



**Financial Statements for the year  
To 31 August 2021**

Brighton Road Baptist Church, Horsham

## **Trustees' Annual Report for the period 1 September 2020 to 31 August 2021**

### **Reference and administration details**

**Charity Name** Brighton Road Baptist Church

**Registered charity number** 1129562

**Charity address** 7 Brighton Road, Horsham, West Sussex, RH13 5BD

#### **Names of the charity trustees who manage the charity:**

Dick Beazley

Mary Breeze

Ken Carter

Tim Carter (Minister)

Jon Fisher

Sue Geoghegan

Paul Hassall

Michael Hogg (Leader of Community Evangelism)

Deborah Packham (appointed 1/1/2021)

Marion Richardson

Brenda Rowley (resigned 31/12/2020)

Adrian Rudd

Julie Rudd (appointed 1/1/2021)

Carole Sheldon (Treasurer)

David Sheldon (Secretary)

#### **Custodian Trustees**

Baptist Union of Great Britain

### **Structure, governance and management**

The Charity is an Unincorporated Association and is governed by a Constitution (the Governing Document 2009), which was adopted by the Church meeting of 24 March 2009.

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised by immersion on the profession of faith in Jesus Christ or following other modes of baptism including a public profession of faith in Jesus Christ. The Church Meeting considers and votes on all applications for membership.

The Church Meeting normally takes place five times per year and has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint up to twelve Trustees, who together with the Ministers are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. The Church Secretary and Church Treasurer are usually appointed from the twelve trustees by the Church members. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

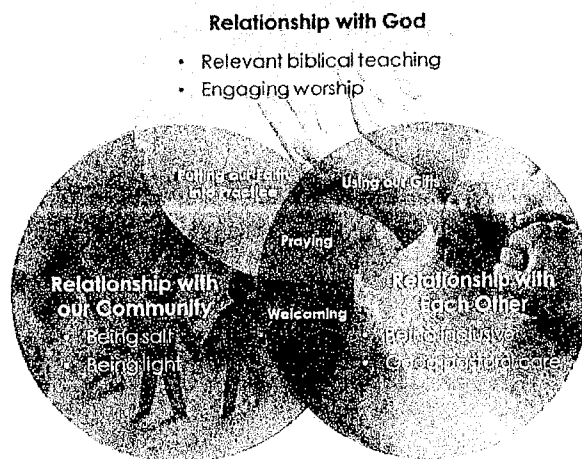
Relevant matters may be submitted to the Church Meeting by the Trustees for guidance or may be raised by members in a Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

## Objective and Activities

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Our vision is that we feel that God is calling us to be an extended family, where everyone feels at home and experiences God's love and acceptance in Christ, so that we are all equipped to express our faith in our daily lives. This is worked out through three dimensional relationships:

## Three dimensional relationships



In order to achieve the principal objective set out above and to meet our vision, the Church aims to provide a variety of activities both to its membership and the community generally. As with many other organisations many of these activities were put on hold as the UK went into lockdown, and most had not restarted before the end of the financial year. The information below describes the position pre-lockdown, with details of what has actually taken place during the financial year ending 31 August 2021 in the next section under "Achievements and Performance".

Church services were held each Sunday and were open to any member of the public. We also led monthly services in two local residential homes which are open to any resident to attend.

We aim to run regular Alpha courses for those looking to learn more about the Christian faith.

Small groups met during the week, where adult members of the Church and young people received additional Bible based teaching. Non-Church members were also welcome at many of these groups. We have a Church library which has Christian books available to borrow by any member of the Church.

Brighton Road Baptist Church, Horsham

Other Church based groups also met regularly including Women's Evening Fellowship, PMA, Men's Coffee Morning, Art Group and a group for carers. These groups are open to Church members and other members of the public.

Twice a month we ran a club which consisted of a craft activity and a talk, with a lunch provided once a month. This is particularly aimed at the partially sighted or blind, although anyone can attend.

Horsham Baptist and Ambassadors football club is run by the Church. Both adult and children's teams play in local leagues. Many players in the football teams are not Church members.

Various regular activities were run for children and young people, including a parents' and toddlers' meeting (Little Lambs), a weekly lunch club (Pop-In) for parents of younger children and youth groups.

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

The Church premises are also available for hire (subject to availability) to local community groups. The University of the Third Age (U3A), drama clubs, a group for Alzheimer's sufferers, a group for people suffering from Parkinson's disease, the World Church of God, Horsham Archaeological Society, and the Horsham Horticultural Society all held regular meetings on the Church premises and various fitness classes also met regularly. Other groups have hired the premises for one-off purposes.

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

## **Achievements and Performance**

The Church does not measure the success of its programme only in numbers, including financial numbers, but in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

At the end of the financial year there were 234 members. During the year there have been 2 new members and 8 members have died. There have been no resignations during the year. Two people were baptised during the year.

Activities during the year were severely curtailed by the COVID19 restrictions. We recorded a weekly service from the start of lockdown until July 2021, when we moved to livestreaming the services held in church. A few outdoor services were held in our car park in order to permit singing by members of the congregation. From July 2021 we offered two services – a traditional service at 9.30 a.m. and a more interactive service at 11.00 a.m. Both were livestreamed so that those who preferred not to return to meeting in person could still participate in a worship service. CDs or DVDs of the 9.30 service were also sent to those members of our church who did not have internet access.

Some of the activities described under Objectives and Activities above continued through the lockdown period via Zoom, and others have re-started since September 2021. In addition many of the organisers of the activities that could not run during the year made great efforts to keep in contact with those who would have previously attended their groups. A number of walks were arranged once lockdown started to ease, enabling people to meet up outdoors.

A number of outside groups started to hire our halls again once this was permitted.

## Financial Review

|                           | General Fund | Organisations | Church Building (net) | Total             | 2020 Total        |
|---------------------------|--------------|---------------|-----------------------|-------------------|-------------------|
| Income                    | £218,569     | £7,484        | £0                    | <b>£226,053</b>   | <b>£251,157</b>   |
| Resources expended        | £253,326     | £5,395        | £0                    | <b>£258,721</b>   | <b>£288,719</b>   |
| Made up of                |              |               |                       |                   |                   |
| Mission                   | £45,945      | £5,395        | £0                    | <b>£51,340</b>    | <b>£65,735</b>    |
| Ministry                  | £103,964     | £0            | £0                    | <b>£103,964</b>   | <b>£105,771</b>   |
| Establishment             | £103,418     | £0            | £0                    | <b>£103,418</b>   | <b>£117,213</b>   |
| Governance                | £0           | £0            | £0                    | <b>£0</b>         | <b>£0</b>         |
| Net movement              | -£34,757     | £2,089        | £0                    | <b>-£32,668</b>   | <b>-£37,562</b>   |
| Capitalisation            | £56,805      | £0            | -£56,805              | <b>£0</b>         | <b>£0</b>         |
| Revaluation of manse      | £0           | £0            | £0                    | <b>£0</b>         | <b>£0</b>         |
| Pension scheme adjustment | £13,503      | £0            | £0                    | <b>£13,503</b>    | <b>£1,122</b>     |
| Brought forward           | £952,594     | £17,297       | £2,168,600            | <b>£3,138,490</b> | <b>£3,174,930</b> |
| Carried forward           | £988,144     | £19,386       | £2,111,795            | <b>£3,119,325</b> | <b>£3,138,490</b> |

Our income arises from general offerings from Church members and congregation (including the gift aid reclaimed where applicable), income received from hall hire, interest on monies held in deposit accounts, and occasional legacies. No external fund raising has taken place. Hall hire income was reduced due to COVID19, but general offerings from Church members and congregation continued to be received, with many church members finding alternative ways to give while we were not meeting in person regularly on Sundays.

Money is donated to various Christian organisations at home and abroad, with aims and objectives compatible with the Church's own charitable purpose. These include:

- BMS World Mission
- Home Mission Fund
- Tear Fund
- Leprosy Mission
- Eagle Project in Brazil
- Spurgeon's Bible College
- London School of Theology

The Church is heavily dependent on its membership 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.

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

The Church is a participating employer within the Defined Benefit section of the Baptist Pension scheme and has been making ongoing deficit payments to cover the costs of past service of its employees within the scheme under a recovery plan. The Church understands that if it had left the

scheme at the year-end, it would have to have made a one-off payment estimated to be £68,600 (at 20 August 2021) to meet its statutory obligations to the scheme. The Church has no plan to leave the scheme and expects to continue to make payments to the scheme in line with the recovery plan.

The pension scheme adjustment in 2020 and 2021 is to allow for changes in expected future contributions. These arise because of changes in the assumptions used for discounting future contributions and changes due to the completion of the 2019 funding valuation of the defined benefit pension scheme.

## Reserves policy

The Church has a reserves policy which sets out a minimum amount to be kept as cash. Under this policy the Church aims to keep an amount equal to the greater of

- 1/12<sup>th</sup> of the budgeted annual expenditure during the year, and
- The difference between the budgeted annual levels of
  - 9/12 of expenditure associated with employees, 6/12 of expenditure to BMS World Mission and Home Mission Fund and 3/12 of all other expenditure, and
  - 6/12 of the annual income received through offerings and tax recovery in the previous financial year.

For the financial year commencing 01/09/2021 this leads to required reserves of £55,609.

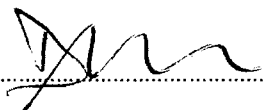
The church currently holds liquid assets in excess of those required by the reserves policy. These are likely to be used during the next year to replace the church boilers.

## Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity trustees

Signatures:



Full names: David Paul Sheldon

Carole Ann Sheldon

Position: Secretary

Treasurer

Date:

27.1.2022

27/1/2022

Brighton Road Baptist Church, Horsham

Statement of Financial Activities for the year to

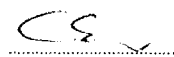
31 Aug 2021

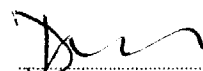
|   | Notes | Unrestricted<br>£ | Designated<br>£ | Restricted<br>£ | Endowed<br>£     | 2021<br>Total<br>£ | 2020<br>Total<br>£ |
|---|-------|-------------------|-----------------|-----------------|------------------|--------------------|--------------------|
| <b>Incoming Resources</b>                   |       |                   |                 |                 |                  |                    |                    |
| Donations and legacies                      | 2     | 216,198           | 2,230           | 7,484           | 0                | 225,913            | 250,541            |
| Investment Income                           | 3     | 141               | 0               | 0               | 0                | 141                | 615                |
|   |       |                   |                 |                 |                  | 0                  | 0                  |
| <b>Total Incoming Resources</b>             |       | <b>216,339</b>    | <b>2,230</b>    | <b>7,484</b>    | <b>0</b>         | <b>226,053</b>     | <b>251,156</b>     |
| <b>Resources Expended</b>                   |       |                   |                 |                 |                  |                    |                    |
| Cost of generating Funds                    |       | 0                 | 0               | 0               | 0                | 0                  | 0                  |
| Charitable Activity:                        |       |                   |                 |                 |                  |                    |                    |
| Mission                                     | 4     | 3,300             | 42,645          | 5,395           | 0                | 51,340             | 65,735             |
| Ministry                                    | 5     | 103,964           | 0               | 0               | 0                | 103,964            | 105,771            |
| Administration/Support                      | 6     | 103,418           | 0               | 0               | 0                | 103,418            | 117,213            |
| Governance                                  | 7     | 0                 | 0               | 0               | 0                | 0                  | 0                  |
| <b>Total Resources Expended</b>             | 8     | <b>210,681</b>    | <b>42,645</b>   | <b>5,395</b>    | <b>0</b>         | <b>258,721</b>     | <b>288,720</b>     |
| <b>Net Movement in Funds</b>                |       | <b>5,658</b>      | <b>-40,415</b>  | <b>2,089</b>    | <b>0</b>         | <b>-32,668</b>     | <b>-37,563</b>     |
| Transfers between Funds                     |       |                   |                 |                 |                  |                    |                    |
| Missionary Causes                           | 9     | -39,806           | 39,806          |                 |                  | 0                  | 0                  |
| <b>Other recognised gains/(losses)</b>      |       |                   |                 |                 |                  |                    |                    |
| Revaluation of Manse                        |       | 0                 |                 |                 |                  | 0                  | 0                  |
| Depreciation of Building                    | 11    | 56,805            |                 |                 | -56,805          | 0                  | 0                  |
| Actuarial gains/losses on BU pension scheme | 17/19 | 13,503            |                 |                 |                  | 13,503             | 1,122              |
|   |       | 36,159            | -609            | 2,089           | -56,805          | -19,166            | -36,441            |
| <b>Reconciliation of Funds</b>              |       |                   |                 |                 |                  |                    |                    |
| Total Funds brought forward                 | 18    | 944,568           | 8,026           | 17,297          | 2,168,600        | 3,138,490          | 3,174,931          |
| <b>Total Funds carried forward</b>          | 18    | <b>980,727</b>    | <b>7,417</b>    | <b>19,386</b>   | <b>2,111,795</b> | <b>3,119,325</b>   | <b>3,138,490</b>   |

# Brighton Road Baptist Church, Horsham

|   |    | Balance Sheet at 31 Aug 2021 |            |            |           |           |           |
|---|----|------------------------------|------------|------------|-----------|-----------|-----------|
|   |    | Unrestricted                 | Designated | Restricted | Endowed   | Totals    | 2020      |
| Notes   | £  |                              |            |            | £         | £         | £         |
| <b>Tangible Fixed Assets</b>                  |    |                              |            |            |           |           |           |
| General Fund                                  | 11 | 1,049,958                    |            |            |           | 1,049,958 | 1,050,413 |
| Building and Contents (net)                   | 11 |                              |            |            | 2,111,795 | 2,111,795 | 2,168,600 |
| <b>Investments</b>                            |    |                              |            |            |           |           |           |
| One year Bond with BU                         | 12 | 67,962                       |            |            |           | 67,962    | 67,825    |
| <b>Current Assets</b>                         |    |                              |            |            |           |           |           |
| Debtors                                       | 13 | 0                            |            |            |           | 0         | 0         |
| Cash, Bank                                    | 14 | 27,365                       | 7,417      | 19,386     |           | 54,168    | 49,699    |
|   |    | 1,145,284                    | 7,417      | 19,386     | 2,111,795 | 3,283,882 | 3,336,538 |
| <b>Current Liabilities</b>                    |    |                              |            |            |           |           |           |
| Creditors within one year                     | 15 | -18,029                      |            | 0          |           | -18,029   | -22,948   |
| <b>Net Assets excluding current liability</b> |    | 1,127,255                    | 7,417      | 19,386     | 2,111,795 | 3,265,853 | 3,313,590 |
| Creditors after one year                      | 16 | -146,528                     |            |            |           | -146,528  | -175,100  |
| <b>Total net assets or liabilities</b>        |    | 980,727                      | 7,417      | 19,386     | 2,111,795 | 3,119,325 | 3,138,490 |
| <b>Represented by:</b>                        |    |                              |            |            |           |           |           |
| Endowed Funds                                 |    |                              |            |            | 2,111,795 | 2,111,795 | 2,168,600 |
| Restricted Funds                              |    |                              |            | 19,386     |           | 19,386    | 17,297    |
| Designated Funds                              |    |                              | 7,417      |            |           | 7,417     | 8,026     |
| Unrestricted Funds                            |    | 980,727                      |            |            |           | 980,727   | 944,568   |
|   |    | 980,727                      | 7,417      | 19,386     | 2,111,795 | 3,119,325 | 3,138,490 |

Approved by the Deacons of Brighton Road Baptist Church on 10/11/2022 and signed on their behalf by:

  
Treasurer

  
Secretary

  
Independent Examiner



## Notes to the Accounts for the year ended 31 August 2021

### 1. Accounting policies

#### a) Basis of preparation.

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

Brighton Road Baptist Church is a registered charity, number 1129562, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### b) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the church is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

#### c) Donations

Donations are accounted for gross when received. Fixed asset gifts in kind are recognized when receivable and are included at fair value.

#### d) Legacies

Legacies are accounted for at the earlier of the Estate accounts being finalised and notified and the legacy being received.

#### e) Investment Income

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

#### f) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

#### g) Costs of raising funds

The church does not make formal appeals for funds, and expenditure on these items is therefore not material.

#### h) Grants Payable

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

#### i) Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and include office costs and governance cost. Where support costs cannot be directly attributed to a particular heading they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

**j) Fixed Assets**

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £1,000. They are initially recognised at cost, or for donated assets, at a reasonable estimate of their value on receipt.

The church building is included in these Statements at a value equivalent to the total costs paid out to the principal contractor, the architects and surveyors, and the internal fitters.

The Heron Way manse is shown at its approximate market value in August 2018. The value has been determined by the deacons by looking at the prices of similar properties sold locally around that date. The Hornets manse is shown at its purchase price in June 2019 plus the costs of the extension, which was added in 2020 and 2021.

**k) Depreciation**

Depreciation is provided on all fixed assets, other than freehold land, to write off the cost on a straight-line basis over their expected useful life, at the following rates:

|                       |          |
|-----------------------|----------|
| Freehold land         | Nil      |
| Buildings             | 2% p.a.  |
| Fixtures and fittings | 20% p.a. |

**l) Investment Assets**

The only investment is a bond with the Baptist Union. This is shown at cost.

**m) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the church and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the church for specific purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the church, principally the funds donated for the church building. Income arising on the endowment funds can be used in accordance with the objects of the church and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

**n) Employee benefits**

The Church operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the church pays fixed contributions into a separate entity. Once the contributions have been paid the church has no further payments obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the church in an independently administered fund.

Prior to 2012 pension provision was made through multi-employer defined benefit pension plans. Where it is not possible for the church to obtain sufficient information to enable it to account for a plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

The defined benefit plan is in deficit and the church is paying deficit funding contributions as agreed with the trustees of the pension plan. The church recognises a liability for the obligation to pay these contributions. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is shown in the balance sheet, with the movement in the year shown in the Statement of Financial Activities. Further details are provided in note 17.

**o) 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 Playschool uses the church premises on weekdays of school term time. The Playschool is constituted as an independent charity, number 1175988, of which the majority of Trustees are appointed by the church.

## Brighton Road Baptist Church, Horsham

|   |                                |              |                       |               |           |         |         |
|---|--------------------------------|--------------|-----------------------|---------------|-----------|---------|---------|
| 2 | Voluntary Income               |              |                       |               |           | 2021    | 2020    |
|   | Notes                          | Unrestricted | Designated            | Restricted    | Endowment | Total   | Total   |
|   | Weekly/Monthly Offerings       | 138,696      |                       |               |           | 138,696 | 135,450 |
|   | Donations 9                    | 400          | 2,230                 |               |           | 2,630   | 6,427   |
|   | Tax refund                     | 33,002       |                       |               |           | 33,002  | 37,820  |
|   | Other income                   | 28,064       |                       | 0             |           | 28,064  | 43,841  |
|   | Hall Hire                      | 16,037       |                       |               |           | 16,037  | 15,837  |
|   | Manse Donations                | 0            |                       | 0             |           | 0       | 800     |
|   | Church Organisations           | 0            |                       | 7,484         |           | 7,484   | 10,367  |
|   |                                | 216,198      | 2,230                 | 7,484         | 0         | 225,913 | 250,541 |
| 3 | Investment Income              |              |                       |               |           |         |         |
|   |                                | Unrestricted | Designated            | Restricted    | Endowment | Total   | Total   |
|   | Bank Interest                  | 141          |                       | 0             | 0         | 141     | 615     |
|   | Other income                   |              |                       |               |           | 0       | 0       |
|   |                                | 141          | 0                     | 0             | 0         | 141     | 615     |
|   | Charitable Activities          |              |                       |               |           |         |         |
|   |                                | Unrestricted | Designated            | Restricted    | Endowment | Total   | Total   |
| 4 | Mission                        |              |                       |               |           |         |         |
|   | Gifts, as in Note 9            |              | 42,645                |               |           | 42,645  | 49,685  |
|   | Gifts to church organisations  | 3,300        |                       |               |           | 3,300   | 3,600   |
|   | Costs of church organisations  |              |                       | 5,395         |           | 5,395   | 12,450  |
|   |                                | 3,300        | 42,645                | 5,395         | 0         | 51,340  | 65,735  |
| 5 | Ministry                       |              |                       |               |           |         |         |
|   | Salaries 10                    | 100,692      |                       |               |           | 100,692 | 101,237 |
|   | Travel and car costs           | 419          |                       |               |           | 419     | 1,614   |
|   | Training                       | 191          |                       |               |           | 191     | 0       |
|   | Other costs                    | 2,662        |                       |               |           | 2,662   | 2,920   |
|   |                                | 103,964      | 0                     | 0             | 0         | 103,964 | 105,771 |
| 6 | Administration/Support         |              |                       |               |           |         |         |
|   | Gas Electricity                | 8,711        |                       |               |           | 8,711   | 11,051  |
|   | Insurance                      | 5,493        |                       |               |           | 5,493   | 5,369   |
|   | Office, telephones, stationery | 3,686        |                       |               |           | 3,686   | 3,694   |
|   | Cleaners other costs           | 1,627        |                       |               |           | 1,627   | 1,361   |
|   | Depreciation on Assets         | 58,501       |                       |               |           | 58,501  | 59,406  |
|   | Maintenance of buildings       | 12,798       |                       |               |           | 12,798  | 22,103  |
|   | Council tax Water Rates        | 5,820        |                       |               |           | 5,820   | 5,837   |
|   | B U Loan Interest              | 2,900        |                       |               |           | 2,900   | 3,036   |
|   | Development &Sundry            | 3,883        |                       |               |           | 3,883   | 5,357   |
|   |                                | 103,418      | 0                     | 0             | 0         | 103,418 | 117,213 |
| 7 | Governance                     |              |                       |               |           |         |         |
|   | Independent Examination        | 0            |                       |               |           | 0       | 0       |
|   |                                | 0            | 0                     | 0             | 0         | 0       | 0       |
| 8 | Total Resources Expended       |              | Charitable Activities | Support Costs |           |         |         |
|   | Mission                        | 51,340       |                       |               |           | 51,340  | 65,735  |
|   | Ministry                       | 103,964      |                       |               |           | 103,964 | 105,771 |
|   | Administration/Support         | 103,418      |                       |               |           | 103,418 | 117,213 |
|   |                                | 258,721      | 0                     | 0             | 0         | 258,721 | 288,719 |

## Brighton Road Baptist Church, Horsham

### 9 Missionary and other causes (Designated)

| Name                         | Bal b/f<br>1 Sept 2020 | Transfers              |                    | Payments<br>made | Bal c/f<br>31 Aug 2021 |
|------------------------------|------------------------|------------------------|--------------------|------------------|------------------------|
|                              |                        | Gen. Fund<br>Including | Other<br>Donations |                  |                        |
|                              |                        | Gift Aid Dons          |                    |                  |                        |
| BMS                          | 0                      | 15,110                 | 50                 | 15,160           | 0                      |
| Home Mission Fund            | 0                      | 12,740                 | 0                  | 12,740           | 0                      |
| World Mission                | 1,495                  | 7,384                  | 721                | 9,039            | 560                    |
| Relationship with Community  | 2,587                  | 1,320                  | 500                | 1,478            | 2,929                  |
| Relationship with God        | 1,569                  | 660                    | 0                  | 741              | 1,488                  |
| Relationship with each other | 2,375                  | 2,592                  | 960                | 3,487            | 2,440                  |
|                              | 8,026                  | 39,806                 | 2,230              | 42,645           | 7,417                  |

BMS and Home Mission Fund are both organisations under the governance of Baptist Union of Great Britain and seek to further the Christian faith in the UK and abroad.

World Mission funds are used to support other Christian organisations in the UK and overseas which the church has elected to support. Someone in the church has regular contact with the organisation, and as well as providing financial support we pray regularly for the work of each organisation

The Relationship funds are used to support the work of the church:

- Community – the outreach of the church to our local community
- God – the spiritual growth and discipleship of members of the church and congregation
- Each other – supporting church members and local people in various ways (including donations to Horsham Debt Advice service, Oasis Pregnancy Centre and Horsham Churches Together as well as social events run by the church).

| 10 Staff Costs                   | 2021           | 2020           |
|----------------------------------|----------------|----------------|
| Salaries                         | 94,504         | 92,235         |
| Social Security Costs, NHI etc   | 2,455          | 2,892          |
| Pension Cost See Note 18         |                |                |
| DC contributions to NEST         | 0              | 0              |
| DC contributions to BPS          | 10,434         | 10,314         |
| Coronavirus job retention scheme | -6,701         | -4,204         |
|                                  | 0              |                |
|                                  | <u>100,692</u> | <u>101,237</u> |

At August 2021 there were 2 full time employees and 5 part time employees (2020: 2 full time and 4 part time). This is equivalent to 4 full time employees (2020: 4)

No employee received emoluments in excess of £60,000 during the year (2020 none)

The Ministers act as church trustees in accordance with the Trust deed. They received remuneration of £33,664 (Rev Carter) and £27,898 (Rev Hogg) and other benefits including the provision of manse accommodation, in respect of their services as Ministers. David Sheldon was employed as Church Administrator up to March 2021 and received remuneration in this capacity.

No sums were reimbursed to the Deacons for their work as Trustees (2020 none).

The Church pays pension contributions for its Ministers, and other employees, to the defined contributions section of the Baptist Pension Scheme. In addition, the church pays deficit repair contributions to the defined benefit part of this scheme as previous ministers were part of this section of the scheme. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. Therefore, in accordance with FRS102 Section 28, the scheme is fully accounted for as a defined contribution scheme.

Brighton Road Baptist Church, Horsham

11 **Tangible Fixed Assets**

|                         | Church<br>Building<br>£ | 77 Heron<br>Way<br>£    | The<br>Homets<br>£    | Fixtures &<br>Fittings<br>£ | Total<br>2021<br>£      | Total<br>2020           |
|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------------|-------------------------|-------------------------|
| Cost/ valuation, b/fwd  | 2,840,242               | 525,000                 | 522,673               | 98,698                      | <b>3,986,613</b>        | 3,885,348               |
| Additions / adjustments | 0                       | 0                       | 1,240                 | 0                           | <b>1,240</b>            | 105,792                 |
| Revaluation of Manse    | -                       | 0                       |                       |                             | <b>0</b>                | 0                       |
| Disposals               | -                       | -                       | -                     | -                           | <b>0</b>                | 0                       |
| As at 31 August 2021    | <u>2,840,242</u>        | <u>525,000</u>          | <u>523,913</u>        | <u>98,698</u>               | <u><b>3,987,853</b></u> | <u>3,991,141</u>        |
| Depreciation, b/fwd     | 671,643                 | 0                       | 0                     | 95,957                      | <b>767,600</b>          | 712,722                 |
| Charge for the year     | 56,805                  |                         |                       | 1,696                       | <b>58,501</b>           | 59,406                  |
| Disposals               | -                       | -                       | -                     | -                           | <b>0</b>                | 0                       |
| As at 31 August 2021    | <u>728,448</u>          | <u>0</u>                | <u>0</u>              | <u>97,653</u>               | <u><b>826,101</b></u>   | <u>772,128</u>          |
| <b>Net Book Value:</b>  |                         |                         |                       |                             |                         |                         |
| As at 31 August 2021    | <b>Note 1f</b>          | <u><b>2,111,795</b></u> | <u><b>525,000</b></u> | <u><b>523,913</b></u>       | <u><b>1,044</b></u>     | <u><b>3,161,752</b></u> |
| As at 31 August 2020    |                         | <u>2,168,600</u>        | <u>525,000</u>        | <u>522,673</u>              | <u>2,740</u>            | <u><b>3,219,013</b></u> |

|   | 2021           | 2020           |
|---|----------------|----------------|
| 12 <b>Investments</b>   |                |                |
| One Year Bond with BU   | <u>67,962</u>  | <u>67,825</u>  |
| 13 <b>Debtors</b>   |                |                |
| HMRC  | <u>0</u>       | <u>0</u>       |
|   | <u>0</u>       | <u>0</u>       |
| 14 <b>Cash and Bank</b>   |                |                |
| HSBC Deposit  | 20,317         | 15,316         |
| HSBC Current  | 3,343          | 7,299          |
| CAF accounts  | 9,714          | 8,381          |
| Cambridge and Counties Bank                                     | 1,407          | 1,407          |
| Church Organisations  | <u>19,386</u>  | <u>17,297</u>  |
|   | <u>54,168</u>  | <u>49,699</u>  |
| 15 <b>Creditors: Amounts falling due within 1 year</b>          |                |                |
| BU Pension Deficit  | Note 19        |                |
| Manse Interest free loans                                       | 4,913          | 4,100          |
| BU Loan for purchase of Manse                                   | 6,000          | 6,000          |
| Car Park Bumper Grant   | 7,116          | 7,116          |
| HDC "Hub" Loan  | 0              | 750            |
| Creditors PAYE/NI   | 0              | 4,982          |
|   | <u>0</u>       | <u>0</u>       |
|   | <u>18,029</u>  | <u>22,948</u>  |
| 16 <b>Creditors: Amounts falling due after more than 1 year</b> |                |                |
| BU Pension Deficit  | Note 19        |                |
| Manse Interest free loans                                       | 20,355         | 38,711         |
| BU Loan for purchase of Manse                                   | 41,583         | 47,583         |
|   | 84,590         | 88,805         |
|   | <u>146,528</u> | <u>175,100</u> |

Brighton Road Baptist Church, Horsham

|                                       |                             |               |
|---------------------------------------|-----------------------------|---------------|
| <b>17 BU Pension Deficit</b>          | Included in Notes 15 and 16 |               |
| Balance b/f from previous year        | 42,811                      | 48,281        |
| Deficiency contributions paid by BRBC | -4,040                      | -4,348        |
| Interest and Actuarial amendments     | -13,503                     | -1,122        |
| Balance at 31 August 2021             | <u>25,268</u>               | <u>42,811</u> |

**18 Movements in Major Funds**

|                         | 01-Sep-20        | Incoming<br>resources | Resources<br>expended | Transfers     | 31 Aug 2021      |
|-------------------------|------------------|-----------------------|-----------------------|---------------|------------------|
| <b>Endowment Funds</b>  |                  |                       |                       |               |                  |
| Church Buildings        | 2,168,600        | 0                     | -56,805               | 0             | 2,111,795        |
| <b>Restricted Funds</b> |                  |                       |                       |               |                  |
| Church organisations    | 17,297           | 7,484                 | -5,395                | 0             | 19,386           |
| <b>Designated Funds</b> |                  |                       |                       |               |                  |
| As defined in Note 9    | 8,026            | 2,230                 | -42,645               | 39,806        | 7,417            |
| <b>Unrestricted</b>     |                  |                       |                       |               |                  |
| General Fund            | 944,568          | 216,339               | -180,180              | 0             | 980,727          |
|                         | <u>3,138,490</u> | <u>226,053</u>        | <u>-285,024</u>       | <u>39,806</u> | <u>3,119,325</u> |

**19 Pensions**

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

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that the scheme is 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 if 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 Limited.

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 Minister's 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 DB Plan as at 31 December 2019 was carried out 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.

## Brighton Road Baptist Church, Horsham

The key financial assumptions underlying the valuation were as follows

| Type of assumption                   | % p.a. |
|--------------------------------------|--------|
| RPI price inflation assumption       | 3.20   |
| CPI price inflation assumption       | 2.70   |
| Minimum Pensionable Income increases | 3.20   |
| Assumed investment returns           |        |
| · Pre-retirement                     | 2.95   |
| · Post retirement                    | 1.70   |
| Deferred pension increases           |        |
| · Pre-April 2009                     | 3.20   |
| · Post-April 2009                    | 2.50   |
| Pension increases                    |        |
| · Main scheme pension                | 2.70   |
| ·                                    |        |

Post retirement mortality is assumed in accordance with 80% of the S3NFA and S3NMA standard mortality table, with allowance for future improvements in mortality rates from 2013 in line with the "CMI 2019" core projection 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 places not later than 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 of the pension scheme and the Baptist Union 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.

|   | 2021    | 2020   |
|---|---------|--------|
|   | £       | £      |
| Balance sheet liability at year start                             | 42,810  | 48,281 |
| Minus deficiency contributions paid                               | -4,040  | -4,348 |
| Interest cost (recognised in SoFA)                                | 449     | 646    |
| Remaining change to balance sheet liability* (recognised in SoFA) | -13,951 | -1,768 |
| Balance sheet liability at year end                               | 25,268  | 42,810 |

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

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

|  | 31/08/2021 | 31/08/2020 | 31/08/2019 |
|--|------------|------------|------------|
| Discount rate                                  | 0.90%      | 1.10%      | 1.40%      |
| Future increases to Minimum Pensionable Income | 3.60%      | 3.10%      | 3.40%      |

The Church has been advised that the cost for the church to buyout their Pension Scheme liabilities at 31 August 2021 was approximately £68,600.

### Cessation Event

Consequent upon the death of the Minister in 2007, the Church had a cessation event under Section 75 of the Pensions Act 1995. This debt has now been settled on behalf of the Church by the Baptist Union as part of the Family Solution to the pension deficit.

### National Employment Savings Trust



## Brighton Road Baptist Church, Horsham

The Church Administrator is eligible to join the Baptist Pension Scheme. The previous Administrator (who left in July 2019) chose instead to join the National Employment Savings Trust (NEST). This is a Defined Contribution Scheme, and as at the date of leaving pension contributions were 5% of Qualifying Earnings divided equally between Employer and Employee. The new Administrators have both elected to join the Baptist Pension Scheme and so the Church have no current members of NEST.

### 20 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 of the South Eastern Baptist Association

The church also made a gift to the Baptist Union Home Mission Fund of £12,540

| Summary of Organisations' Accounts for the year to 31 Aug 2021 |           |            |          |                    |                                   |             |            |            |              |
|--|-----------|------------|----------|--------------------|-----------------------------------|-------------|------------|------------|--------------|
|  | IMAGE     | P M A      | W E F    | Parents & Toddlers | Football club Consolidated D Rose | Sound Waves | Art Group  | Lunch Club | Totals       |
| Treasurer  | M Brown   | C Tall     | R Carey  | J Rose             | A Rafferty                        | I Rose      | R Hardwick | V Hardwick |              |
| Examiner   | G Smith   | A Rafferty | G Smith  | B Stevens          | B Stevens                         | B Stevens   | A Rafferty | A Rafferty |              |
|  | £         | £          | £        | £                  | £                                 | £           | £          | £          | £            |
| <b>Receipts</b>  |           |            |          |                    |                                   |             |            |            |              |
| Fees and Subs  | 0         |            | 0        | 0                  | 6,617                             |             | 0          |            | 6,617        |
| Donations/fund raising   |           | 0          | 0        |                    | 0                                 | 0           | 0          | 0          | 0            |
| Church and other Grants  |           |            |          |                    | 600                               | 0           |            |            | 600          |
| Refreshments   | 0         |            | 0        |                    |                                   |             |            |            | 0            |
| Uniforms/training  |           |            |          |                    | 0                                 |             |            |            | 0            |
| Bank Interest/chgs   |           |            |          |                    |                                   |             |            |            | 0            |
| Camps/Holidays   | 0         |            |          |                    |                                   |             |            |            | 0            |
| Loans  |           |            | 0        |                    | 267                               |             | 0          | 0          | 267          |
| Sundry   | 0         |            |          | 0                  | 7,484                             | 0           | 0          | 0          | 7,484        |
| <b>Total Receipts</b>  | <b>0</b>  | <b>0</b>   | <b>0</b> | <b>0</b>           | <b>7,484</b>                      | <b>0</b>    | <b>0</b>   | <b>0</b>   | <b>7,484</b> |
| <b>Payments</b>  |           |            |          |                    |                                   |             |            |            |              |
| Fees and Hire  |           |            |          | 0                  | 2,696                             |             |            |            | 2,696        |
| Cont. to Church  |           |            |          |                    |                                   |             | 400        |            | 400          |
| Food/Refreshments  | 0         | 0          | 0        | 0                  | 0                                 |             | 0          | 0          | 0            |
| Uniforms   |           |            |          |                    |                                   |             |            |            | 0            |
| Speakers   |           | 0          | 0        |                    |                                   |             | 0          |            | 0            |
| Training/Equipment   | 0         |            |          |                    | 899                               | 165         |            | 0          | 1,064        |
| Awards/Donations   |           | 244        | 0        |                    | 442                               |             | 0          | 0          | 686          |
| Post, Stationery   |           |            |          |                    | 156                               |             | 29         | 0          | 185          |
| Gifts and Donations  |           |            | 0        |                    |                                   |             |            |            | 0            |
| Wages/commissions  |           |            |          |                    |                                   |             | 0          |            | 0            |
| Camps and Outings  | 0         |            |          |                    |                                   |             |            |            | 0            |
| Sundry   | 33        | 0          |          |                    | 331                               | 0           |            | 0          | 364          |
| <b>Total Payments</b>  | <b>33</b> | <b>244</b> | <b>0</b> | <b>0</b>           | <b>4,523</b>                      | <b>166</b>  | <b>429</b> | <b>0</b>   | <b>5,395</b> |
| Surplus/(deficit) for the year                                 | -33       | -244       | 0        | 0                  | 2,961                             | -166        | -429       | 0          | 2,089        |
| Balance Brought Fwd from previous year                         | 3,295     | 2,571      | 622      | 865                | 6,533                             | 1,508       | 1,757      | 145        | 17,297       |
| Balance Carried Fwd  | 3,262     | 2,327      | 622      | 865                | 9,494                             | 1,343       | 1,328      | 145        | 19,386       |

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/MEMBERS  
OF BRIGHTON ROAD BAPTIST CHURCH, HORSHAM  
ON THE ACCOUNTS YEAR TO 31 Aug 2021

Set out on pages 6-16 attached

**Respective Responsibilities of Trustees and Examiner**

For this purpose the charity's Trustees are the elected Deacons (the Diaconate) and they are responsible for the preparation of the accounts.

The Diaconate consider that an audit is not required for this year, under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of Independent Examiner's Report**

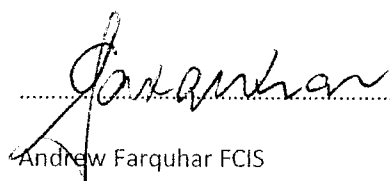
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you, as trustees, concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion in respect of the accounts. The Report is limited to those matters set out in the statement below.

**Independent Examiner's Statement**

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or

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

  
.....  
Andrew Farquhar FCIS  
176 St Leonards Road, Horsham, RH13 6BA

27 January  
February 2022