



Worcester Park Baptist Church

Financial Statements

for the period 1 September 2019
to 31 December 2020

Charity Number: 1128662

www.wpbc.org.uk

WORCESTER PARK BAPTIST CHURCH
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2020

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WORCESTER PARK BAPTIST CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Rev Gavin Carpenter (appointed minister from 1 st April 2020) Mr David Hicks (Treasurer and deacon) Mr Jonathan Hill (deacon) Dr Ian McLenaghan (deacon) Mr Alastair Mills (deacon) Mr Robert Mills (Secretary and deacon) Mrs Rowena Mills (deacon) Mr John Smith (deacon) Mrs Sarah Thacker (deacon) Mr Girvan Thompson (deacon) Mr Rich Bee (resigned 25 November 2020)
Charity number	1128662
Other names	WPBC
Main address	2 The Avenue Worcester Park Surrey KT4 7EW
Banks	HSBC 75-77 High Street Sutton SM1 1DU Halifax Nationwide London Baptist Property Board Cambridge and Counties Bank Affirmative Deposit Fund
Trustee for properties	London Baptist Property Board Unit C2, 15 Dock Street London E1 8JN
Independent Examiner	Miriam Hickson FCA CTA Jacob, Cavenagh & Skeet 5 Robin Hood Lane Sutton SM1 2SW
Key management personnel	The Trustees

WORCESTER PARK BAPTIST CHURCH

Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020

The Trustees present their Annual Report and Financial Statements for the period 1st September 2019 to 31st December 2020. The reporting and accounting period was altered by decision of the church meeting of 29th July 2020. This was to bring it in line with the accounting periods of the Baptist Union and the London Baptist Association. The accounts are prepared in accordance with the Accounting Regulations set out under the Charities Act 2011, and with the Charities Statement of Recommended Practice applicable to charities preparing accounts in accordance with FRS102 effective 1 January 2019.

Charitable Objective

Worcester Park Baptist Church is a charity registered with the Charity Commission of England and Wales. Charity Registration number 1128662

The Charity is governed by an Approved Governing Document which states that 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.

The Church occupies premises, and provides a manse, both of which are held by the London Baptist Property Board, on Trusts which are entirely compatible with the above object.

Organisational Structure and Decision-Making Processes

Members of the Church are accepted in accordance with the Constitution which requires them to have been publicly baptised (as in the manner described in the Baptist Union's Declaration of Principle) or on their public profession of faith in Jesus Christ subsequent to other modes of baptism or no baptism.

The Church is a charitable unincorporated association governed by the Constitution approved at a Special Church Meeting on 25th February 2009, approved by the Charity Commission and entered on the Central Register of Charities from 19th March 2009.

By decision of the Special Church Meeting in February 2009, the Church Meeting and the Trustees abided by those clauses in the previous Church rules which were not in conflict with the new Constitution. These rules have been systematically considered by the Trustees and recommendations have been brought to Church meetings; in the main the decisions made were to update or confirm the previous policies that were outside of the wording of the constitution.

By decision of the church meeting of May 2014, the members' meetings normally took place six times per year from that date. These meetings have responsibility for the overall policy of the Church. In accordance with the Constitution, the members at Special Church Meetings may appoint, by secret ballots, ministers who are automatically Trustees. The members also appoint up to ten deacons to act as Trustees; the deacons are normally appointed at an election meeting in November by secret ballot (including permitted postal votes) to serve three-year terms of office. The Church Meeting elects a church secretary and a treasurer (the church officers) to serve for a year, from among the elected deacons. The deacons' and officers' normal periods of office commence in January. The Trustees are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All church members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in the Church Meeting 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. The trustees invited the Family and Children's Worker (Charis Lambert) to their meetings.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Organisational Structure and Decision-Making Processes (continued)

Following the departure of the previous minister to Eltham Park Baptist Church, the church appointed Rev Johnny Pozzo (Minister of New Malden Baptist Church) as Moderator during the pastoral vacancy from October 2018 to assist the deacons and church in the process of appointing a new minister. He chaired those sections of deacons' and church meetings dealing with the appointment of a new minister. The new minister took office in April 2020 (details on page 6)

Forums exist to involve more members in different ministries of WPBC. These are intended for communication and feedback between interested groups and the trustees. They are given agreed terms of reference and authority to make certain decisions.

Objectives and Activities

The stated aim of Worcester Park Baptist Church was reaffirmed in September 2013 and confirmed in subsequent updates of proposed actions to achieve the aim.

"As individuals and as a church together, we want to be open to and relying on God's leading and equipping in our lives."

We would do this in the following ways: -

1. by deepening our relationship with God (this section highlighted worship in all our lives, and growing in understanding and experience of God as revealed in the Bible and relying on the Holy Spirit).
2. by being a church community that reflects God's love and has deeper relationships with each other (this section highlighted sharing God's welcome and inclusion for all, building a community that values giving and receiving from each other and the churches around, and fosters a community where people's gifts are discerned and used).
3. by sharing God's love, healing and forgiveness found in Jesus within the world in which we live (this section highlighted sharing love in word and action with our neighbours and the Worcester Park community, wherever we go, and in the world around including through the support of overseas mission work).

When considering the building improvements required to meet the aim above, the church's vision was expressed as to be a "beacon of light in the community".

The main purpose is normally achieved through a programme of weekday and weekend activities for all ages and through the provision and maintenance of an accessible worship area and range of rooms of different sizes. The church employed a full-time minister (from April 2020), a full-time Families and Children's Worker and a part-time resident caretaker during 2019/20.

Services and Connect Groups

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday at 10.30am. Parents, grandparents and other carers are encouraged to sit with their children for the all-age content of morning services.

A Worship Leaders' Group meet at regular intervals.

There are also occasional services at other times which are advertised on the website at www.wpbc.org.uk. There was a full children's programme during the morning services and usually on the second Sunday of

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Services and Connect Groups (continued)

the month the whole worship time was an all-age event led by the Families and Children's Worker. The Brigades' Parade services were held on such Sundays. The church seeks to be a friendly and welcoming community and anybody is free to attend any of these services. About twice a year the congregation is invited to wear name badges at particular services enabling newer and older members of the congregation to get to know each other better.

This all changed with the outbreak of the Covid-19 pandemic and the church ceased meeting physically for services after Sunday 15th March 2020. The church quickly adjusted to pre-recording services premiered on YouTube, with a coffee break meet up afterwards, via Zoom using breakout rooms for small groups for a part of the time. Provision was made during part of the period for adults without an internet connection to view the YouTube service on the church premises. In practice this was used by very few people.

The congregation were supplied details of church services on radio and television. One member received a weekly DVD recording of the Sunday service. Communion was celebrated in homes as people watched the YouTube service on the third Sunday of each month. For those without internet connections, the option of celebrating communion over the telephone was made available.

Any use of the premises was preceded by careful risk assessments based on government and Baptist Union guidelines.

The church warmly welcomed the provision of covered songs and original songs by its resident singer/song writer, Kat Mills, and backed by her husband, Ali. Several had the additional benefit of Makaton signing of the lyrics.

The church normally runs a series of small daytime and evening Connect groups, for the growth of faith and discipleship, in the homes of some members and at the church premises; further details of these can be obtained from the Trustees on request, at the Sunday services of worship, or from specific advertising. These meet weekly or fortnightly; they were switched to Zoom meetings from March 2020.

The Sunday service sermons and Connect groups had teaching and learning together on the book of Exodus (Sept 2019-March 2020), Looking at Easter, the book of 1 Peter, the Holy Spirit, selected chapters from Isaiah, a series on Whole Life Worship (based on a course of the London Institute of Contemporary Christianity). The leadership team studied the issue of discipleship. The church demonstrated its support for the equality of all people before God at the time of the outcry over the death of George Floyd in Minneapolis.

The series at Christmas 2019 and 2020 had themes based upon the star of Bethlehem and "Comfort and Joy".

Children's activities

The Church was responsible for two Carers & Toddlers groups which met in the Church premises on Monday and Wednesday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ. The church also liaised with a Korean language Carers & Toddlers meeting on the premises on Thursday mornings. A Twins and Multiples Toddler Group met on Thursdays. Meetings ceased in March 2020 because of the pandemic. Leaders kept in touch with groups by WhatsApp.

The annual Shrove Tuesday Pancake Parties were held in February 2020 as the last major events before the pandemic lockdown. The annual Easter Holiday Bible Club for children was cancelled in 2020 because of the pandemic. However, the church kept in touch with families online and by WhatsApp and by the delivery of activity bags for the Bible Club.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Children's activities (continued)

The Families and Children's Worker ensured communication with the many families involved in the usual monthly Messy Church activities. Activity bags (70-90) were regularly collected or delivered (adhering to strict Covid hygiene protocols).

For Young People, normally the church runs Sunday morning study/discussion groups and weekly meetings of Boys' Brigade and Girls' Brigade Companies during school term-time. The oldest members of Boys' Brigade and Girls' Brigade meet together as YouNite every four weeks under the guidance of BB leaders and the Family & Children's Worker to discuss their choice of topics. These too ceased to meet physically after mid-March 2020. However, the leaders of the Boys' and Girls' Brigades and YouNite kept in touch with activity packs delivered to the youngest members and by the regular use of Zoom led by Brigade leaders using material supplied by their Headquarters. Boys' and Girls' Brigades made online contributions to the 2020 Remembrance Sunday service. An officer, Karina Nicholson, received the Jack Petchey award from BB for her services to the BB company.

The Open the Book team in accord with national policy ceased to visit Malden Manor Primary School in February 2020. The team commenced providing recorded videos of Zoom depictions of the Bible stories from autumn 2020.

The Church has adopted the Baptist Union "Safe to Grow" policy and operates systems to ensure that all people working with children are appropriately vetted through the Disclosure and Barring Service. The policies and procedures are put under regular review by the church and aim to be consistent with the latest updates to "Safe to Grow".

Copies of the guidelines are issued to leaders and helpers of children's work and a reference manual is made available on the premises for all parents, leaders and helpers.

The church used the online DBS application and verification service provided by Due Diligence Checking Ltd. on behalf of the Baptist Union of Great Britain.

Adults

Older people were particularly catered for by the Thursday Fellowship and Lunch Break organisations, and a Friday morning Connect Group.

Intergenerational activities included the monthly attendance by six Year 5 children from Cuddington Community Primary School at Lunch Break.

The Portuguese-speaking church outgrew the use of the Baldwin Room on Sunday evenings and moved to the main worship hall.

All these activities for adults ceased in March 2020. The Friday Connect Group continued meeting as that older age group learnt to use Zoom and connect by telephone and Zoom where necessary.

Members of Lunch Break and Thursday Fellowship received mail including a small Christmas package in lieu of the usual Senior Citizen's Christmas lunch. The leaders of Thursday Fellowship had regular phone contact with the members of both groups. The occasional letters to housebound contacts were continued.

A volunteer group led by a deacon was set up to provide pastoral support to provide access to medicines and shopping, and transport to medical appointments for those shielding or unable to go out, and without family or neighbours to assist. Members of this volunteer group were mostly known as friends to the recipients; but newer volunteers were checked for DBS clearance to support vulnerable adults. The congregation was encouraged to become involved in neighbourhood support groups.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Communications

The Covid-19 pandemic meant that the church had to learn rapidly to use appropriate technologies. The church is very much indebted to deacons who led that work and helped it navigate use of YouTube, Zoom, Facebook, Facebook Live and WhatsApp and improved and kept the website up to date with links to online resources. A new policy on safe practices in the use of videoconferencing tools was agreed.

Daily prayer messages were sent out by email during the pandemic to all those on the ChurchSuite (a Church management system).

In 2019 the sending of SMS text was transferred to the newly acquired ChurchSuite and was used for urgent prayer requests; over 80 people received regular messages via this medium.

From March 2020, the weekly newssheet contained more content in order to keep members informed; digital information was emailed via ChurchSuite and copies were posted or hand-delivered to those on the ChurchSuite database who did not have internet access.

The church has followed the Baptist Union guidance on the General Data Protection Regulations.

Appointment of minister

As noted in the previous report Rev Gavin Carpenter (Earlsfield Baptist Church) was invited on 1st September 2019 to preach with a view to the pastorate. He was able to come on Sunday 17th November 2019. After the morning service, during which he introduced himself, he and his family took part in a shared lunch at the church. Rev Johnny Pozzo, the church's Moderator, chaired a question and answers session. At a subsequent church meeting on Sunday 24th November, he was decisively called to the ministry at WPBC. The deacons had commended his qualities of wisdom, experience, humble servant leadership and relational approach, his heart for and experience of new things in the church's vision and his close fit to the church's profile for a minister. They also recognised that the Family and Children's Worker and he would work well together and that he was keen on the prospect of working with WPBC.

It was intended that he should be inducted to the ministry at WPBC on 21st March, beginning his duties from 1st April 2020. However, the induction service had to be cancelled because of the pandemic. The manse was not immediately available because of an overrun on the letting arrangements. Availability of the manse was further delayed by pandemic regulations on house moves. This in turn prevented commencement of refurbishment work (removal and replacement of asbestos garage roof, some electrical services updates, the formation of a family bathroom, redecoration, new carpets in bedroom areas and the study, the replacement of a dilapidated garden shed, and the removal of some overgrown trees).

The family of Gavin, his wife Mel and their two children eventually moved in at the end of August 2020. They technically had possession of the manse by 1st August 2020, thus assisting with access to local schools.

From the period beginning 1st April 2020, Gavin's main contact with his congregation and the community of Worcester Park had to be in the virtual world of Zoom, WhatsApp and telephone calls. Before his move of residence, when necessary, he commuted to his office at the church, from the manse at Earlsfield BC which that church kindly agreed WPBC could rent from them.

He was eventually inducted at a service held on Zoom and led by Rev Phil Barnard, Regional Minister Team Leader of the London Baptist Association, on Saturday 10th October 2020.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Appointment of minister (continued)

He has led many Facebook Live meditations, and Zoom prayer times as well as recording sermons and leading services recorded on Zoom for premiering on YouTube.

He participated in a Master's degree from Roehampton University on Christian Ministry – this included a research questionnaire on whether the congregation felt God's presence during virtual Sunday services online, and how it compared with attending physically gathered Sunday services.

Families and Children's Worker

The Families and Children's Worker, Charis Lambert, ably continued her work. Within the church premises she continued her regular support to Carers and Toddlers, the Twins and Multiples Group, spent time working with Girls' and Boys' Brigades supporting their leaders, liaising and working with leaders and helpers in Sunday's children's church sessions, and preparing the church for Messy Church.

Off the church premises, Charis Lambert spent time continuing the relationship with Cuddington Community Primary School, leading assemblies. She was a useful back-up member of the Open the Book team at Malden Manor Primary School and prepared illustrations for the weekly update to their noticeboard about Open the Book presentations.

She would normally have worked with Sutton Schools Christian Workers in performances of the Easter Experience, but these were cancelled.

She assisted Insight (Kingston Christian Schools Worker Trust) in filming the Christmas Journey.

In June/July 2020 she worked with a member of North Cheam Baptist Church in recording material for pupils from local primary schools transitioning to secondary schools in September 2020.

Since May 2020 she has served on the national support groups assisting the main BRF Messy Church team.

As part of the intergenerational life of the church she attended Lunch Break once a month and spoke there and at Thursday Fellowship, and is a member of the Worship forum.

Following the closure of activities on the church premises because of the pandemic, Charis quickly switched to providing an all-age section to each prerecorded Sunday service and to leading an all-age service once a month. She shared with Gavin in leading meditations and prayer times.

Grants

Grants to external agencies and projects accounted for 7.5% of the General Fund income for the year, excluding legacies and gifts for the Hub project. In addition, there were other designated gifts not from the General Fund, including those listed on page 10. The Trustees alone take action for urgent appeals (e.g., Disaster Emergency Committee appeals) and for grants to people on short term placements with Christian organisations in the UK or overseas. There were seven missions supported by the church as a whole.

Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit and are confident that the church acts in accord with those guidelines.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Achievements and Performance

The motto text for 2020 was "Look to the Lord and His strength; seek His face always" Psalm 100:4.

The motto text for 2021, prepared at the end of 2020, was "the Lord says.... I am about to do something new. It is beginning to happen even now. Don't you see it coming?" Isaiah 43:19

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 and understanding of God through teaching, etc. The Trustees recognise that these are difficult to measure, but believe that 2019/20 was a positive period in the life of the church and believes that it was able to pursue a large proportion of its mission purposes in 2019/20, even with the vacancy of the ministerial post up to April 2020 and the closure of many normal activities from March 2020.

Attendance and membership

Attendance at services is difficult to record accurately when services are online. The only direct measures are of screen views.

Concurrent live views of services at premiere time at around December 2020 were over 50 views, which became between 25 and 30 Zoom screen views immediately after the service. However, total views of services (i.e., including those outside the premiere time) were over 150. The data shows the church was reaching 200 unique views per month. This was data for screens; allowing for couples/families the actual unique views are potentially 400-600 people. This was, as experienced by many online churches, well in excess of pre-Covid attendance at services.

During the 16-month period, the church lost nine members (four deaths, four moves to other churches, and one lapsed member) and welcomed five new members. At 31st December 2020 the membership stood at 86. There were no baptisms in the period.

The church has recorded its contact with known individuals via the church database, WhatsApp, etc. The statistical return to the Baptist Union showed WPBC had contact with the following identified individuals:

Children under 11	190
Young people 11-18	12
Adults	321

These figures exclude anonymous individuals accessing via on-line facilities.

Plans and actions

The major ongoing items from September 2019 – December 2020 included the appointment of the minister (see page 6), the continuation of fundraising for the Hub project (see page 12), detailed planning for the Hub, approving the tender process for the Hub and appointing a contractor (see page 10) and the minor works on the manse.

All lettings (apart from those engaged in one-to-one counselling) ceased in March 2020 because of Covid. However, the long term lets had already been given notice that the church premises would not be available for hire from Easter 2020 because of the expected start of the contract for the Hub project.

The pandemic meant external activities such as singing carols outside Waitrose supermarket and participation in the Shadbolt Park Big Day Out did not take place in 2020.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Pastoral care

The Pastoral Care Team network for members and non-members attending the church continued functioning with the team contacting people during the pandemic.

Public flower bed

The flower border on a piece of local public land was regularly maintained. Again, it was used for promoting the message of Easter with a large wooden cross and the addition of flowers on Easter Sunday after permission from the Council. At Christmas 2019 and 2020 the church again erected (with Council permission) a Christmas tree with greetings from WPBC.

Premises

A contractor was employed on a monthly basis to maintain the grounds up to December 2020. A tree surgeon was employed to control trees along the boundary with Purdey Court (£2,700).

The Hub Project Phase 2 contractor was used to replace the Pentagon wooden floor which had lifted and asbestos material underneath was removed.

The choice of seating for Messy Church was increased with the purchase of ten second-hand Gopak benches. Two 2-tier chair trolleys were purchased for the folding chairs in the main hall.

Manse

The church let the manse during the pastoral vacancy and net gains after deduction for management expenses, repairs, etc. were placed in a separate Manse Rental Income Fund. Details of work on the manse are reported on page 6.

The Hub Project

The Phase 2 work of the Hub Project started in July 2019 and refurbished the former Divided Hall (now renamed Unity Hall) with new flooring, windows, ceiling, storage, kitchenette, and children's toilets; provided large storage cupboards on the Purdey Court side of the church; equipped a flower arranging room; and began replacement of the heating systems.

The contractor produced a high standard of work but was unable to complete the small final part of the work before lockdown in March 2020 and subsequently going into administration. The retained monies will be sufficient to complete minor outstanding work.

The major project of the period has been bringing the planning for the Hub Project forward to the stage where work on the main phase, Phase 3, could begin in 2021. The church is greatly indebted to Jonathan Hill for all on his work on the Hub project.

The church was in the process of informal discussions with the Phase 2 contractor about tendering for Phase 3. However, the pandemic prevented the aim of starting in early 2020. The contract for Phase 3 was eventually put out to tender in August 2020. Five tenders were received back, all above the cost plan level, and two were followed up with discussions with the potential contractors. Decisions were made on the value engineering necessary to bring costs within reach of existing pledged and expected funding.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

[The Hub Project \(continued\)](#)

In September 2020 a special church meeting received report on costs and funding and gave approval to proceed. Approval was also given to seek the necessary loans from the London Baptist Property Board to allow for the future temporary cash flow gaps.

The 38-week contract in the sum of £1,460,169.93 + VAT was awarded to Bryen Langley. The car park site was fenced off at the end of December 2020 for the work to begin in early 2021.

The parts of the premises about to be occupied by the contractor were cleared in December 2020, removing and storing, discarding or selling equipment, etc.

The church was pleased to be able to reach agreement with Cheam Common Junior Academy for use of their main hall for Sunday morning services and with Christ Church with St. Philip on the use of rooms for Lunch Break and Thursday Fellowship midweek meetings, once coronavirus restrictions permitted their use. The other mid-week meetings, less dependent upon disabled access and car parking, would take place in different ways in the reduced premises available at WPBC during the Phase 3 building work.

[The Hub and a beacon of light](#)

The church's vision is of being a beacon of light in the community, a place of outreach, open to all, and being a safe community hub at the heart of the neighbourhood. The Hub development will create a place that has added flexibility for many activities by all ages including; prayer, worship, learning, study and especially interaction. One of the design objectives of the project is to provide more transparency of the work and activity in the church, to make it more appealing and inviting to those in the community.

[The Hub project - fundraising](#) (see separate section in Financial Review below)

Financial Review

The Church continues to raise the funds it needs to carry on its activities from within its own membership and congregation, who are encouraged, if possible, to employ Gift Aid in their giving, to maximise the benefit to the Church. The church benefits from the Gift Aid Small Donations Scheme. The various church organisations, in particular the Boys' and Girls' Brigades apply for, and from time to time receive, grants from Local Authorities or Charitable Organisations.

The Church expressed its part in the life of the wider church by making grants to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose. It will also, occasionally, make grants to individuals who have been identified by the minister as being in need of particular and urgent financial support.

Charitable giving from outside of the General Fund (i.e., raised by voluntary giving to specific identified needs) during the period Sept 2019 to Dec 2020 raised gifts including:

Epsom & Ewell Foodbank – in addition to tinned and dried goods (at harvest-time 2019)	£287.50
Tearfund (Christmas 2019)	£538.87
Christian Aid (Christmas 2019)	£450.14
Compassion UK (Christmas 2019)	£62.50
Tearfund's work in Zimbabwe	£3,743
Baptist Missionary Society Coronavirus Appeal	£2,460
Tinned and dried goods for Epsom & Ewell foodbank (at harvest 2020)	
Tearfund (Christmas 2020)	£983.46
Compassion UK (Christmas 2020)	£62.50

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Financial Review (continued)

In addition to the above organisations, gifts were also supplied to four other missions from the General Fund.

The Church is heavily dependent on its membership, and others, working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives.

Price reductions in some regular supplies were achieved by joining the Christian Supply Chain Buying Group.

In 2019/20 working capital was kept on deposit with HSBC, surplus funds were mainly deposited with the London Baptist Property Board and a charity deposit account with Cambridge and Counties Bank. The latter account (95-day notice account) gave a favourable rate for new funds which was not available to any new account holders. The Trustees have, however, a policy that requires at least half of these deposit funds to be in the LBPB account where it can be used for the benefit of other Baptist churches.

The Trustees had an established Reserves Policy which required £50k of liquid assets. The Trustees reviewed this level during the Covid pandemic and reset it to £25k, and moved £25k to the Hub fund. They are satisfied that they have sufficient reserves at the Balance Sheet date, together with ongoing anticipated income, to enable the Church to function effectively in the coming year.

Members of the congregation giving cash in envelopes or loose in offering bags were encouraged to switch to standing orders or bank transfers. The regular congregation was made aware of the decline in income from Sunday offerings.

A second instalment (£1,030) was received from the estate of a former congregant and there was a new legacy of £200 from a member.

The financial results for the period, together with a summary of the accounting policies adopted, are set out in the accompanying financial statements. At the year end, the charity held total funds of £1,448,648, of which £652,954 were restricted, and £795,694 were unrestricted.

The church had been running a deficit current General Fund for a few years. Data showed that in common with many churches, 25% of donated general fund income comes from a very small number of families or individuals.

Carers & Toddlers made their contribution to the General Fund of £4.7k.

Savings on ministerial costs less the expenses of a moderator and pulpit supply were allocated to a Pastoral Vacancy Savings Fund. £5k was transferred from that fund to the General Fund in Sept 2019 to assist with the budget deficit.

The church gratefully acknowledges the continued receipt of donations from the two hosted Churches (Korean and Portuguese-speaking) even during the lengthy period when they were unable to use the premises.

The Trustees, having made an assessment of any risk the church might face, are satisfied that all reasonable steps have been taken to minimise that risk and that adequate insurance policies are in place.

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Hub project – fundraising

The church continued to encourage members to gain commission for WPBC on on-line orders by using the Easyfundraising website and the Amazon Smile site.

Grants were awarded by several grant-giving bodies following submission and in some cases visits by representatives of the funds,

These grants included ones from Beatrice Laing Trust (£1.5k), Norwood and Newton Settlement Trust (£30k), Joseph Rank Trust (£35k) and Viridor Credits (£100k). The Viridor grant was subject to the raising of £10k from a third party for their trust; this was achieved.

The Cuddington Residents' Association's Big Day Out donated £590 to the Hub project from the summer 2019 Big Day Out which WPBC took part in. Waitrose's green disc community project donations in 2019 raised £218 for the Hub. A Birthday party on the premises raised £426.

A family's 2019 summer tea and cake stall raised £64.

A fundraising Lantern Arts Youth Theatre performance was held on 14th September £648 and an Out of the Ashes concert on 16th Sept £513

The Cash in the Attic scheme arranged by David and Carole Hicks and sale of scrap metal by Girvan Thompson raised funds of over £29,000 in this period.

During the year some Hub project loans were repaid and then donated back to the church with the additional benefit of Gift Aid.

A Pledge Day was held on 15th September 2019 and raised £51,622.

Special church meetings approved applications for significant loans for the Hub project. The London Baptist Property Board approved a loan of £275k over 15 years. A new application will be needed in five years' time for a further £225k loan which LBPB expected to be possible.

Future Plans

We will continue to pursue our stated aim: "As individuals and as a church together, we want to be open to and relying on God's leading and equipping in our lives." We will do this by deepening our relationship with God, by being a church community that reflects God's love and has deeper relationships with each other, and by sharing God's love, healing and forgiveness found in Jesus within the world in which we live.

The major tasks for 2021 are to:

- complete the Hub project building work
- progress the fundraising for it
- maintain access to online services
- keep in touch with all users of church facilities
- run an Alpha online course to share the good news of Jesus Christ
- use temporary alternative venues for Sunday morning services and for senior adult groups needing car parking and easy access
- to open up available parts of the premises when permitted
- to progress ministries to serve the socially isolated and those with mental health issues

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Trustees' Annual Report for the financial period 1 September 2019 to 31 December 2020 (continued)

Future Plans (continued)

- and to plan the transition to fuller use of the church premises after Phase 3 is completed (expected by December 2021).

The support of Christians in the church working on their frontlines (where they regularly meet people) and being Christ's disciples would be major activities in 2021, as the church seeks to be a beacon of light in the community.

The trustees' responsibilities

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

The law applicable to charities in England and Wales requires that the trustees must not approve the financial statements for each financial year unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the income and expenditure 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

FOR AND ON BEHALF OF THE TRUSTEES



David Hicks

Trustee

20 December 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WORCESTER PARK BAPTIST CHURCH

I report to the charity trustees on my examination of the accounts of Worcester Park Baptist Church (the Charity) for the period 1 September 2019 to 30 December 2020 set out on pages 15 to 28.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

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



Miriam Hickson CTA FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 22/12/21

WORCESTER PARK BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

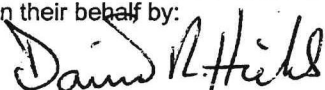
		16 month period			12 month period		
Note		Unrestricted Funds	Restricted Funds	Total Funds 2020	Unrestricted Funds	Restricted Funds	Total Funds Restated 2019
		£	£	£	£	£	£
Income from:							
2a	Donations and legacies	163,953	150,181	314,134	99,911	57,745	157,656
2b	Charitable activities	10,143	31,012	41,155	10,901	23,188	34,089
2c	Other trading activities	20,635	-	20,635	30,390	150	30,540
2d	Investments	5,687	8,485	14,172	5,563	8,648	14,211
	TOTAL INCOME	200,418	189,678	390,096	146,765	89,731	236,496
Expenditure on:							
	Raising funds	576	-	576	256	-	256
3	Charitable activities	163,799	9,058	172,857	120,807	6,390	127,197
10	Change in pension provision	(12,606)	-	(12,606)	-	-	-
	TOTAL EXPENDITURE	151,769	9,058	160,827	121,063	6,390	127,453
Gains / (losses) on investments							
		21	-	21	(81)	(81)	(81)
Net income before transfers							
		48,670	180,620	229,290	25,621	83,341	108,962
Transfers between funds							
12		207,157	(207,157)	-	(105)	105	-
Net movement in funds							
		255,827	(26,537)	229,290	25,516	83,446	108,962
Funds brought forward as previously stated							
15	Prior Year Adjustment	3,118,241	679,491	3,797,732			
		(2,578,374)	-	(2,578,374)			
Funds brought forward as adjusted							
		539,867	679,491	1,219,358	514,351	596,045	1,110,396
Balances carried forward at 31 December 2020							
		795,694	652,954	1,448,648	539,867	679,491	1,219,358

WORCESTER PARK BAPTIST CHURCH
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	31/12/2020		31/08/2019 - restated	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	6		374,114		105,681
Investments	7		305		284
			<u>374,419</u>		<u>105,965</u>
Current assets					
Debtors	8		3,404		-
Cash at bank and in hand			<u>1,255,416</u>		<u>1,158,083</u>
			1,258,820		1,158,083
Current liabilities					
Amounts falling due within one year	9		<u>(160,446)</u>		<u>(3,556)</u>
Net current assets			1,098,374		1,154,527
Total assets less current liabilities			1,472,793		1,260,492
Provisions for liabilities and charges	10		(24,145)		(41,134)
Net assets	11		<u>1,448,648</u>		<u>1,219,358</u>
Represented by					
Restricted funds	12		<u>652,954</u>		<u>679,491</u>
Designated funds	12		304,148		110,320
Unrestricted funds	12		<u>491,546</u>		<u>429,547</u>
			<u>795,694</u>		<u>539,867</u>
			<u>1,448,648</u>		<u>1,219,358</u>

Approved by the Trustees on 20 December 2021
and signed on their behalf by:

David Hicks
Trustee



WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

1 Accounting Policies

Worcester Park Baptist Church is a charity registered with the Charity Commission of England and Wales, charity registration number 1128662. The registered office is 2 The Avenue, Worcester Park, Surrey KT4 7EW.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared under the historical cost basis of accounting. The financial statements have been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

The charity meets the definition of a public benefit entity under FRS 102. The accounts are prepared in pounds sterling rounded to the nearest pound.

The 2020 figures in the financial statements cover a 16 month period and the 2019 figures cover a 12 month period. This is due to a change in the period end. The 2020 and 2019 figures are therefore not comparable.

b) Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

c) Fund Accounting

The funds held by the church are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charity's objects at the discretion of the Trustees.
- Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

d) Income

Donations and other income (including legacies) are included in the Statement of Financial Activities (SOFA) when the church has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

Grant income is recognised when the formal offer of funding is communicated to the charity and any conditions which must be met are fulfilled.

e) Expenditure

All expenditure is accrued as soon as a liability is considered probable and has been classified under headings that aggregate all costs related to the category. Charitable activities include all support and governance costs.

f) Grants Paid

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the church.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

1 Accounting Policies (continued):

g) Freehold Property and Depreciation

The original cost of the church building and land is not valued in the financial statements as the historical cost is unknown. Any original costs of the building would already have been substantially depreciated and carrying amounts are therefore unlikely to be material. The manse is included at cost. Subsequent improvements are recognised at cost.

No depreciation is provided on the land or buildings. The Trustees adopt a policy of maintaining the buildings to a high standard which prolongs their useful lives and enhances their residual values and accordingly the Trustees consider any depreciation arising or accumulated depreciation to date to be insignificant and immaterial.

h) Furniture and Equipment

Depreciation is calculated to write off the cost or valuation less estimated residual value of all other assets as follows:

Furniture & fittings	10% on cost
Office equipment	33% on cost
Audio visual equipment	33% on cost
Kitchen equipment	25% on cost

i) Pension schemes

The church makes contributions into pension schemes which are accounted for as they are paid. The church also makes contributions towards the deficit on the Baptist Pension Scheme under the deficit reduction plan. A provision has been made for the total contributions due. This is detailed in notes 10 and 13.

j) Taxation

The church is not liable for tax on its charitable activities.

k) Investments

Quoted investments are stated at fair value and any gains or losses are posted to the Statement of Financial Activities.

l) Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of the opening of the deposit.

n) Creditors and provisions

Creditors and provisions are recognised where the church has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount. Provisions have been calculated at the best estimate of the settlement amount and then discounted back to present value at the reporting date.

o) Financial instruments

The church only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Volunteers

Much of the management of the church is carried out free of charge by volunteers. This intangible cost is not included in the Financial Statements since there is no measurable cost to the volunteers for their service.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

2 INCOME FROM:

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2020 £	2019 £
2a Donations and legacies				
Donations	139,495	123,711	263,206	124,161
Grants	-	2,308	2,308	250
Legacies	1,231	-	1,231	5,156
Income tax recoverable on Gift Aid	23,227	24,162	47,389	28,089
	163,953	150,181	314,134	157,656
2b Charitable activities				
Fundraising	-	1,935	1,935	701
Cash in the attic	-	29,077	29,077	22,487
Rental income	4,185	-	4,185	2,225
Subscription income	5,958	-	5,958	8,676
	10,143	31,012	41,155	34,089
2c Other trading activities				
Hall lettings	10,751	-	10,751	15,241
Manse rental income	9,751	-	9,751	15,200
Other income	133	-	133	99
	20,635	-	20,635	30,540
2d Investment income				
Rent	6	-	6	14
Other income	5,681	8,485	14,166	14,197
	5,687	8,485	14,172	14,211
TOTAL INCOME	200,418	189,678	390,096	236,496

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

3 CHARITABLE EXPENDITURE ON:

		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2020 2019 £ £	
a Ministry costs					
	4				
Staff costs		68,625	-	68,625	36,144
Manse maintenance		25,936	-	25,936	2,092
Manse running costs		2,625	-	2,625	1,233
Adult evangelism & discipleship		1,534	-	1,534	1,505
Brigades		2,030	-	2,030	3,463
Fellowship costs		1,222	-	1,222	1,761
Subscription exp		1,368	-	1,368	1,328
TV and music		949	-	949	980
Visting speakers		1,030	-	1,030	1,215
Youth group		624	-	624	1,139
Other ministry exps		2,617	-	2,617	5,105
		108,560	-	108,560	55,965
b Mission					
Grants	5	11,662	8,906	20,568	21,345
c Establishment					
Church maintenance		15,134	-	15,134	30,478
Church running costs		13,463	-	13,463	11,486
Depreciation		1,879	-	1,879	-
Printing, postage & photocopying		1,560	-	1,560	1,882
Accountancy		1,920	-	1,920	-
Independent Examination		2,160	-	2,160	-
Professional fees		3,547	3	3,550	3,621
Sundry exps		403	149	552	79
Telecoms & computers		3,511	-	3,511	2,341
		43,577	152	43,729	49,887
TOTAL EXPENDITURE		163,799	9,058	172,857	127,197

4 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2020 £	2019 £
Salaries and stipends	61,278	33,330
Employer's National Insurance	857	592
Pension	6,490	2,222
	68,625	36,144

The average number of employees during the period was 3 (2019: 2). There were no employees with emoluments above £60,000 (2019: none).

The minister, who is also a trustee, received a stipend of £19,800 plus pension contributions of £2,565, which is permitted by the charity's constitution clause 23. Total remuneration of Key Management Personnel, which consist of the minister, amounted to £22,365. No other trustees received any remuneration or reimbursed expenses (2019: none). Close relatives of the trustees, loaned £101,000 interest free to the charity to support the development project. There were no other related party transactions (2019: none).

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

5 MISSION GIVING

	2020			
	Unrestricted	Restricted	Total	2019
	£	£	£	£
Institutions				
Baptist Missionary Society	4,000	-	4,000	4,000
London Baptist Association	3,000	-	3,000	3,000
Insight (Kingston Schools)	1,425	-	1,425	1,425
Sutton Schools Christian Workers Trust	1,425	-	1,425	1,425
Others < £1,000 each	1,460	8,906	10,366	9,064
	<u>11,310</u>	<u>8,906</u>	<u>20,216</u>	<u>18,914</u>
Individuals	352	-	352	2,431
Total expenditure	<u>11,662</u>	<u>8,906</u>	<u>20,568</u>	<u>21,345</u>

6 TANGIBLE FIXED ASSETS

Tangible fixed assets – for use by the Church

	Church Premises	Church Manse	Furniture & Fittings	Equipment	TOTAL
	£	£	£	£	£
Cost					
At 1 September 2019 restated	76,094	27,798	291	4,350	108,533
Additions	<u>254,034</u>	<u>12,960</u>	<u>2,951</u>	<u>367</u>	<u>270,312</u>
At 31 December 2020	<u>330,128</u>	<u>40,758</u>	<u>3,242</u>	<u>4,717</u>	<u>378,845</u>
Depreciation					
At 1 September 2019	-	-	291	2,561	2,852
Charge for the year	<u>-</u>	<u>-</u>	<u>295</u>	<u>1,584</u>	<u>1,879</u>
At 31 December 2020	<u>-</u>	<u>-</u>	<u>586</u>	<u>4,145</u>	<u>4,731</u>
Net Book Value					
At 31 December 2020	<u>330,128</u>	<u>40,758</u>	<u>2,656</u>	<u>572</u>	<u>374,114</u>
At 31 August 2019 restated	<u>76,094</u>	<u>27,798</u>	<u>-</u>	<u>1,789</u>	<u>105,681</u>

The historical cost of the original church land and buildings are not known, therefore they have a nil value in the financial statements. Subsequent additions have been included at cost.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

7 INVESTMENTS

	Listed investments £
Fair value	
At 1 September 2019	284
Unrealised gains	21
At 31 December 2020	<u>305</u>

8 DEBTORS

	2020 £	2019 £
Income tax recoverable	2,055	-
Prepayments	1,349	-
	<u>3,404</u>	<u>-</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	1,008	2,208
Tax and social security	3,922	1,348
Accruals	37,016	-
Interest free loans	118,500	-
	<u>160,446</u>	<u>3,556</u>

The interest free loans are from four church members. These are unsecured and repayable within three months of a written request or the lender's death.

The London Baptist Property Board agreed to loan WPBC £275,000 on 27 October 2020. This was not drawn down before the year-end. The loan is unsecured, repayable over 15 years and the interest rate is variable (currently 2.85%).

10 PROVISION FOR LIABILITIES AND CHARGES

	2020 £	2019 - restated £
Liability brought forward	41,134	42,064
Deficiency contributions paid in year	(4,383)	(3,947)
Charge for the year	(12,606)	3,017
Liability carried forward	<u>24,145</u>	<u>41,134</u>

See note 13 for more details.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

11 ANALYSIS OF NET ASSETS BY FUND
2020

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	374,419	-	374,419
Current assets	605,866	652,954	1,258,820
Current liabilities	(160,446)	-	(160,446)
Provisions	(24,145)	-	(24,145)
At 31 December 2020	<u>795,694</u>	<u>652,954</u>	<u>1,448,648</u>

2019 - restated

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	105,965	-	105,965
Current assets	478,592	679,491	1,158,083
Current liabilities	(3,556)	-	(3,556)
Liabilities due in more than one year	(41,134)	-	(41,134)
At 31 August 2019	<u>539,867</u>	<u>679,491</u>	<u>1,219,358</u>

12 FUND DETAILS

Restricted funds

The Building Fund (also known colloquially as The Hub Fund) are funds donated for our building work. The expenditure on the church premises has been transferred out of the fund this year as it has been capitalised.

During the course of the year we run various appeals typically for Tearfund, Christian Aid and other similar selected organisations which we collect in a Missions fund and likewise an annual Harvest appeal.

Designated funds

The Boys' Brigade, Girls' Brigade, Thursday Fellowship (this is a weekly meeting for seniors), and Carers & Toddlers all manage their own finances during the year and their funds are designated for that purpose.

The Special Purposes Fund consists of any legacies, or other unexpected significant donations, for use as the church may decide when a need arises.

The Repairs and Maintenance is an annual budgeted amount set aside towards general church maintenance.

The Pastoral Vacancy Savings Account was set up during a period when the church had no minister to save the money that would have been spent on their stipend. Most of this has been spent on refurbishing the manse during the year.

The Manse Reserve Fund was created to keep separate income from letting the manse during the period without a minister and was again used to update the manse.

The Pastoral Assistance reserve was money set aside to enable the minister, with the agreement of the treasurer, to make small personal gifts to individuals or families identified as being in need.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

12 FUND DETAILS (CONTINUED)

2020

	Balance at 1 September 2019 £	Income and gains £	Expenditure £	Transfers £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS					
General	429,547	153,224	(88,778)	(2,447)	491,546
Designated					
BB general fund	1,076	1,330	(630)	-	1,776
Building fund	15,125	30,724	-	210,808	256,657
Carers & Toddlers	7,441	3,933	(436)	(5,990)	4,948
Charity reserve fund	50,000	-	-	(25,000)	25,000
GB general fund	1,131	820	(1,178)	550	1,323
Insurance claim	2,064	-	(1,151)	-	913
Pastoral assistance	15	-	-	-	15
Pastoral vacancy	13,817	-	(24,539)	20,300	9,578
Manse reserve fund	10,813	9,751	(20,564)	-	-
Repairs & Maintenance	8,183	-	(13,792)	9,095	3,486
Other society	-	-	-	315	315
Special purposes fund	278	-	-	(278)	-
Thursday Fellowship	377	657	(701)	(196)	137
	110,320	47,215	(62,991)	209,604	304,148
Total unrestricted funds	539,867	200,439	(151,769)	207,157	795,694
RESTRICTED FUNDS					
	£	£	£	£	£
Ann Young fund	782	-	-	-	782
Building fund	677,975	180,001	(3)	(207,137)	650,836
Caretaker gas & electricity	164	-	151	-	315
Security deposits re lettings	550	-	(300)	-	250
Special purposes fund	20	9,677	(8,906)	(20)	771
Total restricted funds	679,491	189,678	(9,058)	(207,157)	652,954

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

12 FUND DETAILS (continued) - 2019

	Restated balance at 1 September 2018 £	Income and losses £	Restated expenditure £	Transfers £	Restated balance at 31 August 2019 £
UNRESTRICTED FUNDS					
General	407,630	121,187	(82,300)	(16,970)	429,547
Designated					
BB generalfund	960	1,344	(1,623)	395	1,076
Building fund	15,125	-	-	-	15,125
Carers & Toddlers	8,314	6,846	(1,719)	(6,000)	7,441
Charity reserve fund	50,000	-	-	-	50,000
GB generalfund	1,119	842	(1,505)	675	1,131
Insurance claim	7,563	-	(5,499)	-	2,064
Pastoral assistance fund	265	-	(250)	-	15
Pastoral vacancy fund	-	-	(1,083)	14,900	13,817
Manse reservefund	-	15,200	(4,387)	-	10,813
Repairs & Maintenance	22,572	-	(21,389)	7,000	8,183
Special purposes fund	278	-	-	-	278
Thursday Fellowship	525	1,265	(1,308)	(105)	377
	106,721	25,497	(38,763)	16,865	110,320
Total unrestricted funds	514,351	146,684	(121,063)	(105)	539,867
RESTRICTED FUNDS					
	£	£	£	£	£
Ann Young fund	1,244	-	(462)	-	782
Building fund	594,148	83,762	-	65	677,975
Caretaker gas & electricity	233	-	(69)	-	164
Security deposits re lettings	400	150	-	-	550
Special purposes fund	20	5,819	(5,859)	40	20
Total restricted funds	596,045	89,731	(6,390)	105	679,491

13 PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS

Defined benefit scheme

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.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

13 PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS (CONTINUED)

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 Ministers are 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 Aviva plc. The further 4% contribution rate is reduced to 3% for Employer Contributions made to the Segregated DC Arrangement.

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 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.

The key financial assumptions underlying the valuations were as follows:

RPI price inflation assumption	3.20% pa
CPI price inflation assumption	2.70% pa
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.20% pa
Assumed investment returns	
- Pre-retirement	2.95% pa
- Post retirement	1.70% pa
Deferred pension increases	
- Pre April 2009	3.20% pa
- Post April 2009	2.50% pa
Pension increases	
- Main Scheme pension	2.70% pa

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 initial mortality improvement factor A=0.5%.

WORCESTER PARK BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD 1 SEPTEMBER 2019 TO 31 DECEMBER 2020

13 PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS (continued)

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.

A provision has been included for deficit contributions due to the Baptist Pension Scheme (see note 10). The provision has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

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

Defined contribution schemes

The Church also makes contributions to defined contribution pension schemes. The assets of these schemes are held separately from those of the Church in independently administered funds. The pension cost and charge represents contributions payable by the Church to these funds and amounted to £6,490 (2019: £2,222).

14 CAPITAL COMMITMENTS

At the year end the charity had signed a letter of intent relating to construction work to the value of £153,600 which will take place after 31 December 2020.

15 PRIOR YEAR ADJUSTMENT

A prior year adjustment has been included to correct errors in and a change of an accounting policy from the previous financial statements as follows:

- a) Correction of the carrying value of the Church premises from insurance value to historical cost.

	£
Insurance value used in 2018 financial statements	<u>1,880,038</u>

The Church premises were acquired around the time of WWII. No cost records for the land or buildings are available and so this is shown at nil cost. The original costs of the building would already have been substantially depreciated and carrying amounts for the building are therefore unlikely to be material. Additions for 2019 onwards have been capitalised at cost.

WORCESTER PARK BAPTIST CHURCH
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15 PRIOR YEAR ADJUSTMENT (CONTINUED)

b) Change of accounting policy to show the Manse premises at historical cost rather than at fair value last updated in 2016.

	£
Open market value used in 2016 financial statements	685,000
Historical cost	(27,798)
Prior year adjustment	<u>657,202</u>

c) Inclusion of discounted liability to make pension deficit payments on the balance sheet.

Deficit payments were being recognised on a paid basis rather than as a liability being paid and adjusted each year.

	£
Liability as at 31 August 2018	42,064
Less deficit contributions paid 2019	(3,947)
Interest cost 2019	922
Other changes to liability 2019	<u>2,095</u>
Liability as at 31 August 2019	<u>41,134</u>

The effect of the prior year adjustment on the reserves and results previously reported is as follows:

	Funds at 01.09.18 £	Results YE 31.08.19 £	Funds at 31.08.19 £
As previously reported in 2019 financial statements	3,689,700	108,032	3,797,732
Correct Church premises to historical cost	(1,880,038)	-	(1,880,038)
Show Manse at historical cost	(657,202)	-	(657,202)
Include pension liability on balance sheet	(42,064)	930	(41,134)
As adjusted	<u>1,110,396</u>	<u>108,962</u>	<u>1,219,358</u>
Effect of Prior Year Adjustment	<u>(2,579,304)</u>	<u>930</u>	<u>(2,578,374)</u>

16 POST BALANCE SHEET EVENTS

In April 2021, the charity entered into a building contract for Phase 3 of the Hub building project, for capital work to the value to £1,752,000.