



**Financial Statements for the year
To 31 August 2022**

Trustees' Annual Report for the period 1 September 2021 to 31 August 2022

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 (resigned 31 December 2022)

Ken Carter

Louise Carter (appointed 1 January 2023)

Tim Carter (Minister)

Jon Fisher

Sue Geoghegan (resigned 31 December 2021)

Paul Hassall

Michael Hogg (Leader of Community Evangelism)

Deborah Packham

Marion Richardson

Adrian Rudd (Treasurer from 1 January 2023)

Julie Rudd

Carole Sheldon (Treasurer until 31 December 2022, resigned 31 December 2022)

David Sheldon (Secretary until 31 December 2022, resigned 31 December 2022)

David Wickersham (Secretary from 1 January 2023, appointed 1 January 2023)

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. The governing document was amended by a Special Church meeting on 22 September 2021 to allow Church Meetings and Trustee meetings to be attended by electronic means or in person.

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 Treasurers 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 are part of God's family, where anyone and everyone is made welcome, and we are all equipped to live our lives for Jesus with a shared sense of unity and purpose. 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.

Church services are held each Sunday and are open to any member of the public. These are usually livestreamed and added to our website for anyone to view.

We aim to run regular Alpha courses for those looking to learn more about the Christian faith. A daytime course was run during the year, with 5 people attending in addition to the team leading the course.

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

Other Church based groups who meet regularly include Prayer groups, Women's Fellowship, PMA, Men's Coffee Morning, Art Group, and a walking group. These groups are open to Church members and other members of the public. The church is open on a Monday morning during term time as a drop in for anyone who wants coffee, cake and company.

Twice a month we run a club which consists 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.

A youth group met weekly for those of junior school age, although this ceased during the year due to the leader moving away from the area.

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 available for hire (subject to availability) by local community groups. The University of the Third Age (U3A), drama clubs, dance clubs, some parent and baby groups, a group for Alzheimer's sufferers, 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 have used the premises regularly over the last year. 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 205 members. Two people were baptised during the year. There have been two new members and six members have died. There have been 25 resignations/removals during the year – 3 people have joined other local churches, 4 live locally but have stopped attending church and 18 resigned or were removed from the members list because they have moved out of the local area, some of them quite a while ago. We are continuing to work to ensure that our list of members comprises those who live locally and who support the work of the church in various ways.

Activities have gradually restarted as COVID19 restrictions were lifted.

There is a Sunday service every Sunday morning. Once a month this is an intergenerational service where all the church family remain in the church for the whole service, and the teaching and worship is more interactive than a traditional service. Other services on a Sunday morning are more traditional and there is a separate kid's club (BRBK) for those ages up to 11 running at the same time. Older children have helped with the running of BRBK. There is also a creche available for any pre-schoolers who need this facility. The traditional services are live streamed for those who are not yet happy to meet in person and are also recorded for distribution to those who do not have internet access.

On one Sunday evening each month there is also a more informal service for anyone who would like to attend.

Many other church activities restarted in September 2021. Some groups are purely for people to meet together for social purposes, others provide opportunities for learning more about our Christian faith.

Financial Review

	General Fund	Organisations	Church Building (net)	Total	2021 Total
Income	£236,229	£15,646	£0	£251,875	£226,053
Resources expended *	£276,581	£14,915	£0	£291,496	£258,721
Net movement	-£40,352	£731	£0	-£39,621	-£32,668
Capitalisation	£56,805	£0	-£56,805	£0	£0
Pension scheme adjustment	£20,765	£0	£0	£20,765	£13,503
Total movement	£37,218	£731	-£56,805	-£18,856	
Brought forward	£988,144	£19,386	£2,111,795	£3,119,325	£3,138,490
Carried forward	£1,025,362	£20,117	£2,054,990	£3,100,469	£3,119,325

*Resources expended made up of

Mission	£47,139	£14,914	£0	£62,053	£51,340
Ministry	£119,817	£0	£0	£119,817	£103,964
Establishment	£109,625	£0	£0	£109,625	£103,418
Governance	£0	£0	£0	£0	£0

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.

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
- The Leprosy Mission
- Eagle Project in Brazil
- Spurgeon's Bible College
- London School of Theology
- SAT-7
- Domboshawa Theological College
- Wycliffe Bible Translators
- The Bible Society
- Christian Solidarity Worldwide
- Deepgruh Foundation in India

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. In June 2022 the scheme completed a buy in of its remaining liabilities. As a result of this there is currently no deficit within the scheme although member churches are paying £1 per month in deficit contributions to keep the direct debits active. There remains a risk that as the scheme moves towards full buy out of the liabilities, further deficit contributions may become due, but at this stage this is unknown. Buy out is planned for completion within the next two years, after which no further liability will remain with the Church.

The pension scheme adjustment in 2021 and 2022 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 and the subsequent buy in of liabilities.

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

- 1/12th 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 01/09/2022 this leads to required reserves of £55,365.

The church currently holds liquid assets in excess of those required by the reserves policy. These are being held to ensure we have assets to replace the Church boilers when this becomes essential.

Declaration

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

Signed on behalf of the charity trustees

Full names: David Wickersham
Position: Secretary

Adrian Bramwell Rudd
Treasurer

Brighton Road Baptist Church, Horsham

Statement of Financial Activities for the year to

31 Aug 2022

	Notes	Unrestricted £	Designated £	Restricted £	Endowed £	2022 Total £	2021 Total £
Incoming Resources							
Donations and legacies	2	233,805	2,059	15,646	0	251,509	225,913
Investment Income	3	366	0	0	0	366	141
						0	0
Total Incoming Resources		234,170	2,059	15,646	0	251,875	226,054
Resources Expended							
Cost of generating Funds		0	0	0	0	0	0
Charitable Activity:							
Mission	4	3,300	43,839	14,914	0	62,053	51,340
Ministry	5	119,817	0	0	0	119,817	103,964
Administration/Support	6	109,625	0	0	0	109,625	103,418
Governance	7	0	0	0	0	0	0
Total Resources Expended	8	232,742	43,839	14,914	0	291,496	258,722
Net Movement in Funds		1,428	-41,780	731	0	-39,621	-32,667
Transfers between Funds							
Missionary Causes	9	-41,570	41,570			0	0
Other recognised gains/(losses)							
Revaluation of Manse		0				0	0
Depreciation of Building	11	56,805			-56,805	0	0
Actuarial gains	17/19	20,765				20,765	13,503
BU pension scheme							
		37,428	-210	731	-56,805	-18,856	-19,165
Reconciliation of Funds							
Total Funds brought forward	18	980,727	7,417	19,386	2,111,795	3,119,324	3,138,489
Total Funds carried forward	18	1,018,155	7,207	20,117	2,054,990	3,100,469	3,119,324

Brighton Road Baptist Church, Horsham

		Balance Sheet at 31 Aug 2022					
		Unrestricted	Designated	Restricted	Endowed	Totals	2021
	Notes	£			£	£	£
Tangible Fixed Assets							
General Fund	11	1,048,914				1,048,914	1,049,957
Building and Contents (net)	11				2,054,990	2,054,990	2,111,795
Investments							
One year Bond with BU	12	68,305				68,305	67,962
Current Assets							
Debtors	13	0				0	0
Cash, Bank	14	30,291	7,207	20,117		57,614	54,167
		<hr/>					
		1,147,510	7,207	20,117	2,054,990	3,229,823	<hr/> 3,283,882
Current Liabilities							
Creditors within one year	15	-13,860				-13,860	-18,029
Net Assets excluding current liability							
		<hr/>					
		1,133,650	7,207	20,117	2,054,990	3,215,963	3,265,853
Creditors after one year							
	16	-115,494				-115,494	-146,529
Total net assets or liabilities							
		<hr/>					
		1,018,155	7,207	20,117	2,054,990	3,100,469	<hr/> 3,119,324
Represented by:							
	18						
Endowed Funds					2,054,990	2,054,990	2,111,795
Restricted Funds				20,117		20,117	19,386
Designated Funds			7,207			7,207	7,417
Unrestricted Funds		1,018,155				1,018,155	980,727
		<hr/>					
		1,018,155	7,207	20,117	2,054,990	3,100,469	<hr/> 3,119,324

Notes to the Accounts for the year ended 31 August 2022

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 the trustees' estimate of its market value in August 2018. 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 has been in deficit and the C paid deficit funding contributions as agreed with the trustees of the pension plan during the financial year. Following a buy in in June 2022, there is no longer a deficit within the scheme and so the liability has been reduced to zero. The movement during the year is 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		Notes	Unrestricted	Designated	Restricted	Endowment	2022 Total	2021 Total
Weekly/Monthly Offerings			142,326				142,326	138,696
Donations	9		150	2,059			2,209	2,631
Tax refund			31,240				31,240	33,002
Other income			17,318		0		17,318	28,064
Hall Hire			42,771				42,771	16,037
Manse Donations			0		0		0	0
Church Organisations			0		15,646		15,646	7,484
			233,805	2,059	15,646	0	251,509	225,913
3 Investment Income			Unrestricted	Designated	Restricted	Endowment	Total	Total
Bank Interest			366		0	0	366	141
Other income							0	0
			366	0	0	0	366	141
Charitable Activities								
			Unrestricted	Designated	Restricted	Endowment	Total	Total
4 Mission								
Gifts, as in Note	9			43,839			43,839	42,645
Gifts to church organisations			3,300				3,300	3,300
Costs of church organisations					14,914		14,914	5,395
			3,300	43,839	14,914	0	62,053	51,340
5 Ministry								
Salaries	10		115,062				115,062	100,692
Travel and car costs			676				676	419
Training			250				250	191
Other costs			3,829				3,829	2,662
			119,817	0	0	0	119,817	103,964
6 Administration/Support								
Gas	Electricity		10,941				10,941	8,711
Insurance			6,030				6,030	5,493
Office, telephones, stationery			3,440				3,440	3,686
Cleaners	other costs		2,482				2,482	1,627
Depreciation on Assets			57,849				57,849	58,501
Maintenance of buildings			14,943				14,943	12,798
Council tax	Water Rates		5,845				5,845	5,820
Interest on B U Loan			3,246				3,246	2,900
Development & Sundry			4,849				4,849	3,883
			109,625	0	0	0	109,625	103,418
7 Governance								
Independent Examination			0				0	0
			0	0	0	0	0	0
8 Total Resources Expended			Charitable Activities		Support Costs			
Mission			62,053				62,053	51,340
Ministry			119,817				119,817	103,964
Administration/Support			109,625				109,625	103,418
			291,496	0	0	0	291,496	258,722

9 Missionary and other causes (Designated)

Name	Bal b/f 1 Sept 21	Transfers	Other Donations	Payments made	Bal c/f 31 Aug 2022
		Gen. Fund Including Gift Aid Dons			
BMS	0	15,260	190	15,390	60
Home Mission Fund	0	12,865	0	12,865	0
World Mission	560	8,225	1,809	10,189	406
Relationship with Community	2,929	1,080	20	1,018	3,011
Relationship with God	1,488	720	0	542	1,666
Relationship with each other	2,440	3,420	40	3,835	2,065
	<u>7,417</u>	<u>41,570</u>	<u>2,059</u>	<u>43,839</u>	<u>7,207</u>

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		2022	2021
Salaries		101,393	94,504
Social Security Costs, NHI etc		2,806	2,455
Pension Cost	See Note 18		
	DC contributions to NEST	0	0
	DC contributions to BPS	10,863	10,434
Coronavirus job retention scheme		0	-6,701
		<u>0</u>	
		<u>115,062</u>	<u>100,692</u>

At August 2022 there were 2 full time employees and 5 part time employees (2021: 2 full time and 5 part time). This is equivalent to 4 full time employees (2020: 4)

No employee received emoluments in excess of £60,000 during the year (2021 none)

The Ministers act as church trustees in accordance with the Trust deed. They received remuneration of £34,329 (Rev Carter) and £28,771 (Rev Hogg) and other benefits including the provision of manse accommodation, in respect of their services as Ministers.

No sums were reimbursed to the Deacons for their work as Trustees (2021 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 paid 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 Building £	77 Heron Way £	The Hornets £	Fixtures & Fittings £	Total 2022 £	Total 2021
Cost/ valuation, b/fwd	2,840,242	525,000	523,913	98,698	3,987,853	3,986,613
Additions / adjustments	0	0	0	0	0	1,240
Revaluation of Manse	-	0	-	-	0	0
Disposals	-	-	-	-	0	0
As at 31 August 2022	<u>2,840,242</u>	<u>525,000</u>	<u>523,913</u>	<u>98,698</u>	<u>3,987,853</u>	<u>3,987,853</u>
Depreciation, b/fwd	728,448	0	0	97,653	826,101	767,600
Charge for the year	56,805	-	-	1,044	57,849	58,501
Disposals	-	-	-	-	0	0
As at 31 August 2022	<u>785,252</u>	<u>0</u>	<u>0</u>	<u>98,697</u>	<u>883,950</u>	<u>826,101</u>
Net Book Value:						
As at 31 August 2022	<u>2,054,990</u>	<u>525,000</u>	<u>523,913</u>	<u>0</u>	<u>3,103,903</u>	<u>3,161,752</u>
As at 31 August 2021	<u>2,111,795</u>	<u>525,000</u>	<u>523,913</u>	<u>1,044</u>	<u>3,161,752</u>	

Note 1f

	2022	2021
12 Investments		
One Year Bond with BU	<u>68,305</u>	<u>67,962</u>
13 Debtors		
HMRC	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
14 Cash and Bank		
HSBC Deposit	10,325	20,317
HSBC Current	20,932	3,343
CAF Gold account	4,831	9,714
Cambridge and Counties Bank	1,409	1,407
Church Organisations	<u>20,117</u>	<u>19,386</u>
	<u>57,614</u>	<u>54,167</u>
15 Creditors: Amounts falling due within 1 year		
BU Pension Deficit	0	4,913
Manse Interest free loans	6,000	6,000
BU Loan for purchase of Manse	7,860	7,116
Creditors PAYE/NI	<u>0</u>	<u>0</u>
	<u>13,860</u>	<u>18,029</u>
16 Creditors: Amounts falling due after more than 1 year		
BU Pension Deficit	0	20,355
Manse Interest free loans	35,583	41,583
BU Loan for purchase of Manse	<u>79,911</u>	<u>84,590</u>
	<u>115,494</u>	<u>146,528</u>

17	BU Pension Deficit	Included in Notes 15 and 16		2022	2021	
	Balance b/f from previous year			25,268	42,811	
	Deficiency contributions paid by BRBC			-4,503	-4,040	
	Interest and Actuarial amendments			-20,765	-13,503	
	Balance at 31 August 2022			0	25,268	
18	Movements in Major Funds					
		01-Sep-21	Incoming resources	Resources expended	Transfers	31 Aug 2022
	Endowment Funds					
	Church Buildings	2,111,795	0	-56,805	0	2,054,990
	Restricted Funds					
	Church organisations	19,386	15,646	-14,914	0	20,117
	Designated Funds					
	As defined in Note 9	7,417	2,059	-43,839	41,570	7,207
	Unrestricted					
	General Fund	980,727	234,170	-155,172	-41,570	1,018,155
		3,119,324	251,874	-270,730	0	3,100,469

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.

The Scheme, previously known as the Baptist Minister's Pension Fund, started in 1925, but was close to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a 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.

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 Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members 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.

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 Ministers and some members of the church staff are eligible to join the Scheme.

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.

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	
· Based on CPI with an annual floor of 0% and annual cap of 5%	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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until 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.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group (“Just”) to secure the DB Plan members’ pension benefits. Just are not providing financial backing for all pensions provided through the Scheme’s DB Plan and following this transaction, The scheme no longer has a shortfall. An updated Recovery Plan was then signed in August 2022 under which deficiency contributions for each participating employer reduced to £1 per month from August 2022.

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.

	2022	2021
	£	£
Balance sheet liability at year start	25,268	42,810
Minus deficiency contributions paid	-4,503	-4,040
Interest cost (recognised in SoFA)	0	449
Remaining change to balance sheet liability* (recognised in SoFA)	<u>-20,765</u>	<u>-13,951</u>
Balance sheet liability at year end	<u>0</u>	<u>25,268</u>

* 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:

	31/08/2022	31/08/2021	31/08/2020
Discount rate	4.90%	0.90%	1.10%
Future increases to Minimum Pensionable Income	4.80%	3.60%	3.10%

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

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 £12,865.

21 Summary of Organisations' Accounts

	IMAGE	P M A	W E F	Parents & Toddlers	Football club Consolidated D Rose	Sound Waves	Art Group R Hardwick	Lunch Club V Hardwick	Totals
Treasurer	M Brown	C Tall	R Carey	J Rose	A Rafferty	I Rose	Hardwick	Hardwick	
Examiner	G Smith	A Rafferty	G Smith	B Stevens	B Stevens	B Stevens	A Rafferty	A Rafferty	
Receipts	£	£	£	£	£	£	£	£	£
Fees and Subs	92	2,186	82		8,834		382	1,181	12,757
Donations/fund raising			7		3		2		12
Church and other Grants					600				600
Refreshments									0
Uniforms/training									0
Bank Interest/charges					0				0
Camps/Holidays									0
40 th Anniversary					2,022				2,022
Sundry					255				255
Total Receipts	92	2,186	89	0	11,714	0	384	1,181	15,646
Payments									
Fees and Hire					5,931				5,931
Cont. to Church									0
Food/Refreshments	0	85					28	891	1,004
Uniforms									0
Speakers		45							45
Training/Equipment	0				3,073	37			3,110
Awards/Donations		669	82		282				1,033
Post, Stationery					120				120
Gifts and Donations				865					865
40 th Anniversary					1,467				1,467
Camps and Outings	0		59						59
Sundry	33	957	10		268	0		12	1,280
Total Payments	33	1,756	151	865	11,141	37	28	903	14,914
Surplus/(deficit) for the year	59	430	-62	-865	573	-37	356	278	731
Balance Brought Fwd from previous year	3,262	2,327	622	865	9,494	1,343	1,328	145	19,386
Balance Carried Fwd to next year	3,321	2,757	560	0	10,067	1,305	1,684	423	20,117

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/MEMBERS
OF BRIGHTON ROAD BAPTIST CHURCH, HORSHAM
ON THE ACCOUNTS YEAR TO 31 AUGUST 2022

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