

SUTTON BAPTIST CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2020

CHARITY COMMISSION NUMBER:
1130595

Jacob Cavenagh & Skeet
Chartered Accountants
5 Robin Hood Lane
Sutton, Surrey
SM1 2SW

SUTTON BAPTIST CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR TO 31 DECEMBER 2020

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SUTTON BAPTIST CHURCH

REFERENCES AND ADDITIONAL INFORMATION

Trustees

All those who served as Trustees from 1 January 2020 to the date of signing of these accounts:

Revd Mrs P Searle	
Mrs. C Graham (Church Secretary)	
Miss. Sarah Botting (Treasurer)	
Mrs. L Moore (Assistant Church Secretary)	
Mrs A-M Costigan	(Appointed 01st January 2020)
Mrs P Reilly	(Appointed 01st January 2021)
Mr. C J Martin	(Resigned 14th August 2020)
Mr. I Boddington	(Resigned 07th December 2020)
Mr. T Campbell Smith (Treasurer)	(Resigned 31st December 2020)
Mrs. A Whitfield	(Resigned 31st December 2020)
Mr. A Loader	(Resigned 31st December 2020)

Principal address	21 Cheam Road Sutton SM1 1SN
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Key Management Personnel	The Trustees (as above)
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Bankers	Lloyds Bank George Street Croydon CR9 2NS CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA
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Independent Examiner	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
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SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report for the year ended 31 December 2020 and confirm that the accounts comply with the relevant statutory requirements, the Trust Deed dated 14 April 1873, and the Church's constitution.

Objects and activities

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

When planning the Church's activities, the Trustees have considered the Charity Commission's guidance on public benefit.

In order to achieve the principal objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. The service takes place on Sunday mornings at 10.30 am. A crèche is provided for a small number of younger children under the age of 4 who attend and a Sunday school for the older children from 4 years of age along with a youth discussion group for the 11+ age group.

To promote our ecumenical focus, weekly Sunday evening services are provided in partnership with the Churches covenanted in a Local Ecumenical Partnership. Known as 'Churches Uniting in Central Sutton' (CUCS) they consist of Sutton Baptist Church, St Nicholas Church (Anglican) and Trinity Church (Methodist/URC). The location of the evening services are rotated on a monthly basis and takes place at 6.30 pm. We hold a number of united morning and evening services during the year often with a particular focus eg Week of Prayer for Christian Unity, Christian Aid, Palm Sunday, Remembrance, Advent Sunday. Some of the united evening services are musical events involving a United Choir and draw attendees from a wider audience in the local area.

The SBC website is maintained and has been a point of contact for members of the public www.suttonbaptist.org.uk

The Church seeks to be a friendly and welcoming community and anybody is free to attend any of these services.

Other activities provided by the Church include house groups, Bible-study evenings, prayer meetings, a fortnightly 'Women In Touch' (WIT) meeting and other social activities, to enable members to get to know and deepen the contact with one another.

Girls and Boys Brigades group's meet every Friday evening in turn time, where the gospel is taught through fun and learning

Sutton Baptist Church actively looks to support wider mission. This is achieved by focusing on global issues through our mission giving. Examples of this are fund raising for Habitat for Humanity, Tools with a Mission, Christian Aid, a local food bank, and supporting the Sutton Community Works Trust.

Members of the Church assist in the running of Larcombe Housing Association which provides accommodation for vulnerable adults. This includes a residential home for elderly people, most of whom suffer from Dementia (Wellesley Lodge), housing for people with a Learning Disability and affordable accommodation for those on a lower income. In the past hymn singing on a seasonal basis has been provided for the residents of Wellesley Lodge by members of the congregation led by the Minister.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

Objects and activities (continued)

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted in accordance with the Disclosure and Barring Service (DBS) regulations.

The sanctuary and adjoining suite of rooms are hired out to various groups which include the charity Sutton Counselling, One Stop Shop for victim support, Little Pioneers Childcare which is a part of the Midcounties Co-operative, dance groups, choirs and parent / toddler groups. Other Christian groups use the buildings for worship on Sundays and for other activities during the week.

The Church buildings are also used by two Christian Pentecostal Church groups; made up of predominantly African members, as their main place of worship.

Achievements and performance

The Rev Pamela Searle was appointed in September 2019 and has continued to lead the church during 2020.

The membership remains steady, with an increase in child numbers attending the church. We have had the encouragement of new members joining our church. We continue to observe that most of the new people tend to come from other cultures and hence the membership of Sutton Baptist Church increasingly reflects the cultural diversity of South London. This mix of people from different backgrounds and cultures is something we view very positively.

2020 has been a very challenging year for SBC. With lockdown in place and churches unable to open our morning services took place via zoom. The evening services were suspended. The church did open for a short period of time when churches were allowed to do so and observed the strict measures for social distancing and cleaning that were advised by the Government and endorsed by the BU.

All external groups ceased meeting although some did move their activities on-line. The Brigades continued to function with the leader delivering a programme of 'at home' activities to all of the families every couple of weeks. Brigades and the Dancing School did re-open in September /October for a short time having completed risk assessment's which included information on cleaning arrangements as per Government guidelines but then closed again when lockdown was re-introduced.

Financial review

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. However, a large percentage of the annual income is derived from the lease with Midcounties Cooperative Childcare Nursery and from hiring out of the halls which in 2020 has been severely curtailed.

Due to the size and age of the Church building and adjoining halls, ongoing fabric works and maintenance are necessary and the Church are looking for support and advice from the BU.

The Church expresses its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purpose. We have continued to support special charitable appeals eg TWAM, Christian Aid. All of the income from our evening services is given to charity but sadly due to Covid in 2020 this has not happened.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

Financial review (continued)

The Church is heavily dependent on its membership working as volunteers in all aspects of the Church activities, many of which run with little or no impact on the Church's expenditure, but nevertheless contribute substantially to the achievement of the Church's objectives.

The Trustees' Annual 2020 report has been prepared against the background of the Covid-19 pandemic. SBC's lettings had for the most part ceased from Thursday 19th March 2020 until further notice and from Friday 3rd April 2020 the Midcounties Nursery closed until July 2020. SBC's income from lettings and from the donations made at our church services were reduced in 2020 as a consequence of Covid-19. The loss of income unfortunately, is not covered for the current Covid-19 outbreak under our Insurance policy, and indeed we are advised that it is not the intention of any insurer to offer cover for a pandemic of any type.

Nonetheless, the continuing generosity of many of the members who donate through standing orders through their banks have enabled a regular income to continue at this difficult time when we were not physically able to meet. The reserves held by the church, will enable the church, under God's guidance to continue its work and witness through the pandemic and into the future.

Financial Reserves Policy

The reserves policy calls for reserves to be held in the general funds (unrestricted funds) in the range of three to six months operating expenditure. Based on the total expenditure this would be a financial range of between £35,500 and £71,000. Unrestricted general reserves at 31 December 2020 stood at £69,560 and are therefore within the required range.

Investment Policy

Money not needed in the immediate future is generally kept in accessible accounts, earning as competitive a rate of interest as is available at the current time with CAF Bank, the London Baptist Property Board, and Baptists Together. The charity holds a small amount of investments in stocks and shares in relation to the Endowment Funds. The charity has made no social investments during the year.

Structure, governance and management

The Church is governed by the Trust Deed dated 14 April 1873, and the Church's constitution.

Baptism by immersion upon personal profession of faith is the normal mode of entry into the membership of a Baptist Church. The Church however applies the following Baptismal qualification for Church Membership: Open membership so that persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may at the discretion of the Church Members' Meeting be accepted for full membership based on their own public profession of faith. People who have not been baptised as believers by immersion may therefore become members of the Church but shall be encouraged to give prayerful consideration to the matter of baptism.

The Church Members Meeting normally takes place bi-monthly and has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Trustees who together with the Minister, Church Secretary and Treasurer (who are also appointed by the Members) are collectively known as the Diaconate and are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity.

The church currently has 6 trustees including the Minister, Church Secretary and Treasurer

The church may appoint up to two Elders. Elders, who in liaison with the Minister, lead on pastoral matters may be co-opted to the Diaconate but shall not be regarded as Charity Trustees. One Elder is currently appointed.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

Structure, governance and management (continued)

There are several committees which oversee the governance of the church, reporting to the Deacons / Trustees on a monthly basis. These include Finance and Fabric committees.

All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective. Relevant matters may be submitted to the Church Members meeting by the Trustees for guidance, or may be raised by Church Members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

The key management personnel of the charity as listed on page 2 are in charge of directing, controlling, running and operating the charity on a day-to-day basis. With the exception of one trustee Mr I Boddington who as a self-employed musician received a total £947 for playing the organ in 2020, all non-ministerial Trustees give their time freely and are only reimbursed for expenses. The stipend 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.

Risk Management

Risks related to the Church's activities are carefully considered and action is taken to minimise the potential loss or injury. The Trustees consider the principal risks and maintain a Risk Register to ensure that procedures are in place to guard against foreseeable events which could prejudice the functioning of the charity. The charity complies with the safeguarding of children and vulnerable adult's policy of the Baptist Union of Great Britain, the General Data Protection Regulation (GDPR) and has a Fire Safety policy in place.

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 the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources 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 judgments 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.

FOR AND ON BEHALF OF THE TRUSTEES

Revd Pamela Searle
Trustee

Date: 10 OCT 2021



REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF SUTTON BAPTIST CHURCH

I report to the charity's trustees on my examination of the accounts of the Sutton Baptist Church (the Trust) for the year ended 31 December 2020 set out on pages 8 to 20.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)

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



Miriam Hickson CTA FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 29/10/2021

SUTTON BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total £
Income from:									
Donations and legacies	2	45,041	5,256	-	50,297	64,102	17,942	-	82,044
Other trading activities:									
Property lettings		58,075	-	-	58,075	92,397	-	-	92,397
Investments	3	648	463	-	1,111	1,488	621	-	2,109
Other income		5,091	-	-	5,091	228	-	-	228
Total income		<u>108,855</u>	<u>5,719</u>	<u>-</u>	<u>114,574</u>	<u>158,215</u>	<u>18,563</u>	<u>-</u>	<u>176,778</u>
Expenditure on:									
Charitable activities	4	100,770	5,973	-	106,743	161,448	11,052	-	172,500
Total expenditure		<u>100,770</u>	<u>5,973</u>	<u>-</u>	<u>106,743</u>	<u>161,448</u>	<u>11,052</u>	<u>-</u>	<u>172,500</u>
Net (losses)/gains on investments		-	-	(1,764)	(1,764)	-	-	1,465	1,465
Net (expenditure)/income		8,085	(254)	(1,764)	6,067	(3,233)	7,511	1,465	5,743
Transfers between funds		-	-	-	-	(96)	96	-	-
Net movement in funds		8,085	(254)	(1,764)	6,067	(3,329)	7,607	1,465	5,743
Funds brought forward at 1 January 2020		<u>900,197</u>	<u>21,595</u>	<u>10,872</u>	<u>932,664</u>	<u>903,526</u>	<u>13,988</u>	<u>9,407</u>	<u>926,921</u>
Funds carried forward at 31 December 2020		<u>908,282</u>	<u>21,341</u>	<u>9,108</u>	<u>938,731</u>	<u>900,197</u>	<u>21,595</u>	<u>10,872</u>	<u>932,664</u>

There were no recognised gains or losses other than those shown above.

None of the charity's activities were acquired or discontinued during the year.

SUTTON BAPTIST CHURCH
BALANCE SHEET
AS AT 31 DECEMBER 2020

		2020		2019	
	<i>Note</i>	£	£	£	£
Fixed assets					
Tangible fixed assets	8		808,661		817,434
Investments	9		<u>9,108</u>		<u>10,872</u>
			817,769		828,306
Current assets					
Debtors	10	11,996		29,760	
Cash at bank and in hand	11	<u>150,665</u>		<u>137,736</u>	
		162,661		167,496	
Creditors: Amounts falling due within one year	12	(<u>12,631</u>)		(<u>16,614</u>)	
Net current assets			<u>150,030</u>		<u>150,882</u>
Total assets less current liabilities			967,799		979,188
Provisions for liabilities and charges	13		(<u>29,068</u>)		(<u>46,524</u>)
Net assets			<u>938,731</u>		<u>932,664</u>
Funds					
Designated funds	16		867,790		880,032
Pension Provision fund	16		(29,068)		(46,524)
General funds	16		<u>69,560</u>		<u>66,689</u>
Unrestricted funds	16		908,282		900,197
Endowments	14		9,108		10,872
Restricted funds	15		<u>21,341</u>		<u>21,595</u>
Total funds	17		<u>938,731</u>		<u>932,664</u>

Approved by the Trustees on 15 July 2021 and signed on their behalf by:



Ms S Botting

Treasurer



Mrs C Graham

Secretary

1 ACCOUNTING POLICIES

The Church is an unincorporated association formed by its Trust Deed dated 14 April 1873 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:

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at the fair value. 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.

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.

Fixed assets

Assets are capitalised at cost if over £1,000. Freehold land is not depreciated. Depreciation has been provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	over 40 years
Fixtures and Fittings	20% of cost
Organ	10% of cost
Equipment	25% of cost

Investments

Investments are stated at fair value at 31 December. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Debtors

Accrued income and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

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.

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.

1 ACCOUNTING POLICIES (continued)

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.

General funds

These comprise the original capital plus the accumulated net surplus of income over expenditure and they are available to be used for the general purposes of the Church.

Designated fund

These are amounts set aside by the Trustees which are invested in tangible fixed assets and earmarked for future redevelopment expenditure and for wider mission causes.

Endowment fund

The Endowment funds comprise funds which form part of the main Church accounts and which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted.

Restricted funds

Restricted funds are held for a narrower purpose. Details of each material fund are disclosed in the note 15 to these accounts.

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.

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.

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

Pension costs

The Church pays contributions to the Baptist Pension Scheme. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Church. The scheme is therefore accounted for as a defined contribution scheme.

Deficiency payments are also made into the earlier Baptist Ministers Defined Benefits Pension Scheme. A provision has been made for the total contributions due. This is detailed at Note 13.

Voluntary help

The charity is heavily dependent on voluntary help. No value is attributed to this in the financial statements.

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

2	DONATIONS AND LEGACIES	2020			2019
		Unrestricted £	Restricted £	Total £	Total £
	Cash collections, standing orders, voluntary offerings, and donations	35,140	4,331	39,471	53,584
	Grants	881	-	881	12,697
	Tax recoverable	9,020	925	9,945	13,763
	Legacies	-	-	-	2,000
		<u>45,041</u>	<u>5,256</u>	<u>50,297</u>	<u>82,044</u>
3	INCOME FROM INVESTMENTS				
		Unrestricted £	Restricted £	Endowment £	Total 2020 £
	Bank interest	648	39	-	687
	Other interest	-	-	-	-
	Dividends	-	424	-	424
		<u>648</u>	<u>463</u>	<u>-</u>	<u>1,111</u>
4	CHARITABLE ACTIVITIES	2020			2019
		Direct costs £	Grant Funding of Activities (see note 5) £	Support costs (see note 6) £	Total 2020 £
	Ministry:				
	Staff costs	27,327	-	-	27,327
	Pension scheme liability	(13,778)	-	-	(13,778)
	Manse	8,685	-	-	8,685
	Other	2,072	-	17,572	19,644
	Mission:				
	Grants payable	-	7,567	-	7,567
	Establishment:				
	Repairs and maintenance	15,571	-	-	15,571
	Heat, light and water	16,867	-	-	16,867
	Insurance	6,698	-	-	6,698
	Depreciation	9,367	-	-	9,367
	Other	<u>8,795</u>	<u>-</u>	<u>-</u>	<u>8,795</u>
		<u>81,604</u>	<u>7,567</u>	<u>17,572</u>	<u>106,743</u>
					<u>172,500</u>

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

5 GRANTS PAYABLE

During the year grants were payable in furtherance of the charity's objects as follows:

	2020 £	2019 £
Grants to institutions		
Home Mission	2,260	1,500
Baptist Missionary Society	1,560	1,000
London Baptist Property Board	300	5,820
Other Gifts under £2,000 each	<u>3,447</u>	<u>2,776</u>
	<u>7,567</u>	<u>11,096</u>

6 SUPPORT COSTS

	2020 £	2019 £
Telephone	-	134
Subscriptions	481	681
Bank charges	183	337
Governance costs: Independent examination	2,942	3,078
Professional services	8,526	471
Internet	957	253
Miscellaneous expenses	<u>4,483</u>	<u>5,782</u>
	<u>17,572</u>	<u>10,736</u>

7 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2020 £	2019 £
Salaries	24,000	16,617
Social security costs	-	-
Pension costs	3,327	4,886
Operating costs of defined benefit pension scheme	(13,778)	1,787
Other costs: reimbursement of expenses and council tax	<u>3,672</u>	<u>3,100</u>
	<u>17,221</u>	<u>26,390</u>

The employee during the year was the minister, Rev P Searle who was also a Trustee. Rev P Searle was paid £24,000 (2019: £8,795). In 2019 Rev G Woolgar was also a minister and a trustee and was paid £7,824. The approved governing document gives authority for ministers to be paid. They did not earn more than £60,000 in the year.

The total expenses reimbursed to the ministers during the year amounted to £5,367 (2019: £4,417) and comprised amounts for travel, subsistence and utilities payable on the accommodation which is provided to them under the terms of the approved governing document.

Except as disclosed above, none of the Trustees (who are also the Key Management Personnel as described on page 2 received remuneration or reimbursement of expenses during the year (2019: nil).

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

8 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Fixtures and Fittings £	Organ £	Equipment £	Total £
Cost					
At 1st January 2020	795,134	27,526	30,690	63,444	916,794
Additions for year	-	-	-	593	593
Disposals	-	-	-	-	-
At 31st December 2020	<u>795,134</u>	<u>27,526</u>	<u>30,690</u>	<u>64,037</u>	<u>917,387</u>
Accumulated depreciation					
At 1st January 2020	2,500	7,322	30,690	58,848	99,360
Charge for year	2,500	5,186	-	1,680	9,366
Released on disposal	-	-	-	-	-
At 31st December 2020	<u>5,000</u>	<u>12,508</u>	<u>30,690</u>	<u>60,528</u>	<u>108,726</u>
Net book value					
At 31st December 2020	<u>790,134</u>	<u>15,018</u>	<u>-</u>	<u>3,509</u>	<u>808,661</u>
At 1st January 2020	<u>792,634</u>	<u>20,204</u>	<u>-</u>	<u>4,596</u>	<u>817,434</u>

Freehold land and buildings comprises the Manse, which is under the custodian trusteeship of the London Baptist Property and the Church is the beneficial owner. The Manse is shown at its acquisition cost plus cost of improvements.

No value is shown for the Church Building (insurance rebuild value of £9,565,108) and Church site which are under the custodian trusteeship of the LBPB and the Church is the beneficial owner. The original cost of the asset and subsequent improvements to date is not known. The Trustees have considered obtaining a current valuation for the property and have concluded that this cost is not justified by the usefulness of the information to the users of the accounts and to the charity for its own stewardship purposes. For these reasons this freehold property is shown at nil value in the accounts.

9 INVESTMENTS

Market value

At 1st January 2020

Additions for year

Disposals

Revaluations

At 31st December 2020

Units

Charibond Units

Charifund Units

Parkins	Larcombe	Total
£	£	£
659	10,213	10,872
-	-	-
-	-	-
8	(1,772)	(1,764)
<u>667</u>	<u>8,441</u>	<u>9,108</u>
531	-	531
-	615	615
<u>531</u>	<u>615</u>	<u>1,146</u>

10 DEBTORS

Accrued Income

Other debtors and prepayments

2020	2019
£	£
3,026	13,727
<u>8,970</u>	<u>16,033</u>
<u>11,996</u>	<u>29,760</u>

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

11 CASH AT BANK AND IN HAND	2020	2019
	£	£
Lloyds: current account	36,950	20,600
Lloyds: deposit account	2,426	2,425
CAF Cash	717	717
LBPB General Funds	33,652	32,629
LBPB Endowment Funds	12,864	12,402
LBPB Manse Funds	28,153	33,524
Baptists Together 7 day Notice	35,903	5,064
Baptists Together 1 yr fixed	-	30,375
	<u>150,665</u>	<u>137,736</u>

12 CREDITORS	2020	2019
	£	£
Trade Creditors	9,721	13,794
Accruals	<u>2,910</u>	<u>2,820</u>
	<u>12,631</u>	<u>16,614</u>

13 PROVISIONS FOR LIABILITIES	£
Liability at 1 January 2020	46,524
Deficiency contributions paid in year	(3,678)
Reduction in provision	<u>(13,778)</u>
Liability at 31 December 2020	<u>29,068</u>

A provision has been included for deficit contributions due to the Baptist Pension Scheme (see note 18). The current deficit reduction plan requires contributions to be made until June 2035. The provision has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	31 December	31 December	31 December
	2020	2019	2018
Discount rate	0.4%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.0%	3.2%	3.3%

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

14 ENDOWMENT FUNDS

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains and losses £	Balance at 31 December 2020 £
Parkins Bursary	659	-	-	8	667
Larcombe Trust	10,213	-	-	(1,772)	8,441
	<u>10,872</u>	<u>-</u>	<u>-</u>	<u>(1,764)</u>	<u>9,108</u>
	Balance at 1 January 2019 £	Income £	Expenditure £	Gains and losses £	Balance at 31 December 2019 £
Parkins Bursary	649	-	-	10	659
Larcombe Trust	8,758	-	-	1,455	10,213
	<u>9,407</u>	<u>-</u>	<u>-</u>	<u>1,465</u>	<u>10,872</u>

The Parkins Bursary was set up by Mr. Parkins in memory of his wife. The object of this Fund is to provide presentations to assist students in their studies.

The Larcombe Trust was set up in memory of the minister who organised the move (with the church) from the High Street in Sutton (where Waterstone's is today) to the new location in 1934. The object of this Trust Fund is to provide grants for any cause, person or college connected with the Baptist Ministry.

15 RESTRICTED FUNDS

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Parkins Bursary	1,381	19	-	-	1,400
Benevolent fund	-	4,625	-	-	4,625
Larcombe Trust	11,019	444	-	-	11,463
Boys' Brigade	1,679	-	-	-	1,679
Special offerings	2,174	-	-	-	2,174
150 th Anniversary	<u>5,342</u>	<u>631</u>	<u>(5,973)</u>	<u>-</u>	<u>-</u>
	<u>21,595</u>	<u>5,719</u>	<u>(5,973)</u>	<u>-</u>	<u>21,341</u>

The Benevolent fund was established during the year to provide financial support to members who have been financially affected by Covid.

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

15 RESTRICTED FUNDS (continued)

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Parkins Bursary	1,355	26	-	-	1,381
Larcombe Trust	10,424	595	-	-	11,019
Boys' Brigade	1,679	-	-	-	1,679
Special offerings	530	1,203	(1,155)	1,596	2,174
Community Survey	-	9,897	(9,897)	-	-
Minister's office	-	1,500	-	(1,500)	-
150 th Anniversary	-	5,342	-	-	5,342
	<u>13,988</u>	<u>18,563</u>	<u>(11,052)</u>	<u>96</u>	<u>21,595</u>

A transfer was made from the Minister's office fund to reflect the assets purchased during the year.
A transfer was made into the special offerings fund to correct expenditure that had been shown in general funds in previous years.

16 UNRESTRICTED FUNDS

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 December 2020 £
Tangible assets	817,434	-	-	(8,773)	808,661
Wider Missions	16,969	-	(6,345)	4,014	14,638
Manse Reserve	30,435	91	(4,161)	-	26,365
Rewiring fund	-	-	-	10,000	10,000
Future expenditure reserve	15,194	-	-	(7,068)	8,126
<i>Designated Funds</i>	880,032	91	(10,506)	(1,827)	867,790
General Funds	66,689	108,764	(90,264)	(15,629)	69,560
Pension Provision	(46,524)	-	-	17,456	(29,068)
<i>Total</i>	<u>900,197</u>	<u>108,855</u>	<u>(100,770)</u>	<u>-</u>	<u>908,282</u>

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 December 2019 £
Tangible assets	2,304	-	-	815,130	817,434
Wider Missions	13,093	-	(4,371)	8,247	16,969
Manse Reserve	835,777	662	(7,678)	(798,326)	30,435
Future expenditure reserve	30,000	-	-	(14,806)	15,194
<i>Designated Funds</i>	881,174	662	(12,049)	10,245	880,032
General Funds	71,887	157,553	(149,399)	(13,352)	66,689
Pension Provision	(49,535)	-	-	3,011	(46,524)
<i>Total</i>	<u>903,526</u>	<u>158,215</u>	<u>(161,448)</u>	<u>(96)</u>	<u>900,197</u>

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Investments	Net Current assets	Provisions for liabilities	Total 2020
		£	£	£	£
Designated funds	808,661	-	59,128	-	867,789
Pension Provision	-	-	-	(29,068)	(29,068)
General funds	-	-	69,561	-	69,561
Endowment funds	-	9,108	-	-	9,108
Restricted funds	-	-	21,341	-	21,341
	<u>808,661</u>	<u>9,108</u>	<u>150,030</u>	<u>(29,068)</u>	<u>938,731</u>

	Fixed Assets	Investments	Net Current assets	Provisions for liabilities	Total 2019
		£	£	£	£
Designated funds	817,434	-	62,598	-	880,032
Pension Provision	-	-	-	(46,524)	(46,524)
General funds	-	-	66,689	-	66,689
Endowment funds	-	10,872	-	-	10,872
Restricted funds	-	-	21,595	-	21,595
	<u>817,434</u>	<u>10,872</u>	<u>150,882</u>	<u>(46,524)</u>	<u>932,664</u>

18 PENSIONS

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 Minister is 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 Aviva plc.

18 PENSIONS (continued)

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 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 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 assumptions underlying the valuation were as follows:

RPI price inflation assumption	3.0% pa
CPI price inflation assumption	2.70% pa
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.2% 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

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.

SUTTON BAPTIST CHURCH
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19 Commitments under operating leases

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

	2020 £	2019 £
Within 1 year	-	996
2 – 5 years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>996</u>
	2020 £	2019 £
Lease payments recognised as an expense	<u>664</u>	<u>1,357</u>

