



ANNUAL REPORT AND ACCOUNTS
OF
WEST WORTHING BAPTIST CHURCH
For the Year Ended 31st December 2021

WEST WORTHING BAPTIST CHURCH

Legal and Administrative Information

Minister and Diaconate (Trustees):

Revd. Dr. H Sherman	Minister – resigned 31 st December 2021
Revd. L Damascena	Minister
Mr B King	Secretary
Mrs J Valentine	Treasurer
Mrs E Clark	
Mr M Fitzalan-Hawkes	
Mr I Mann	
Mr R Saville BA Dip Arch	
Mr D Standing	
Mrs M Warner	

Property Trustees

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

Church Address:

West Worthing Baptist Church
South Street
Tarring
Worthing
West Sussex
BN14 7LU

Bankers:

CAF Bank Limited

Independent Examiner:

Mr T L Burstow.
115 St Andrews Road
Worthing
West Sussex
BN13 1HR

WEST WORTHING BAPTIST CHURCH

Report of the Trustees for the year ended 31 December 2021

The Trustees are pleased to present their annual report together with the accounts for the year ended 31st December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) Accounting and Reporting by Charities FRS 102, and The Charities Act 2011, in preparing the annual report and financial statements of the entity.

Charitable Object

The name of the charity is the West Worthing Baptist Church (hereafter referred to as the Church). The Church had been an excepted Charity, but was registered with the Charity Commission on the 20th March 2009, under Charity Number 1128701. The Church meets the definition of a public benefit entity under FRS102.

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.

Membership of the Baptist Union of Great Britain

The Church is a member of the Baptist Union of Great Britain (hereafter called the Union), and as such has lodged with the Union the Trust Deed relating to the use of the premises, which the Church occupies. In accordance with the constitution of the Union, the Church has authority for all matters relating to the running of the Church, provided that any decisions taken do not contravene the provisions of the Trust Deed, including the appointment of Ministers and all financial matters. The Church receives guidance from time to time from the Union on matters relating to its responsibilities as a charitable organisation. The Ministers it appoints must be accredited members of the Register of Ministers held by the Union.

Authority for day-to-day running of the Church

Authority is invested in the Church Meeting where only those who are members of the Church are allowed to vote. The Church has an open membership (the meaning of which is explained in the Church Constitution). The Church meeting elects a body of Deacons known as a Diaconate (who, together with the Minister, act as Trustees) and from whom are chosen a Treasurer and Secretary.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance, or may be raised by members 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.

Make-up of Diaconate (Trustees)

The Diaconate currently consists of eight members. Nine is the normal number but only two were nominated at the annual election. Members normally serve for a period of three years, three members concluding their current period of service at each AGM.

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Report of the Trustees for the year ended 31 December 2021

Objects and Activities

Mission Statement

As members of the Christian Church,
we meet together for worship,
we seek to share the faith,
and are here as a community to care

Church Attendance and Worship

In order to achieve the principal objective, which is set out above, the Church provides a variety of activities both for its membership and for 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 and one another in community.

As the year began, the church was meeting remotely, via zoom and recorded services, with some receiving CD's delivered to them at home; mainly some of the older members of the congregation. Easter brought co-ordinated services via Zoom and a meeting in the park on Easter Sunday. The church was able to return to an in-person worship from May 2nd and has continued to meet in person ever since.

The deacons along with the ministers did not, however, wish to move completely away from the possibility of virtual presence. Therefore, a camera was installed in the back of the sanctuary in order to allow for streaming of services and all services are now attended mainly in person, but also online via YouTube.

As COVID-19 cases began to rise again in the Winter, many have found the ability to watch services live a helpful addition to their worship experiences, especially those who felt either afraid of mingling, or who had tested positive or been awaiting PCR test results.

With the end of midweek zoom services, a monthly Bible study at the church has been launched. This event has also been streamed for those who could not attend. Additionally, a new homegroup has been formed. Many attendees have reported feeling a renewed interest in the church, with some new people appearing regularly since lockdown was lifted. Whilst some have lost the habit of regular attendance, others have regained a long-lost interest in worship as a way of life and have become initiated an involvement with the church and its community.

Ongoing Pastoral Care and Ministry

In November 2021, Rev Hazel Sherman resigned from her ministry at the church in order to continue to devote time to her role as hospital chaplain, after having been a part time minister. Luciana Damascena has remained as sole minister. This change, along with the changes that a year of on and off lockdowns have caused, brought alterations to the pattern of pastoral care.

One main change is the requirement that more people would need to become involved in caring for others pastorally since one minister could not do the work of two. As a result, the deacons have stepped up and added to their many responsibilities, the regular looking after of a few members of the congregation.

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Report of the Trustees for the year ended 31 December 2021

In order to organize this best, two deacons were tasked with overseeing the pastoral care of deacons and carrying greater pastoral responsibility under the leadership of the minister. They have been, thus far, invaluable to many who have become home bound or gone into full time care as well as many others.

Lunch club, which had heretofore been a major channel of pastoral care to the elderly not only of the congregation but also to members of the community unaffiliated with the church, has not recommenced. It is hoped that, in time, volunteers will be found.

All homegroups, Bible study and services are now in person with all events occurring in the sanctuary being live streamed. Deacons' meetings are in person. Church meetings have remained on zoom for the time being as this has allowed some who work until later in the day, to continue to participate.

Paid Employees

The Church adopts the guidance of the Baptist Union in matters relating to its paid employees. This includes meeting or exceeding suggested stipend requirements, annual holiday and pension provision (where this is required and adopted). Any contracts of employment post January 2001 follow guidelines laid down by the Union. Minimum wage requirements are met or exceeded.

Volunteers

The Church depends on the work and support of its volunteers to achieve the aims of the charity.

Letting and use of Premises

The Church has a policy of letting its premises for use by external organisations at an equitable rate in order to defray the running expenses of the premises which it occupies. By "external" organisations is meant those not directly connected with, and run by, the Church. These include the letting of a suite of rooms to the local branch of the national charity "Relate" on a long-term lease.

We were also pleased to be able to continue the rent of rooms by Superstar Arts, and to acknowledge a developing relationship in the building whereby we recognised and affirmed our commitment to one another and agreed to make joint grant applications where possible. Whilst some groups who previously used our premises have not returned, many of them have and there are some who have begun using the premises that had not before. However, with the increase in usage by Superstar Arts during lockdowns, SSA continues to be the main user of premises aside from the church itself.

In the Summer of 2021, a new partnership between the church and Superstar Arts begun, through the use of the coffee bar. SSA runs the coffee bar on some of the days, whilst the church runs it on other days. All proceeds are shared, with some of the responsibility and costs being shared as well. This partnership has allowed the coffee bar to be opened to the community for longer hours every day. COVID specific risk assessments continue to be in place with surfaces being disinfected on a regular basis and servers required to wear masks.

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Report of the Trustees for the year ended 31 December 2021

Where the aims of any organisation, such as the local branch of Relate, are seen to be in line with the wider purposes of the church in its desire to support the community around it, the church claims exemption from the requirement to charge the full commercial rate for the use which is made of its premises and regards this approach as a way of giving support to that organisation.

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, worship, learning and encouragement.

The church does not consider this fellowship and encouragement to be geared only to members or friends, but also to users of premises and neighbours who are in the wider community. We have been happy to reopen the coffee bar, Sparrows, the mother and toddler group run by the church, and Messy Church. In so doing, the church hopes to be a positive force in the lives of families who are not connected to a place of worship- providing not only a space for them but a source of friendship and care.

These provisions were not without challenge. Namely, the lower numbers of volunteers as some of our returning people from lockdown find themselves older and less energetic. However, there are still many who are strongly dedicated to the community.

Service to the Community

Since the services to the community were halted in 2020, some have returned to being fully functioning, whilst others have not. With the reopening of the coffee bar, many more people have been in the premises, and this has proved to be a different group of people. Whilst some are still insecure about the pandemic, others have found our space as a welcoming area.

The occasional film afternoons have also returned, as have the many Christmas events. 2021 saw the return of Carols by Candlelight, Christingle service, Christmas Messy Church and the usual Christmas morning service.

Other projects and programs during the year

Projects for improvement of the premises were carried out during 2021. After a Fire Safety and Risk Assessment has been carried out in 2020, we were finally able to complete necessary work toward meeting requirements, including the installation of new fire doors.

New lavatory sinks were installed in the ladies and men's toilets and new heating was provided for all toilets.

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Report of the Trustees for the year ended 31 December 2021

We were pleased to have been recipients of an Awards For All grant from the National Lottery which will soon be used toward a much needed full refurbishment of the disabled toilet.

The many challenges of maintaining a large building with a group of mainly volunteers has led the trustees to appoint one deacon with the responsibility to oversee repairs and maintenance. This person has carried out minor repairs himself, throughout the year, and has arranged for larger repairs to be carried out by external businesses.

Beyond the local, the Church supports the Baptist Missionary Society and the Home Mission Fund with financial contributions and continues its commitment to the national charity Christian Aid.

The Day-to- Day running of the Church

This, as always, relies heavily on volunteers, working alongside the minister and with the help of the Premises Administrator, who holds a part time paid role. Key responsibilities that many people are involved in are to be found in administering, security, cleaning and maintenance of premises. Throughout this year, one such responsibility was the renewal of Risk Assessments and their amending continued to be a regular feature at deacons' meetings with the assistance of the Premises Administrator. Some members have taken up security responsibilities, such as checking premises in the evening and locking up when all groups have left.

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

Financial Matters

Another weird year! The Church was closed after the Christmas morning service in December 2020 and did not re-open again for worship till Sunday 2nd May 2021. Who thought that covid was going to affect us for so long!

During the Church closure, Superstar Arts continued to use the premises. The Premises Administrator was furloughed for January to March inclusive, but the cleaner continued her work during this period. A Furlough grant of £1683 was received and is shown as other income on the SOFA.

Some other groups returned from May onwards, building up gradually as numbers and confidence increased over the rest of the year.

Our Church members and congregation continued their support in monetary terms as well as in fellowship and care for each other.

The financial report shows a surplus for the year of £3,349 after the receipt of legacies and donations in memory of £26,607, and before the adjustment for our pension deficit.

The Church General Fund finished the year with a deficit of £19,053. A deficit within our budgeted strategy.

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Report of the Trustees for the year ended 31 December 2021

Despite the lack of Church cash offerings in the earlier part of the year, members and friends were very supportive in changing their ways of contributing to the ongoing work of the Church. Group bookings and the income from Superstar Arts, meant that we were able to cover our budget for use of premises, including the allowance of 10% of its income to be placed in the Use of Premises Refurbishment account as had been agreed by the Church.

An application to the National Lottery, Awards for All, was successful in obtaining a grant for the total refurbishment of the disabled toilet facilities. This grant has been held in the balance sheet as a creditor until the work is completed, hopefully in mid-January, when both the grant and the expenditure will be then recognized in the accounts.

A decision was made in the summer by the Revd.Dr. Hazel Sherman, to resign from her work with the Church at the end of the year, whilst continuing her work as a part-time Chaplain with the local NHS Trust. Therefore a review was made with the budgets in November to reflect this change and figures were assessed till the end of 2024. These figures whilst showing that we could meet our expenditure easily from our reserves, they also showed that year by year, we are not able, on current figures, to meet the day to day expenditure from our normal income. We also remain conscious that we are very reliant on a small number of very committed members and that a great proportion of our regular givers are advanced in years. Therefore, a reduction in our income from offerings and donations could have a detrimental effect in the future and we remain vigilant to future uncertainties.

Due to the accounting requirements of FRS102 and SORP2015, where a Church is in a multi employer defined benefit scheme, and where there has been an agreed deficit contribution funding plan, this liability has now to be recognised on the balance sheet. This is the total of all the future contributions to be made to the end of the agreed recovery plan. At the end of 2019 a revaluation was undertaken by the Actuary and this resulted in the recovery now expected by the end of June 2026, although a new actuarial valuation is due at 31st December 2022. The pension deficit results in a reduction to the balance in our unrestricted funds, although the Church will continue to budget these deficit contributions in each future year.

Further information with regard to the pension deficit can be found on pages 13-15

Investment Policy

Funds have been invested for the best return commensurate with their being available to further the Church's aims and commitments. The Church's reserves are held in Building Society accounts where access is available on giving appropriate notice and where we can still obtain better rates than the majority of those available on the high street. No account holds more than the maximum covered by the FSCS compensation scheme.

The Church also continues to invest some monies with the Baptist Union in order that they are able to help other Churches in their building projects.

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Reserves Policy and Risk Management; intentions for the future.

Having regard to advanced age of a number of its members and to the fact that most of its reserves derive from legacy money, the Church has believed that it was right to maintain an effective level in its reserves against extraordinary capital expenditure and significantly reduced income.

However, the Church is committed to its work in the community. The four year plan and vision agreed in November 2017, has now been amended to the end of 2024 and will have an impact on the financial reserves currently held by the church. The Budget reviewed in Autumn 2021 was able to confirm that we are on track to meet our commitments from reserves at least to the end of 2024, but steps will be taken to review our current income and expenditure with a view of endeavouring to find a way of achieving a breakeven budget sometime in the not too distance future.

The Church is very aware that advancing years can put financial restraints on the commitment of its members and that reliance continues to be made on the letting of its premises in order to contribute to its day to day expenditure.

We also need to be aware that the age and size of our Church premises are likely to demand resources for its maintenance and this may become challenging within the future financial restraints. To this end, funding opportunities are been explored to find ways of making the premises more eco compliant.

Risk assessment is ongoing.

Trustees' Responsibilities

The Trustees are required to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Church and the surplus or deficit for that period. In preparing those accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent, and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Church will continue in business.

The Trustees are responsible for maintaining proper records, which disclose with reasonable accuracy at any time the financial position of the Church. The Trustees are also responsible for safeguarding the assets of the Church and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

The Independent Examiner is Terry Burstow

The report was approved by the Trustees on
and signed on their behalf by

Brian King
Secretary

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2021

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Capital</u> <u>£</u>	<u>TOTAL</u> <u>2021</u> <u>£</u>	<u>Total</u> <u>2020</u> <u>£</u>
<u>Income and Endowments from:</u>						
Donations and Legacies						
Offerings		59,053			59,053	56,266
Donations		3,932	13,538		17,470	12,569
Legacies	2	26,051			26,051	1,000
Charitable Activities						
General Fundraising		213			213	620
Rent	3	6,500			6,500	6,500
Use of Premises		26,005			26,005	22,908
Coffee Bar		1,892			1,892	2,120
East Worthing Baptist Church						12,000
Other Receipts		1,284			1,284	2,390
Interest		1,916			1,916	1,795
Other						
Other Income – Furlough / Grant		1,683			1,683	6,692
TOTAL INCOMING RESOURCES		128,529	13,538		142,067	124,860
<u>Expenditure on:</u>						
Cost of Generating Funds						
		0			0	
Charitable Activities						
Charitable Grants	4	11,500	2,297		13,797	15,092
Charitable Activities	5	113,680	5,592		119,272	119,313
TOTAL RESOURCES EXPENDED		125,180	7,889		133,069	134,405
Net resources before transfers		3,349	5,649		8,998	(9,545)
Transfers between Funds						0
Net Resources after Transfers		3,349	5,649		8,998	(9,545)
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes		3,566			3,566	13,297
Profit on Disposal of Fixed Assets						
Net Movement in Funds for the year		6,915	5,649		12,564	3,752
Funds B/Fwd 1st January 2021		155,238	15,756	815,000	985,994	982,242
TOTAL FUNDS C/FWD 31ST DEC. 2021		162,153	21,405	815,000	998,558	985,994

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BALANCE SHEET AS AT THE 31ST DECEMBER 2021

			<u>2021</u>		<u>2020</u>
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed Assets	13		827,594		819,035
			<hr/>		<hr/>
			827,594		819,035
CURRENT ASSETS					
Stock					
Debtors	12	10,134		9,816	
Cash in hand and at bank	10	<u>193,433</u>		<u>186,042</u>	
		203,567		195,858	
CREDITORS: Amounts falling due within one year	11	<u>(15,014)</u>	<u>188,553</u>	<u>(7,744)</u>	<u>188,114</u>
Net Assets excluding pension liability			<hr/>	<hr/>	<hr/>
			1,016,147		£1,007,149
Defined benefit pension scheme					
Asset or liability			(17,589)		(21,155)
TOTAL NET ASSETS			<hr/>	<hr/>	<hr/>
			998,558		£985,994
CHARITY FUNDS	14				
Unrestricted Funds		151,445		146,234	
Designated Funds		10,708		9,004	
Restricted Funds		21,405	183,558	15,756	170,994
Capital Fund			815,000		815,000
TOTAL CHARITY FUNDS			<hr/>	<hr/>	<hr/>
			998,558		£985,994

The notes on pages 10-23 form an integral part of these accounts

The accounts were approved by the Trustees on
and signed on their behalf

Secretary signed

Brian King

Treasurer signed

Jean Valentine

WEST WORTHING BAPTIST CHURCH

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

b. Fund Accounting

General Funds represent the Funds of the Church that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Church. These include Funds designated for a particular purpose by the Church.

Restricted funds are used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for a particular purpose.

c. Incoming Resources

Offerings and Gift Aid donations have been included with immediate effect.

Income Tax recoverable on Gift Aid Donations has been recognized when claimable.

Legacies have been recognized when notified.

Rental income from the letting of Church premises has been included when earned.

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

All other income has been accounted for Gross at the time of receipt.

d. Resources expended

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Where expenditure is incurred and relates to more than one cost category it is apportioned in a way most appropriate to the purpose for which the expenditure was incurred.

The costs of generating funds relate to any costs associated with raising money for the charity. The Church does not make formal appeals for funds and therefore expenditure on these items is not material.

Charitable grants relate to sums agreed by the members to be donated from general funds in support of other charities, together with sums specifically donated by members and friends in direct support of the individual charities concerned. The charities, which are supported by the Church, are those organisations whose charitable objects are complementary to its work.

Volunteers carry out, most of the management without charge. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

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e. Tangible Fixed Assets and depreciation

i. Land and Buildings

The Church premises are included at an estimated market value, rather than the exorbitant insured value required for a possible rebuild. This is because a continual professional revaluation would incur significant costs, which would be onerous, compared with the additional benefit, gained by the user of the accounts. The Manse premises 36 Upton Road was purchased in July 2018. The building is included at cost

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

ii. Fixtures, Fittings and Equipment

All Fixtures, Fittings and Equipment used within the Church premises have been depreciated on a straight line basis over four years, with the exception of the Organ.. Any individual item with a purchase price of £3,000 or less has been written off during the year.

iii. Organ

A new Organ was purchased at the end of 2003 and was being depreciated over ten years. This was fully depreciated at the end of 2013.

iv Projector/ Sound System/Camera for Streaming

The Church purchased a new laser projector for the sanctuary in October 2019 and this will be depreciated over four years. Fundraising was completed on the raising of the total cost early in 2020. The amount raised is held in a restricted account to cover the cost of depreciation as it becomes due.

A decision was made in November 2020 to purchase a new sound system. This was installed in February 2021. The fund for music was used towards the cost and fundraising meant that the total cost was covered by May 2021. The amount raised is held in a restricted account to cover the cost of depreciation as it becomes due.

Anonymous donations were received in the year to cover the cost of the installation of a Camera and system to facilitate the live streaming of services. This was installed in early November. The amount raised is held in a restricted account to cover the cost of depreciation as it becomes due.

f. Pensions

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

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

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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 and some members of the church staff 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. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.7
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70

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* 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%

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

Recovery Plan

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

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

Movement in Balance Sheet liability.

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

Accounting date (year ending):	31 December 2021	31 December 2020
Balance sheet liability at year start	£21,155	£34,452
Minus deficiency contributions paid	(£3,695)	(£2,724)
Interest cost (recognised in SOFA)	£212	£563
Remaining change to balance sheet liability* (recognised in SOFA)	(£83)	(£11,136)
Balance sheet liability at year end	£17,589	£21,155

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

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

Accounting date	31 December 2021	31 December 2020	31 December 2019
Discount rate	1.3%	1.1%	1.7%
Future increases to Minimum Pensionable Income	4.0%	3.1%	3.2%

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2. Legacies and Donations in Memory

During the year the following legacies and donations were received

	2021 £	2021 £	2020
Legacies :-			
Aileen Morgan	7,151		
Gordon Hayward	18,900		
		26,051	1,000
Donations in Memory:-			
Joan Woodward	500		
Aileen Morgan	56		
		556	6,250
		26,607	7,250

3. Rents

The current lease with Relate, who have offices within our premises, is due to expire in July 2024

	£ 2021	£ 2020
Relate	6,500	6,500
	6,500	6,500

Charitable Activities

4. Charitable Grants

	Unrestricted Funds		Restricted Funds	
	2021 £	2020 £	2021 £	2020 £
Baptist World Mission	4,500	4,500	752	985
Home Mission	4,500	4,500		
Christian Aid	1,500	1,500	785	1,697
Safe in Sussex			330	
Superstar Arts		200		480
Operation Agri			410	
Other Charitable Giving	1,000	1,230	20	
Legacy gifts				
	11,500	11,930	2,297	3,162

WEST WORTHING BAPTIST CHURCH

5. Charitable Activities

	Unrestricted Funds		Restricted Funds	
	2021	2020	2021	2020
	£	£	£	£
<u>Ministry and Outreach</u>				
Ministers' stipends & expenses	39,705	44,800		
NI and Pension costs	6,156	6,361		
Pension Deficit Cont.	3,695	2,724		
Pastoral work staff costs		731		
Pulpit Supply				
Manse costs (both)	14,109	19,483		
Delegates fees and Subs	521	520		
Flowers			49	142
Social Activities	36			
Hospitality	120	48		
Children and Families Work				
Messy Church/Sparrows				
/Holiday club/fun days	71	506		
Youth work general		220		
Coffee Bar				
Refreshments		999		
Training	168			
Cost allocation		3,097		
Luncheon Club				
Costs				2,249
<u>Premises</u>				
Staff Costs	16,603	19,197		
Utility Charges	5,667	5,206		
Insurance	4,358	4,290		
Fabric and Equipment	12,720	5,016		
Equipment depreciation			5,543	2,018
Cleaning Materials and Equip.	1,780	2,580		
Coffee bar furniture	5,862			
Coffee bar cost allocation		(3,097)		
<u>Administration</u>				
Computer				
Equip./software	111	51		
Postage and Telephone	792	854		
Print/stationery and Leaflets	108	80		24
Photocopying	286	304		
Professional Fees	812	910		
	<u>113,680</u>	<u>114,880</u>	<u>5,592</u>	<u>4,433</u>

WEST WORTHING BAPTIST CHURCH

6. Staff Costs

The average number of full time equivalent employees for the year was 2.4, now currently made up of one full time and two part-time staff.

	2021	2020
	£	£
Wages & Salaries	55,218	62,537
National Insurance	0	518
Pension Costs	10,436	9,480
Ministers' Expenses	505	2,400
Redundancy		545
Other costs (manse costs)	14,110	19,483
	80,269	94,963

National Insurance costs were covered completely under the £4,000 rebate allowed under the current government initiative

No employees were paid emoluments in excess of £60,000 during the year.

7. Trustees' Remuneration and Expenses

Two Trustees (The Ministers of the Church), are also employees.. A total of £505 in respect of mileage and expenses was incurred wholly and exclusively on Church business.

It has been agreed by the Church in that one of the Minister's husband, a qualified plumber with his own business, ,Go-To Plumbing and Heating, be engaged in any plumbing and heating requirement at the Church excluding the industrial boilers. It was felt that this was in the Church's best interests and recorded as such in the minutes of the meeting. No other remuneration or expenses have been paid to any other Trustee or to any person connected to them.

8. Independent Examiners Remuneration

An accrual has been shown in the accounts for a token gift to be given to the Independent Examiner in lieu of any remuneration

9. Indemnity Insurance

The Church Insurance Policy includes protection against any loss arising from the neglect or defaults of any Trustee or Employee and also to indemnify Trustees and Officers against the consequences of any neglect or default on their part. This is included at no increase of the normal premium and has been authorized by the Charity Commission.

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10. Cash and Bank and Building Society and In Hand

	2021	2020
	£	£
Caf Bank Cheque Account	124	(86)
Caf Bank Gold Account	34,752	18,520
Baptist Union Fixed interest account	21,549	21,337
Virgin Money - instant access		12,339
Cambridge and Counties Bank	84,820	82,149
National Counties Building Society now Family Building Society	52,001	51,578
Flower cash in hand	187	205
	193,433	186,042

An automatic transfer is set up with CAF Bank Ltd between the gold account and the cheque account so that money is only moved when a cheque is cleared.

The Church endeavours to hold its reserves in accounts to generate the best possible interest, whilst making sure that no account holds over the maximum amount applicable for compensation by the FSCS. Interest rates have reduced significantly during the year in the current economic climate. We now hold accounts as follows, interest rates are at the end of December 2021 -

The Cambridge and Counties Bank 95 days notice account has been paying the best rate currently of 1%

The Family Building Society. Interest has been reduced to 0.35% in May. It requires 45 days notice,

The Church also continues to invest in the Baptist Union. The fixed interest deposit paid 1% to the end of June and allowed us to continue a further 1 year fixed interest Bond from the 1st July 2021 paying 0.60%

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals – Utilities	997	450
Inland Revenue	1,326	1,339
Awards for All Grant	9,380	
Other Creditors	3,311	5,955
	15,014	7,744

A Grant was received from the National Lottery, Awards for All to enable the refurbishment of the toilet for the disabled. This will take place in the middle of January 2022 when the grant will then be recognised in the accounts.

WEST WORTHING BAPTIST CHURCH

12. Debtors

	2021 £	2020 £
Prepayments – Utilities	4,255	4,043
Accrued Income - Gift Aid Tax	2,720	2,480
Accrued Income - Interest	1,009	1,050
Other Debtors -	2,150	2,243
	10,134	9,816

13. Fixed Assets

	Land and Buildings £	FF and Equipment £	Investments £	Total £
Gross Book Value				
- at 1st January 2021	815,000	92,089	0	907,089
Additions		14,102		14,102
Sales and scrap		(7,602)		(7,602)
- at 31st December 2021	815,000	98,589		913,589
-				
Depreciation				
- at 1st January 2021	0	(88,054)	0	(88,054)
Sales and scrap		7,602		7,602
- Charge for the Year		(5,543)		(5,543)
- at 31st December 2021	0	(85,995)		(85,995)
Net Book Value	815,000	12,594		827,594

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14. Statement of Funds

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Revaluation/ Asset gain	At 31 Dec 2021 £
Unrestricted Funds						
General Church Fund	54,427	98,987	(118,040)	2,454		37,828
Coffee Bar/Open Door	2,501	121	(168)	(2,454)		0
Legacy Reserve	80,262	26,607	(5,862)			101,007
Margaret Knight Legacy Reserve	30,199					30,199
Defined benefit liability	(21,155)				3,566	(17,589)
Designated Funds						
UOP refurbishment	1,000	2,600	(1,003)			2,597
Social and ministry	3,488	214	(107)			3,595
Margaret Knight Pastoral Fund	4,516					4,516
Total Unrestricted Funds	155,238	128,529	(125,180)		3,566	162,153
Restricted Funds	£	£	£	£		£
Refurbishment a/c	8,500					8,500
Music/ sound Project	2,757	4021	(1,694)			5,084
Projector Fund	4,035		(2,018)			2,017
Camera Project		7,325	(1,831)			5,494
Flower Gifts	286	30	(49)			267
Christian Aid	0	785	(785)			0
Baptist World Mission	135	617	(752)			0
Home Mission						
Other Charitable Giving	43	760	(760)			43
Total Restricted Funds	15,756	13,538	(7,889)			21,405
Capital Fund	815,000					815,000
Total Funds	985,994	142,067	(133,069)		3,566	998,558

WEST WORTHING BAPTIST CHURCH

The General Reserve represents the free funds of the charity, which are not designated for particular purposes.

The Coffee bar was suspended owing to Covid in March 2020.

At the Church meeting in April it was agreed to move to a new joint venture with Superstar Arts, where the coffee bar would include the training of their clients working with volunteers from both their organisation and the Church. To this end, Superstar Arts were able to provide a new coffee machine and the Church provided new furniture funded from a legacy. The venture was to share all costs and profit 50/50. It opened fully from the 19th July 2021. Costs of training Church volunteers is the only cost shown in this account and the a small amount of initial income. Receipts from the partnership are now shown in the general fund and the balance of this fund has been transferred at the yearend in to the general fund account.

Income from Legacies, and donations given in memory, for general Church use are paid directly into this fund and then used for specific expenditure as agreed by the Church Meeting. The cost of £5,862 was used for the new coffee bar furniture.

The Margaret Knight Legacy money was put aside in this fund in order to provide interest for use by the main Church fund. However this money can be spent as and when decided appropriate by the Church meeting.

The Use of Premises Refurbishment Fund receives 10% of the income from our use of premises, to help with maintenance costs. This fund will be used each year before fabric is charged to the general fund.

The social and ministry fund represents monies put aside from the Olive James legacy, which was designated for social and ministry events to which any related income is also incorporated. It has been agreed that this account will receive all income and cover expenditure from all youth work.

The Margaret Knight Pastoral Fund contains a sum of money put aside on which the interest only was used in accordance with the lady's letter of wishes. At present this money is not attracting any interest and therefore at the Church Meeting in October 2012, it was agreed that future payments would be made from the capital sum. No payments were made during this year. This money could be used in the future for other purposes if agreed by the Church meeting.

The Refurbishment account is money donated specifically or transferred for special items of fabric expenditure agreed by the church meeting. This is to be kept for major emergency repairs where appropriate.

The Music Project was set up after the Church meeting in November 2018 agreed on a fundraising strategy to enable a person to be employed on a temporary basis to lead and encourage others in the enhancement of the music provided in the first service. It was agreed at the Church meeting in November 2020 , that this money could be used in order to enhance the music of the church by the installation of a new sound system. This was installed in February 2021. The balance of the cost was raised early in 2021 and as a capital item, it will be depreciated over four years. The cost is now held in this account until fully depreciated.

A Projector Fund was set up in 2019 with the requirement to purchase a new laser projector for the sanctuary in order to enhance worship. It was agreed that this would be paid for by gifts and fund raising. As a capital item, it will be depreciated over four years so the cost for this will be shown in this account until fully depreciated,

WEST WORTHING BAPTIST CHURCH

The Camera project enabled the purchase and installation of a camera and system to enable the live streaming of Church services. The total was donated anonymously. As a capital item, it will be depreciated over four years so the cost for this will be shown in this account until fully depreciated

The flower fund is monies donated and allocated for the Church's flower ministry. This was suspended in March 2020 at the time of the first lockdown. The cost relates to providing flowers for special events. The donation is in respect of funeral flowers provided.

The Christian Aid Fund is for monies donated and allocated for onward transmission to this charity.

The Baptist World Mission Fund is for monies donated for onward transmission to this charity.

The Home Mission Fund is for monies donated for onward transmission to this charity.

The Fund for other charitable giving is for monies donated for onward transmission to other charities as specified in note 4.

15. Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2021	Total 2020
Tangible Fixed Assets	827,594			827,594	819,035
Current Assets	161,744	10,708	31,115	203,567	195,858
Current Liabilities	(22,893)		(9,710)	(32,603)	(28,899)
	966,445	10,708	21,405	998,558	985,994

16. Related Charities

The custodian Trustee of the Church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Eastern Baptist Association.

The Church made a donation to the Baptist Union Home Mission Scheme as set out in note 4.

WEST WORTHING BAPTIST CHURCH

Independent Examiner's Report to the Trustees (Diaconate) of West Worthing Baptist Church

I report on the accounts of the Church for the year ended 31 December 2021, which are set out on pages 10 to 23

Respective responsibilities of Trustees (Diaconate) and Examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity'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;
- To follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the Charity Act; and
- To state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of 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 the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my 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 or
- the accounts do not accord with the accounting records
- the accounts do not comply with the applicable requirements covering 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 proper understanding of the accounts to be reached.

Independent Examiner:

Date:

Terry Burstow
115 St Andrews Road,
Worthing, BN13 1HR