

LINCOLN BAPTIST CHURCH

Consolidated Accounts

For the year ending:

31st December 2020

(Including Notes and Subsidiary Accounts)

Lincoln Baptist Church

The Trustees Report on pages 3 - 6, the Consolidated Accounts set out on pages 7 & 8 with the Notes following on pages 9 - 13 relating to the year ending 31st December 2020 have been approved by the Leadership Team as Managing Trustees of the Church in compliance with the Statement of Recommended Accounting Practice. Further Subsidiary Accounts on pages 14 - 15 relate to the same year and are provided for the information of Church Members for their approval at the March Church Members meeting.

Signed:

Mr Richard J Wood

Treasurer

Dated: 1st March 2021

Independent Examiner's Report to Lincoln Baptist Church

This report on the accounts of the church for the year ended 31st December 2020, which are set out on pages 2 to 13, is in respect of an examination carried out under s.43 of the Charities Act 1993.

Respective responsibilities of trustees and examiner

As the members of the Leadership Team you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to issue this report on these accounts in accordance with the terms of Regulation 7 of the Charities (Accounts and Reports) Regulations 1995.

Terms of Independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act. That examination includes a review of the accounting records kept by the church and a comparison of the accounts with those records. It also entails considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken cannot provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the overview given by the accounts.

Independent examiner's statement

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

- (1) Which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 41 of the Act; and to prepare accounts which accord with the accounting records and comply with the regulations, as also contained in the Church Accounting Regulations have not been met;
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- (3) the accounts do not comply with any of the requirements of Regulation 3 of the Charities (Accounts and Reports) Regulations 1995. However, I am not required to and do not express an opinion on whether the accounts give a true and fair view.

Cassells Ltd.,
Perry Yarnell BA (Hons), FCCA
28 Queen Street,
MARKET RASEN
LN8 3EH

Dated 1st March 2021

Lincoln Baptist Church – Registered Charity 1130524

Report of Trustees 2013 Constitution and Rules

Lincoln Baptist Church is governed under God by the Church Meeting, being those properly admitted members under the rules. It is affiliated to the Baptist Union of Great Britain and holds property under the ultimate trust of the East Midland Baptist Trust Company who permits the Church to manage their affairs locally. Further details are contained in:

- The Approved Governing Document (B.U. & Charity Commission) adopted 1st February 2009
- Baptist Model Trust for Chapels and Halls (BUC B8) obtainable from:
The Baptist Union Corporation, Baptist House, 149 Broadway, DIDCOT, Oxon

Under these rules the Leadership Team including the Minister act as Trustees of a Charity (Lincoln Baptist Church Reg 1130524 13th July 2009 and revised in 2017) and Managing Trustees of the property. They are now appointed and elected in accordance with the Governing Document.

- Pastor: Ross Ferguson (appointed 1 August 2018)

The following leaders were elected during the last three years to serve on the Leadership Team alongside the Minister: (when in post)

- Leader: (Secretary): Mr Colin Evans (elected for 3 years in November 2017 – extended by initial 6 months period to 30 June 2021)
- Leader: (Treasurer): Mr Richard Wood (re-elected for 3 years in November 2017 – extended by initial 6 months period to 30 June 2021)
- Leader: Dr. Richard Windle (elected for 3 years in September 2018)
- Leader: Dr. Ola Ogunyemi (elected for 3 years in September 2018)
- Leader: Mrs. Marion Watson (re-elected for 3 years in November 2019)

The Trusteeship Secretary of the East Midland Baptist Association is Mr Tim Chowns contactable at the Baptist House (see above).

Agents and Advisors

Cassell's Ltd
Chartered Certified Accountants
28 Queen Street, MARKET RASEN as Independent Examiner

Anthony Collins
134 Edmund Street, BIRMINGHAM B32ES as Solicitors

Golding and Young
Station Road, NORTH HYKEHAM as Valuers in earlier years

Investment Powers

The Treasurer and other members of the leadership team manage the church's monies independently under the authority of the Church Meeting and are permitted to authorise capital expenditure (according to a schedule of authorities) for repairs, renewals, improvements, investments and loans. Matters concerning sale, lease or licence of lands and buildings require consultation with our Ultimate Trustees.

Aim of the Church

The Church has a vision stating: **“To Make and To Grow Disciples in Jesus.”** This was further underpinned by an adopted set of values **“To be devoted to Teaching the Bible, Sharing in Fellowship, Gospel through Communion, Meaningful Prayer and Worship.”**

Public Benefit

As a charity, we also need to address the public benefit reporting requirements that now apply. This report concentrates on what the charity seeks to achieve, through the Aim of the Church and the activities of the church in seeking to meet the needs of its members, friends and the wider community.

When planning our activities, the Leadership Team have considered the Charity Commission’s guidance on public benefit, and in particular the specific guidance on charities for the advancement of religion in particular. We try to enable ordinary people to live out their faith as part of the community through:

- Worship, prayer, preaching and study of God’s word to develop their knowledge of, and trust in Jesus.
- Provision of pastoral care for people in our community
- Mission and outreach work

Activities

The Pastor, Church Secretary or other members of the Leadership Team normally preside over the main activities of the church which include:

- Worship at Sunday morning and evening services, and twice monthly communion services
- Monthly Leadership team meetings for prayer, planning and administration
- Monthly Saturday morning prayer meetings
- Bi-monthly Church meetings and other fellowship meetings held in some other months
- Planning and co-ordinating the regular House groups held in locations across the City plus surrounding villages
- Youth leaders meetings, co-ordinating the children and young people's open clubs, teaching and fellowship groups
- Visiting team involved in pastoral care, visitation and assistance of the elderly and sick
- Personal counselling of those in need of spiritual support or guidance

The Church meeting and Leadership team delegate authority to others within the fellowship to lead the House groups, various youth groups, and a variety of activities listed below.

- Seniors CAMEO a monthly meeting of general interest to older people
- LiFT a ministry aiming to relieve poverty among the homeless and those struggling with addictions. During 2020 this ministry has included providing breakfast for the homeless and people with addictions on 4 mornings a week alongside the provision of lunch on a Friday for the same group of people
- CAP (Christians against Poverty) ongoing short courses

The Church meeting also sends, when possible, representatives to various organisations with whom we co-operate or which we support or subscribe to:

- Baptist Assembly
- East Midlands Baptist Association
- Evangelical Alliance
- Transform Lincoln – formerly Greater Lincoln Active Faith network

The Pastor or Leadership team members act on behalf of the church in local social action and support groups including the Children’s Services Advisory Board.

The Coronavirus Pandemic during 2020 had a significant impact on the life of Lincoln Baptist Church. With effect from the 22 March most church based activities ceased with the exception of LiFT and the Children's Centre which also ceased to function in July.

Sunday Church services went "on-line" and bi-weekly Leadership Team meetings and Church Members meeting were conducted via "Zoom". Bi-weekly prayer meetings and eventually House Group meetings were also facilitated by "Zoom".

The development of on-line services, including daily teaching and worship material which quickly attracted a global following, resulted in the need to update and improve the Churches website and on-line capability. Towards the end of the year the church entered into a short term contract for these improvements to be made.

For those not able to access services via the internet, paper copies of sermon and other teaching and prayer materials were posted out to members and friends.

Financial Affairs

Funds are raised in a variety of ways:

- General offerings at services, regular giving envelopes, standing orders, (many covered by Gift Aid declarations), to the general funds of Lincoln Baptist Church
- Occasional special offerings for nominated charities
- Occasional sales in support of a particular cause or activity
- Charges for specific services on an "at cost basis" such as lunches
- Contract parking charges in respect of the church car-park
- Letting of the premises for regular Children's groups, meetings and other bookings
- Charges for Weddings and Funerals
- Legacies and in memoriam donations

In August 2017 a five year lease agreement was signed (backdated to 14 June 2016) between Lincoln Baptist Church as the landlord, and Lincolnshire County Council (Children's Services) as the tenant. This permitted use of the Abbey suite of rooms at the church premises on Croft Street by the tenant each weekday from 8.30am – 5.00pm. Under the terms of the lease which was approved and countersigned by East Midlands Baptist Trust Co. Ltd as well as both parties, calculated utility costs, service charges (cleaning and waste), car parking and premises rent are now invoiced to the tenant, a year in advance, according to the terms of the lease.

All cash coming into the main church fund is handled by a Leader or member and a second listed member together, entered onto the weekly offering sheet and banked by a member of the finance team. Small payments may be made from this against petty cash items. All other payments from the church general fund are managed by on-line BACS payments, cheque or other bank transaction.

The main costs of the church are the salaries and operating expenses of the Pastor, maintenance of the church building, heating and lighting, and administration. Payroll includes the salary of a part-time caretaker.

During 2020 the church removed the pulpit and redesigned the platform area at a cost of £4,892 which included new carpets; carried out improvements and repairs to the lighting in the large hall, £1,748 and made some improvements to the central heating in the Children's Centre which cost £1,098.

Improvements to the manse drive were carried out during 2020 at a cost of £2,146.

The disbursement of funds beyond the church is equally varied:

- Disbursal of funds collected for specific causes
- Budgeted support for Baptist Home Mission and BMS World Mission
- Small donations to people in need at the discretion of Pastor (when in post), or Leaders
- Specific grants to individuals or causes based on *ad hoc* decisions of the Church.
- Annual disbursement of money, determined by the Leadership Team, to various causes.

All organisations and individuals who have received significant sums are listed in the accounts.

The Annual General Meeting at the end of 2000 agreed to permit temporary resort to overdraft in future years. Giving to outside causes from unrestricted funds can be reduced if income falls. All employees' contracts include a clause allowing termination within no more than nine months ensuring that the commitments of the organisation can be matched to its actual resources.

The Treasurer Mr Richard Wood is assisted by a finance team comprising, Mr Pete Davison (Covenant Tax claims) and Mr Malcolm Morton (Finance administration). Church members Mr Colin Evans, Mr Malcolm Morton, and Mr Richard Wood (Treasurer) along with Mr James Hewson, non-church member are signatories for the church bank accounts, with any two required to sign cheques. Mr Malcolm Morton is approved to make on-line payments, using the agreed e-mail authorisation and internal audit processes.

The following section in the church undertake it's own banking via current or savings accounts.

- LiFT – Mr Colin Evans
- FiSH – Mr Malcolm Morton

Each organisation with its own banking is required to have two signatories for transactions and to adhere to Rules for Church Organisations. These funds are reported in the following Accounts and consolidated into the Church Statement.

The Treasurer draws up a budget for approval at the November Church meeting (or at the next quorate Church meeting). This sets out the financial plan and objectives for the year, authorising the Treasurer, Leaders and other delegates. Income during 2020 exceeded budget expectations mainly as a result of increased targeted giving; gifts and the timing of the Gift Aid claim which covered a 15 month period. Expenditure was less than expected due to the move away from a site supervisor role which was replaced by a part time-caretaker and reduced contract cleaning costs due to the fact that the Children's Centre was closed for a significant period during 2020. Additional expenditure occurred as a result of significant payments made of a "caring " nature.

The financial performance is tracked during the year and reported on a regular basis by statements circulated amongst the Leadership team and church members. The Treasurer, Pastor and Church Secretary have the authority to agree expenditure of up to a maximum of £500 on one item, and the Leadership team have the authority to spend up to a maximum of £2,000 on one item. In addition, both the Caretaker and Fabrics coordinator have the authority to spend up to a maximum of £250 on one item in the case of an emergency. Expenditure of £2,000 or over must be agreed by the Members by vote at a Church Meeting. (These figures were revised by Members during 2015.) Annual Accounts are presented after Independent Examination to a meeting of Members each spring.

As a result of the pandemic during 2020 Church Members agreed in July to give the Leadership Team, temporary authority until it is safe and legal to convene a proper church members meeting, to spend up to £5,000 on any one item on the understanding that any such expenditure would be reported to a subsequent Church Members meeting.

LINCOLN BAPTIST CHURCH

Consolidated Statement of Financial Activities For The Year Ended 31 December 2020

	Note	General Fund £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOMING RESOURCES					
Offerings		86,308	-	86,308	73,648
Gifts to the Church		2,606	7,726	10,332	1,743
Dedicated gifts		-	-	-	10,571
Church events		-	-	-	123
Legacies		4,093	-	4,093	-
Interest received		1,031	-	1,031	726
Other income		47,693	-	47,693	46,537
Gain on sale of property		-	-	-	145,431
TOTAL INCOMING RESOURCES		141,731	7,726	149,457	278,779
RESOURCES USED					
Ministerial expenses		37,760	-	37,760	45,007
Church care and upkeep		38,545	-	38,545	58,111
Administration		12,143	441	12,584	14,750
Church events and projects		3,521	3,713	7,234	8,357
Outward giving		26,301	-	26,301	16,536
TOTAL RESOURCES USED		118,270	4,154	122,424	142,761
NET INCOMING/(OUTGOING) RESOURCES		23,461	3,572	27,033	136,018
BALANCES BROUGHT FORWARD		813,357	493	813,850	677,832
FUNDS TRANSFER		-	-	-	-
BALANCES CARRIED FORWARD		836,818	4,065	840,883	813,850

LINCOLN BAPTIST CHURCH

Balance Sheet as at 31 December 2020

	Note	2020	2019
		£	£
FIXED ASSETS	4		
Tangible fixed assets		1,458,127	1,466,681
CURRENT ASSETS			
Loans		-	-
Prepayments		-	-
Cash at bank and in hand		197,854	162,267
		<u>197,854</u>	<u>162,267</u>
CURRENT LIABILITIES			
Loan		-	-
Creditors and advance receipts		<u>330</u>	<u>330</u>
		330	330
NET CURRENT ASSETS		197,524	161,937
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,655,651</u></u>	<u><u>1,628,618</u></u>
Financed by:			
ACCUMULATED FUNDS	5		
General Fund		836,818	813,357
Restricted Funds:			
Memorial fund		-	-
Building fund		-	-
Christmas fund		-	-
Subsidiary funds		4,065	493
		<u>4,065</u>	<u>493</u>
Revaluation reserve		814,768	814,768
		<u><u>1,655,651</u></u>	<u><u>1,628,618</u></u>

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable Accounting Standards and the Charities SORP (Statements of Recommended Practice).

The accounts have been prepared under the historical cost convention as modified by the revaluation of the Church land and buildings.

A. Funds

General funds represent the funds of the Church that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Church. Funds designated for a particular purpose by the trustees are also unrestricted.

The accounts include all transactions, assets and liabilities for which the trustees are responsible in law. They do not include the accounts of church based groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

B. Incoming resources

Donations

Collections are recognised when received or certificated by or on behalf of the Church.

Planned giving receivable under covenant is recognised only when received.

Income tax recoverable on covenants or gift aid donations is recognised when the income is received.

Grants and legacies are accounted for as soon as the Church is notified of its legal entitlement and the amount due.

Other income

Other income is accounted for when payment is received.

Income from investments

Dividends and interest are accounted for when receivable.

C. Fixed assets

The Church land and buildings

Church is regarded as a specialised building under the provisions of Financial Reporting Standard no. 15 and is valued on the basis of depreciated replacement cost. The trustees' best estimate of this value is the rebuilding costs for insurance purposes plus the market value of the land. The surplus over the original cost is credited to a revaluation reserve which is shown separately on the balance sheet. There are considerable practical difficulties in obtaining the precise measurement of the original cost of the land and buildings not least due to the passage of time. The Treasurer and Finance team have made the most accurate assessment that is possible in the circumstances. The amount of the Church valuation transferred to Capital Reserve, therefore, is the best estimate available.

Manse land and buildings

The manse is a non-specialised building and included in the accounts at valuation less accumulated depreciation. Depreciation is charged at the annual rate of 2% on cost.

Other fixtures, fittings and office equipment

Depreciation of equipment used within the church premises is on a 'straight-line' basis at the rate of 10% or 20% per annum according to the anticipated 5 or 10 year life of the asset. The register has been updated to reflect the situation at the end of 2020 and to include only those items with a purchase value of £500 or above.

2. EMPLOYEES' REMUNERATION

Total remuneration (excluding employer's contributions) for the year was £30,307

No employee earned £40,000 p.a. or more.

The number of paid staff for the year was: 2

1. Pastor (from 1 August 2018)
2. Caretaker (part-time)

3. TRUSTEES REMUNERATION AND EXPENSES

The Pastor is also a trustee of Lincoln Baptist Church. Remuneration (including pension contributions and benefits in kind) for the Pastor was £26,186 during 2020

Expenses and church costs amounting to £1,295 were reimbursed to the Pastor during 2020 these included: Travel £216; Telephone £728 and Training £200.

Notes to the Accounts

For The Year Ended 31 December 2020

4. FIXED ASSETS - Tangible

	Church £	Manse £	Fixtures and Equipment £	Total £
COST OR VALUATION				
At 1 January 2020	1,164,081	288,054	68,854	1,520,989
Additions	-	-	2,894	2,894
Disposals	-	-	-	-
Revaluation	-	-	-	-
At 31 December 2020	1,164,081	288,054	71,748	1,523,883
DEPRECIATION				
At 1 January 2020	-	5,761	48,547	54,308
Charge for the year	-	5,761	5,687	11,448
On disposals	-	-	-	-
At 31 December 2020	-	11,522	54,234	65,756
NET BOOK VALUE				
At 31 December 2020	1,164,081	276,532	17,514	1,458,127
At 1 January 2020	1,164,081	282,293	20,307	1,466,681

5. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Restricted Funds £	Building fund £	Revaluation Reserve £	Total £
Tangible fixed assets	643,359	-	-	814,768	1,458,127
Prepayments and debtors	-	-	-	-	-
Cash at bank and in hand	193,789	4,065	-	-	197,854
Transfers	-	-	-	-	-
Creditors and advance receipts	330	-	-	-	330
Total net assets	836,818	4,065	-	814,768	1,655,651

Supplementary financial information

	LINCOLN BAPTIST CHURCH Accounts 31/12/2020	BUDGET 2020	Actual Position 31/12/2020
		2020	2020
RECEIPTS			
Offerings:	Envelope scheme	1,000	693
	Standing orders	51,500	56,524
	Loose offering	10,000	6,626
	Sub total:	62,500	63,843
Gift aid recovery:		10,000	22,464
Dedicated gifts:	Missions	1,500	-
	Donations (In mem; misc etc)	500	1,685
	Caring	4,000	8,335
	LIFT	-	976
	Books sold	-	488
	"Yellow box"	750	921
Lettings:	Room hire & donations	2,500	1,405
	Lease LCC	25,000	22,991
	Car parking	11,000	7,330
Other:	Legacies/Gifts	-	4,093
	Misc. Income	1,000	6,169
TOTAL RECEIPTS		118,750	140,700

Supplementary financial information (continued)

PAYMENTS		BUDGET 2020	Actual Position 31/12/2020
Staffing	Ministerial salary	26,400	26,186
	Ministiral Pension	3,000	3,152
	Travel expenses	1,000	216
	Telephone	750	728
	Training	2,000	200
	General expenses	1,000	151
	Caretaker	9,300	4,121
	Caretaker Pension	900	-
	Employers NI	2,650	1,829
	Cleaning	12,000	2,762
	Sub total:	59,000	39,346
Manse:	Insurances	500	401
	Maintenance	3,000	2,251
	Council tax & Water rates	3,000	2,460
	Sub total:	6,500	5,112
Church:	Maintenance	4,000	10,590
	Insurances	3,500	3,155
	Water rates	800	257
	Gas	3,750	2,125
	Electricity	4,000	3,052
	Fire, security, health & safety	750	1,182
	Service delivery	1,300	1,536
	Housekeeping materials	1,500	1,416
	Sub total:	19,600	23,313
Admin:	Administration	1,200	453
	Photocopier	500	434
	Printing & publicity	300	27
	Phone & broadband	1,200	1,117
	Auditors	300	216
	Subscriptions & licences	1,200	1,083
	Bank charges	200	112
	Fellowship meals/refreshments etc	1,500	447
	Book purchases	-	756
	Misc. Expenditure	3,800	4,259
	Sub total:	10,200	8,905

Supplementary financial information (continued)

		BUDGET 2020	Actual Position 31/12/2020
Community involvement	LIFT	3,500	4,460
	Local evangelism	500	-
	Universities	500	447
	Other community involvement	500	100
	Sub total:	5,000	5,007
Teaching & Pastoral Care:	Resources	500	497
	Caring	5,000	12,822
	Training	500	696
	Pulpit supply	700	185
	Sub total:	6,700	14,200
Youth:	Junior church & creche	500	355
	Midweek activities	500	-
	Sub total:	1,000	355
Missions:	Baptist Missionary Society	4,000	4,000
	EMBA Home Mission	3,000	3,000
	Other missions	1,500	4,205
	"Yellow box"	750	500
	Other donations	1,500	1,775
	Sub total:	10,750	13,480
TOTAL PAYMENTS		118,750	109,717
Total Surplus / Deficit		-	30,983
Balance in current account	31/12/2020	£88,433	£119,411.80
Cash in hand (not banked)	31/12/2020	£648	£0.00
Uncleared cheques	31/12/2020	-£903	-£250.00
	sub total	£88,178	£119,161.80
Balance savings account	31/12/2020	£73,595	£74,626.53
Balance in all LBC accounts	31/12/2020	£161,773	£193,788.33

Supplementary financial information (continued)

LINCOLN BAPTIST CHURCH

Notes and Subsidiary accounts 2020

Baptist Missionary Society

From Church General Funds	4000	To BMS (general funds)	4000
Total	4000	Total	4000

EMBA Home Mission

From Church General Funds	3000	To Home Mission	3000
Total	3000	Total	3000

Tear Fund

From Church General Funds		To Tear Fund	500
Total	500	Total	500

Leprosy Mission

Donations	100	To Leprosy Mission	600
From Church General Funds	500		
Total	600	Total	600

Other church giving to organisations from general funds and special collections

Shepherd Food Ministry	1035
FISH	850
St Barnabas Hospice	425
Lincoln CU	400
EMU Music	100
20 Schemes Music	100
Waterways Chaplaincy	250
New Tribes Mission	1000
Monks Abbey School	250
Coningsby Baptist Church	250
Total	4660

Organisations to which the Church subscribes

Baptist Union of Great Britain	329
Evangelical Alliance	80
Information Commission - Data Protect	35
CCLI for song books and CD rom	639
Total	1083

Supplementary financial information (continued)

Operating Accounts of Church Organisations

LIFT

Receipts

Balance - Cash in hand @ 01/01/2020	324
Balance - Cash in bank @ 01/01/2020	145
Donations - specific needs	75
Donations - general	7618
Donations - clothing	33

Payments

Food - LIFT	1064
Food - breakfast	367
Food - CAP	12
Loans - specific needs	202
Grants- specific needs	215
Mileage	68
General - other	891
Covid-19	1311
Cash in hand @ 31/12/2020	190
Cash in bank @ 31/12/2020	3875

Total **8195**

Total **8195**

Bank Balances

Current a/c @ 31/12/2019	88,433
add accrued income	648
less uncleared cheques	-903
Cambridge & Co Bank a/c @ 31/12/2019	73,595

Current a/c @ 31/12/2020	119,412
add accrued income	0
less uncleared cheques	-250
Cambridge & Co Bank a/c @ 31/12/2020	74,627

Total **161,773**

Total **193,789**

Bank Interest interest earned 2020 **1031**