

**SUTTON BAPTIST CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2021**

**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 2021

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SUTTON BAPTIST CHURCH

REFERENCES AND ADDITIONAL INFORMATION

Trustees

All those who served as Trustees from 1 January 2021 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
Mrs P Reilly

Principal address 21 Cheam Road
Sutton
SM1 1SN

Key Management Personnel The Trustees (as above)

Bankers Lloyds Bank
George Street
Croydon
CR9 2NS

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Independent Examiner Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

The Trustees present their annual report for the year ended 31 December 2021 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 the 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, Alpha course, monthly men's group, 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.

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.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

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 and choir's. 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 2021.

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.

2021 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 and have continued to be so. 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. When we were able to open again on a weekly basis some members still chose to join the service via zoom.

At the beginning of the year 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 families every couple of weeks. One-Stop-Shop, Brigades and the Dancing School did re-start face to face meetings in April having previously completed risk assessments which included information on cleaning arrangements as per Government guidelines. Other groups chose to continue to meet online but as Government guidelines were relaxed further groups returned to face to face meetings. Unfortunately, some groups chose not to return which has affected the Church's income stream

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 2021 continued to be curtailed as groups for a variety of reasons chose not to return.

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 Baptist Union.

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 2021 this has not happened.

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.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

The Trustees' Annual 2021 report has been prepared against the ongoing background of the Covid-19 pandemic. SBC's income from lettings and from the donations made at our church services were reduced in 2021 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 2021 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.

Pre-Covid 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. However due to a number of changes in personnel these have not operated in 2021.

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.

SUTTON BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT (continued)

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. All non-ministerial Trustees give their time freely and are only reimbursed for expenses. The stipend of the Minister is reviewed in line with guidance provided by the Baptist Union and at other times 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 adults 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: 31 October 2022

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 2021 set out on pages 8 to 19.

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: 31/10/2022

SUTTON BAPTIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £
Income from:									
Donations and legacies	2	35,673	933	-	36,606	45,041	5,256	-	50,297
Other trading activities:									
Property lettings		68,745	-	-	68,745	58,075	-	-	58,075
Investments	3	170	490	-	660	648	463	-	1,111
Other income		3,474	-	-	3,474	5,091	-	-	5,091
Total income		<u>108,062</u>	<u>1,423</u>	<u>-</u>	<u>109,485</u>	<u>108,855</u>	<u>5,719</u>	<u>-</u>	<u>114,574</u>
Expenditure on:									
Charitable activities	4	102,228	150	-	102,378	100,770	5,973	-	106,743
Total expenditure		<u>102,228</u>	<u>150</u>	<u>-</u>	<u>102,378</u>	<u>100,770</u>	<u>5,973</u>	<u>-</u>	<u>106,743</u>
Net (losses)/gains on investments		-	-	1,105	1,105	-	-	(1,764)	(1,764)
Net (expenditure)/income		5,834	1,273	1,105	8,212	8,085	(254)	(1,764)	6,067
Transfers between funds		-	-	-	-	-	-	-	-
Net movement in funds		5,834	1,273	1,105	8,212	8,085	(254)	(1,764)	6,067
Funds brought forward at 1 January 2021		908,282	21,341	9,108	938,731	900,197	21,595	10,872	932,664
Funds carried forward at 31 December 2021		<u>914,116</u>	<u>22,614</u>	<u>10,213</u>	<u>946,943</u>	<u>908,282</u>	<u>21,341</u>	<u>9,108</u>	<u>938,731</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 2021

		2021		2020	
	<i>Note</i>	£	£	£	£
Fixed assets					
Tangible fixed assets	8		809,190		808,661
Investments	9		<u>10,213</u>		<u>9,108</u>
			819,403		817,769
Current assets					
Debtors	10	21,379		11,996	
Cash at bank and in hand	11	<u>135,436</u>		<u>150,665</u>	
		156,815		162,661	
Creditors: Amounts falling due within one year	12	(11,975)		(12,631)	
Net current assets			<u>144,840</u>		<u>150,030</u>
Total assets less current liabilities			964,243		967,799
Provisions for liabilities and charges	13		(17,300)		(29,068)
Net assets			<u>946,943</u>		<u>938,731</u>
Funds					
Designated funds	16		864,173		867,790
Pension Provision fund	16		(17,300)		(29,068)
General funds	16		<u>67,243</u>		<u>69,560</u>
Unrestricted funds	16		914,116		908,282
Endowments	14		10,213		9,108
Restricted funds	15		<u>22,614</u>		<u>21,341</u>
Total funds	17		<u>946,943</u>		<u>938,731</u>

Approved by the Trustees on 31 October 2022 and signed on their behalf by:



Rev Pamela Searle

Trustee



Mrs C Graham

Trustee and 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 2021

2 DONATIONS AND LEGACIES

	2021			2020
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	£	£	£	£
Cash collections, standing orders, voluntary offerings, and donations	23,393	908	24,301	39,471
Grants	-	-	-	881
Tax recoverable	6,280	25	6,305	9,945
Legacies	6,000	-	6,000	-
	<u>35,673</u>	<u>933</u>	<u>36,606</u>	<u>50,297</u>

3 INCOME FROM INVESTMENTS

	Unrestricted	Restricted	Endowment	Total 2021	Total 2020
	£	£	£	£	£
Bank interest	170	40	-	210	687
Dividends	-	450	-	450	424
	<u>170</u>	<u>490</u>	<u>-</u>	<u>660</u>	<u>1,111</u>

4 CHARITABLE ACTIVITIES

	2021			2020
	Direct costs	Grant Funding of Activities (see note 5)	Support costs (see note 6)	Total
	£	£	£	£
Ministry:				
Staff costs	27,578	-	-	27,578
Change in pension scheme liability	(6,778)	-	-	(6,778)
Manse	6,500	-	-	6,500
Other	1,970	-	6,042	8,012
Mission:				
Grants payable	-	5,549	-	5,549
Establishment:				
Repairs and maintenance	14,993	-	-	14,993
Heat, light and water	20,425	-	-	20,425
Insurance	6,703	-	-	6,703
Depreciation	11,091	-	-	11,091
Other	8,305	-	-	8,305
	<u>90,787</u>	<u>5,549</u>	<u>6,042</u>	<u>102,378</u>
				<u>106,743</u>

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

5 GRANTS PAYABLE

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

	2021	2020
	£	£
Grants to institutions		
Home Mission	2,065	2,260
Baptist Missionary Society	1,560	1,560
London Baptist Property Board	-	300
Sutton Community Works	540	-
Other Gifts under £2,000 each	<u>1,404</u>	<u>3,447</u>
	<u>5,549</u>	<u>7,567</u>

6 SUPPORT COSTS

	2021	2020
	£	£
Subscriptions	804	481
Bank charges	116	183
Governance costs: Independent examination	3,122	2,942
Professional services	-	8,526
Internet and website	529	957
Miscellaneous expenses	<u>1,429</u>	<u>4,483</u>
	<u>6,042</u>	<u>17,572</u>

7 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2021	2020
	£	£
Salaries	24,500	24,000
Social security costs	-	-
Pension costs	3,078	3,327
Operating costs of defined benefit pension scheme	(6,778)	(13,778)
Other costs: reimbursement of expenses and council tax	<u>6,924</u>	<u>3,672</u>
	<u>27,724</u>	<u>17,221</u>

The employee during the year was the minister, Rev P Searle who was also a Trustee. Rev P Searle was paid £24,500 (2020: £24,000). 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 £6,924 (2020: £5,367) 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 (2020: nil).

SUTTON BAPTIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Fixtures and Fittings £	Organ £	Equipment £	Total £
Cost					
At 1st January 2021	795,134	27,526	30,690	64,037	917,387
Additions for year	-	1,275	-	10,334	11,619
Disposals	-	-	-	-	-
At 31st December 2021	<u>795,134</u>	<u>28,801</u>	<u>30,690</u>	<u>74,381</u>	<u>929,006</u>
Accumulated depreciation					
At 1st January 2021	5,000	12,508	30,690	60,528	108,726
Charge for year	2,500	5,186	-	3,404	11,090
Released on disposal	-	-	-	-	-
At 31st December 2021	<u>7,500</u>	<u>17,694</u>	<u>30,690</u>	<u>63,932</u>	<u>119,816</u>
Net book value					
At 31st December 2021	<u>787,634</u>	<u>11,107</u>	<u>-</u>	<u>10,449</u>	<u>809,190</u>
At 1st January 2021	<u>790,134</u>	<u>15,018</u>	<u>-</u>	<u>3,509</u>	<u>808,661</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

	Parkins	Larcombe	Total
Market value	£	£	£
At 1st January 2021	667	8,441	9,108
Additions for year	-	-	-
Disposals	-	-	-
Revaluations	(24)	1,129	1,105
At 31st December 2021	<u>643</u>	<u>9,570</u>	<u>10,213</u>
Units			
Charibond Units	531	-	531
Charifund Units	-	615	615
	<u>531</u>	<u>615</u>	<u>1,146</u>

10 DEBTORS

	2021 £	2020 £
Accrued Income	10,498	3,026
Other debtors and prepayments	<u>10,881</u>	<u>8,970</u>
	<u>21,379</u>	<u>11,996</u>

SUTTON BAPTIST CHURCH
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FOR THE YEAR ENDED 31 DECEMBER 2021

11 CASH AT BANK AND IN HAND	2021 £	2020 £
Lloyds: current account	13,067	36,950
Lloyds: deposit account	10,420	2,426
CAF Cash	717	717
LBPB General Funds	33,703	33,652
LBPB Endowment Funds	13,355	12,864
LBPB Manse Funds	28,196	28,153
Baptists Together 7 day Notice	<u>35,978</u>	<u>35,903</u>
	<u>135,436</u>	<u>150,665</u>

12 CREDITORS	2021 £	2020 £
Trade Creditors	8,885	9,721
Accruals	<u>3,090</u>	<u>2,910</u>
	<u>11,975</u>	<u>12,631</u>

13 PROVISIONS FOR LIABILITIES	£	£
Liability at 1 January 2021	29,068	46,524
Deficiency contributions paid in year	(4,990)	(3,678)
Reduction in provision	<u>(6,778)</u>	<u>(13,778)</u>
Liability at 31 December 2021	<u>17,300</u>	<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 2026. The provision has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	31 December 2021	31 December 2020	31 December 2019
Discount rate	2.0%	0.4%	1.7%
Future increases to Minimum Pensionable Income	4.1%	3.0%	3.2%

SUTTON BAPTIST CHURCH
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FOR THE YEAR ENDED 31 DECEMBER 2021

14 ENDOWMENT FUNDS

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains and losses £	Balance at 31 December 2021 £
Parkins Bursary	667	-	-	(24)	643
Larcombe Trust	8,441	-	-	1,129	9,570
	<u>9,108</u>	<u>-</u>	<u>-</u>	<u>1,105</u>	<u>10,213</u>
	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>

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 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
Parkins Bursary	1,400	16	(150)	-	1,266
Benevolent fund	4,625	-	-	-	4,625
Larcombe Trust	11,463	474	-	-	11,937
Boys' Brigade	1,679	-	-	-	1,679
Special offerings	2,174	933	-	-	3,107
	<u>21,341</u>	<u>1,423</u>	<u>(150)</u>	<u>-</u>	<u>22,614</u>

The Benevolent fund was established in 2020 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 2021

15 RESTRICTED FUNDS (continued)

	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>

16 UNRESTRICTED FUNDS

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 December 2021 £
Tangible assets	808,661	-	-	528	809,189
Wider Missions	14,638	-	(4,145)	-	10,493
Manse Reserve	26,365	-	-	-	26,365
Rewiring fund	10,000	-	-	-	10,000
Future expenditure reserve	<u>8,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,126</u>
<i>Designated Funds</i>	867,790	-	(4,145)	528	864,173
General Funds	69,560	108,062	(98,083)	(12,296)	67,243
Pension Provision	<u>(29,068)</u>	<u>-</u>	<u>-</u>	<u>11,768</u>	<u>(17,300)</u>
<i>Total</i>	<u>908,282</u>	<u>108,062</u>	<u>(102,228)</u>	<u>-</u>	<u>914,116</u>

	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	<u>15,194</u>	<u>-</u>	<u>-</u>	<u>(7,068)</u>	<u>8,126</u>
<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	<u>(46,524)</u>	<u>-</u>	<u>-</u>	<u>17,456</u>	<u>(29,068)</u>
<i>Total</i>	<u>900,197</u>	<u>108,855</u>	<u>(100,770)</u>	<u>-</u>	<u>908,282</u>

SUTTON BAPTIST CHURCH
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17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Investments	Net Current assets	Provisions for liabilities	Total 2021
	£	£	£	£	£
Designated funds	809,190	-	54,983	-	864,173
Pension Provision	-	-	-	(17,300)	(17,300)
General funds	-	-	67,243	-	67,243
Endowment funds	-	10,213	-	-	10,213
Restricted funds	-	-	22,614	-	22,614
	<u>809,190</u>	<u>10,213</u>	<u>144,840</u>	<u>(17,300)</u>	<u>946,943</u>

	Fixed Assets	Investments	Net Current assets	Provisions for liabilities	Total 2020
	£	£	£	£	£
Designated funds	808,661	-	59,129	-	867,790
Pension Provision	-	-	-	(29,068)	(29,068)
General funds	-	-	69,560	-	69,560
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>

18 PENSIONS

Defined benefit scheme

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

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

The Minister is eligible to join the Scheme.

18 PENSIONS (continued)

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in 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

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. 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 signed in September 2020, deficiency contributions are payable until June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

19 Commitments under operating leases

There are no future payments due under operating leases.

	2021	2020
	£	£
Lease payments recognised as an expense	<u>—</u>	<u>664</u>