

Aim and Purpose

Minehead Baptist Church (MBC) is governed by an Approved Governing Document which states that the principal purpose of the charity 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.

As a member of the Baptist Union MBC subscribes to the Union's Declaration of Principle:

- "That our Lord and Saviour Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.
- That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who 'died for our sins according to the Scriptures, was buried, and rose again on the third day.'
- That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world."

The trustees are aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and have regard to it in its administration. The trustees believe that, by fulfilling their responsibility to work together with the Minister and co-operate in all matters of concern and importance for the promotion of the whole mission of the Church, pastoral, evangelistic and social, it provides a benefit to the public by:

- Providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- Promoting Christian values, and service by members of the church to the community, to the benefit of individuals and society as a whole.

Objectives and Activities

The trustees support the minister(s) in promoting the ministry and mission of the church. The powers conferred on the trustees include the power to acquire, manage and administer property for church purposes and the power to frame an annual budget of monies required for church work. The trustees are also given power, jointly with the minister(s), to appoint and dismiss church staff members and to determine their salaries and conditions of service.

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In addition to numerous church groups, MBC also has an active Girls' Brigade, and runs the Active Living Centre and The Hub – all of these being important parts of the mission of our church.

Review of the Year

Philippians 4:6 Do not be anxious about everything, but in every situation, by prayer and with petition, with thanksgiving, present your requests to God.

It is, of course, impossible to do a review of the past year without looking at the effects that the lockdown caused by the Covid-19 pandemic has had on our shared life together. It has not been possible to meet together since March. As at the end of July 2020 the Government have eased some restrictions, including the possibility of meeting for worship albeit in a socially distanced way, yet achieving this with the numbers of regular attendees we have will produce some challenges in the coming year. Yet as the Bible verse above reminds us we are invited to bring everything before our Lord in prayer.

It is with this in mind that we are able to say that we have not missed one Sunday where we have not provided live streamed worship using our Facebook page and this has opened up the church to a whole new group many of whom would not ordinarily come to Sunday worship. We regularly see many more people viewing our on-line services that would attend challenging us to continue to offer the services on-line even after Covid-19 no longer has an effect on daily living.

We have also been able to do daily live prayer using the same format. All of this activity has meant that both of the ministers in church and the expanded youth and children's department (see below) have been busy like never before.

It is right that we record both personal and corporate thanks as a group of trustees to all who give their time and energy in the life of the church. Without such commitment and energy it would not have been possible to do all we have done in the last 5 months. We pray that you will be as inspired and encouraged as you read through the remainder of these accounts as we were.

The past year has seen a significant change within the ministerial team at Minehead Baptist Church (MBC). Working in conjunction with Bristol Baptist College (BBC) we have called Richard Hall a Minister in Training as a second minister who will be fulfilling his calling part-time at MBC whilst completing his ministerial training. This will mean that for the coming 3 years we will be working in partnership with the college to help in his formation.

Richard has quickly become an integral part of who we are as church and his wisdom and insight – whether leading prayers, preaching, or in helping with our technology - has quickly become invaluable to the church.

We also followed through on the possibility expressed in last years report that we would be joined by an intern working in our youth and children's department whilst completing formal training at BBC. Milly Paine has been at MBC since September 2019 fulfilling this role. Her time with us has been hampered significantly by the lockdown but we look forward to what she will bring to us in the coming year.

During the year we have been able to complete the purchase of 'The Hub' from the South West Baptist Association for £200,000 with the aid of a loan from the Baptist Building Fund for £90,000. Whilst much new activity was undertaken at the end of last year at The Hub it has suffered because of the lockdown with the soft play area being closed from March to date. As of the date of this report it is not known when it might be possible to re-open.

Many of our plans for the year, such as working with Spring Harvest on the Bultins sight at Easter have had to be put on hold. However, lockdown has not been a period of inactivity, rather we have been working via phone and virtual links to plan for 2021 and beyond.

The past year is not one that anyone could have predicted but with hindsight much has been learnt. The reading at the beginning of this review reminds us that we believe in a God that is bigger than any pandemic and that seeking his will for the future direction of the church and committing ourselves to it will

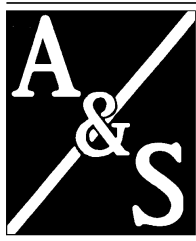
ensure we continue to 'be church' no matter what happens. It is with confidence that we can therefore declare that under God our future is bright.

Plans for Future Periods

The priority for 2020 / 2021 against the backdrop of the current restrictions is to continue doing what we do well in being a welcoming church, to develop as disciples of Jesus and to reach out to our community. Albeit that our current focus for this is what we are able to achieve virtually.

It is recognised that this year is likely to be one of change where we seek the Lord even more than before to simply follow him.

As it is seven years since the establishment of the Hub and we will be taking this opportunity to re-examine the work of the Hub looking at how this may become more integrated into the life of the church than ever before.



Amherst
&
Shapland

Limited

Minehead Baptist Church

Registered Charity Number 1130521

Receipts and Payments Account

for the year ended

31 July 2020

and

Statement of Assets and Liabilities

as at that date

Chartered Accountants

Minehead Baptist Church

INDEPENDENT EXAMINER'S REPORT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MINEHEAD BAPTIST CHURCH

I report on the accounts of the charity for the year ended 31 July 2020 which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees 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;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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 Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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- (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 Acthave not been met; or
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Signed

K H D PRESTON FCA TEP

Chartered Accountant

Minehead

2020

Minehead Baptist Church

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Registered Charity Number 1130521

ANNUAL REPORT OF Minehead Baptist Church

Year to 31 July 2020

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Minehead
Somerset
TA24 8BS

MINISTERS

Rev. Paul McCabe
Richard Hall (Minister in Training from 1 February 2020)

MEMBER OF MINISTERIAL TEAM

Mark Scyner

ELECTED MEMBERS

David Brown (resigned 19 November 2019)
Christine Dickinson
Adam Ford
Margaret Hammel
Christine James (resigned 19 November 2019)
Alec Prail (elected 19 November 2019)
Martin Spink
Debby Ward
Pauline Westcott (elected 19 November 2019)

ACCOUNTANT

Amherst & Shapland Limited
4 Irnham Road
MINEHEAD
Somerset
TA24 5DG

ANNUAL REPORT OF MINEHEAD BAPTIST CHURCH

Year to 31 July 2020

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ANNUAL REPORT OF MINEHEAD BAPTIST CHURCH
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ANNUAL REPORT OF MINEHEAD BAPTIST CHURCH

Year to 31 July 2020

Statement of the Leadership Team's Responsibilities

The Leadership Team (trustees) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 it to ensure that that these financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the charity's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, Governance and Management

Members of the church are accepted in accordance with the Governing Document. There were 141 Members as at 31 July 2020. Members' meetings normally take place six times per year. Though the Governing Document permits decisions to be made at Members' Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

In accordance with the Governing Document, the members appoint Trustees (called Elders or Deacons), who together with the Minister/s, Church Secretary and Treasurer (who are also Trustees appointed by the Members), and collectively known as the Leadership Team, are responsible for the day-to-day running of the church's work and witness, and the financial and legal aspects of the charity.

This report for the year 31 July 2020 is as approved by the Trustees on 10 November 2020.

.....
Trustee authorised to sign on behalf of the Trustees

Minehead Baptist Church
Registered Charity Number 1130521

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Receipts and Payments Account for the year to 31 July 2020

GENERAL FUND

		Unrestricted funds	Restricted funds	Total funds	Last year
	Note	£	£	£	£
Receipts					
Donations, legacies and grants	2	129,368	937	130,305	138,488
Special Appeals		-	910	910	1,982
Interest on bank accounts		299		299	436
Fees for Mission Activities		26,247		26,247	39,116
Hall hire		7,027		7,027	15,294
Insurance claim		12,079		12,079	-
Total receipts		£175,020	£1,847	£176,867	£195,316
Payments					
Wages/salaries and national insurance		88,472	4,000	92,472	78,193
Pension contributions		5,572		5,572	4,963
Pension deficit contributions		8,152		8,152	8,343
Rent		(1,473)		(1,473)	10,000
Repairs and maintenance		12,632		12,632	24,577
Repairs and maintenance - insured		11,179		11,179	-
Equipment repairs and renewals		5,444		5,444	12,169
Utilities and telephone		17,429		17,429	16,231
Church running costs		14,160		14,160	20,860
Mission	3	20,803	5,602	26,405	34,911
Total payments		£182,370	£9,602	£191,972	£210,247
Net of receipts/(payments)		(7,349)	(7,755)	(15,104)	(14,931)
Transfers between funds		(3,400)	25	(3,375)	-
Cash funds last year end		96,095	8,088	104,183	119,114
Cash funds this year end		£85,346	£358	£85,704	£104,183

THE HUB PURCHASE FUND

	Restricted fund	Last year
	£	£
Receipts		
Donations	2,611	25,829
Gift Aid	-	5,409
Sub total	2,611	31,238
Other		
Loan received from Baptist Building Fund	90,000	-
Total receipts	£ 92,611	£ 31,238
Payments		
The Hub survey for purchase	-	500
Sub total	-	500
Asset and investment purchases		
The Hub purchase	200,627	-
Total payments	£ 200,627	£ 500
Net of receipts/(payments)	(108,016)	30,738
Transfer from General Fund	3,375	-
Cash funds last year end	£ 109,963	£ 79,225
Cash funds this year end	£ 5,322	£ 109,963

Minehead Baptist Church

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Registered Charity Number 1130521

Statement of Assets and Liabilities at 31 July 2020

	<u>Unrestricted funds</u>	<u>Restricted funds</u>
<u>ASSETS</u>		
Cash funds	£85,346	£5,680
Other Monetary Assets		
Gift Aid claimed but not received	£5,607	-

Assets retained for the charity's own use:

- Minehead Baptist Church Building
- The Manse occupied by the minister (30 Paganel Road, Minehead)
- The Hub (Hopcott Road, Alcombe, Minehead).

All property is held as Custodian Trustee by the Baptist Union of Great Britain, with Minehead Baptist Church acting as the Managing Trustee.

LIABILITIES

	<u>Fund to which liability relates</u>	<u>Amount due</u>
Creditors (World Mission Giving)	Unrestricted	£2,202
Pension Fund Deficit	Unrestricted	£70,835
The Hub purchase loan	Restricted	£90,000

Approved by the Trustees and signed on their behalf

Rev Paul McCabe, Chair of Trustees

Date: 10 November 2020

Minehead Baptist Church

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Registered Charity Number 1130521**Notes to the accounts at 31 July 2020**

1. Basis of accounts

These accounts have been prepared on a 'receipts and payments' basis and in accordance with Section 133 Charities Act 2011.

2. Donations, grants and other income

	2020	2019
Donations	7,451	9,382
Offerings	89,759	99,090
Furlough grant	3,060	-
Gift Aid	15,413	17,000
For Minister in Training	3,300	-
Pastoral fund	9,914	-
Grant from SCC (restricted)	-	12,000
Grant from Barchester (restricted)	-	650
SSL grant (restricted)	937	-
Other income	471	366
Total Donations and Other Income	£130,305	£138,488

3. Mission

	2020	2019
Mission/Charitable giving	12,357	14,745
Youth and Families	1,620	1,063
Outreach	432	941
Active Living Centre running costs	4,886	9,067
The Hub running costs	2,704	5,432
MBC Activity Groups running costs	3,406	3,663
Total Mission	£25,405	£34,911

4. Assets Held for the Church's own use

The church is the beneficial owner (subject to the relevant trusts) of the following assets, the legal title to which is held by the church's custodian trustee [the Baptist Union Corporation Ltd]:

- Church premises at Parks Lane, Minehead, Somerset TA24 8BS, valued at £500,000 based on estimated market value.
- Church manse at 30 Paganel Road, Minehead, Somerset, valued at £300,000 based on estimated market value.
- The Hub located at Hopcott Road, Alcombe, Minehead, Somerset, valued at £200,000 based on purchase price August 2019.

5. Pension Scheme Liabilities

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme (“the Scheme”). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister(s) [and some members of the church staff] is / are eligible to join the Scheme.

Since January 2012, pension provision has been 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. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer’s contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. Under the current Recovery Plan dated 1 July 2020, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020.

In addition, the Baptist Union of Great Britain contributed a lump sum of £33m in 2018 with a further £0.5m to follow, and changes to the Scheme benefits were agreed. The Recovery Plan envisages deficiency contributions continuing until 31 December 2028.

The key financial assumptions underlying the valuation were as follows:

RPI price inflation assumption 3.50% pa

CPI price inflation assumption 2.75% pa

Minimum Pensionable Income increases (CPI plus 0.75% pa) 3.50% pa

Pension Scheme Liabilities (continued)

Assumed investment returns:

- Pre-retirement 3.50% pa

- Post retirement 2.25% pa

Deferred pension increases

- Pre April 2009 3.50% pa

- Post April 2009 2.50 % pa

Pension increases

- Main Scheme pension Pre April 2006 2.70% pa

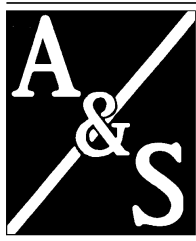
- Main Scheme pension Post April 2006 2.00% pa

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church for the year ended 31 July 2020 was £8,152 (2019 £8,342).

Under the Schedule of Contributions, the church makes a monthly payment in respect of the DB scheme deficit, currently £719.14, which will increase in line with increases in Minimum Pensionable Income.

The pension scheme liability shown in the Statement of Assets and Liabilities is calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions with adjustment for the discounted payments between August 2020 and December 2020, which amounted to £70,835 as at 31st July 2020.

The Church has been advised that the estimated cost for the church to buy out their Pension Scheme liabilities at 31 July 2020 was £362,000.



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Year to 31 July 2020

Aim and Purpose

Minehead Baptist Church (MBC) is governed by an Approved Governing Document which states that the principal purpose of the charity 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.

As a member of the Baptist Union MBC subscribes to the Union's Declaration of Principle:

- "That our Lord and Saviour Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.
- That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who 'died for our sins according to the Scriptures, was buried, and rose again on the third day.'
- That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world."

The trustees are aware of the Charity Commission's guidance on public benefit in "The Advancement of Religion for the Public Benefit" and have regard to it in its administration. The trustees believe that, by fulfilling their responsibility to work together with the Minister and co-operate in all matters of concern and importance for the promotion of the whole mission of the Church, pastoral, evangelistic and social, it provides a benefit to the public by:

- Providing resources and facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- Promoting Christian values, and service by members of the church to the community, to the benefit of individuals and society as a whole.

Objectives and Activities

The trustees support the minister(s) in promoting the ministry and mission of the church. The powers conferred on the trustees include the power to acquire, manage and administer property for church purposes and the power to frame an annual budget of monies required for church work. The trustees are also given power, jointly with the minister(s), to appoint and dismiss church staff members and to determine their salaries and conditions of service.

The trustees are committed to enabling as many people as possible to worship at Minehead Baptist Church on Sundays and to take part in midweek activities, bible studies and prayer meetings.

In addition to numerous church groups, MBC also has an active Girls' Brigade, and runs the Active Living Centre and The Hub – all of these being important parts of the mission of our church.

Review of the Year

Philippians 4:6 Do not be anxious about anything, but in every situation, by prayer and with petition, with thanksgiving, present your requests to God.

It is, of course, impossible to do a review of the past year without looking at the effects that the lockdown caused by the Covid-19 pandemic has had on our shared life together. It has not been possible to meet together since March. As at the end of July 2020 the Government have eased some restrictions, including the possibility of meeting for worship albeit in a socially distanced way, yet achieving this with the numbers of regular attendees we have will produce some challenges in the coming year. Yet as the Bible verse above reminds us we are invited to bring everything before our Lord in prayer.

ANNUAL REPORT OF MINEHEAD BAPTIST CHURCH
Year to 31 July 2020

It is with this in mind that we are able to say that we have not missed one Sunday where we have not provided live streamed worship using our Facebook page and this has opened up the church to a whole new group many of whom would not ordinarily come to Sunday worship. We regularly see many more people viewing our on-line services that would attend challenging us to continue to offer the services on-line even after Covid-19 no longer has an effect on daily living.

We have also been able to do daily live prayer using the same format. All of this activity has meant that both of the ministers in church and the expanded youth and children's department (see below) have been busy like never before.

It is right that we record both personal and corporate thanks as a group of trustees to all who give their time and energy in the life of the church. Without such commitment and energy it would not have been possible to do all we have done in the last 5 months. We pray that you will be as inspired and encouraged as you read through the remainder of these accounts as we were.

The past year has seen a significant change within the ministerial team at Minehead Baptist Church (MBC). Working in conjunction with Bristol Baptist College (BBC) we have called Richard Hall a Minister in Training as a second minister who will be fulfilling his calling part-time at MBC whilst completing his ministerial training. This will mean that for the coming 3 years we will be working in partnership with the college to help in his formation. Richard has quickly become an integral part of who we are as church and his wisdom and insight – whether leading prayers, preaching, or in helping with our technology - has quickly become invaluable to the church.

We also followed through on the possibility expressed in last years report that we would be joined by an intern working in our youth and children's department whilst completing formal training at BBC. Milly Paine has been at MBC since September 2019 fulfilling this role. Her time with us has been hampered significantly by the lockdown but we look forward to what she will bring to us in the coming year.

During the year we have been able to complete the purchase of 'The Hub' from the South West Baptist Association for £200,000 with the aid of a loan from the Baptist Building Fund for £90,000. Whilst much new activity was undertaken at the end of last year at The Hub it has suffered because of the lockdown with the soft play area being closed from March to date. As of the date of this report it is not known when it might be possible to re-open.

Many of our plans for the year, such as working with Spring Harvest on the Butlins site at Easter have had to be put on hold. However, lockdown has not been a period of inactivity, rather we have been working via phone and virtual links to plan for 2021 and beyond.

The past year is not one that anyone could have predicted but with hindsight much has been learnt. The reading at the beginning of this review reminds us that we believe in a God that is bigger than any pandemic and that seeking his will for the future direction of the church and committing ourselves to it will ensure we continue to 'be church' no matter what happens. It is with confidence that we can therefore declare that under God our future is bright.

Plans for Future Periods

The priority for 2020/2021 against the backdrop of the current restrictions is to continue doing what we do well in being a welcoming church, to develop as disciples of Jesus and to reach out to our community. Albeit that our current focus for this is what we are able to achieve virtually.

It is recognised that this year is likely to be one of change where we seek the Lord even more than before to simply follow him.

As it is seven years since the establishment of the Hub, we will be taking this opportunity to re-examine the work of the Hub looking at how this may become more integrated into the life of the church than ever before.

ANNUAL REPORT OF MINEHEAD BAPTIST CHURCH

Year to 31 July 2020

Statement of the Leadership Team's Responsibilities

The Leadership Team (trustees) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 it to ensure that that these financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the charity's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, Governance and Management

Members of the church are accepted in accordance with the Governing Document. There were 141 Members as at 31 July 2020. Members' meetings normally take place six times per year. Though the Governing Document permits decisions to be made at Members' Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

In accordance with the Governing Document, the members appoint Trustees (called Elders or Deacons), who together with the Minister/s, Church Secretary and Treasurer (who are also Trustees appointed by the Members), and collectively known as the Leadership Team, are responsible for the day-to-day running of the church's work and witness, and the financial and legal aspects of the charity.

This report for the year 31 July 2020 is as approved by the Trustees on 10 November 2020.

.....
Trustee authorised to sign on behalf of the Trustees

Minehead Baptist Church
Registered Charity Number 1130521

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Receipts and Payments Account for the year to 31 July 2020

GENERAL FUND

		Unrestricted funds	Restricted funds	Total funds	Last year
	Note	£	£	£	£
Receipts					
Donations, legacies and grants	2	129,368	937	130,305	138,488
Special Appeals		-	910	910	1,982
Interest on bank accounts		299		299	436
Fees for Mission Activities		26,247		26,247	39,116
Hall hire		7,027		7,027	15,294
Insurance claim		12,079		12,079	-
Total receipts		£175,020	£1,847	£176,867	£195,316
Payments					
Wages/salaries and national insurance		88,472	4,000	92,472	78,193
Pension contributions		5,572		5,572	4,963
Pension deficit contributions		8,152		8,152	8,343
Rent		(1,473)		(1,473)	10,000
Repairs and maintenance		12,632		12,632	24,577
Repairs and maintenance - insured		11,179		11,179	-
Equipment repairs and renewals		5,444		5,444	12,169
Utilities and telephone		17,429		17,429	16,231
Church running costs		14,160		14,160	20,860
Mission	3	20,803	5,602	26,405	34,911
Total payments		£182,370	£9,602	£191,972	£210,247
Net of receipts/(payments)		(7,349)	(7,755)	(15,104)	(14,931)
Transfers between funds		(3,400)	25	(3,375)	-
Cash funds last year end		96,095	8,088	104,183	119,114
Cash funds this year end		£85,346	£358	£85,704	£104,183

THE HUB PURCHASE FUND

	Restricted fund	Last year
	£	£
Receipts		
Donations	2,611	25,829
Gift Aid	-	5,409
Sub total	2,611	31,238
Other		
Loan received from Baptist Building Fund	90,000	-
Total receipts	£ 92,611	£ 31,238
Payments		
The Hub survey for purchase	-	500
Sub total	-	500
Asset and investment purchases		
The Hub purchase	200,627	-
Total payments	£ 200,627	£ 500
Net of receipts/(payments)	(108,016)	30,738
Transfer from General Fund	3,375	-
Cash funds last year end	£ 109,963	£ 79,225
Cash funds this year end	£ 5,322	£ 109,963

Minehead Baptist Church

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Registered Charity Number 1130521

Statement of Assets and Liabilities at 31 July 2020

	<u>Unrestricted funds</u>	<u>Restricted funds</u>
<u>ASSETS</u>		
Cash funds	£85,346	£5,680
Other Monetary Assets		
Gift Aid claimed but not received	£5,607	-

Assets retained for the charity's own use:

- Minehead Baptist Church Building
- The Manse occupied by the minister (30 Paganel Road, Minehead)
- The Hub (Hopcott Road, Alcombe, Minehead).

All property is held as Custodian Trustee by the Baptist Union of Great Britain, with Minehead Baptist Church acting as the Managing Trustee.

LIABILITIES

	<u>Fund to which liability relates</u>	<u>Amount due</u>
Creditors (World Mission Giving)	Unrestricted	£2,202
Pension Fund Deficit	Unrestricted	£70,835
The Hub purchase loan	Restricted	£90,000

Approved by the Trustees and signed on their behalf

Rev Paul McCabe, Chair of Trustees

Date: 10 November 2020

Minehead Baptist Church

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Registered Charity Number 1130521

Notes to the accounts at 31 July 2020

1. Basis of accounts

These accounts have been prepared on a 'receipts and payments' basis and in accordance with Section 133 Charities Act 2011.

2. Donations, grants and other income

	2020	2019
Donations	7,451	9,382
Offerings	89,759	99,090
Furlough grant	3,060	-
Gift Aid	15,413	17,000
For Minister in Training	3,300	-
Pastoral fund	9,914	-
Grant from SCC (restricted)	-	12,000
Grant from Barchester (restricted)	-	650
SSL grant (restricted)	937	-
Other income	471	366
Total Donations and Other Income	£130,305	£138,488

3. Mission

	2020	2019
Mission/Charitable giving	12,357	14,745
Youth and Families	1,620	1,063
Outreach	432	941
Active Living Centre running costs	4,886	9,067
The Hub running costs	2,704	5,432
MBC Activity Groups running costs	3,406	3,663
Total Mission	£25,405	£34,911

4. Assets Held for the Church's own use

The church is the beneficial owner (subject to the relevant trusts) of the following assets, the legal title to which is held by the church's custodian trustee [the Baptist Union Corporation Ltd]:

- Church premises at Parks Lane, Minehead, Somerset TA24 8BS, valued at £500,000 based on estimated market value.
- Church manse at 30 Paganel Road, Minehead, Somerset, valued at £300,000 based on estimated market value.
- The Hub located at Hopcott Road, Alcombe, Minehead, Somerset, valued at £200,000 based on purchase price August 2019.

5. Pension Scheme Liabilities

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme (“the Scheme”). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister(s) [and some members of the church staff] is / are eligible to join the Scheme.

Since January 2012, pension provision has been 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. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer’s contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. Under the current Recovery Plan dated 1 July 2020, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020.

In addition, the Baptist Union of Great Britain contributed a lump sum of £33m in 2018 with a further £0.5m to follow, and changes to the Scheme benefits were agreed. The Recovery Plan envisages deficiency contributions continuing until 31 December 2028.

The key financial assumptions underlying the valuation were as follows:

RPI price inflation assumption 3.50% pa

CPI price inflation assumption 2.75% pa

Minimum Pensionable Income increases (CPI plus 0.75% pa) 3.50% pa

Pension Scheme Liabilities (continued)

Assumed investment returns:

- Pre-retirement 3.50% pa
- Post retirement 2.25% pa

Deferred pension increases

- Pre April 2009 3.50% pa
- Post April 2009 2.50 % pa

Pension increases

- Main Scheme pension Pre April 2006 2.70% pa
- Main Scheme pension Post April 2006 2.00% pa

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church for the year ended 31 July 2020 was £8,152 (2019 £8,342).

Under the Schedule of Contributions, the church makes a monthly payment in respect of the DB scheme deficit, currently £719.14, which will increase in line with increases in Minimum Pensionable Income.

The pension scheme liability shown in the Statement of Assets and Liabilities is calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions with adjustment for the discounted payments between August 2020 and December 2020, which amounted to £70,835 as at 31st July 2020.

The Church has been advised that the estimated cost for the church to buy out their Pension Scheme liabilities at 31 July 2020 was £362,000.