



**Financial Statements for the year  
To 31 August 2023**

## **Trustees' Annual Report for the period 1 September 2022 to 31 August 2023**

### **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)  
Allan Edmonston (appointed 1 January 2024)  
Jon Fisher (resigned 31 December 2023)  
Paul Hassall (resigned 3 November 2023)  
Michael Hogg (Leader of Community Evangelism)  
Deborah Packham (Acting secretary from 22 November 2023)  
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 until 22 November 2023, appointed 1 January 2023, resigned 31 December 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 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.

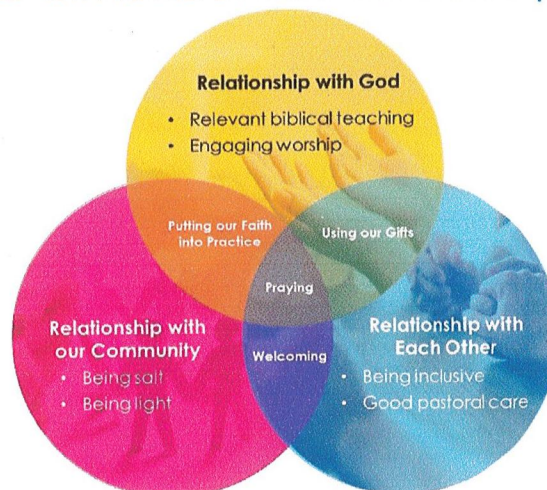
Relevant matters may be submitted to the Church Meeting by the Trustees for guidance or may be raised by members in a Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by 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 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 meets weekly for those of secondary school age, providing Biblical teaching and other activities.

Some groups are purely for people to meet together for social purposes, others provide opportunities for learning more about our Christian faith.

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 201 members. There have been nine new members and four members have died. There have been nine resignations/removals during the year – five people have joined other local churches, one lives locally but has stopped attending church and three 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.

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 unable to meet in person, including those who are elderly, unwell or who live outside the local area. These services are also recorded for distribution to those who do not have internet access. On some occasions there is also a more informal service on a Sunday evening for anyone who would like to attend.

## Financial Review

	General Fund	Organisations	Church Building (net)	Total	2022 Total
Income	£260,154	£11,793	£0	<b>£271,947</b>	£251,875
Resources expended *	£285,398	£12,162	£0	<b>£297,560</b>	£291,496
Net movement	-£25,244	-£369	£0	<b>-£25,613</b>	-£39,621
Capitalisation	£56,805	£0	-£56,805	<b>£0</b>	£0
Pension scheme adjustment	£0	£0	£0	<b>£0</b>	£20,765
Total movement	£31,561	-£369	-£56,805	<b>-£25,613</b>	-£18,856
Brought forward	£1,025,362	£20,117	£2,054,990	<b>£3,100,469</b>	£3,119,325
Carried forward	£1,056,923	£19,748	£1,998,185	<b>£3,074,856</b>	£3,100,496

\*Resources expended made up of

Mission	£46,136	£12,162	£0	<b>£58,298</b>	£62,053
Ministry	£131,123	£0	£0	<b>£131,123</b>	£119,817
Establishment	£108,139	£0	£0	<b>£108,139</b>	£109,625
Governance	£0	£0	£0	<b>£0</b>	£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.

## 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 1 September 2023 this leads to required reserves of £59,605.

The church currently holds liquid assets in excess of those required by the reserves policy.

## Declaration

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

Signed on behalf of the charity trustees:



Deborah Packham  
Acting Secretary



Adrian Rudd  
Treasurer

# Brighton Road Baptist Church, Horsham

## Statement of Financial Activities for the year to 31 Aug 2023

Incoming Resources	Notes					2023	2022
		Unrestricted £	Designated £	Restricted £	Endowed £	Total £	Total £
Donations and legacies	2	250,921	6,899	11,793	0	269,614	251,509
Investment Income	3	2,334	0	0	0	2,334	366
						0	0
<b>Total Incoming Resources</b>		<b>253,255</b>	<b>6,899</b>	<b>11,793</b>	<b>0</b>	<b>271,947</b>	<b>251,875</b>
<b>Resources Expended</b>							
Cost of generating Funds		0	0	0	0	0	0
Charitable Activity:							
Mission	4	1,620	44,516	12,162	0	58,298	62,053
Ministry	5	131,123	0	0	0	131,123	119,817
Administration/Support	6	108,139	0	0	0	108,139	109,625
Governance	7	0	0	0	0	0	0
<b>Total Resources Expended</b>	8	<b>240,882</b>	<b>44,516</b>	<b>12,162</b>	<b>0</b>	<b>297,561</b>	<b>291,496</b>
<b>Net Movement in Funds</b>		<b>12,373</b>	<b>-37,617</b>	<b>-369</b>	<b>0</b>	<b>-25,613</b>	<b>-39,621</b>
Transfers between Funds							
Missionary Causes	9	-52,187	52,187			0	0
<b>Other recognised gains/(losses)</b>							
Depreciation of Building	11	56,805			-56,805	0	0
Actuarial gains	17/19	0				0	20,765
BU pension scheme							
		16,990	14,570	-369	-56,805	-25,613	-18,856
<b>Reconciliation of Funds</b>							
Total Funds brought forward	18	1,018,155	7,207	20,117	2,054,990	3,100,469	3,119,324
<b>Total Funds carried forward</b>	18	<b>1,035,146</b>	<b>21,777</b>	<b>19,748</b>	<b>1,998,185</b>	<b>3,074,856</b>	<b>3,100,469</b>



Brighton Road Baptist Church, Horsham

		Balance Sheet at 31 Aug 2023					2022
	Notes	Unrestricted £	Designated	Restricted	Endowed £	Totals £	£
<b>Tangible Fixed Assets</b>							
General Fund	11	1,049,983				1,049,983	1,048,914
Building and Contents (net)	11				1,998,185	1,998,185	2,054,990
<b>Investments</b>							
One year Bond with BU	12	70,166				70,166	68,305
<b>Current Assets</b>							
Debtors	13	17,961				17,961	0
Cash, Bank	14	17,896	21,777	19,748		59,421	57,614
		1,156,007	21,777	19,748	1,998,185	3,195,717	3,229,823
<b>Current Liabilities</b>							
Creditors due within one year	15	-15,240				-15,240	-13,860
<b>Net Assets excluding current liability</b>		1,140,767	21,777	19,748	1,998,185	3,180,477	3,215,963
Creditors due after one year	16	-105,622				-105,622	-115,495
<b>Total net assets or liabilities</b>		1,035,146	21,777	19,748	1,998,185	3,074,856	3,100,469
<b>Represented by:</b>							
Endowed Funds					1,998,185	1,998,185	2,054,990
Restricted Funds				19,748		19,748	20,117
Designated Funds			21,777			21,777	7,207
Unrestricted Funds		1,035,146				1,035,146	1,018,155
		1,035,146	21,777	19,748	1,998,185	3,074,856	3,100,469

Approved by the Trustees on 19 February 2024 and signed on their behalf by:

  
Acting Secretary

  
Treasurer

  
Independent Examiner



**Notes to the Accounts for the year ended 31 August 2023**

**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 Church 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 Brighton Road Baptist Church Playschool used the church premises on weekdays of school term time during the period. The Playschool is constituted as an independent charity, number 1175988, of which the majority of Trustees are appointed by the church. The Playschool ceased to operate on 31 August 2023.

Brighton Road Baptist Church, Horsham

2 Voluntary Income						2023	2022
	Notes	Unrestricted	Designated	Restricted	Endowment	Total	Total
Weekly/Monthly Offerings		144,558				144,558	142,326
Donations	9	11,071				11,071	2,209
Tax refund		29,783				29,783	31,240
Other income		22,666				22,666	17,318
Hall Hire		42,844				42,844	42,771
Church Organisations		0	6,899	11,793		18,692	15,646
		250,921	6,899	11,793	0	269,614	251,509
3 Investment Income						Total	Total
		Unrestricted	Designated	Restricted	Endowment		
Bank Interest		2,334		0	0	2,334	366
Other income						0	0
		2,334	0	0	0	2,334	366
Expenditure on Charitable Activities							
		Unrestricted	Designated	Restricted	Endowment	Total	Total
4 Mission						Total	Total
Gifts, as in Note	9		44,516			44,516	43,839
Gifts to church organisations		1,620				1,620	3,300
Costs of church organisations				12,162		12,162	14,914
		1,620	44,516	12,162	0	58,298	62,053
5 Ministry						Total	Total
Salaries	10	124,458				124,458	115,062
Travel and car costs		1,015				1,015	676
Training		757				757	250
Other costs		4,894				4,894	3,829
		131,123	0	0	0	131,123	119,817
6 Administration/Support						Total	Total
Gas and electricity		12,868				12,868	10,941
Insurance		6,171				6,171	6,030
Office, telephones, stationery		3,472				3,472	3,440
Cleaners		2,831				2,831	2,482
Depreciation on Assets		57,072				57,072	57,849
Maintenance of buildings		8,681				8,681	14,943
Council tax and water rates		5,408				5,408	5,845
Interest on B U Loan		5,623				5,623	3,246
Development &Sundry		6,013				6,013	4,849
		108,139	0	0	0	108,139	109,625
7 Governance						Total	Total
Independent Examination		0				0	0
		0	0	0	0	0	0
8 Total Resources Expended		Charitable Activities	Support Costs				
Mission		58,298			58,298		62,053
Ministry		131,123			131,123		119,817
Administration/Support		108,139			108,139		109,625
		297,561	0	0	0	297,561	291,496

9 **Missionary and other causes (Designated)**

Name	Bal b/f 1 Sept 22	Transfers		Payments made	Bal c/f 31 Aug 2023
		Gen. Fund Including Gift Aid Dons	Other Donations		
BMS	60	15,960	1,187	16,060	1,147
Home Mission Fund	0	13,440	0	13,440	0
World Mission	406	8,280	1,818	8,173	2,330
Relationship with Community	3,011	-2,349	2,487	3,149	0
Relationship with God	1,666	-1,294	0	372	0
Children Youth and Families	0	11,000	0	0	11,000
Relationship with each other	2,065	7,151	1,407	3,322	7,300
	<u>7,207</u>	<u>52,187</u>	<u>6,899</u>	<u>44,516</u>	<u>21,777</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 <b>Staff Costs</b>		<b>2023</b>	<b>2022</b>
Salaries		110,086	101,393
Social Security Costs, NHI etc		2,556	2,806
Pension Cost	See Note 18		
	DC contributions to BPS	<u>11,815</u>	<u>10,863</u>
		<u>124,458</u>	<u>115,062</u>

At August 2023 there were 2 full time employees and 5 part time employees (2022: 2 full time and 5 part time). This is equivalent to 4 full time employees (2022: 4)

No employee received emoluments in excess of £60,000 during the year (2022: none)

The Ministers act as church trustees in accordance with the Trust deed. They received remuneration of £36,330 (2022: £34,320) (Rev Carter) and £30,753 (2022: £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 (2022: 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.

**11 Tangible Fixed Assets**

	Church Building £	77 Heron Way £	9 The Hornets £	Fixtures & Fittings £	Total 2023 £	Total 2022 £
Cost/ valuation, b/fwd	2,840,242	525,000	523,913	98,698	<b>3,987,853</b>	3,987,853
Additions / adjustments	0	0	-	1,337	<b>1,337</b>	0
Disposals	-	-	-	-	<b>0</b>	0
As at 31 August 2023	<u>2,840,242</u>	<u>525,000</u>	<u>523,913</u>	<u>100,035</u>	<u><b>3,989,190</b></u>	<u>3,987,853</u>
Depreciation, b/fwd	785,252	0	0	98,697	<b>883,950</b>	826,101
Charge for the year	56,805	-	-	267	<b>57,072</b>	57,849
Disposals	-	-	-	-	<b>0</b>	0
As at 31 August 2023	<u>842,057</u>	<u>0</u>	<u>0</u>	<u>98,965</u>	<u><b>941,022</b></u>	<u>883,950</u>
<b>Net Book Value:</b>						
As at 31 August 2023	<b>1,998,185</b>	<b>525,000</b>	<b>523,913</b>	<b>1,070</b>	<b>3,048,168</b>	3,103,903
As at 31 August 2022	<u>2,054,990</u>	<u>525,000</u>	<u>523,913</u>	<u>0</u>	<u><b>3,103,904</b></u>	

Note 1f

**12 Investments**

Bond with BU	<u>70,166</u>	<u>68,305</u>
--------------	---------------	---------------

**13 Debtors**

HMRC	<u>17,961</u>	<u>0</u>
	<u>17,961</u>	<u>0</u>

**14 Cash and Bank**

HSBC Deposit	25,620	10,325
HSBC Current	8,061	20,932
CAF Gold account	4,583	4,831
Cambridge and Counties Bank	1,409	1,409
Church Organisations	<u>19,833</u>	<u>20,117</u>
	<u>59,506</u>	<u>57,614</u>

**15 Creditors: Amounts falling due within 1 year**

Creditors - salary control	0	0
Manse Interest free loans	6,000	6,000
BU Loan for purchase of Manse	9,240	7,860
Creditors PAYE/NI	<u>0</u>	<u>0</u>
	<u>15,240</u>	<u>13,860</u>

**16 Creditors: Amounts falling due after more than 1 year**

Manse Interest free loans	29,583	35,583
BU Loan for purchase of Manse	<u>76,039</u>	<u>79,911</u>
	<u>105,622</u>	<u>115,494</u>

**17 BU Pension Deficit**

Balance b/f from previous year	0	25,268
Deficiency contributions paid by BRBC	0	-4,503
Interest and Actuarial amendments	<u>0</u>	<u>-20,765</u>
Balance at 31 August 2023	<u>0</u>	<u>0</u>

## 18 Movements in Major Funds

	01-Sep-22	Incoming resources	Resources expended	Transfers	31 Aug 2023
<b>Endowment Funds</b>					
Church Buildings	2,054,990	0	-56,805	0	1,998,185
<b>Restricted Funds</b>					
Church organisations	20,117	11,793	-12,162	0	19,748
<b>Designated Funds</b>					
As defined in Note 9	7,207	19,227	-56,844	52,187	21,777
<b>Unrestricted</b>					
General Fund	1,018,155	253,255	-184,078	-52,187	1,035,146
	<b>3,100,469</b>	<b>284,275</b>	<b>-309,889</b>	<b>0</b>	<b>3,074,856</b>

## 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 trustees have not seen the latest actuarial valuation of the DB Plan within the Scheme, which is due to report on the position as at 31 December 2022.

#### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee 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 30<sup>th</sup> 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.

## 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 made a gift to the Baptist Union Home Mission Fund of £13,440 (2022: £12,865).

**21 Summary of Organisations' Accounts**

	IMAGE	P M A	W E F	Football club Consolidated	Sound Waves	Art Group	Lunch Club	Totals
Treasurer	M Brown	C Tall	R Carey	D Rose	I Rose	R Hardwick	V Hardwick	
Examiner	B Stevens	W Fynn	W Fynn	A Rafferty B Stevens	B Stevens	W Fynn	W Fynn	
<b>Receipts</b>	£	£	£	£	£	£	£	£
Fees and Subs	0			7,208	0	412		7,620
Donations/fund raising		1,823	85				1,231	3,139
Church and other Grants				600	0			600
Sundry				434				434
<b>Total Receipts</b>	<b>0</b>	<b>1,823</b>	<b>85</b>	<b>8,242</b>	<b>0</b>	<b>412</b>	<b>1,231</b>	<b>11,793</b>
<b>Payments</b>								
Fees and Hire	0			7,298	0			7,298
Food/Refreshments		154	5			56	844	1,059
Training/Equipment				654	0			654
Awards/Donations		1,194	85	361		200		1,840
Post, Stationery				156		2		158
Camps and Outings			42					42
Sundry		259	10	803			39	1,111
<b>Total Payments</b>	<b>0</b>	<b>1,607</b>	<b>142</b>	<b>9,272</b>	<b>0</b>	<b>258</b>	<b>883</b>	<b>12,162</b>
<b>Surplus/(deficit) for the year</b>	<b>0</b>	<b>216</b>	<b>-57</b>	<b>-1,030</b>	<b>0</b>	<b>154</b>	<b>348</b>	<b>-369</b>
Balance Brought Fwd from previous year	3,321	2,757	560	10,067	1,305	1,684	423	20,117
***								
Balance Carried Fwd to next year	3,321	2,973	503	9,037	1,305	1,838	771	19,748

\*\*\* IMAGE did not operate during the year. The above funds were transferred to the church in October 2023

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/MEMBERS  
OF BRIGHTON ROAD BAPTIST CHURCH, HORSHAM  
ON THE ACCOUNTS FOR THE YEAR TO 31 AUGUST 2023**

Set out on pages 6-16 attached.

I report to the trustees on my examination of the accounts of Brighton Road Baptist Church for the year ended 31 August 2023.

**Responsibilities and basis of Independent Examiner's Report**

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent Examiner's Statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Governance Institute.

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

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

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

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