

Colchester Baptist Church

Eld Lane, Colchester, Essex CO1 1LS

Report and Accounts for the year to 31 December 2021

Registered Charity no. 1127024

Colchester Baptist Church

Report and Accounts for the year to 31 December 2021

Index

	<u>Pages</u>
Statutory and other information	1
Trustees Report	2 - 5
Independent Examiners' Report on the Accounts	6
Statement of financial activities	7
Balance Sheet	8
Notes to the Accounts	9 - 16

Statutory and other information

Church address

Colchester Baptist Church
Eld Lane
Colchester
CO1 1LS

Phone, E-mail address and web-site

01206 571879
office@colchesterbaptistchurch.org.uk
www.colchesterbaptistchurch.org.uk

Registered Charity no. 1127024

Trustees - also known as the Diaconate

(All have served from 1 January 2021 to the date of signing the accounts unless otherwise shown)

Senior Minister	Rev Cole Maynard	(to 12.12.21)
Interim Senior Minister	Rev Terry Tennens	(from 1.1.2022)
Minister in Training	John Pulford	(from 1.9.21)
Church Secretary	Mike Baker	
Treasurer	Chris Chapman	
Deacons:		
Evelyn Agyekum	Lawrence Narhkom	(to 31.12.2021)
Amanda Barnes	John Pulford	(to 1.9.2021)
William Butcher	Brenda Reade	
Lizzie Changati-Phiri	Tim Rose	
Robin Harbord	Pam Simpson	
Aymee Isac (from 1.1.22)	Lesley Walder	
Karou Magee		

Independent Examiners

Richard Goldring, BA
Rob Urand, ACIB

Property Trustee

The Baptist Union Corporation Ltd
Baptist House, 129 Broadway
Didcot, Oxfordshire, OX11 8RT

Bankers

Barclays Bank PLC
9 High Street
Colchester, CO1 1DD

Solicitors

Thompson Smith and Puxon
Stable 6, Stable Road
Colchester, CO2 7GL

Trustees Report for the year to 31 December 2021

The Trustees present their Annual Report and Accounts for 2021.

General

The Church was founded in 1689 and is in membership with The Baptist Union of Great Britain and with the Eastern Baptist Association. The Church is registered as a charity with the Charity Commission (Registration number 1127024).

Charitable Object

In conformity with its Constitution, the principal purpose of the Church 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.

The Church occupies premises which are held by The Baptist Union Corporation Ltd, as its Property Trustee, under a Trust which is entirely compatible with the above object.

Organisational Structure and decision-making processes

Membership of the Church is open to all who confess Jesus Christ as Lord and Saviour and whose lives give evidence of that profession. Those who have not been baptised as believers are eligible for membership but are asked to give prayerful consideration to the New Testament teaching on this matter.

Church Meetings are normally bi-monthly and have responsibility for the overall policy of the Church. In accordance with the Constitution, members appoint up to twelve Deacons, a Church Secretary and a Treasurer. They, together with the Ministers, are collectively known as the Diaconate and are the Trustees of the Church. They are responsible for the day to day running of the Church's work and witness and for its financial and legal matters. All members are encouraged to take part in the spiritual and practical tasks of the Church.

Relevant matters are submitted to the Church Meeting by the Trustees or may be raised by members in Church Meetings for further consideration by the Trustees.

Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Objectives and Activities

The Church has expressed its Purpose as being "To follow Jesus Christ and make Him known" and it's Vision as being "To be a growing, thriving, nurturing family of God."

In order to achieve these, 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.

Trustees Report for the year to 31 December 2021 (continued)

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services normally take place each Sunday at 10.30 am, 1.00pm and on some Sundays at 6.30 pm. There is a full children's programme during the morning services. The Church seeks to be a friendly and welcoming community and anybody is free to attend any of these services. The worship services which take place at 1.00pm, known as Sunday@One, and a prayer and bible study known as Tuesday@Twelve are more informal times of worship and bible study which have proved popular with many who are less familiar with formal church services. The Church asked Open Door to oversee these two ministries and this has worked well under the Open Door Director. With the unwinding of lockdown regulations these services resumed face to face during 2021 with the Sunday morning and evening services continuing to be live-streamed to those unable to attend and accessible to the general public.

These Sunday services and the wide range of activities during the week are shown on the Church's web-site (www.colchesterbaptist.church) Through 2021 these activities have resumed and include:

- Small group Bible studies - most of these groups meet in homes twice a month but there is also a group that meets fortnightly at the Church.
- Bright Sparks – in the Church on Monday mornings for parents and carers to join with their pre-school children.
- Luncheon Club - monthly in the Church to provide meals, but more importantly fellowship and prayer for our elderly members and others.
- Many children's and young people's activities including Powerhouse for ages 0-11 and Connect for ages 12-18 on Sunday mornings and Afterhours for ages 14+ on Sunday evenings.
- "Remix", a Youth Night for both girls and boys aged from 5 to 18.
- Increasing contact with local schools, offering assemblies and hosting visits to our premises. We are delighted that Colchester High School uses our premises on a regular basis for their special occasions and members of our church have provided prayer spaces in some of the local schools.
- Our premises are the base for the Colchester Street Pastors, who help and supervise those who have been in the town's nightclubs as they come out on to the streets on Friday and Saturday nights.
- We are pleased that the 12th Colchester Sea Scout Group is using our Church premises as their base.
- The Nepalese Church is using our Church premises to meet for worship at 10:00am on Sunday mornings and their children join in with our children's activities.

Some social activities are organised, such as group walks ("Amiable Amblers") and an annual church holiday at Sizewell Hall. The Church is part of a group of local churches which organise an annual joint Pentecost service and annual Free Family Fun Day in Castle Park which continues to attract thousands of parents and children but in 2021 these were postponed due to covid restrictions.

Colchester Baptist Church

Trustees Report for the year to 31 December 2021 (continued)

The Church hosts Open Door - Colchester, an independent charity – which uses the Church Lounge on each Monday, Wednesday and Friday. Here people meet over a cup of tea or coffee - the Director and volunteers offer a listening ear and offer advice and help for problems if needed.

Pastoral care is primarily in the hands of the Ministers and nominated Pastoral Assistants who serve the Church membership and others connected with the Church. Together, they look out for situations where there are needs and react in a caring way to them. They meet regularly with each other and have now started meeting together with the small group leaders so as to ensure that as many as possible of those connected with the Church are looked after pastorally. This is complemented by a ministry of caring for the elderly in their own homes through the employment of a part-time "Care of the Elderly Worker".

The Church operates systems to ensure that all people working with children and adults at risk are appropriately vetted with regard to the Disclosure and Barring Service.

The Trustees consider that both the Church's Purpose and the activities designed to achieve it, as shown above, comply with the guidance of the Charity Commission on public benefit in respect to the advancement of religion.

Achievements and Performance

In November Rev Cole Maynard heard and accepted the call to another Church in Suffolk and would be leaving at the end of the year. The Church expressed their indebtedness to Cole for steering the Church through an incredibly difficult time of lockdown restrictions.

During 2021 the rollout of a national vaccination programme enabled many of the covid restrictions to be eased and eventually lifted enabling the Church services and activities to be resumed. The live-streaming of morning services and evening services/prayer meetings has continued. Church members meetings resumed on a bi-monthly basis face to face with live-stream available to those who still felt uncomfortable meeting together.

During the year: 3 members passed away and 4 left. This left a membership of 200 at the end of the year (2019 - 207). We continue to encourage people to grow in their faith and put that faith into practice in their homes, workplace and wider community.

The many ministries of the church are completely dependent on members giving their time, skills, resources and prayer to equip them and of those members who are physically capable of being actively involved. Around 80% of the church fellowship are involved in some way.

Colchester Baptist Church

Trustees Report for the year to 31 December 2021 (continued)

Financial Review

Despite the impact on attendance at church services during the year, the Church continued to raise the funds which it needed to carry on its activities from within its own membership and congregation. In addition to financial support required to achieve its objectives, the Church is also heavily dependent upon its members working as volunteers in all aspects of its activities. It is good to report that they do this willingly and with great enthusiasm.

The financial results for the year, including the accounting policies and the Reserves Policy of the Trustees, are set out in the accompanying financial statements.

The Trustees are satisfied that there are sufficient reserves at the Balance Sheet date together with anticipated ongoing income to enable the Church to function effectively in the coming year.

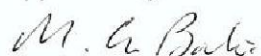
Future plans

We will continue to seek God's will for our Church maximising the opportunities that our prime location at the heart of a busy regional commercial "City" centre presents to follow Jesus Christ and make Him known through worship and service.

The Church is blessed by a wide diversity of age and ethnicity, and this is reflected in a balanced style of worship. We are grateful for Rev Terry Tennens for stepping up as Interim Senior Minister and his wise leadership. A Preaching team has been drawn together and the church are expressing their appreciation for the diversity and styles that this brings to Sunday worship. At the July 2022 special church meeting the church called Lee McDade to join the Ministry Team with a focus upon evangelism.

At the time of writing this report the church is largely back to normality with newcomers and visitors coming each Sunday.

Approved by the Trustees and signed on their behalf



Mike Baker

Church Secretary

25 September 2022

Colchester Baptist Church

Independent Examiners' Report on the Accounts

Report to the Trustees and members of Colchester Baptist Church on the accounts for the year ended 31 December 2021 set out on pages 7 to 16

Respective responsibilities of trustees and examiner

The Church's trustees are responsible for the preparation of the accounts.

The Church's trustees consider that an audit is not required for this year, under Section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act;
- 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 our attention.

Basis of independent examiner statement


The examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Church 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 any 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 this report is limited to those matters set out in the statement below.

Independent examiner statement

In connection with the examination, no material matters have come to my attention which gives me cause to believe that in any material respect:

- accounting records were not kept in accordance with Section 130 of the Charities Act
- the accounts do not accord with the accounting records
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination

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

Signed 
Mr R Goldring, BA
7 Provence Close
Colchester, CO3 0JD

Date 25-9-2022

Colchester Baptist Church

Statement of Financial Activities for the year to 31 December 2021

	Notes	2021					2020
		General funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£	£
Incoming resources							
Voluntary income	3	151,152	48,487	-	-	199,639	188,560
Other income	5	7,378				7,378	9,181
Investment income	6	91	-	-	-	91	557
		158,621	48,487	-	-	207,108	198,298
Resources expended							
Charitable activities	7	155,687	2,823	-	-	158,510	182,626
Total resources expended		155,687	2,823	-	-	158,510	182,626
Net incoming resources		2,934	45,664	-	-	48,598	15,672
Total funds brought forward	18-21	47,492	39,879	238,641	298,000	624,012	608,340
Total funds carried forward	18-21	50,426	85,543	238,641	298,000	672,610	624,012

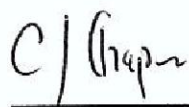
Colchester Baptist Church

Balance Sheet at 31 December 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	11		523,000		523,000
Current assets					
Debtors	12	8,456		10,494	
Investments	13	77,254		77,250	
Bank and cash	14	89,241		58,446	
		<u>174,951</u>		<u>146,190</u>	
Current liabilities					
Creditors - amounts falling due within one year	15	<u>(12,941)</u>		<u>(29,705)</u>	
Net current assets			162,010		116,485
Provisions	16		(12,400)		(15,473)
Net assets	21		<u>672,610</u>		<u>624,012</u>
Charitable Funds					
Endowment funds	17				
Property Fund			298,000		298,000
Restricted funds	18				
Manse Fund		225,000		225,000	
Building Development Fund		<u>13,641</u>		<u>13,641</u>	
Total			238,641		238,641
Designated funds	19				
Audio Visual Fund		(5,511)		(6,501)	
Repairs Reserve Fund		8,283		8,283	
Legacy Fund		77,447		32,773	
Lift Fund		<u>5,324</u>		<u>5,324</u>	
Total			85,543		39,879
Unrestricted funds	20				
General Fund			50,426		47,492
Total funds			<u>672,610</u>		<u>624,012</u>

The notes on pages 8 to 15 form an integral part of these accounts

These accounts were approved by the Trustees on 3 October 2022 and signed on their behalf by



Chris Chapman
Treasurer



Mike Baker
Church Secretary

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021

1 Accounting policies

a Basis of preparation

The accounts are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011.

Colchester Baptist Church is a registered charity, no. 1127024, and meets the definition of a public benefit entity under FRS102.

Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b Donations receivable

Donations are accounted for when received.

c Legacies

Legacies are accounted for when received.

d Investment income

Investment income is included in the accounts in the year in which it is receivable.

e Expenditure recognition

All expenditure is accounted for on an accruals basis.

f Fund raising and publicity costs

The Church does not make formal appeals for funds other than within the Church and expenditure on these items is therefore not material.

g Grants payable

The Church makes grants to other organisations whose charitable objects complement its work. They are accounted for in the year for which they are payable.

h Governance costs

This represents direct expenditure on the governance of the Church. 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 to the volunteers for their service.

i Fixed assets

- 1 The Church's freehold premises are included in the Balance Sheet at cost.
- 2 Purchases of equipment are accounted for as fixed assets where individual assets cost £5,000 or more. There has been no such expenditure in the year or in recent years. Any such fixed asset would be depreciated to write-off the expenditure evenly over the course of its estimated useful life.

j Depreciation

Depreciation has not been charged on the Church premises because, in the opinion of the Trustees, their residual value is not less than the original cost price.

k Investment Assets

Quoted investments are stated at market value. All other investment assets are shown at cost.

l Reserves policy

This is set out in Note 2

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

2 Reserves policy

General

Trustees of charities are under a general legal duty not to hoard funds but to use them for the purposes of the charity; this is part of the basis under which charities receive preferential tax treatment, notably that they are not subject to Corporation Tax and that they can recover tax on certain donations under Gift Aid arrangements.

Charities are now required to have a Reserves Policy for most of their funds. The Church's reserve policies are shown below – no such policy is required for the Property Fund, this being a capital endowment fund.

Manse Fund

Recognising the possibility that the Church may be required to purchase more than one manse in the future, the current policy of the Trustees is that the Manse Fund should have a maximum balance of £600,000.

Building Development Fund

The policy of the Trustees is that the money in the fund, which is to provide finance for agreed and possible projects, will be spent within 5 years of being received.

Audio Visual Fund

The policy of the Trustees is that this fund will be closed once the deficit in it has been eliminated by donations and or other means.

Repairs Reserve Fund

The policy of the Trustees is that the balance in this fund, which is for major unexpected repairs to the Church building, should not exceed £30,000.

Legacy Fund

The policy of the Trustees is that money received by this fund – which arises from legacies from the estates of former members – will be spent within 5 years of being received.

Lift Fund

The policy of the Trustees is that the balance on this fund, which is to finance major repairs to the Church lift, should not exceed £25,000.

General Fund

The policy of the Trustees is to have between £1 and £75,000 in the General Fund at the end of any accounting year so as to provide a reserve against a sudden drop in the general income of the Church.

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

All values shown in £

3 Voluntary income

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
Offerings	124,116			124,116	122,890
Gift Aid	26,636			26,636	26,240
Legacies and bequests	-	48,487		48,487	38,915
Designated donations receivable (Note 4)	400			400	515
Total	151,152	48,487	-	199,639	188,560

4 Designated donations receivable and payable

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
BMS World Mission - Birthday Scheme	400			400	415
Open Door	-			-	100
Total	400	-	-	400	515

5 Other income

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
Donations for use of the Church	1,895			1,895	1,870
Charges for use of the Church	-			-	800
Car park donations	1,490			1,490	2,205
Furlough grants from HMRC re Covid 19	3,494			3,494	4,051
Other	499			499	2,125
Total	7,378	-	-	7,378	9,181

6 Investment income

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
Affirmative Deposit Fund for Charities interest	4			4	254
BU Loan interest	83			83	303
Other	4			4	
Total	91	-	-	91	557

7 Charitable activities

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
Ministry	67,105			67,105	67,105
Our mission	17,408		-	17,408	17,408
Other mission					
Donations by the Church (Note 8)	24,950			24,950	24,950
Designated donations payable (Note 4)	400			400	400
Establishment					
Premises	30,976	2,823		33,799	36,622
Administration (Note 9)	19,265			19,265	19,265
Former Defined Benefit Pension Scheme					
Interest	194			194	511
Actuarial gains, etc	(611)			(611)	(7,847)
Employment Allowance	(4,000)			(4,000)	(4,000)
Total resources expended	155,687	2,823	-	158,510	154,414

8 Donations payable by the Church

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
BUGB Home Mission	9,700	-	-	9,700	9,700
BMS World Mission	9,700	-	-	9,700	9,700
Open Door	1,125	-	-	1,125	1,125
Wycliffe Bible Translators / Pillingers	1,000	-	-	1,000	1,000
Beacon House	825	-	-	825	825
CYO	750	-	-	750	750
Spurgeons College	575	-	-	575	575
Compassion	425	-	-	425	-
The Barnabas Fund	425	-	-	425	-
International Justice Mission	425	-	-	425	-
Total	24,950	-	-	24,950	23,675

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

All values shown in £ except where stated otherwise

9 Administration

	2021			2020
	Unrestricted	Designated	Restricted	Total
Administrative staff	13,052	-	-	13,052
Other administration costs	6,213	-	-	6,213
Total administration cost	19,265	-	-	19,265

10 Staff costs and Trustees expenses

	2021	2020
Total	Total	Total
Salaries	100,122	92,359
Social security costs	7,318	6,766
Pension costs (see also Note 22)		
Contributions to Defined Contribution Plan	1,147	1,033
Interest cost re deficit in former Defined Benefit Plan	194	511
Actuarial gains etc re deficit in former Defined Benefit Plan	(611)	(7,847)
Other costs (Council tax, water and telephone)	2,962	2,962
Total	111,132	95,784
Average number of employees during the year		
Full time workers	1.0	1.0
Part time workers (one started during the year)	4.3	4.0

No employee received emoluments in excess of £60,000 during the year (2020 - none). And no sums were reimbursed to the Trustees for their work as Trustees (2020 - none).

Each Minister of the Church acts as as one of its Trustees in accordance with the Church's Constitution, but is not reimbursed for this work. Each is remunerated for his/her work as a Minister of the Church. During the year, the employment costs and benefits of the Ministers was £66,807 (2020 - £63,088). No other Trustees were remunerated in the year (2020 - none)

11 Tangible Fixed Assets

	Freehold property		
	Church premises	Manse	Total
Cost and Net book value 31 December 2021 and 2020	298,000	225,000	523,000

The Church premises are the freehold premises in Eld Lane, inclusive of the Church organ and pews. They are also inclusive of the Church's 13 freehold car park spaces in the Vineyard Street car park, which were acquired in 1977 at no cost recognising the inability to park in Eld Lane during the day resulting from the pedestrianisation of Eld Lane.

The Manse is the house in Colchester purchased in January 2009 as the manse for our then Senior Minister and his family. Since then it has been rented when not being used as a Manse.

These premises are used for direct charitable purposes.

12 Debtors

	2021	2020
Total	Total	Total
Accrued income	6,489	9,665
Prepayments	591	569
Other debtors	1,376	260
Total	8,456	10,494

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

All values shown in £

13 Investments held as current assets

Affirmative Deposit Fund for Charities
Baptist Union Loan Fund
Total

2021	2020
Total	Total
37,254	37,250
40,000	40,000
77,254	77,250

14 Bank and cash balances

Barclays Bank PLC

2021	2020
Total	Total
89,241	58,446

15 Creditors - amounts falling due within one year

Inland Revenue
Other creditors
Accrued charges
Deferred income
Total

2021	2020
Total	Total
3,373	2,826
5,169	4,676
2,849	20,613
1,550	1,590
12,941	29,705

16 Provisions

Pension Provision brought forward
Repayments in the year
Interest cost re deficit in former Defined Benefit Plan
Actuarial gains etc re deficit in former Defined Benefit Plan
Pension Provision carried forward

2021	2020
Total	Total
15,473	24,767
(2,656)	(1,958)
194	511
(611)	(7,847)
12,400	15,473

The provision is in respect of pension deficit contributions due to the Baptist Pension Scheme on its Defined Benefit Pension Plan. This represents the present value of the deficit contributions agreed as per the current deficit reduction plan which requires contributions to be made until June 2026 (2020 - June 2026). See also Note 22.

17 Endowment Funds

Property Fund

1 Jan 2021	Incoming resources	Resources expended	Interest	Transfers	31 Dec 2021
298,000	-	-	-	-	298,000

The Property Fund was created in 2006 as a result of including the Church's property in the accounts.

18 Restricted Funds

Manse Fund
Building Development Fund
Total

1 Jan 2021	Incoming resources	Resources expended	Interest	Transfers	31 Dec 2021
225,000					225,000
13,641					13,641
238,641	-	-	-	-	238,641

The Manse Fund is to provide funds towards the Manse or second mortgage of each Minister.
The Building Development Fund is to raise money for specific projects approved by the Church Meeting and to pay for such projects.

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

All values shown in £

19 Designated Funds

	1 Jan 2021	Incoming resources	Resources expended	Interest	Transfers	31 Dec 2021
Audio Visual Fund	(6,501)	990	-			(5,511)
Repairs Reserve Fund	8,283					8,283
Legacy Fund	32,773	47,497	(2,823)			77,447
Lift Fund	5,324					5,324
Total	39,879	48,487	(2,823)	-	-	85,543

The Audio Visual Fund was set up in the year to fund a significant upgrade to the Church's audio visual facilities.

The Repairs Reserve Fund is to fund large and/or unforeseen expenditure on the Church premises.

The Legacy Fund is to receive legacies from Church members and friends and to spend them wisely.

The Lift Fund is amounts set aside plus related interest to go towards the maintenance of the lift, which was mothballed in 2018.

20 Unrestricted Funds

	1 Jan 2021	Incoming resources	Resources expended	Interest	Transfers	31 Dec 2021
General Fund	47,492	158,530	(155,687)	91	-	50,426

The General Fund is the operational fund of the Church in which most items of income and expenditure are recorded.

21 Analysis of net assets at 31 December 2021

	Fixed assets	Net current assets	Provisions	Total
	£	£	£	£
Endowment Funds				
Property Fund	298,000			298,000
Restricted Funds				
Manse Fund	225,000			225,000
Building Development Fund		13,641		13,641
Designated Funds				
Audio Visual Fund		(5,511)		(5,511)
Repairs Reserve Fund		8,283		8,283
Legacy Fund		77,447		77,447
Lift Fund		5,324		5,324
Unrestricted Funds				
General Fund		62,826	(12,400)	50,426
Total	523,000	162,010	(12,400)	672,610

22 Pensions

Background to the disclosure

- 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 Ltd). 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 Statement of Financial Activities ("SoFA") in the year are contributions payable towards benefits and expenses accrued in that year plus any impact of deficiency contributions (see below).
- The Ministers and some members of the Church staff are eligible to join the Scheme.

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

22 Pensions (continued)

Background to the disclosure (continued)

- 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 Ltd. 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 Aviva Plc. The further 4% of contributions is reduced to 3% for employer contributions Segregated DC Arrangement.
- Members of the Basic Section of the Scheme 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 as at 31 December 2019 was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £296 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 funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.
- The key financial assumptions underlying the valuations were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	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
- Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA 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, with the core smoothing parameter and with additional mortality improvement factor A = 0.5%.
- 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.

Colchester Baptist Church

Notes to the accounts for the year to 31 December 2021 (continued)

22 Pensions (continued)

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:

	31.12.21	31.12.20
	£	£
Balance sheet liability at start of year	15,473	24,767
Minus deficiency contributions paid	(2,657)	(1,958)
Interest cost (recognised in SoFA)	194	404
Remaining change to balance sheet liability* (recognised in SoFA)	(610)	(7,740)
Balance sheet liability at end of year	12,400	15,473

* 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:

	31.12.21	31.12.20	31.12.19
	%	%	%
Discount rate	2.0	1.4	2.1
Future increases to Minimum Pensionable Income	4.1	2.5	2.5

The cost of pensions is detailed in Note 11

23 Analysis of cash and cash equivalents

Bank balances, all repayable with no notice
Deposits, repayable with less than 3 months notice
Total

2021	2020
£	£
89,241	58,446
77,254	77,250
166,495	135,696

24 Related charities

The Property Trustee of the Church is The Baptist Union Corporation Ltd (registered charity number 249635), which is controlled by the Baptist Union Council. The Church is also a member of The Baptist Union of Great Britain and the Eastern Baptist Association.

The Church made donations to the Baptist Home Mission Fund and the BMS World Mission as set out in Note 8. The Church has made an investment in the Baptist Union Loan Fund as shown in Note 13.

The Church supports the charity called Open Door - Colchester (registered charity number 1101675) which operates on its premises. Open Door's constitution requires there to be a majority of members of the Church as its Trustees. The Church made a donation to Open Door as set out in Note 8.