	Closing balance 2021 £
<i>General Unrestricted Funds</i>	2,122,012	514,011	(532,680)	6,640	187,609	2,297,592
Total Unrestricted Funds	<u>2,122,012</u>	<u>514,011</u>	<u>(532,680)</u>	<u>6,640</u>	<u>187,609</u>	<u>2,297,592</u>
<i>Restricted Funds</i>						
Sierra Leone Children's work	370	-	(370)	-	-	-
Coffee Cart	3,750	3,841	(721)	(6,640)	-	230
Foodbank	13,143	4,603	(17,746)	-	-	-
Hardship Fund	-	4,219	(1,043)	-	-	3,176
Gifts for individuals	-	590	(590)	-	-	-
Total Restricted Funds	<u>17,263</u>	<u>13,253</u>	<u>(20,470)</u>	<u>(6,640)</u>	<u>-</u>	<u>3,406</u>
Aggregate of funds	<u>2,139,275</u>	<u>527,264</u>	<u>(553,150)</u>	<u>-</u>	<u>187,609</u>	<u>2,300,998</u>

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted General funds £	Restricted funds £	2021 £
Tangible fixed assets	2,224,013	-	2,224,013
Stock	-	-	-
Debtors	16,052	-	16,052
Cash at bank and in hand	155,511	3,406	158,917
Creditors falling due within one year	(12,194)	-	(12,194)
Creditors falling due after one year	(23,691)	-	(23,691)
Defined benefit pension schemes liabilities	(62,100)	-	(62,100)
	<u>2,297,592</u>	<u>3,406</u>	<u>2,300,998</u>

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Actuarial Adjustment 2020	Closing balance 2020 £
<i>General Unrestricted Funds</i>	2,163,885	401,011	(439,009)	(720)	(3,155)	2,122,012
<i>Total Unrestricted Funds</i>	2,163,885	401,011	(439,009)	(720)	(3,155)	2,122,012
<i>Restricted Funds</i>						
<i>Building project</i>	1,030	-	-	(1,030)	-	-
<i>Sierra Leone Children's work</i>	370	-	-	-	-	370
<i>Coffee Cart</i>	-	2,000	-	1,750	-	3,750
<i>Foodbank</i>	-	14,927	(1,784)	-	-	13,143
	1,400	16,927	(1,784)	720	-	17,263
<i>Aggregate of funds</i>	2,165,285	417,938	(440,793)	-	(3,155)	2,139,275

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted General funds £	Restricted funds £	2020 £
<i>Tangible fixed assets</i>	2,063,725	-	2,063,725
<i>Debtors</i>	10,135	-	10,135
<i>Cash at bank and in hand</i>	191,299	17,263	208,562
<i>Creditors falling due within one year</i>	(20,599)	-	(20,599)
<i>Creditors falling due after one year</i>	(28,738)	-	(28,738)
<i>Defined benefit pension schemes liabilities</i>	(94,200)	-	(94,200)
	2,122,012	17,263	2,139,275

The Building project is a fund established for use in conjunction with a future anticipated extension to the church building. During 2020 money was transferred in to cover expenditure on a building survey in 2019 which should have been funded by unrestricted funds, and the outstanding balance was transferred to the Coffee Cart Fund with the permission of the donor.

The Sierra Leone children's work fund has been established to support children's work in Sierra Leone. Grants are made in support of this work in most years.

The Coffee Cart fund represents donations to purchase a coffee cart. The funds transfer to general funds in 2021 is the result of the purchase of the cart which is held as an unrestricted fixed asset.

The Foodbank fund is for the support of the Foodbank. This was transferred to a separate charity, Open Hands, during the year.

The Hardship Fund is to support those in need.

Gifts to Individuals represents funds raised for specific people.

REIGATE BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18 Transactions with related parties

During the year the charity:

- a) received donations totalling £22,475 (2020: £32,695) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

On 25th November 2020, the Foodbank run by the Renewed Hope Trust was transferred to Reigate Baptist Church at no cost. In March 2021 this was transferred at no cost to a new charity, Open Hands. Michelle Hirschfield, the wife of Glenn Hirschfield a Trustee, was herself a Trustee of Renewed Hope Trust and Open Hands at this time. She has since resigned from both charities.

Except as disclosed above and in note 7 'Analysis of staff costs', there have been no other transactions with related parties during the year.

REIGATE BAPTIST CHURCH
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	431,017	13,253	444,270	331,911	16,927	348,838
Charitable activities	4	5,237		5,237	3,621		3,621
Other trading activities	5	35,854		35,854	30,725		30,725
Investments		70		70	251		251
Other income		41,833		41,833	34,503		34,503
Total income and endowments		514,011	13,253	527,264	401,011	16,927	417,938
EXPENDITURE ON:							
Charitable activities:	7	532,680	20,470	553,150	439,009	1,784	440,793
Total Expenditure		532,680	20,470	553,150	439,009	1,784	440,793
Net income/(expenditure)		(18,669)	(7,217)	(25,886)	(37,998)	15,143	(22,855)
Transfers between funds	17	6,640	(6,640)	-	(720)	720	-
		(12,029)	(13,857)	(25,886)	(38,718)	15,863	(22,855)
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets		161,554		161,554			-
Actuarial gains/(losses) on defined benefit pension schemes	16	26,055		26,055	(3,155)		(3,155)
Net movement in funds		175,580	(13,857)	161,723	(41,873)	15,863	(26,010)
Reconciliation of funds:							
Total funds brought forward		2,122,012	17,263	2,139,275	2,163,885	1,400	2,165,285
Total funds carried forward	17	2,297,592	3,406	2,300,998	2,122,012	17,263	2,139,275