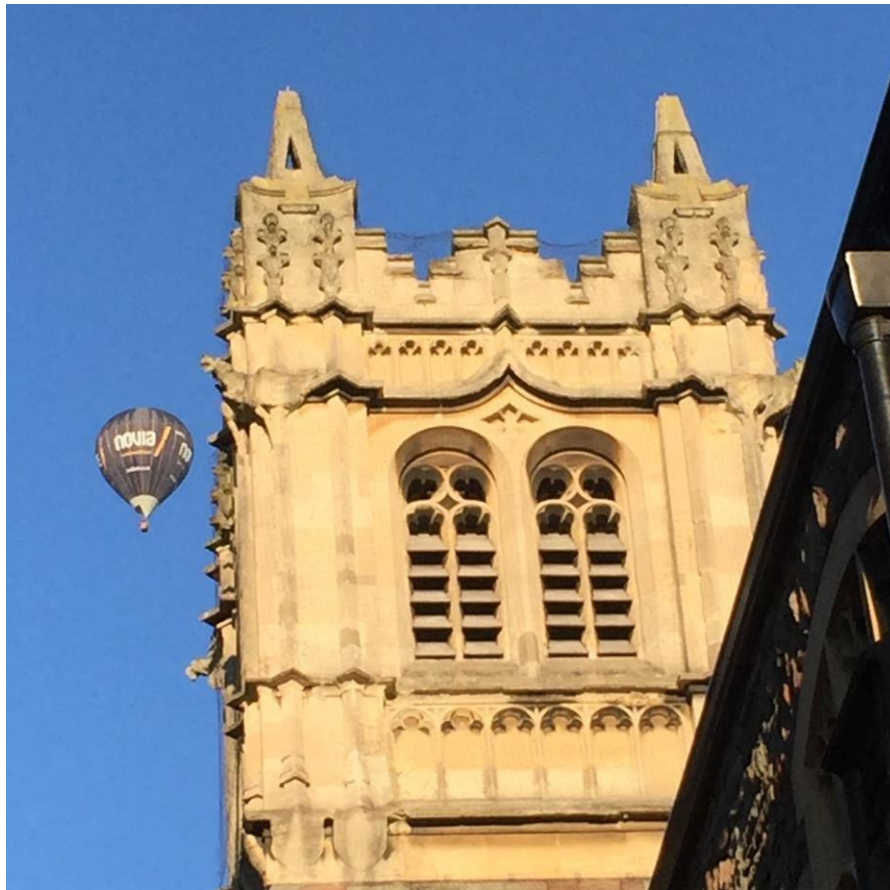




## **HORFIELD BAPTIST CHURCH**

# **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**Year to 31<sup>st</sup> DECEMBER 2021**



**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) Mr Matthew Champion Mrs Esther Newman
<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 2021**

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

### **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 most of 2021 until 3<sup>rd</sup> October, 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.

### **Messy Church**

The Church runs Messy Church six times a year when families and children are welcomed and invited to participate in a relaxed and creative way, and 'church' takes place which involves all age groups. Messy Church has continued to meet over Zoom until June, supporting families in the community and encouraging faith.

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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. This arrangement came to an end in September 2021 and all groups meeting on the premises are considered hirers and are expected to pay rent.

**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 and Operation Agri.

**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 a "Tea on the Terrace" event was held for the church community in the summer and a Christingle service at Christmas.

**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 2021, 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. After a cleaner was engaged over the summer, the church was able to re-open to regular hirers.

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. 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 2021.

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 2021**

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.

#### **Worship**

Due to Covid restrictions Horfield Baptist Church continued for the most part during 2021 to worship together on a Sunday morning via Zoom. Our numbers remained consistent during this period with the blessing of having a few visitors regularly joining us from further afield. Our Easter services were also, held online and were well attended.

Our Pastor, Revd Sarah Phillpot took a much overdue sabbatical from April. During Sarah's period of leave the Elders co-ordinated the church's worship. Our worship theme during this period was "Jesus Be the Centre" - exploring that, above all else Jesus should be the benchmark, focus and reason of everything we do in our lives as Christians and as a worshipping community. Our worship was led by members of our own fellowship mixed with visiting speakers. We were also, for the first time ever, able to join in with the Sunday worship at the Baptist Assembly as it was offered online. To join with the wider Baptist community in worship was a refreshing, uplifting and encouraging opportunity.

We returned to worshipping together in our church building in October. We were glad to be able to be back together again. We were pleased to find that we were gathering in the same numbers as we had prior to lockdown which was such a positive as we understand that has not been the case for many other churches as they have faced the challenges of the number of physical face-to-face attenders dropping after getting into the routine and ease of meeting online from home.

In November we were able to hold a service of Remembrance face to face in our sanctuary together with our associated Uniformed organisations and their families. We are grateful to our Church member, Adrian Brown for putting this service together.

#### **Children and Families**

We continued to work regularly with our children and families during 2021. Messy Church met bi-monthly. Our February and April Messy Church gatherings took place over Zoom together with ready prepared craft bags, delivered to family's homes prior to our sessions. This proved to be a positive way to say hello to our families on the doorstep and see how they were doing. To coincide with our April Easter Messy Church, we organised a local Easter QR trail for families to follow. There were 9 stops in total; each stop was at the home of either one of our Sunday church members or one of our Messy Church members. The stops took us all on a journey of exploration through the Easter story from Palm Sunday to Easter Sunday with storytelling, visual prompts and questions to get us all thinking. The trail ran over a week so families could get involved at a time that would be convenient to them.

For our June Messy Church gathering we were able to meet outdoors at our local park using social distancing. We were blessed with glorious weather and as it had been so long since we had all been able to meet, our meet up was very well attended by not only our Messy Church families but some of your folk from Sunday fellowship as well. We had storytelling, treasure hunts and team games to take us through the story of The Prodigal Son and everyone brought their own picnic. The following day (Sunday) we had a joint service together where a handful of your young people help to contribute to our worship.



For Christmas we organised a Christingle Service and invited all our families from our fellowship, Messy Church, uniformed organisations and three of our local primary schools. We were able to use resources put together by The Children's Society preparing Christingle bags to be given to each family as they arrived at our service, so we were all able to create our own Christingles from where we sat together as a family. We were blessed with a grant from Bristol Christian Education Council, who helped us to fund the cost of the materials for these bags and their contents. We also contacted our local nursery and gifted them with Christingle bags for each of their children for them to use as part of their planned activities.

Very few children have attended our Sunday services on a regular basis, however, Marilyn Goodway has always had a programme planned to ensure that there is always Christian activity for our children to get involved with

### **Pastoral care**

The first half of 2021 continued to present challenges due to lockdown and then ongoing Covid restrictions. Marilyn Goodway, as Pastoral Carer, carried on with phone calls to the church fellowship, assisted by the network of pastoral watchers, and Sarah kept in touch with church members facing health challenges, via regular calls to care homes/ hospital or doorstep visits when allowed.

During Sarah's sabbatical, the Elders took it in turns as duty Elder to offer the support that Sarah would normally have given. A number of issues arose and the Elders picked these up and supported those who had reached out.

Marilyn arranged gifts of flowers to the church fellowship in July (as a thanksgiving for coming through Covid) and at Christmas. Marilyn was assisted by other church members to deliver the gifts.

The weekly prayer list, compiled by Myra Skelton, was emailed to members and posted on the church family closed Facebook group, along with printed copies for those members of the fellowship who aren't able to access online resources. Anyone can ask for people to be added to the prayer list, but if requesting prayer for a third party, permission should be sought from the person to ensure they are happy to be added to the list.

The coffee morning over Zoom continued and gives an opportunity to meet and chat over a cuppa. This has been a valuable time of friendship for those who attend.

### **Special events**

Due to the Covid lockdowns and restrictions, there have been limited opportunities to organise special events in 2021. However, there are a few to mention.

Bishopston Window Wanderland took place in March while restrictions were still in place, but Sarah decorated the front doors to attract viewers. The theme was a detail from the ceiling of the Sistine Chapel, The hand of God and the hand of Adam. Over Easter, Sarah decorated the doors again with the theme of the Crucifixion and the Resurrection. Both were opportunities to remind passers-by that the church was still up and running even though no services or activities were taking place on site.

In June, we prayed for good weather when we organised a tea on the terrace for fellowship members. God blessed us with a sunny afternoon, and it was an opportunity for everyone to enjoy time catching up with friends, some of whom they hadn't seen for around eighteen months. We were particularly pleased to receive help from several young people who attend Messy Church - they enjoyed it and ate lots of cake in exchange for their help!

There was an opportunity to reflect on Covid and its effect over a couple of weeks in late October and early November. Sarah set up reflection stations with activities like planting a bulb as a sign of hope and writing a thank you card to someone who had been particularly helpful during the challenging times. There was also a chance to record and think about our feelings about how Covid had affected us. Sarah was on hand to offer emotional and spiritual support to those who attended. Unfortunately, this was not well supported by members of the church or the community.

In November, we hosted the North Bristol Arts Trail again (first time since 2019). Thanks to Peter Phillpot (and fellowship members who made cakes) we offered sandwiches, soup, hot drinks and cake for sale in the cafe area. Along with an increased donation from the Arts Trail organisers, £807 was raised for church funds.

### **Developing Leadership within the Congregation**

This year the church has supported a couple of its members in exploring a sense of calling to leadership and further training. Following a vote by the church membership Matt's call was recognised and he was commended for further theological training. He is due to attend Ministerial Recognition Committee in April 2022 and if the panel also affirms his call he will begin ministerial formation in September. This is a very significant next step of a long process of prayer and discernment which HBC has been part of for several years, and Sarah will continue to meet with and encourage Matt going forward.

Esther has also been exploring her gifts and sense of calling from God, and this year completed the 12-month Invest programme run by Webnet. The pathway was personalised for Esther based on what she had been involved with so far, with the intention of enabling her to develop her faith journey, leadership gifting etc. There was an investment of at least one day a week and the church supported her in this both financially and in prayer. In addition to the weekly content there was also a monthly gathering with other delegates where they could share their experiences and receive teaching on an array of topics. Esther found the year incredibly positive and feels empowered and resourced to move forward in her faith and leadership gifting.

### **Bible Study**

Beginning in the autumn of 2021, the church began running weekly Bible Study sessions on a Thursday morning and evening, with the aim of increasing understanding of the scriptures and encouraging deepening faith within the congregation. The discussion is led by Sarah and has focused on the book of 1 Peter. An average of 7-8 people attend each session.

The long-established Home Group has continued to meet fortnightly over Zoom, working its way through the book of Acts. The members take it in turns to lead the discussion and there are usually 4-8 people in attendance.

### **Book Group**

HBC has a relatively large 'fringe' of people who don't regularly attend on Sundays but have other links, such as Messy Church or family connections. As part of our efforts to keep these people

involved and engaged a book group was re-established. It met over Zoom until mid-2021 due to Covid and then met a couple of times in various homes.

### **Prayer Group**

The church has had some huge decisions to wrestle with this year- not only about the future of the building but also the future of the worshipping community that currently calls it home. The leadership of the church resolved that these decisions should be surrounded by as much prayer as possible - over and above what happens on a Sunday morning during our services. It was felt that communal prayer was vital for discerning the will of God for us and so we held prayer meetings over Zoom on the afternoons of the second and fourth Sundays of each month. Attendance has generally varied between 2-4.

### **The future of Horfield Baptist Church**

2021 saw the practical outworking of the consultation begun in the previous year with Spatial Perceptions, to discern the future for our church buildings in Bishopston. In January the Listening Project began, where church was invited to meet over Zoom with the consultation group to discuss mission into the local area. The listening project continued until March. Following this, the consultation gathered information from local churches, Christian and non-Christian groups which may wish to partner with Horfield Baptist Church to use part or all of the building. Our condition for such a partnership was simply that the building should be used for the Glory of God and to further the kingdom of God in Bishopston, Horfield and beyond.

A meeting on site was held in July with the Eldership, which enabled progress so far to be discussed and gave opportunity for those on the consultation group who hadn't yet been able to see the building to do so. The visit was also an opportunity for the consultants to meet with some of the charities and organisations which may be interested in partnership with Horfield Baptist Church, and some of the individuals and agencies who may be able to enable such a partnership

By November the consultation group was ready to meet with interested parties, both those that they had identified, and groups and organisations that Horfield Baptist Church had identified as potential partners, some of whom we had been working with for months or even years. In the new year the results of these meetings are expected to be delivered to Sarah and the Elders and church can move forwards with stewarding the buildings for the purposes of the kingdom and be released from the burden they have become.

### **The Building and its Environment**

During the summer a new cleaner was engaged which enabled hirers to come back into the building. Much work had been done by Amanda Griffiths to ensure that Government guidelines and BU advice was followed to allow the building to open and Adrian Brown and Ken Goodway had collaborated to draw up a job specification and conduct interviews. Angela is hardworking and capable and has allowed us to benefit from hirer income once again.

In October, the Sunday service also moved from online to in-person on the premises after 18 months, meeting once again in the Tyndale Room. During our absence from the building Ken Goodway has done sterling work to keep the building in good order and Adrian Brown has organised a refreshing of the flowerbeds and terrace area in front of the café.

## **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.

2021 has seen the Church's income severely limited again 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 £7,040 in 2021.

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 December 2021 the church held total reserves of £105,668 of which £4,668 were restricted and £6,000 designated. Reserves that were neither restricted nor designated amounted to £95,000.

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. Returns in interest have been low and following a review it was agreed to open an additional account with the Baptist Union. During 2022 funds will be transferred from the low interest earning accounts into the Baptist Union Deposit Account which pays a higher rate of return

### **Collections for other Charities**

During 2021 the following amount was collected to give to other charities

Operation Agri	£225
Children's society	£225
Leprosy Mission	£120
Christmas Collection	£217
Aid Box for Afghanistan	£25
	<b>TOTAL</b>
	<b>£812</b>
Plus	
BMS Birthday Scheme	£559
Home Mission	£1,200
BMS	£1,200

In addition specific item collections were held for Matthew Tree and Afghan Refugees.

### **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.

### **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 2021, 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

**HORFIELD BAPTIST CHURCH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted £	Designated £	Restricted £	Endowment £	Year to Dec. 2021	Year to Dec. 2020 £
<b>Incoming resources</b>							
Voluntary income	2	36,749		1,716	-	38,465	43,402
Investment income	3	634	-	-		634	1,302
						-	-
Incoming resources from charitable activities	4	10,442	-	15	-	10,457	7,552
						-	
Other incoming resources						-	
						-	
Total incoming resources		47,825	-	1,731	-	49,556	52,256
<b>Resources expended</b>							
Charitable activities	5	80,638	603	759	-	82,000	81,751
Governance costs	1(g)	475	-	-	-	475	620
Pension Liability Interest		270				270	270
Total resources expended	6	81,383	603	759	-	82,745	82,641
<b>Net operating income/(expenditure) before transfers</b>							
		(33,558)	(603)	972		(33,189)	(30,385)
Gross transfers between funds 15-17		(23)	-	23		-	-
<b>Net income/(expenditure) for the year &amp; endowment movements</b>							
							80,000
Adjustment to previous year						-	(4,677)
Surplus on Revaluation of Manse							
Other recognised gains/(losses) on defined benefit pension schemes (actuarial)	18	(801)				(801)	10,472
<b>Net movement in Funds</b>		(34,382)	(603)	995	-	(33,990)	55,410
						-	-
<b>Total Funds brought forward</b>		117,573	7,555	4,709	5,849,141	5,978,978	5,923,568
						-	
<b>Total Funds carried forward</b>		83,191	6,952	5,704	5,849,141	5,944,988	5,978,978

**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 2021**

	Notes	2021 £	2021 £	2020 £	2020 £
Tangible Fixed Assets	10		5,851,296		5,851,835
Current Assets					
Debtors	11	1,060		3,024	
Bank & cash	12	<u>111,274</u>		<u>147,575</u>	
		<u>112,334</u>		<u>150,599</u>	
Current Liabilities					
Creditors : amounts falling due within one year	13	<u>1,342</u>		<u>1,930</u>	
Net Current Assets			110,992		148,669
Deferred Liabilities (Pension Liability)					
Creditors : amounts falling due after one year	18		-17,300		-21,526
Net Assets			<u>5,944,988</u>		<u>5,978,978</u>
Charitable Funds					
Endowment	14		5,849,141		5,849,141
Restricted	15		5,704		4,709
Designated	16		6,952		7,555
Unrestricted	17		<u>83,191</u>		<u>117,573</u>
			<u>5,944,988</u>		<u>5,978,978</u>

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

These accounts were approved by the Trustees on 31 October 2022 and signed on their behalf by:

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

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2021**

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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 2021**

**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 less residual value of each asset even over its expected useful life, at the following rates:- Fixture, fittings and equipment 20% on the reducing balance basis. 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 2021</b>	<b>Year to Dec 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Offerings	27,849		-		27,849	31,148
Gift Aid & VAT refunds	6,184		171		6,355	10,016
Donations etc	2,716		1,008		3,724	7,814
Grants			-		-	325
Legacies	-		-		-	500
Raised for other causes	-		537		537	368
	<b>36,749</b>	<b>-</b>	<b>1,716</b>	<b>-</b>	<b>38,465</b>	<b>50,171</b>
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Year to Dec 2021</b>	<b>Year to Dec 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>3. Investment Income</b>						
Bank etc interest	634	-	-		634	1,302
	<b>634</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>634</b>	<b>1,302</b>
<b>4. Incoming resources from charitable activities</b>						
Fund-raising Events - Building Fund			15		15	10
Miscellaneous Income		-			-	-
Other activity (Café)	200	-			200	638
Rent receivable: Church rooms	10,242	-			10,242	6,904
	<b>10,442</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>10,457</b>	<b>7,552</b>
<b>5. Costs of activities in furtherance of the charity's objectives</b>						
Ministry	34,317	603		-	34,920	37,462
Mission	3,884		759	-	4,643	7,091
Establishment	34,412	-	-	-	34,412	27,465
	<b>72,613</b>	<b>603</b>	<b>759</b>	<b>-</b>	<b>73,975</b>	<b>72,018</b>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2021**

		Charitable activities	Grant Funding	Support Costs	Year to Dec 2021	Year to Dec 2020	
<b>6. Total resources expended</b>							
Ministry		34,920	-	-	34,920	37,462	
Mission		4,084		8,319	12,403	16,824	
Establishment (Water Rates; Cleaning Costs & Main Purchases)		33,873	-	-	33,873	26,790	
Depreciation		539	-	-	539	674	
Governance costs (Accountant & Inspection Costs)		-	-	475	475	620	
		73,416	-	8,794	82,210	82,370	
		Unrestricted	Designated	Restricted	Endowment	Year to Dec 2021	Year to Dec 2020
<b>7. Grants payable</b>							
BUGB Home Mission		1,200				1,200	2,000
BMS World Mission		1,200				1,200	2,000
Other grants (under £1000)				759		759	901
		2,400	-	759	-	3,159	4,901
<b>8. Support costs</b>							
Other administrative costs		8,794				8,794	10,353
		8,794				8,794	10,353
<b>9. Staff costs and Trustee expenses</b>					Year to Dec 2021	Year to Dec 2020	
Salaries & Stipends					37,401	41,759	
Social security costs					-		
Pension costs					6,918	5,892	
					44,319	47,651	
The average number of employees during the period was 3 (Yr. 2021:)							
No employee received emoluments in excess of £60000 during the period Nil (2021: Nil)							
No sums were reimbursed to the Trustees for their work as Trustees Nil (2021: 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 2021 was £3,695. 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 2021		5,849,141	31,822		5,880,963		
Additions/Disposals			-		-		
Revaluation Surplus			-		-		
As at 31st December 2021		5,849,141	31,822		5,880,963		
<b>Depreciation</b>							
At 1st January 2021		-	29,128		29,128		
Charge for the year		-	539		539		
On Disposals		-	-		-		
As at 31st December 2021		-	29,667		29,667		
Net Book Value at 31 December 2021		5,849,141	2,155		5,851,296		
at 31 December 2020		5,849,141	2,694		5,851,835		

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2021**

**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 2021	Year to Dec 2020
Tax recoverable	783	437
Prepayments and other debtors	277	2,587
	<u>1,060</u>	<u>3,024</u>

**12. Bank and cash balances**

Co-operative Community Plus Account	5,382	5,278
Baptist Union Deposit Account	1,000	-
Triodos Treasurer's Reserve Account	39,276	54,198
Virgin Charity Deposit Account	10,493	33,411
Cambridge & Counties 95 day Notice Account	54,899	54,425
Bank Float	24	63
Cash in Pastoral and Maintenance Floats	200	200
	<u>111,274</u>	<u>147,575</u>

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

	Dec. 2021	Dec. 2020
Accruals	<u>1,342</u>	<u>1,930</u>

**14. Endowment Funds**

	01/01/2021	Incoming Resources	Resources Expended	Surplus on Revaluation	Transfers	31/12/2021
Endowment fund	5,849,141	-	-	-	-	5,849,141
	<u>5,849,141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,849,141</u>

**15. Restricted Funds**

	01/01/2021	Incoming resources	Resources expended	Gains and Losses	Transfers	31/12/2021
Furlough Scheme	-	-	-	-	-	-
Future Building Projects	817	238	-	-	-	1,055
William Short Legacy Fund	456	-	-	-	-	456
Specific appeals Fund	375	417	(467)	-	-	325
Leprosy Mission	8	120	(128)	-	-	-
Youth work Grant Fund	178	-	(137)	-	-	41
Flower Fund	36	-	(27)	-	-	9
Fellowship Fund	420	-	-	-	-	420
Projector Fund	2,439	400	-	-	-	2,839
BMS Birthday Scheme	(20)	556	-	-	23	559
Roof Repair Fund	-	-	-	-	-	-
	<u>4,709</u>	<u>1,731</u>	<u>(759)</u>	<u>-</u>	<u>23</u>	<u>5,704</u>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2021**

**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>01/01/2021</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>31/12/2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Manse Fund	7,555	-	(603)		6,952
	-	-			-
	<u>7,555</u>	<u>-</u>	<u>(603)</u>	<u>-</u>	<u>6,952</u>

<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		5,704	-	5,704
Designated Funds	-	6,952		6,952
Unrestricted Funds	2,155	98,336	(17,300)	83,191
	<u>5,851,296</u>	<u>110,992</u>	<u>(17,300)</u>	<u>5,944,988</u>

**HORFIELD BAPTIST CHURCH**  
**NOTES TO THE ACCOUNTS- contd**  
**YEAR ENDED 31 DECEMBER 2021**

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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 2021**

Additions

Type of assumption	% pa
RPI price inflation assumption	4.36
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 2021**

Pensions Ctd.../

Accounting date (year ending):	31 December 2021	31 December 2020
Balance sheet liability at year start	£21,526	£34,452
Minus deficiency contributions paid	(£3,695)	(£2,724)
Interest cost (recognised in SoFA)	£270	£270
Remaining change to balance sheet liability* (recognised in SoFA)	(£801)	(£10,472)
Balance sheet liability at year end	£17,300	£21,526

\* 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 2021	31 December 2020	31 December 2019
Discount rate	2.0%	1.4%	2.1%
Future increases to Minimum Pensionable Income	4.1%	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 £1,200