

BOOKHAM BAPTIST CHURCH

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2021

Charity Number: 1129903

BOOKHAM BAPTIST CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2021

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BOOKHAM BAPTIST CHURCH
REFERENCE AND ADMINISTRATIVE DETAILS

Ministry Team	Rev'd Stephen Elmes Rev'd Robert Stevens Rev'd Caroline Oliveira Rev'd Gillian Hawkins	
Trustees	Rev'd Stephen Elmes Rev'd Robert Stevens Rev'd Caroline Oliveira Rev'd Gillian Hawkins Mr Peter Bottomley Mrs Rachel Casey Mrs Elizabeth Featherstone Mrs Frances Pyatt Mr Malcolm Pymm Mr Neil Walker – Resigned 26 November 2020 Mr Nicholas Wrobel – Resigned 31 December 2020	
Charity number	1129903	
Bank	CAF Bank Kings Hill West Malling Kent ME19 4TA	Metro Bank Plc 1 Southampton Row London W1CB 5HA
	Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW	Kingdom Bank Ruddington Fields Business Park Mere Way Ruddington Nottingham NG11 6JS
Trustee for Bookham Baptist Church	The Baptist Union Corporation Ltd PO Box 44, 129 Broadway Didcot Oxon OX11 8RT	
Auditor	Jacob, Cavenagh & Skeet 5 Robin Hood Lane Sutton SM1 2SW	
Main address	Lower Road Great Bookham Leatherhead Surrey KT23 4DH	
Key Management Personnel	All Trustees Ministry Team	

BOOKHAM BAPTIST CHURCH TRUSTEES' ANNUAL REPORT 2021

General comments

The financial year 2020/21 was preceded by a summer that anticipated the Covid pandemic as being shortlived. Unfortunately, due to the rise of Covid cases during the Autumn and a much-restricted Christmas period, we had to move from the envisaged in-person services to a reliance on live-streaming for the most part. We are glad to report that the result was a strong engagement with our Christmas services nonetheless, especially our carol service which was superbly produced by our media team and viewed by over a thousand people.

Moving into the New Year it was becoming clearer that our journey out of the pandemic was much slower than we imagined. It has been a long and wearying road for us all. Yet, we have seen a wonderful engagement with our local community through our playgroup (Rainbow) and our Children's Centre, which has provided much needed services for local families, and the engagement of some of our members in the ongoing ministry of the community fridge. Our children and youth work has continued faithfully, moving in the more recent months to in-person activities where and when possible. And our work among the elderly has recommenced in a new format that prioritises friendship and accessibility to newcomers, working ecumenically.

Our three priorities for the year have provided much needed focus for caring for our church community while keeping our mission in view.

The first of these was to regather our folk in public worship – to help people move from accessing our services online to physical gatherings, recognising that this would be more difficult for some than others.

The second of our priorities was to look after our small groups and their leaders and to deepen them spiritually and relationally. The ongoing work of the Small Group Resource Team has been sterling in supporting leaders, and our groups have continued to provide a safe, supportive environment for many during these challenging months. A very well attended course was run online entitled 'Getting Along', all about building healthy relationships and tackling tensions and conflict. Similarly, a course was run online for couples looking to care for and enrich their relationships (The Marriage Course), which was accessed by people in our church and in the wider community.

The third of our priorities was to strengthen our engagement in Christ's mission. The Local Mission Resource Team reviewed how our various activities might work together more effectively in enabling people to journey into faith and discipleship. This was done, of course, at a time when many of our usual activities were on pause or needing to take new shape. However, the LMRT did manage to produce an eighteen-month plan for the Leadership Team that set out a sequence of courses and events to serve people at different stages of their faith journey.

During the summer and into the autumn we have seen a steady return to physical gathered worship while keeping people connected (online) who are not yet able or ready to come into the building. The 10.30 service, the six and the Gathering (our mission partners) are all doing well, observing safety requirements while holding out a winsome welcome back. At the same time, we have been developing our online services – including our 'Starter for 10', a short programme at 10 am that begins with a conversation around a question or issue and gives a five-minute introduction to the sermon that will be preached later in the service, aimed at seekers but welcoming all.

Some of our staff have moved on this year. These include our Operations Manager, our Communications Administrator and one of our Welcome Team (reception). We are very grateful for all their good work. All these positions have been successfully filled.

This year we have seen clearly the importance of friendship – with God and with each other. In the new year we are going to put an emphasis here: on growing in friendship as the soil of our formation as a community seeking God's Kingdom. In short, we will give ourselves to friendship, formation & fruitfulness.

Our text for 2022 is taken from Paul's letter to the Philippians, expressing trust in God's good work in us and his commitment to bring us home:

Being confident of this, that he who began a good work in you will carry it on to completion until the day of Christ Jesus (Philippians 1: 6).

BOOKHAM BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT 2021 (Continued)

The trustees' responsibilities

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

The law applicable to charities in England and Wales requires that the trustees must not approve the financial statements for each financial year unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

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

Structure, governance and management

The Church is an unincorporated association and is affiliated to the Baptist Union of Great Britain and Ireland and to the London Baptist Association. The Church occupies premises which are held by the London Baptist Property Board, on Trust.

Governing document

The trustees and church are governed by the "Constitution" and "Working Protocols" dated January 2009 and by the Trust Deed dated 24th June 1960. The church is a member of the Baptist Union of Great Britain.

Trustee election and training

Trustees comprise the Ministers (currently four) and the non-ministerial Trustees. Non-ministerial Trustees may be nominated by any six members of the church and are elected in accordance with the Constitution. New non-ministerial Trustees are expected to familiarise themselves with the guidance offered by the Charity Commission. The total number of non-ministerial Trustees is set from time to time at the Church Members meeting and is currently seven.

Key Management Personnel

The key management personnel of the charity as listed on page 1 are in charge of directing, controlling, running and operating the charity on a day-to-day basis. All non-ministerial Trustees give their time freely and none received any remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Note 14 to the financial statements. The pay of the Ministers is reviewed from time to time based on increased responsibilities and commitments, changes to the hours worked, changes to the cost of living and other relevant factors.

BOOKHAM BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT 2021 (Continued)

Volunteers

The great majority of the work of the church relies on Church Members and other volunteers. This extends from some preaching to many areas of administration, from small group work to hospitality, from running our many activities to spiritual leadership.

Public benefit

The trustees have complied with their duty to have due regard to guidance published by the Charity Commission in respect of public benefit. The church provides a place of worship and worship services open to all together with marriages and funeral rituals. The church further provides premises for community use, a toddler group and a playgroup. It makes charitable grants to organisations for the disadvantaged and to advance education overseas.

Financial review

The results of the charity may be found on the Statement of Financial Activities. At the year end the church was in a strong position with £271,956 of net current assets. Income received in the year had increased by £18,176 compared to the previous year while expenditure had increased by £26,240 resulting in the net expenditure of £53,791 compared to net expenditure in the previous year of £45,727. Designated unrestricted funds stood at £4,238,270 (2020: £4,285,844) and restricted income funds were £34,079 (2020: £36,308).

Reserves policy

We aim to maintain free cash reserves equivalent to 3 months' budgeted expenditure. Unrestricted general funds, excluding property, at 30 September 2021 amounted to £190,591 (2020: £194,579), which represents 4 months budgeted expenditure.

Grant-making policy

For many years the charity has given grants to individuals and institutions in a variety of locations where there is a close connection with the membership. These are reviewed annually by the church meeting.

Fundraising policy

Other than publicly inviting an offering at every service, we do not engage in persistent fundraising or intrusive fundraising practices with any of our donors, including vulnerable people, and we never have private or coercive discussions with individuals about their giving. Our fundraising practices are ethical and in accordance with Biblical principles. No complaints were received about our fundraising practices.

Risk management policy

Risks related to the church's activities are carefully considered and action is taken to mitigate the potential loss or injury. The trustees have developed a comprehensive set of policies relating to the following areas of the church's activities:

- a) Ministerial, Leadership and General Governance risks;
- b) Operational risks;
- c) Risks to children, young people and vulnerable adults;
- d) Risks to volunteers;
- e) Financial risks;
- f) Overseas risks;

BOOKHAM BAPTIST CHURCH
TRUSTEES' ANNUAL REPORT 2021 (Continued)

Risk management policy (continued)

The Trustees have reviewed these areas of risk using the Charity Commission's template for risk assessments with regards to:

- a) Identifying key risk areas.
- b) Rating each risk based on its likelihood and impact severity (ratings - minimum 2, maximum 30).
- c) Outline the controls required to mitigate the risks.
- d) Identifying and measuring the retained risk.
- e) Allocating responsibility and ownership of risk to specific Trustee.
- f) Allocating a monitoring process for each Trustee and specifying the timing of reviews.

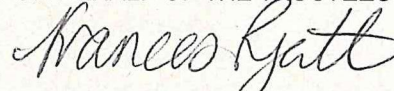
The Trustees have identified 11 principal risks and uncertainties facing the church with a gross risk rating of between 15 and 20. Their plan and strategies for managing these risks are contained in a risk register which is maintained by the Trustee allocated this responsibility. The risk register is reviewed regularly by the Leadership team and Trustees and regular reviews of specific risks are undertaken at the times specified in the risk register.

Disclosure of information to auditors

To the knowledge and belief of the trustees, there is no relevant information that the Church's auditors are not aware of, and the trustees have taken all the steps necessary to ensure they are aware of any relevant information, and to establish that the Church's auditors are aware of the information.

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

FOR AND ON BEHALF OF THE TRUSTEES



Frances Pyatt
Chair of Trustees
16 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BOOKHAM BAPTIST CHURCH

Opinion

We have audited the financial statements of Bookham Baptist Church (the "Charity") for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 September 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BOOKHAM BAPTIST CHURCH (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment, financial reporting legislation and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, government assistance – furlough income and management override of controls.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BOOKHAM BAPTIST CHURCH (CONTINUED)

In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates, agreeing financial statement disclosures to underlying supporting documentation, testing the calculation of claims made under the Coronavirus Job Retention Scheme, identifying and testing journal entries, reviewing Trustees' minutes and evaluating the charity's internal controls.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants

Date: 21 / 03 / 2022

Jacob, Cavenagh + Skeet

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Jacob Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

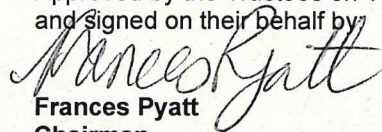
BOOKHAM BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income from:							
Donations and legacies	2a	466,714	15,065	481,779	461,054	18,912	479,966
Investments	2b	1,183	-	1,183	1,327	-	1,327
Charitable activities	2c	98,897	12,659	111,556	77,817	16,055	93,872
Other sources	2d	4,285	5,031	9,316	9,993	500	10,493
TOTAL INCOME		571,079	32,755	603,834	550,191	35,467	585,658
Expenditure on:							
Charitable activities	3	620,091	37,534	657,625	586,727	44,658	631,385
TOTAL EXPENDITURE		620,091	37,534	657,625	586,727	44,658	631,385
Net income/(expenditure) before transfers		(49,012)	(4,779)	(53,791)	(36,536)	(9,191)	(45,727)
Transfers between funds	12	(2,550)	2,550	-	(3,517)	3,517	-
Net movement in funds		(51,562)	(2,229)	(53,791)	(40,053)	(5,674)	(45,727)
Balances brought forward at 1 October 2020	1c	4,480,423	36,308	4,516,731	4,520,476	41,982	4,562,458
Balances carried forward at 30 September 2021		4,428,861	34,079	4,462,940	4,480,423	36,308	4,516,731

BOOKHAM BAPTIST CHURCH
BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Notes	2021	2020
		£	£
Fixed Assets	7	4,223,959	4,277,058
Current assets			
Debtors	8	21,717	40,703
Short term deposits		80,000	80,000
Cash at bank and in hand		192,310	186,966
		<u>294,027</u>	<u>307,669</u>
Current liabilities			
Amounts falling due within one year	9	<u>(22,071)</u>	<u>(29,211)</u>
Net current assets		271,956	278,458
Total assets less current liabilities		4,495,915	4,555,516
Provisions for liabilities and charges	10	(32,975)	(38,785)
Net assets	11	<u>4,462,940</u>	<u>4,516,731</u>
Represented by			
Unrestricted funds	12	4,428,861	4,480,423
Restricted funds	12	34,079	36,308
		<u>4,462,940</u>	<u>4,516,731</u>

Approved by the Trustees on 16 March 2022
and signed on their behalf by


Frances Pyatt
Chairman

BOOKHAM BAPTIST CHURCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021		2020	
	£	£	£	£
Cash provided by/(used in) operating activities (see below)		10,182		(5,746)
Cash flows from investing activities				
Interest received	1,183		1,327	
Payments to acquire tangible fixed assets	(6,021)		(6,722)	
Cash used in investing activities		(4,838)		(5,395)
Net cash inflow/(outflow)		5,344		(11,141)
Cash and cash equivalents at 1 October 2020		266,966		278,107
Cash and cash equivalents at 30 September 2021		<u>272,310</u>		<u>266,966</u>
Cash flows from operating activities				
Net expenditure		(53,791)		(45,727)
Interest received shown in investing activities		(1,183)		(1,327)
Depreciation		59,120		59,581
Decrease/(increase) in debtors		18,986		(12,040)
(Decrease)/increase in creditors		(7,140)		16,038
(Decrease) in provision		(5,810)		(22,271)
Cash provided by/(used in) operating activities		<u>10,182</u>		<u>(5,746)</u>

BOOKHAM BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting Policies

The Church is an unincorporated association and is affiliated to the Baptist Union of Great Britain and Ireland and to the London Baptist Association.

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

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

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

b) Going concern

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

c) Fund Accounting

The funds held by the Church are either:

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

d) Income

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

For JRS grant income, the income is recognised in the period to which the underlying furloughed staff costs relate to.

e) Freehold Property and Depreciation

Freehold property is included at cost. Residential freehold property was restated to fair value on transition to FRS102, and this value is treated as deemed cost going forward. Freehold land is not depreciated. The Church Premises are depreciated at the rate of 2% of cost straight line per annum unless their estimated residual value exceeds their book value, subject to market fluctuations. No depreciation is provided on the residential buildings. The Trustees adopts a policy of maintaining all residential buildings to a high standard which prolongs their useful lives and enhances their residual values and accordingly the Trustees considers any depreciation arising or accumulated depreciation to date to be insignificant and immaterial.

f) Plant and Equipment

Depreciation is calculated to write off the cost or valuation less estimated residual value of all plant and equipment by equal annual instalments over three years.

g) Taxation

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

h) Operating Leases

Rentals applicable to operating leases, where substantially all of the benefits and risk of ownership remain with the lessor, are charged against receipts as incurred.

BOOKHAM BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting Policies (continued):

i) Pensions

The church pays contributions to the Baptist Ministers Pension Trust Limited which is a defined benefits scheme. The Church also contributes to a Stakeholder scheme for its staff. Contributions were paid in the period in which they were due. Deficiency payments are also made into the earlier Baptist Ministers Defined Benefits Pension Scheme.

j) Grants Paid

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

k) Expenditure

All expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include accountants' fees and costs linked to the strategic management of the charity. These have been allocated directly to charitable expenditure.

l) Funds

The GENERAL FUND balance consists of the net incoming or outgoing resources accumulated since the church's foundation. The balance at any one time is available to fund the activities of the church and carries no restrictions.

The PREMISES FUND carries a balance set aside from the General Fund to meet the anticipated repair and maintenance costs of the church premises and also the manses. Such costs are charged to the fund in the year they arise.

The designated MISSION FUND is allocated each year a share of the unspecified general giving received by the church, and grants are made accordingly. Specific gifts are dealt with through the restricted MISSION FUND.

The BUILDING FUND represents the carrying value of the Church Premises.

The MANSE FUND represents the carrying value of the Church Manse.

The SECOND MANSE FUND represents the carrying value of the Second Manse.

The CAP FUND represents the total of donations and gifts received, less expenses incurred, by the Mole Valley Branch of Christians Against Poverty, a registered charity. Bookham Baptist Church is the lead church operating the branch, which is not established as a separate legal entity, and is therefore deemed to be under the control of the Trustees as a restricted fund. The fund is administered separately from Christians Against Poverty.

BOOKHAM BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting Policies (continued):

l) Funds (continued)

The OTHER FUND represents grants or gifts given by members and others for specific work or the purchase of specific items within the church activities. Detailed records of the activities of any individual fund reported under this category are maintained by the church Trustees.

m) Debtors

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

n) Short-term deposits

Short-term deposits include cash and short term highly liquid investments with a maturity of between three and twelve months from the date of the opening of the deposit.

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

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

BOOKHAM BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 INCOME FROM:

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2021 £	2020 £
2a Donations and legacies				
<i>Donations and Gifts</i>				
Planned giving: Gift Aid	212,767	-	212,767	194,115
Income tax recoverable on Gift Aid	57,629	-	57,629	56,147
Other giving	196,318	15,065	211,383	229,704
	466,714	15,065	481,779	479,966
2b Investments				
Bank interest	1,183	-	1,183	1,327
2c Charitable activities				
Playgroup income	96,276	2,659	98,935	79,106
Other events and activities	2,621	10,000	12,621	14,766
	98,897	12,659	111,556	93,872
2d Other sources				
Rent	323	-	323	1,963
Coronavirus Job Retention Scheme grant	1,260	5,011	6,271	3,662
Other income	2,702	20	2,722	4,868
	4,285	5,031	9,316	10,493
TOTAL INCOME	571,079	32,755	603,834	585,658

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3 EXPENDITURE ON:

		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	2020 £
Charitable activities					
Grants made in furtherance of the Church's objectives					
	Home and overseas mission	6	97,233	-	97,233
	CAP		-	8,705	10,589
			97,233	8,705	105,938
Ministry costs					
	Staff costs	4	286,233	17,303	303,536
	Children and youth work		6,320	8,867	15,187
	Other ministry costs		14,118	-	17,439
	Playgroup costs incl.salaries		72,864	2,659	82,325
			379,535	28,829	408,364
Church and manse expenses					
	Church running costs		16,507	-	16,507
	Manse running costs		23,474	-	20,921
	Repairs to premises		10,215	-	21,819
	Office expenses		8,157	-	7,573
	Governance costs: Audit fees		4,692	-	5,442
	Governance costs: Accountancy fees		3,000	-	-
	Other resources		18,158	-	17,066
	Depreciation		59,120	-	59,581
			143,323	-	143,323
TOTAL EXPENDITURE			620,091	37,534	657,625
					631,385

4 STAFF COSTS

	2021 £	2020 £
Salaries and stipends	212,233	200,344
Employer's National Insurance costs	14,911	13,842
Pension costs – defined contribution scheme	19,393	19,279
Operating costs of defined benefit pension schemes	(200)	(16,778)
"Rent" in lieu of manse provision	35,597	35,426
Other costs, including Time for God volunteer	4,325	3,962
CAP staff cost	17,277	13,575
	303,536	269,650
Playgroup salaries	66,087	79,614
	369,623	349,264

The average number of employees during the year was 22 (2020: 21). Of this average, approximately 4 were in the Ministry Team, 7 in the Playgroup, 2 in CAP work and 9 in Office or Premises work. Excluding the Playgroup, there were approximately 8 whole time equivalents (2020: 7). There were no employees with emoluments above £60,000 (2020: none).

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5 GRANTS

Grants are disclosed in the analysis of the Mission Fund (note 6). Included in these figures were grants totalling £18,500 (2020: £20,000) made to 2 individuals (2020: 2) and £78,733 (2020: £70,672) made to 13 organisations (2020: 15).

6 MISSION GIVING

	2021			2020
	Designated	Restricted	Total	
	£	£	£	£
Local				
Anna Chaplaincy	-	-	-	1,000
Oasis	-	-	-	595
B@attitude	1,500	-	1,500	1,500
Leatherhead Youth Project	10,333	-	10,333	12,258
Meeting Place	2,000	-	2,000	-
National & Overseas				
Baptist Missionary Society	4,000	-	4,000	1,000
South East Baptist Association	7,500	-	7,500	7,085
Cell UK	1,500	-	1,500	1,800
Whitmans	10,000	-	10,000	12,000
Tear Fund - General	2,000	-	2,000	1,000
Open Doors	2,000	-	2,000	1,000
Aprender	12,000	-	12,000	10,040
Slovenia - Cazars & Zoldos	8,500	-	8,500	8,000
CMS Brazil - D&S Brito Medeiros	9,000	-	9,000	9,000
Brazil trip	-	-	-	278
Send a Cow	-	-	-	814
Lebanon visit	-	-	-	3,464
ABTS	8,000	-	8,000	-
LSESD Lebanon	-	-	-	6,000
Mutual Faith Church Beirut(Life Centre)	8000	-	8000	7,050
Nepal - R Slade	8,100	-	8,100	6,000
Mission Gap Year Support	-	-	-	500
Mission Expenses	-	-	-	288
Emerging Opportunities	2,800	-	2,800	-
Total expenditure	97,233	-	97,233	90,672

The activities supported in the above giving can be categorised as follows:

- 74% spreading the Christian message
- 12% improving education amongst poor worldwide
- 14% supporting social justice

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7 TANGIBLE FIXED ASSETS

Tangible fixed assets – for use by the Church

	Fixtures & Equipment	Church Manse	1 Nelson Cottages	Church Premises	TOTAL
	£	£	£	£	£
Cost or valuation					
At 1 October 2020	66,604	710,000	516,438	3,693,970	4,987,012
Additions	6,021	-	-	-	6,021
At 30 September 2021	<u>72,625</u>	<u>710,000</u>	<u>516,438</u>	<u>3,693,970</u>	<u>4,993,033</u>
Depreciation					
At 1 October 2020	60,392	-	-	649,562	709,954
Charge for the year	5,979	-	-	53,141	59,120
At 30 September 2021	<u>66,371</u>	<u>-</u>	<u>-</u>	<u>702,703</u>	<u>769,074</u>
Net Book Value					
At 30 September 2021	<u>6,254</u>	<u>710,000</u>	<u>516,438</u>	<u>2,991,267</u>	<u>4,223,959</u>
At 30 September 2020	<u>6,212</u>	<u>710,000</u>	<u>516,438</u>	<u>3,044,408</u>	<u>4,277,058</u>

The Church Manse (2 Durlleston Park Drive, Bookham) was valued in November 1991 on its introduction to the accounts and was restated to fair value on transition to FRS 102 in October 2014 by the trustees, based on professional advice. This will be treated as deemed cost going forward. It is held by The Baptist Union Corporation Ltd., as Trustee for Bookham Baptist Church.

The property at 1, Nelson Cottages was purchased in May 2004 and was restated to fair value on transition to FRS 102 in October 2014 by the trustees, based on professional advice. This will be treated as deemed cost going forward. The value above represents the 325/365th share of the property held by The Baptist Union Corporation Ltd, as Trustee for Bookham Baptist Church.

The Church premises are situated in Lower Road, Bookham.

8 DEBTORS

	2021	2020
	£	£
Income tax recoverable	13,043	11,058
Other debtors	8,674	29,645
	<u>21,717</u>	<u>40,703</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Receipts in advance	5,326	8,417
Sundry creditors	16,745	20,794
	<u>22,071</u>	<u>29,211</u>

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10 PROVISION FOR LIABILITIES AND CHARGES

	2021	2020
	£	£
Liability at 1 October	38,785	61,056
Deficiency contributions paid in year	(5,610)	(5,493)
Charge for the year	(200)	(16,778)
Liability at 30 September	<u>32,975</u>	<u>38,785</u>

A provision has been included for deficit contributions due to the Baptist Pension Scheme (see note 15). The current deficit reduction plan requires contributions to be made until 30 June 2026. The provision has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	30 September 2021	30 September 2020	30 September 2019
Discount rate	1.1%	1.1%	1.5%
Future increases to Minimum Pensionable Income	3.9%	3.1%	3.4%

11 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	4,223,959	-	4,223,959
Current assets	259,948	34,079	294,027
Current liabilities	(22,071)	-	(22,071)
Liabilities due in more than one year	(32,975)	-	(32,975)
At 30 September 2021	<u>4,428,861</u>	<u>34,079</u>	<u>4,462,940</u>

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	4,277,058	-	4,277,058
Current assets	271,361	36,308	307,669
Current liabilities	(29,211)	-	(29,211)
Liabilities due in more than one year	(38,785)	-	(38,785)
At 30 September 2020	<u>4,480,423</u>	<u>36,308</u>	<u>4,516,731</u>

BOOKHAM BAPTIST CHURCH
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12 FUND DETAILS

UNRESTRICTED FUNDS

	Balance at 1 October 2020	Income	Expenditure	Transfers	Balance at 30 September 2021
	£	£	£	£	£
General	194,579	569,879	(459,502)	(114,365)	190,591
Premises	-	1,200	(10,215)	9,015	-
Mission	14,998	-	(97,233)	102,800	20,565
Building	3,044,408	-	(53,141)	-	2,991,267
Manse	710,000	-	-	-	710,000
Second Manse	516,438	-	-	-	516,438
	<u>4,480,423</u>	<u>571,079</u>	<u>(620,091)</u>	<u>(2,550)</u>	<u>4,428,861</u>

	Balance at 1 October 2019	Income	Expenditure	Transfers	Balance at 30 September 2020
	£	£	£	£	£
General	191,981	545,191	(422,257)	(120,336)	194,579
Premises	-	-	(21,819)	21,819	-
Mission	4,508	5,000	(89,510)	95,000	14,998
Building	3,097,549	-	(53,141)	-	3,044,408
Manse	710,000	-	-	-	710,000
Second Manse	516,438	-	-	-	516,438
	<u>4,520,476</u>	<u>550,191</u>	<u>(586,727)</u>	<u>(3,517)</u>	<u>4,480,423</u>

RESTRICTED FUNDS

	Balance at 1 October 2020	Income	Expenditure	Transfers	Balance at 30 September 2021
	£	£	£	£	£
CAP	18,736	20,076	(26,008)	4,000	16,804
Mission	1,000	-	-	-	1,000
Other	16,572	12,679	(11,526)	(1,450)	16,275
	<u>36,308</u>	<u>32,755</u>	<u>(37,534)</u>	<u>2,550</u>	<u>34,079</u>

	Balance at 1 October 2019	Income	Expenditure	Transfers	Balance at 30 September 2020
	£	£	£	£	£
CAP	21,150	17,750	(24,164)	4,000	18,736
Mission	1,000	1,162	(1,162)	-	1,000
Other	19,832	16,555	(19,332)	(483)	16,572
	<u>41,982</u>	<u>35,467</u>	<u>(44,658)</u>	<u>3,517</u>	<u>36,308</u>

Please see note 1(l) which gives further details of what each fund is for.

A transfer of £1,450 was made out of the Other fund as an administration charge for managing the Community Fund, and a transfer of £4,000, made out of General Funds to the restricted CAP fund, represents the Church's donation to this activity in the year.

BOOKHAM BAPTIST CHURCH
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13 OBLIGATIONS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are payable:

	2021 £	2020 £
In the next year	9,300	3,490
In two to five years	7,707	11,197
	<u>17,007</u>	<u>14,687</u>

Lease payments of £14,282 (2020: £3,490) were recognised as an expense in the year.

14 RELATED PARTY TRANSACTIONS

During the year, these Trustees received the following remuneration:

	Rev'd Steve Elmes	Rev'd Robert Stevens	Rev'd Caroline Oliveira	Rev'd Gill Hawkins
	£	£	£	£
Stipend	40,550	28,632	24,144	20,726
"Rent" in lieu of manse provision	2,038	-	16,188	17,371
Proportion of manse owned by church	89%	100%	0%	0%
Social Security	4,404	2,760	2,140	4,066
Pension	5,155	4,103	3,185	2,702
Utilities	2,725	5,728	2,451	3,536

During the year Rev'd Steve Elmes, Rev'd Robert Stevens and Rev'd Gill Hawkins were provided with accommodation. Rev'd Caroline Hughes was provided with accommodation for part of the year and then moved into her own property and was thereafter provided with a rent stipend instead.

Remuneration of a minority of trustees or people connected to them is allowed under the Constitution.

Total remuneration of Key Management Personnel, which comprises the total remuneration of the above Trustees, amounted to £192,604 (2020: £208,610).

In addition, four trustees (2020: four) received expenses totalling £1,318 (2020: £2,360) in respect of travel, subsistence, books and sundries.

Grants were given to the following charities registered in England and Wales:

- Leatherhead Youth Project of £10,333 (2020: £12,258). One of the trustees, Rev'd Robert Stevens, is also a trustee of this charity.
- Aprender of £12,000 (2020: £10,040). One of the trustees, Neil Walker, is a trustee of this charity. Also, the husband of one of the trustees, Rev'd Gill Hawkins, works for this charity.
- South East Baptist Association of £7,500 (2020: £7,085). One of the trustees, Rev'd Robert Stevens, is also a trustee of this charity.
- B@titude of £1,500 (2020: £1,500). One of the trustees, Rev Caroline Oliveira, is also a trustee of this charity.
- Medair UK of £1,300 (2020: £nil). The husband of one of the trustees, Rachel Casey, is the Chief Executive Officer of this charity.
- The Meeting Place Bookham of £2,000 (2020: £nil). The wife of one of the trustees, Peter Bottomley, is also a trustee of this charity.

15 PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS

Defined benefit scheme

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

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Ministers are eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited. The further 4% contribution rate is reduced to 3% for Employer Contributions made to the Segregated DC Arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1025, but was closed to future accrual of defined benefits on 31 December 2011.

Actuarial valuation at 31 December 2019

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

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

The key financial assumptions underlying the valuations were as follows:

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

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

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

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

Recovery plan

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

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

Defined contribution schemes

The Church also makes contributions to defined contribution pension schemes. The assets of these schemes are held separately from those of the Church in independently administered funds. The pension cost and charge represents contributions payable by the Church to these funds and amounted to £11,942 (2020: £12,502).