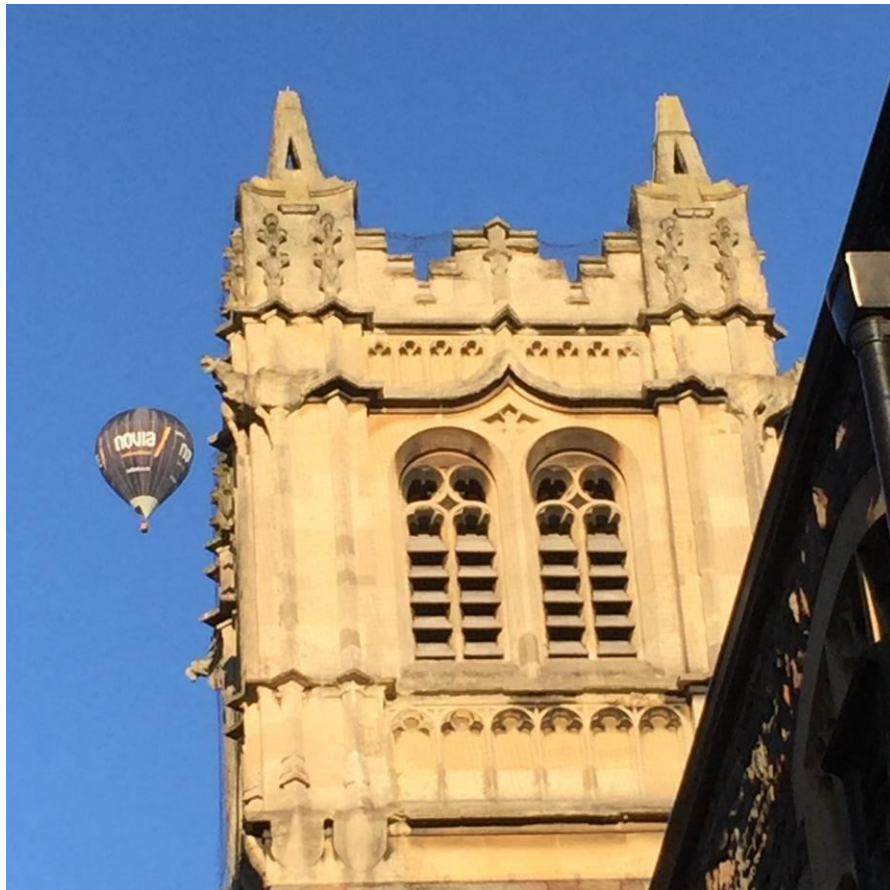




# **HORFIELD BAPTIST CHURCH**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**Year to 31<sup>st</sup> DECEMBER 2020**



**Charity Number 1126706**

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# HORFIELD BAPTIST CHURCH

## MINISTER, TRUSTEES AND PROFESSIONAL ADVISERS

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### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Registered charity name</b>	Horfield Baptist Church
<b>Charity number</b>	1126706
<b>Registered address</b>	279 Gloucester Road Bristol BS7 8NY
<b>Trustees</b>	Rev Sarah Phillpot (Pastor) Mrs Christine Brown (ILT from April 2020; Elder, from November 2020) Mr Matthew Champion (ILT from April 2020; Elder, from November 2020) Mrs Esther Newman (ILT from April 2020; Elder, from November 2020) Mrs. Chris Shrimpton (Deacon, term ended November 2020) Mr. Cecil Skelton (Deacon, term ended April 2020) Mrs. Myra Skelton (Deacon, term ended April 2020)
<b>Interim Leadership Team (ILT)</b>	Mr Jonny Wilkinson (from April 2020 to November 2020) Ms Jenny Foster (from April 2020 to November 2020)
<b>Property Trustees</b>	The Baptist Union Corporation Limited Baptist House 129 Broadway Didcot Oxfordshire OX11 8RT
<b>Independent Examiner</b>	Anthony J Faccini Accountants Hatter House Abbotsford Close Woking Surrey GU22 7BJ
<b>Bankers</b>	Co-operative Bank PLC P.O. Box 250 Delf House Southway, Skelmersdale WN8 6WT

# **HORFIELD BAPTIST CHURCH**

## **TRUSTEES ANNUAL REPORT YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT Governing document**

The original governing document, a deed of trust, was drawn up in 1892 by founder members, the original having been lodged with the Baptist Union Corporation.

A new constitution was drawn up dated 14 October 2008 in line with Baptist Union guidelines and has been lodged with the Charity Commission. A slight amendment to this constitution was drawn up and approved in March 2020 and the Charity Commission notified. Members of the Church are accepted in accordance with the Constitution which normally requires them to have been publicly baptised on the profession of faith in Jesus Christ or following other modes of baptism to renew their public profession of faith in Jesus Christ.

The members meeting normally takes place ten times per year and has responsibility for the overall policy of the Church. In accordance with the constitution, deacons were elected from among the membership of the Church and, for their time of service were considered trustees. Under the amended constitution, Elders are now elected from among the membership of the Church (in place of Deacons) and, for their time of service are considered trustees. Deacons or Elders are responsible under God, with the Pastor, for the pastoral leadership of the Church. All members are encouraged and expected to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

The charity is controlled by its governing document and constitutes an unincorporated charity

### **Charity status**

Horfield Baptist Church, Gloucester Road, Bristol, BS7 8NY is a registered charity under the Charities Act 1993. The Church registered as a charity on 13 November 2008.

The Church owns one house, 29 Ramsey Road, Horfield, Bristol BS7 0JF, which is occupied as a manse by the pastor, the deeds being held by the West of England Baptist Association Incorporated.

## **OBJECTIVES AND ACTIVITIES**

### **PURPOSE OF THE CHARITY**

The principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

In order to achieve the principal objective, which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

### **Worship Services**

Central to the work and witness of Horfield Baptist Church is the provision of weekly public services of worship on a Sunday morning at 10.30 am throughout the year which are open to all. There are also occasional services at other times which are advertised in the Church notices and on the Church website at [www.horfieldbaptist.net](http://www.horfieldbaptist.net). Age-appropriate activities and teaching for children and young people aged 0-11 are provided during Sunday morning services. We seek to be a friendly and welcoming organisation, and all are welcome to attend any of our services. We will not discriminate against anyone by virtue of age, race, gender, disability or lifestyle choice. During 2020 our main worship service has been conducted online over Zoom with the service later uploaded to Horfield Baptist Church's YouTube channel <https://www.youtube.com/channel/UCFLb2Uq5zE8VphFhxpY8Piw> and public Facebook page <https://www.facebook.com/groups/6338094987>

### **Home Groups**

The Church runs a small number of home and study groups for the growth of faith and discipleship in the homes of some members and on Church premises. One of these has continued through lockdown over Zoom. For information, please contact the Church office [office@horfieldbaptist.net](mailto:office@horfieldbaptist.net)

### **Sponsored<sup>1</sup> Uniformed Organisations**

Rainbows, Brownies, Guides, Beavers, Cubs and Scouts all meet on the premises, occasionally attending parade services.

### **Café**

Horfield Baptist Church's Fresh Ground Café closed at the beginning of the year. Much thought and prayer brought a potential tenant into relationship with the Church, however lockdown has meant that discussions are on hold for the foreseeable future.

### **Messy Church**

The Church runs Messy Church on the premises six times a year when families and children are welcomed and invited to participate in a relaxed and creative way, and 'church' takes place

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<sup>1</sup> Horfield Baptist Church 'sponsors' uniformed and other organisations deemed to be of significant public advantage and these in turn 'donate' what they are able to for use of space within the building, instead of paying the going rate of hire.

which involves all age groups. Messy Church has continued to meet over Zoom, supporting families in the community and encouraging faith.

### **First Friday**

Once a month Horfield Baptist Church runs a youth group for those in year group 6 and above which is attended by both Christian and non-Christian young people. Activities include sports, food, Bible study, fellowship and fun. The young people also learn how to use puppets and participate in Church services two or three times a year. This activity has not been able to continue during lockdown.

### **Ladies' Breakfast**

Horfield Baptist Church runs a Ladies' breakfast 5 times a year. This is an opportunity for women from both inside and beyond the Church fellowship to meet together over a relaxed breakfast and to hear a short and encouraging talk with a Christian message. This activity has not been able to continue during lockdown.

### **Men's Breakfast**

The Church also occasionally runs a breakfast meeting for men which provides an opportunity for men from the Church fellowship and those on the fringes to meet and chat over a cooked breakfast. This activity has not been able to continue during lockdown.

### **Missions**

Horfield Baptist Church regularly supports mission activities at home and abroad. We are in membership with the Baptist Union of Great Britain (BU) through our local association, the West of England Baptist Association (WEBA) and devote an agreed sum each year to both Home Mission and the Baptist Missionary Society (BMS) amounting to approximately 10% of income. More is collected through special collections.

In addition, Horfield Baptist Church makes regular financial collections and prays for mission organisations both locally and nationally. Our existing mission partners are the Leprosy Mission and we sponsor a child's education in Bangladesh through a retired missionary with a local contact. We also supported in various ways The Matthew Tree project, Operation Agri and the West of England Baptist Network Christmas appeal, WEBOX.

### **Community Outreach**

The Church organises regular outreach events to which members of the community are invited with the aim of strengthening community links and sharing the Good News of Jesus. This year our excellent Christmas Carols event for families was over Zoom and was moderately well attended under the circumstances.

### **Newsletter**

This year the Church has produced a weekly newsletter which is distributed via email and by post to all within our fellowship. This vital ministry has helped to keep members and attenders in touch and informed. It includes a weekly reflection, news about the fellowship, information on who to contact for a variety of ministries, national support and encouragement and information on and encouragement to get involved with local, national and international mission. It has been a vital part of our pastoral ministry during lockdown.

### **Pastoral care and Pastoral Watchers**

Our pastoral response to the pandemic, to all from the potential isolation of those on their own to families attempting to home-school whilst on furlough or working from home has been expansive and impressive for a small fellowship with limited resources. Our network of Pastoral Watchers has ensured that everyone receives a regular phone call with a resulting conversation, which may lead to some shopping or other errand being accomplished as a result. Our Prayer Pyramid and Prayer List have been utilised for those who are anxious as well as those who are sick, with the result that the fellowship, although unable to meet physically, has continued to feel supported, loved and cared for. In April and December of 2020, plants were distributed to everyone in the wider fellowship as a reminder of that love.

In addition, the Church seeks to provide:

- Ministerial leading and teaching to enable the Church to fulfil its objects and activities. The pastor represents the Church to wider local and national secular institutions as required;
- Spiritual and moral education for children and young people from birth to adulthood through our pastor, volunteer children's and youth workers and Church members;
- The regular support of a number of other charitable organisations, including a local food bank (The Matthew Tree Project);
- A safe environment on Church premises for both young people and vulnerable adults by the implementation of agreed protection policies, regularly reviewed and renewed, including complying with guidelines from the BU and new laws to ensure that the premises remain covid-safe;
- The support of members and attenders at times of ill health or personal difficulties through pastoral care, visiting at home and hospital, and through prayer and listening.

Under normal circumstances, the Church premises are in use every day of the week, offering a range of facilities and opportunities open to all members of the public for the benefit of people of different ages and backgrounds, both from within the Church membership and the wider community. During Lockdown the Church has been able to facilitate the continued use of the premises by the NHS Baby Clinic, a vital resource for new parents.

The Church's income is primarily used in paying and accommodating a minister; in maintaining the structure of its extensive premises (which have Grade II listed status); in cleaning and heating the premises to make them suitable for constant Church and community use; and in contributing to the wider Baptist community both at home and abroad through the Baptist Home Mission Fund and BMS World Mission. The Church also employs a part-time administrator, but most of the work of the Church is supported by members on a voluntary basis.

### **Trading Activities**

The current Church premises being large, are extensively used by many outside organisations in addition to our own, ranging from Baby Clinic, a toddler singing group, 'Keep Fit' classes and various groups associated with our outreach to young families. The buildings are popular amongst our young families as a venue for birthday parties, and family celebrations.

The income is generated mostly by the letting of rooms and the voluntary giving of Church members. Income this year has been severely compromised by Covid-19 restrictions on meetings.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted according to the Disclosure and Barring Service. These services have moved online during 2020

The Church has read the Charities Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Achievements and Performances for 2020**

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement, engagement with the community and deepening faith. The Trustees recognise that these are difficult to measure. This has been a year of challenge and change for Horfield Baptist Church. Church services have moved online and members and attenders have become actively involved in caring for one another and intentional about keeping in touch.

The first ten weeks of the Church's year proceeded as expected. Church discussed a new leadership structure which was to be implemented before the minister's sabbatical was due to begin at the end of April. This would require a slight change to the Church's constitution, to be agreed at a Special Church Meeting. Church also began to explore the possibility of developing the premises and a committee was set up to action this exploration and report back to Church Members Meeting (CMM). By God's grace and through the determination of Church meeting, lockdown has not meant shutdown for Horfield Baptist Church and the change of leadership structure was accomplished during the year, and a commitment made to explore development of the premises.

### **Leadership Structure**

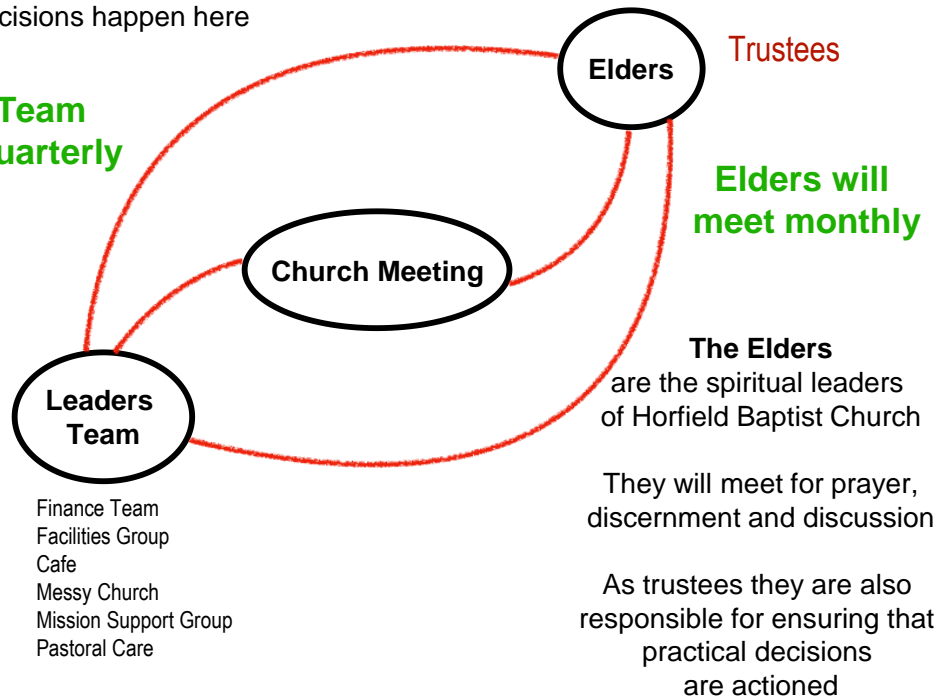
In January, a new leadership structure was discussed at CMM



**The Leaders Team**  
are the practical leaders  
of Horfield Baptist Church.

All practical decisions happen here

**Leaders Team**  
will meet quarterly



The proposed structure would require two slight alterations to the constitution which was accomplished at a Special Church meeting in early March and was to be reviewed in 12 months' time. The Leaders Team is formed from those who are already in positions of leadership within the Church, affirming and supporting those who already take responsibility within the Church and will meet four times during the year to review policies and take practical decisions about the running of the Church. No sooner was the change in constitution and leadership structure agreed than the first Covid-19 lockdown occurred, and the March CMM was cancelled meaning that the rest of the changes couldn't be brought in.

No Church meetings were held in March, April or May, but in June, under the guidance of the West of England Baptist Network and in line with the guidance issued by the Baptist Union, an Interim Leadership Team (ILT) was established and voted into place via a postal vote and a Church meeting held over Zoom. This situation was far from ideal, but one deacon agreed to stay on as Trustee alongside the minister allowing the ILT to guide CMM through the rest of the year until an eldership could be voted into place in November again via a postal vote and at a Church meeting held over Zoom, establishing the leadership structure proposed at Church meeting in January.

Horfield Baptist Church is hugely grateful to all of those who have taken on leadership roles during 2020.

## Café

In February, after the first half term of the year, it was sadly agreed to close Fresh Ground Café after nearly seven years, due to a lack of volunteers to work alongside the two café managers who

were made redundant. As the café closed, an expression of interest was received from a charity working with young people with learning difficulties. As the Church café committee started to explore this interest with the charity, Covid-19 closed cafés throughout the country. The charity is still interested in using the Church premises and the Church is still interested in working with them. Time will tell whether anything will come of this.

### **Sunday services**

In April of 2020 our usual Sunday morning services moved online via Zoom. Gatherings in person for worship or any other purposes had been banned by the government because of Covid-19 in late March and it took us almost a month to gather the knowledge and resources to meet over the internet. Easter Sunday was our first meeting over Zoom. Palm Sunday's service, Messy Easter and a planned film afternoon and tea had all been abandoned. Easter Experience had been planned for Bishop Road School, but this also didn't take place which was a shame. However by Easter Sunday, a small group of us met on a computer screen to celebrate together Jesus, risen from the dead.

Over the course of the rest of the year, all but two gatherings have happened over Zoom and the congregation has steadily become more used to Church happening in our own front room or kitchen but connected to others over the ether. Some who started to meet with us over the phone have invested in a smart tablet or webcam and the number of us who gather has stabilised and grown slightly, but it is a sadness to know that there are still some of our members and regular attenders who do not feel able or choose not to join us on a Sunday over the phone or via a laptop or tablet. The Sunday service is also uploaded to the Horfield Baptist Church YouTube channel and the Horfield Baptist Church Facebook page where others who are not a part of our congregation may also view it. Access to the Sunday service is via a link which is available through the Church Office for those who wish to be present with us on a Sunday.

In September, as restrictions eased, a service was held on the Church premises which attracted similar numbers to those who were meeting online. This was a service of prayer and was much appreciated by those who were able to attend although the one-way system, social distancing and a ban on singing and chatting made the experience feel strange. In November, another service was held on the premises. This was a harvest service when all were invited to bring food and other supplies for The Matthew Tree Project in Bristol.

By October, it was clear that restrictions were coming back again so the Remembrance Day service was held online.

In December, a Family Carols service was held on the premises by a small group of folks and broadcast over Zoom to a larger group which included Messy Church families as well as Church family.

All other services, including Christmas Day service were over Zoom.

### **Children's work**

For most of the year, children's work has consisted exclusively of Messy Church, which has been delivered online via Zoom.

In January, February and March, First Friday and Sunday morning children's work had occurred as usual as well as one instance of Messy Church. Once meetings on the premises ceased, Messy

Church continued to meet online at its usual time and place, and families who usually joined us on a Sunday morning were invited to join in.

### **Outreach**

During 2020, several outreach events had been planned to connect with the community around the Church premises. None of them could take place.

Instead, teaching and actions focussed on the Church community being Church wherever we were amongst our neighbours. Twice during the year, a prayer card was produced to be delivered to neighbours asking if they would like prayer. At Christmas, members and attenders were encouraged to join in with a Bristol based initiative to sing carols on the doorstep.

It has become clear to us that we are not sufficiently embedded in our local community and our 'mission' to our neighbours in Bishopston consisted largely of providing activities or a venue. This knowledge will form part of the review of our activities, ministry and mission which we will undertake in 2021.

### **Development of the Church premises**

The year began with an acknowledgement that Church was no longer keeping up with the work that needed to be done to maintain the Church premises. Those who had given so much time and talents over many years and gifted their experience and time to maintaining the building have grown older and the shrinking congregation is no longer able to afford to pay for work to be done professionally. In our Church meetings at the beginning of the year we acknowledged that fact and began to explore the possibility of developing the Church premises to be more suitable and affordable. A committee was formed, ably chaired by Tina Palmer, and avenues of development explored. Unfortunately, the first developer recommended to us was discovered to not be in a good position financially. Having so nearly got our fingers burned, Church realised that we needed some help and advice. Conversations ensued with WEBNet and the Baptist Union Corporation about a possible partnership to explore together the possible development of the Church site, and provision of an appropriate worship site, with expertise and support provided from the team, now called Spatial Perceptions, which had helped Spurgeon's College to discern the spec for developing the college site.

In September, a special Church meeting was held over Zoom with a single question on the agenda. Whether the Church premises should be sold, or development explored in partnership with Spatial Perceptions. Postal voting had been permitted for this issue following a vote at the July Church meeting. Attendance was very good with over 80% of members voting and over 80% of those voting voted for the option of exploring development of the premises.

By the end of the year, several folks had seen around the premises including a potential developer, the project manager and one of the trustees from WEBNet who would also be part-funding the cost of the initial report. Lockdown has slowed the process, but we look forward to discerning the future that God has for Horfield Baptist Church and its premises in Bishopston.

### **Pastoral care**

Suddenly, in late March, Pastoral care became much more difficult. At the beginning of the year, Church meeting had agreed a pastoral policy laying out how the Church members, attenders and others associated with Church in various capacities, were to be cared for, who would do the caring, what support they would receive and how the process would be overseen. Now, this was so much

harder to deliver because of lockdown. Two new posts of Pastoral Carer had been created and Marilyn Goodway and Ros Bird voted into post.

Before all of this could be fully implemented however, lockdown meant that pastoral visits could not take place. Fortunately, Horfield Baptist Church has a Pastoral Watchers Network in place meaning that everyone who regularly attends has someone who will speak with them occasionally or more regularly should the need arise. Pastoral Watchers has meant that each week, everyone receives a phone call to check up on them. It has been expanded to include offers of shopping or collection of prescriptions or medication and ensures that no one is without someone who takes an interest in their wellbeing.

Pastoral visits have been conducted, when government guidelines permit, on doorsteps, in gardens, out on the common and in hospital. A coffee morning has been established over Zoom for those who would like to meet with others and although there are not many who attend, it is one more way that we stay in touch with one another.

During the course of the year, we have also twice delivered plants to all those in our directory to remind them that they are loved.

Every Friday, a newsletter is produced with contact details, a reflection, Church news and mission news and delivered via email or by post to everyone in our directory. We recognise that not everyone is able to manage the technology needed to join us by computer or muster the concentration necessary to connect by phone, so the newsletter provides another way of keeping in touch.

During the year, three members have resigned, and we have welcomed one new person into membership. Health and Safety and Pastoral Care policies were agreed.

2020 may well have been the most difficult year for the Church in its 125+ year existence, however church has continued to be church as well as do church and the love of God has been shared, witnessed to and modelled in new and unfamiliar ways. We look forward to what God has for us in 2021.

## **FINANCIAL REVIEW**

The Church continues to raise funds which it needs to carry on its activities from voluntary contributions from within the membership, congregation and by rents received from hiring out its substantial premises.

2020 has seen the Church's income severely limited by the restrictions caused by Covid-19. Although there were no major repair works, the Church buildings continue to cause concern. Blocked gutters caused water ingress and ongoing issues with ageing boilers has meant that damp is causing problems. The heating having been switched to a 'frost setting' because of the non-use of the building has exacerbated these problems.

Keeping general repair costs down by a few volunteers from the fellowship becomes more difficult, as like the ageing building the volunteers are not getting younger. We continue to monitor our bills closely aiming to obtain the best deals possible from the market, thus ensuring we are using our monies in the most efficient way to God's glory.

The Church continues to express its part in the life of the wider church by giving grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purpose.

### **Voluntary Income**

The main source of income is the offerings from members and friends, made either weekly or monthly and in a variety of ways, i.e., using the envelope scheme, standing orders via the bank, or in cash. The offerings received are augmented by recovered income tax, derived from those people who have registered for Gift Aid with the added ability to claim from the "Gift Aid Small Donations Scheme" which added £6,309 in 2020.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

### **Reserves**

The Church operates a reserves policy to enable the Church to function effectively and meet its obligations in the event of a decline in our income or a major cost. The aim is to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will ensure that there are enough funds available to cover day to day costs.

Having considered the relevant risks of changes in income and expenditure, the Trustees have determined that the appropriate level of reserves is approximately £30,000 and this amount has been placed in our Savings Account and has given us a little extra interest revenue. As at 31<sup>st</sup> December 2020 the Church held total reserves of £152,057 of which £4,774 were restricted and £8,532 designated. Reserves that were neither restricted nor designated amounted to £142,027.

Any reserved monies not immediately needed have been placed into savings accounts. These have been divided between Triodos bank on a 90-day notice account, Cambridge and Counties 95-day notice account and Virgin Charity Deposit Account, to gain some interest whilst supporting ethical banking until we are ready to use these designated funds either on building repairs; to upgrade our Manse or for outreach. To comply with advice from the Charity Commission we have split our monies to ensure each account is within the guaranteed safety threshold.

### **Collections for other Charities**

During 2020 the following amount was collected to give to other charities

Operation Agri	£120
Matthew Tree	£40
Leprosy Mission	£8
Bangladesh Rema	£50
WEBox contribution	£20
TOTAL	£238
Plus	

BMS Birthday Scheme	£639
Home Mission	£2,000
BMS	£2,000

It was felt that the Church's commitment to Gulu through BMS had been fulfilled so a final payment was made during the course of the year.

### **Pension Liability**

A pension liability has arisen as a result of past ministers participating in a pension scheme known as the Baptist Pension Scheme. HBC and ministers contributed to the defined benefit scheme which was closed for to future accrual of defined benefits on 31 December 2011. The current minister is not a member of the scheme. The details of the management of the liability arising from the scheme are recorded in the Annual Accounts.

### **PLANS FOR FUTURE PERIODS**

Plans for 2021 include:

- Identifying the vision God has for us for the future.
- Developing our buildings to better mirror the mission and ministry that God is calling us to in our location.
- Becoming actively involved in mission in Bishopston, Horfield and beyond.
- Bringing more attenders into membership
- Looking for more points of contact with those who attend our outreach events: building on Messy Church, Ladies Breakfast, Men's Breakfast and First Friday as well as our one-off activities.
- Providing events, training and activities that those on the fringes of our Church community perceive they need and giving Horfield Baptist Church opportunity to witness to the gospel in which we believe.

### **Review of goals for 2020**

During 2020 we have

- Worked with urgency to make decisions about our premises.
- Continued to explore a future for our café space.
- Modelled in our practice and attitude the values which are identifiers for HBC.

The challenges we face in 2021 include:

- Being bold in our outlook – looking outward instead of inward.
- Drawing together those who have continued to meet over Zoom with those who have not.
- Believing that God's provision will be sufficient for us.

### **Funds held as custodian trustee on behalf of others**

Specific gifts for other organisations are recorded as restricted funds and are appropriately controlled and passed on.

### **RESPONSIBILITIES OF THE TRUSTEES**

The charity's 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- make judgements 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;
- prepare the financial statements on the 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 1993 and the Charity (Accounts and Reports) Regulations 2008. The trustees 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.

#### **INDEPENDENT EXAMINER**

Tony Faccini of Anthony J Faccini was thanked for his assistance in the preparation & examination of these accounts.

## HORFIELD BAPTIST CHURCH

### INDEPENDENT EXAMINER'S REPORT TO THE CHURCH MEMBERS

I report on the financial statements for the year ended 31<sup>st</sup> December 2020, which are set out on pages 15 to 24.

#### RESPONSIBILITIES OF THE EXAMINER

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act 2011,
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- To state whether particular matters have come to my attention

#### BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

#### INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

1) Which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Act;
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or

2) To which, in my opinion, attention should be drawn in order to to enable a proper understanding of the accounts to be reached.

Anthony J. Faccini  
Hatter House  
Abbotsford Close  
Woking  
Surrey GU22 7BJ



2/8/2021



**HORFIELD BAPTIST CHURCH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted £	Designated £	Restricted £	Endowment £	Year to Dec. 2020	Year to Dec. 2019 £
<b>Incoming resources</b>							
Voluntary income	2	37,174		6,228	-	43,402	50,171
Investment income	3	1,302	-	-		1,302	1,656
						-	
Incoming resources from charitable activities	4	7,542	-	10	-	7,552	46,639
						-	
Other incoming resources						-	
						-	
Total incoming resources		46,018	-	6,238	-	52,256	98,466
<b>Resources expended</b>							
Charitable activities	5	77,544	3,306	901	-	81,751	105,118
Governance costs	1(g)	620	-	-	-	620	400
Pension Liability Interest		270				270	838
Total resources expended	6	78,434	3,306	901	-	82,641	106,356
<b>Net operating income/(expenditure) before transfers</b>							
		(32,416)	(3,306)	5,337		(30,385)	(7,890)
Gross transfers between funds 15-17		5,017	-	(5,017)		-	-
<b>Net income/(expenditure) for the year &amp; endowment movements</b>							
Adjustment to previous year Surplus on Revaluation of Manse		(4,677)			80,000	(4,677)	
Other recognised gains/(losses) on defined benefit pension schemes (actuarial)	18	10,472				10,472	484
<b>Net movement in Funds</b>		(21,604)	(3,306)	320	80,000	55,410	(7,406)
						-	-
<b>Total Funds brought forward</b>		139,177	10,861	4,389	5,769,141	5,923,568	5,930,974
						-	
<b>Total Funds carried forward</b>		117,573	7,555	4,709	5,849,141	5,978,978	5,923,568

**Explanatory Notes: Funds**

**Unrestricted** are those funds that the church is not legally bound to use for any particular purpose.

**Designated** is a type of unrestricted fund which has been set aside by the Trustees for a special purpose.

**Restricted** are restricted in their use by the terms of an appeal, or by the donor.

**Endowment** is the permanent capital of the church. Their use is determined by the terms of the Trust Deed.

**HORFIELD BAPTIST CHURCH**  
**BALANCE SHEET**  
**YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2020 £	2019 £	2019 £
Tangible Fixed Assets	10		5,851,835		5,772,509
Current Assets					
Debtors	11	3,024		4,240	
Bank & cash	12	<u>147,575</u>		<u>184,363</u>	
		<u>150,599</u>		<u>188,603</u>	
Current Liabilities					
Creditors : amounts falling due within one year	13	<u>1,930</u>		<u>3,092</u>	
Net Current Assets			148,669		185,511
Deferred Liabilities (Pension Liability)					
Creditors : amounts falling due after one year	18		-21,526		-34,452
Net Assets			<u>5,978,978</u>		<u>5,923,568</u>
Charitable Funds					
Endowment	14		5,849,141		5,769,141
Restricted	15		4,709		4,389
Designated	16		7,555		10,861
Unrestricted	17		<u>117,573</u>		<u>139,177</u>
			<u>5,978,978</u>		<u>5,923,568</u>

The notes on pages 13 to 19 form an integral part of these accounts

These accounts were approved by the Trustees on 20th July 2021 and signed on their behalf by:

Sarah Phillpot \_\_\_\_\_  
Minister

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2020**

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**1 ACCOUNTING POLICIES**

**a Basis of preparation**

The accounts are prepared under Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS)102.

**b Recognition of income**

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**c Grants and Donations**

Grants and donations are only included in the SoFA when the general income recognition criteria are met.

**d Tax reclaims on donations and gifts**

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**e Legacies**

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

**f Grants payable**

The church makes grants to other organisations whose charitable objects further or complement its work. They are accounted for when the decision to pay them has been made by the church.

**g Governance and Support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost for the service of the volunteers.

**h Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES Ctd.../**

**i Tangible Fixed Assets for Use by the Charity & Depreciation**

These are capitalised if they can be used for more than one year. They are valued at cost.

The depreciation rates and methods used are in line with BU Guidelines. Depreciation has not been charged on the Church or Manse premises, because in the opinion of the Trustees, the residual value of the asset is not less than the original cost price.

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life, at the following rates:- Fixture, fittings and equipment 20%

This is a policy in line with BU Guidelines and current practice. Please see note 10.

**j Debtors**

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

<b>2. Voluntary Income</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Year to Dec 2020</b>	<b>Year to Dec 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Offerings	28,184		-		28,184	31,148
Gift Aid & VAT refunds	5,655		119		5,774	10,016
Donations etc	3,335		5,756		9,091	7,814
Grants			285		285	325
Legacies	-		-		-	500
Raised for other causes	-		68		68	368
	<b>37,174</b>	<b>-</b>	<b>6,228</b>	<b>-</b>	<b>43,402</b>	<b>50,171</b>
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Year to Dec 2020</b>	<b>Year to Dec 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>3. Investment Income</b>						
Bank etc interest	1,302	-	-		1,302	1,656
	<b>1,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,302</b>	<b>1,656</b>
<b>4. Incoming resources from charitable activities</b>						
Fund-raising Events - Building Fund			10		10	32
Miscellaneous Income		-			-	-
Other activity (Café)	638	-			638	18,852
Rent receivable: Church rooms	6,904	-			6,904	27,755
	<b>7,542</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>7,552</b>	<b>46,639</b>
<b>5. Costs of activities in furtherance of the charity's objectives</b>						
Ministry	34,156	3,306		-	37,462	33,545
Mission	6,190		901	-	7,091	28,737
Establishment	27,465	-	-	-	27,465	32,334
	<b>67,811</b>	<b>3,306</b>	<b>901</b>	<b>-</b>	<b>72,018</b>	<b>94,616</b>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

	Charitable activities	Grant Funding	Support Costs	Year to Dec 2020	Year to Dec 2019	
<b>6. Total resources expended</b>						
Ministry	37,462	-	-	37,462	34,545	
Mission	7,091		9,733	16,824	38,301	
Establishment (Water Rates; Cleaning Costs & Main Purchases)	26,790	-	-	26,790	31,492	
Depreciation	674	-	-	674	842	
Governance costs (Accountant & Inspection Costs)	-	-	620	620	400	
	72,017	-	10,353	82,370	105,580	
	Unrestricted	Designated	Restricted	Endowment	Year to Dec 2020	Year to Dec 2019
<b>7. Grants payable</b>						
BUGB Home Mission	2,000				2,000	2,500
BMS World Mission	2,000				2,000	2,500
Other grants (under £1000)			901		901	4,367
	4,000	-	901	-	4,901	9,367
<b>8. Support costs</b>						
Other administrative costs	10,353				10,353	10,964
	10,353				10,353	10,964
					Year to Dec 2020	Year to Dec 2019
<b>9. Staff costs and Trustee expenses</b>						
Salaries & Stipends				41,759		48,862
Social security costs				-		
Pension costs				5,892		6,653
				47,651		55,515

The average number of employees during the period was 3 (Yr. 2019: 5)

No employee received emoluments in excess of £60000 during the period Nil (2019: Nil)

No sums were reimbursed to the Trustees for their work as Trustees Nil (2019: Nil)

The church pays pension contributions into the Pension Deficit plan plus Pension to its current Minister to the Baptist Ministers' Fund (now the DB plan within the scheme). The pension cost to the church in 2020 was £5,892. Full details of the Pension scheme are in Note 18.

<b>10. Tangible Fixed Assets</b>	Freehold Property £	Fixtures, Fittings and Equipment £	Total £
<b>Cost or Valuation</b>			
At 1st January 2020	5,769,141	31,822	5,800,963
Additions/Disposals		-	-
Revaluation Surplus	80,000	-	80,000
As at 31st December 2020	<u>5,849,141</u>	<u>31,822</u>	<u>5,880,963</u>
<b>Depreciation</b>			
At 1st January 2020	-	28,454	28,454
Charge for the year	-	674	674
On Disposals	-	-	-
As at 31st December 2020	<u>-</u>	<u>29,128</u>	<u>29,128</u>
Net Book Value at 31 December 2020	<u>5,849,141</u>	<u>2,694</u>	<u>5,851,835</u>
at 31 December 2019	<u>5,769,141</u>	<u>3,368</u>	<u>5,772,509</u>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

**10. Tangible Fixed Assets Ctd.../**

Freehold Property	Date	Valuation £	Cost £	Insured Value £
Church buildings at Gloucester Road	2004-2013	5,000,000	499,141	13,192,277
Manse, 29 Ramsey Road, Horfield BS7 0JF	2019	350,000		182,141
		<u>5,350,000</u>	<u>499,141</u>	<u>13,374,418</u>

**11. Debtors**

	Year to Dec 2020	Year to Dec 2019
Tax recoverable	437	1,110
Prepayments and other debtors	2,587	3,130
	<u>3,024</u>	<u>4,240</u>

**12. Bank and cash balances**

Co-operative Community Plus Account	5,278	33,271
Co-operative Community Plus GULU Account	-	-
Triodos Treasurer's Reserve Account	54,198	53,896
Virgin Charity Deposit Account	33,411	43,249
Cambridge & Counties 95 day Notice Account	54,425	53,587
Bank Float	63	25
Cash in Pastoral and Maintenance Floats	200	335
	<u>147,575</u>	<u>184,363</u>

**13. Creditors : amounts falling due within one year**

	Dec. 2020	Dec. 2019
Accruals	<u>1,930</u>	<u>3,092</u>

**14. Endowment Funds**

	01/01/2019	Incoming Resources	Resources Expended	Surplus on Revaluation	Transfers	31/12/2020
Endowment fund	5,769,141	-	-	80,000		5,849,141
	<u>5,769,141</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>5,849,141</u>

**15. Restricted Funds**

	01/01/2020	Incoming resources	Resources expended	Gains and Losses	Transfers	31/12/2020
Furlough Scheme	-	4,972			(4,972)	-
Future Building Projects	807	10	-			817
William Short Legacy Fund	456		-			456
Specific appeals Fund	425	60	(110)			375
Leprosy Mission	45	8			(45)	8
Youth work Grant Fund	-	285	(107)			178
Flower Fund	-	61	(25)			36
Fellowship Fund	420	-	-			420
Projector Fund	2,239	200				2,439
BMS Birthday Scheme	(3)	642	(659)			(20)
Roof Repair Fund	-	-	-			-
	<u>4,389</u>	<u>6,238</u>	<u>(901)</u>	<u>-</u>	<u>(5,017)</u>	<u>4,709</u>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

**15. Restricted Funds Ctd.../**

**Restricted Income Funds Definition**

**Furlough Scheme** holds funds provided by the Government to pay a proportion of the wages of the cleaner who was placed into the scheme in March 2020.

**Future Building Projects** has been created to save for major alterations/repairs on our 100+ year old grade II listed buildings

**William Short legacy** reflects funds which, under the terms of the will, are for the purpose of benefiting the poor of the church and local community.

**Specific Appeals Fund.** A Restricted fund for the receipt of donations for specific purposes as identified by the donor at the time of giving.

**Youth Work Grants Fund** has been used for youth work at the church.

**Flower Fund.** A Restricted fund for the purpose of providing flowers as identified by the benefactor(s).

**Fellowship Fund.** A Restricted fund set up by our members to help those in urgent need of financial assistance, decided by the Pastor, officers and deacons.

**BMS Birthday Fund.** A Restricted fund for the purposes of the BMS Birthday Scheme. The scheme provides support of world mission through giving, to celebrate a birthday.

**Roof Repair Fund** created and restricted in 2015 and the work carried out in 2016 with all final payments made in 2017 using the last grant money received. In 2018 the fund received a VAT refund in connection with 2017 expenditure.

**Projector Fund** created and restricted in 2018. Funds received for the Pastors services in connection with Weddings and Funerals will be used to pay for audio and visual projection.

<b>16. Designated Funds</b>	<b>01/01/2019</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>31/12/2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Manse Fund	10,861	-	(3,306)		7,555
Chatterbox (Friday am)	-	-			-
	10,861	-	(3,306)	-	7,555

<b>17. Analysis of net assets by fund</b>	<b>Fixed asset</b>	<b>Current Assets</b>	<b>Deferred Liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Endowment Funds	5,849,141			5,849,141
Restricted Funds		4,709	-	4,709
Designated Funds	-	7,555		7,555
Unrestricted Funds	2,694	136,405	(21,526)	117,573
	5,851,835	148,669	(21,526)	5,978,978

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

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**18. Pensions**

The Church 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.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme 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 Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Minister is eligible to join the Scheme.

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 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 Unum Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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 Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

Continued .../



**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

Additions

Type of assumption	% pa
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	
- Main Scheme pension	2.70

The key assumptions underlying the valuation were as follows:

Post-retirement mortality in accordance with 80% of the S1NFA and S1NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females.

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

**Recovery Plan**

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

**Movement in Balance Sheet liability**

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Continued .../

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2020**

Pensions Ctd.../

Accounting date (year ending):	31 December 2020	31 December 2019
Balance sheet liability at year start	£17,226	£36,683
Minus deficiency contributions paid	(£2,724)	(£3,553)
Interest cost (recognised in SoFA)	£270	£838
Remaining change to balance sheet liability* (recognised in SoFA)	£6,754	(£16,742)
Balance sheet liability at year end	£21,526	£17,226

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

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31 December 2020	31 December 2019	31 December 2018
Discount rate	0.4%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.0%	3.2%	3.3%

**19. Related Charities**

**Baptist Union/West of England Baptist Association**

The church is a member of the Baptist Union of Great Britain, and the West of England Baptist Association.

The church made donations to the Baptist Union Home Mission Scheme of £2,000