

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2022
for
Redhill Baptist Church

A J Bennewith FCA, FCPA, FFA, FFTA,
FIPA, DChA, FRSA
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

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for the Year Ended 31 December 2022

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Report of the Trustees
for the Year Ended 31 December 2022

The trustees present their report and the financial statements of the charity for the year ended 31 December 2022.

OBJECTIVES AND ACTIVITIES

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

ACHIEVEMENT AND PERFORMANCE

Ministry & leadership

-After 4 years of ministry at Redhill Baptist Church Graham McBain moved on from the church in November 2022. The church is grateful for Graham's ministry through some significant challenges, most notably the Covid lockdowns and subsequent re-orientation that was required.

-Mari McBain completed her training for Baptist ministry and was ordained on 27th November 2022.

-Miranda successfully moved through the ministerial recognition process and was called to be the Minister at Westvale Community Church, a church plant in the new housing development of Westvale, near Reigate.

-The church is grateful to the core leadership team of the church for the many hours of service that was given throughout the year - they went above and beyond what would be expected throughout the year and the church is very grateful to them.

Sunday worship

-The church gathered for public worship every Sunday in 2022 and held additional services at Easter and Christmas.

-Preaching from the Bible contributed to the discipleship growth of the congregation.

-Many members of the congregation contributed to organising and leading Sunday services. The church is grateful to all those who offered extra help and support.

-Groups for children and young people aged 1-18 were on offer throughout the year and contributing significantly to the life of the church.

Pastoral care

-The pastoral care team provided significant amounts of help and support to the church as well as to the wider community.

-The church is grateful to the whole team for their contribution to this aspect of the churches life as it enables the congregation to be resilient and persevere in their service of the Redhill community and beyond.

Link-up

Link-Up, for those free on Tuesday afternoons, usually older folk, is a friendly and welcoming place where we pray, care, sing, learn, lunch, think, chat together for about 90 minutes. Each meeting includes refreshments, news of one another, prayer, a hymn and an activity.

In 2022 we enjoyed hearing from speakers inside and outside RBC : learning about several local agencies (e.g.YMCA, Sparkfish, Street Pastors, Emerge), as well as those further afield (e.g. Open Doors, the Churchills, Nursing training years ago, MAF, trip to Jordan and John the Baptist) and musical items (e.g. U3A handbell group, Julie McLean, a harpist). RBC folks have shared their enthusiasms (e.g. Fun with trains, testimony, A life in print).

We also enjoyed quizzing, lunching (especially Christmas), celebrating (the Jubilee and a 100th birthday with afternoon tea) and sharing memories. As a group we support each other in prayer, phone calls, texts, emails, birthday and Christmas cards, and using our donations to give to many of the ministries our speakers represent.

Food club

The food club continued to serve clients week by week at the church building. There are between 25 -35 clients attending the club each week to receive food as well as a range of input from council services.

The team work very hard to support clients and provide a warm and inviting space for them. The team of volunteers numbers around 10 and they vary the weeks that they serve at the club. The team work hard with local suppliers including the supermarkets to provide a good range of different foods.

Report of the Trustees
for the Year Ended 31 December 2022

The food club brings positive change to the lives of families in our local community enabling them to live better, healthier lives.

Youth & Children's work

- Youth on Sunday and Rock Solid sessions were available throughout the year for young people aged 11-14. Both groups offered opportunities for young people to build friendships, have fun and explore the Christian faith.
- Mettle sessions were available throughout the year for young people aged 15-18. Mettle involves a weekly meal and Bible study with discussion.
- Youth Band practised regularly and led public worship once a month.
- Emily Irving continued to support local schools work charity SparkFish as part of her role at Redhill Baptist Church and supported students at Merstham Park School at a lunch time drop in club.

Families work

- Baby-grow continued to welcome babies under 1 year with their adults to a friendly group with refreshments, toys and songs. Miranda handed over leadership of this group to a well-established team of volunteers.
- After a couple of years without a midweek group for toddlers, Toddler Praise began in November 2022 combining free play, craft, refreshments and songs for 1-3 year olds and their adults.

Administration

The administration of the church continues day by day and week by week under the leadership of Marion. Amongst other things here's what happened:

- Daily checking of emails and responding where required.
- Checking certifications, seeing what maintenance needs to be done, setting up appointments with the various service providers ensuring all the necessary work is done and that documentation is received.
- Helping in the various groups with setting up bookings for use of the church, drawing up of rotas, printing of notices and pamphlets, sound set up etc. Keeping volunteers updated regarding Bible readings and communion serving.
- Taking and typing up minutes of CLT business meetings and church meetings.
- Helping with the accounting function in doing regular banking, counting of monies from weekly offerings and the various groups, (Babygrow and Toddlers) posting of receipts, expenses and various journal entries.
- Regularly notify the treasurer of payments due.
- Manage the cleaning staff, order cleaning and stationery supplies.
- Checking and applying for DBS for volunteers.
- Helping pre-school with any issues they might have crop up.

Buildings - Facilities management team

The main achievements in 2022 were rebuilding the wall at the back, which saved the church considerable sums of money in planning and labour. It also enabled us to involve church members not in the team and built new friendships. The other achievement was a list too long to mention of little jobs that team members have responded to which have collectively saved the church considerable expense.

The FMT generally meet once a month: alternating between the church and the pub which seems to allow a less business-like approach to conversation. There has been a lot going on in church and we have tried to follow the model we have adopted of cultivating honest and respectful conversation so that our connection with the church is not just through nuts and bolts, but remains embedded in hearts and minds.

Unrestricted reserves policy

The trustees have established a policy whereby the cash at bank including gift aid repayable held by the church should represent six months of essential expenditure, this equating to 50% of non-outside giving expenditure. As at the period end free reserves amounted to £240,625, the reserves policy requiring £99,144.

Report of the Trustees
for the Year Ended 31 December 2022

FUTURE PLANS

Plans for the future:

- Perform review of ministry support, church management and administration roles
- Recruit new staff following review
- Re-evaluate church life and ministries as we emerge from significant changes and enter a period of pastoral interregnum.
- Appoint a new Treasurer and Church Secretary
- Expand the eldership; grow and develop ministry leaders & co-ordinators
- Continue to apply learning from the LICC learning hub
- Review approach to discipleship (including growth groups)
- Review approach to staff appraisals
- Make significant progress toward becoming a Charitable Incorporated Organisation (CIO)

It was decided by the Trustees that a full audit of the accounts would only be carried out every 3 years and from 2021 accounts an Independent Examination would be undertaken on the accounts during the years when a full audit is not carried out.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The pastor, assistant pastors and elders are the Charity Trustees and they are responsible for the governance of the Church and the fulfilment of the Purpose through its Activities acting according to the will of God as discerned by the Church Members' Meeting. The Church's organisational structure and the procedures for the appointment of the leadership are specified in the Church Constitution. This constitution was approved by the Church Meeting and can only be altered by a resolution of a Special Church Members' Meeting.

The Charity Trustees are aware of the need to examine the major financial, strategic and operational risks faced by the Church. We confirm that systems have been established so that necessary steps can be taken to manage and mitigate those risks.

It is the opinion of the Charity Trustees that there are sufficient reserves to maintain on-going operations.

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to public benefit guidance published by the Charity Commission.

Report of the Trustees
for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Redhill Baptist Church
Charity registration number	1130958
Principal office	Hatchlands Road Redhill Surrey RH1 6AE
The trustees	G McBain - resigned 31/12/22 E Irving - resigned 17/09/23 C McNish - resigned 30/06/23 I Buck - resigned 31/08/23 C Tewkesbury - appointed 06/11/22 T Stuart - appointed 26/03/23 R Davies - appointed 06/11/22 N Joubert - appointed 06/11/22, resigned 02/06/23
Independent examiner	A J Bennewith FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA 3 Wey Court Mary Road Guildford GU1 4QU

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 applicable Charities (Accounts and Reports) Regulations, 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.

Redhill Baptist Church

Report of the Trustees
for the Year Ended 31 December 2022

Approved by order of the board of trustees on15/11/23..... and signed on its behalf by:


.....
C Tewkesbury - Trustee

Independent Examiner's Report to the Trustees of
Redhill Baptist Church

Independent examiner's report to the trustees of Redhill Baptist Church

I report to the charity trustees on my examination of the accounts of Redhill Baptist Church (the Trust) for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of the Trust 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 carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

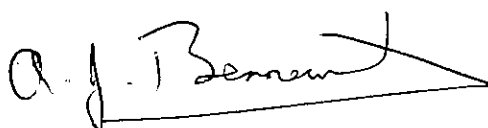
I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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 Reports) 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.

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.

A J Bennewith FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA

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Date:15 November 2023.....

Statement of Financial Activities
for the Year Ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	261,455	6,737	268,192	319,818
Charitable activities	5				
Charitable Activities		13,928	-	13,928	14,473
Investment income	4	136	-	136	1
Total		<u>275,519</u>	<u>6,737</u>	<u>282,256</u>	<u>334,292</u>
EXPENDITURE ON					
Charitable activities	6				
Charitable Activities		<u>256,403</u>	<u>4,911</u>	<u>261,314</u>	<u>265,168</u>
NET INCOME		19,116	1,826	20,942	69,124
Transfers between funds	15	555	(555)	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		<u>16,646</u>	<u>-</u>	<u>16,646</u>	<u>942</u>
Net movement in funds		36,317	1,271	37,588	70,066
RECONCILIATION OF FUNDS					
Total funds brought forward		808,223	162,401	970,624	900,558
TOTAL FUNDS CARRIED FORWARD		<u><u>844,540</u></u>	<u><u>163,672</u></u>	<u><u>1,008,212</u></u>	<u><u>970,624</u></u>

Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	11	649,308	150,555	799,863	801,966
CURRENT ASSETS					
Debtors	12	141,172	250	141,422	148,972
Cash at bank		89,604	12,867	102,471	59,190
		<u>230,776</u>	<u>13,117</u>	<u>243,893</u>	<u>208,162</u>
CREDITORS					
Amounts falling due within one year	13	(35,544)	-	(35,544)	(20,804)
NET CURRENT ASSETS		<u>195,232</u>	<u>13,117</u>	<u>208,349</u>	<u>187,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		844,540	163,672	1,008,212	989,324
PROVISIONS FOR LIABILITIES	14	-	-	-	(18,700)
NET ASSETS		<u>844,540</u>	<u>163,672</u>	<u>1,008,212</u>	<u>970,624</u>
FUNDS	15				
Unrestricted funds				844,540	808,223
Restricted funds				163,672	162,401
TOTAL FUNDS				<u>1,008,212</u>	<u>970,624</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15/11/23 and were signed on its behalf by:



C. Tewkesbury - Trustee

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. GENERAL INFORMATION

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Hatchlands Road, Redhill, Surrey, RH1 6AE.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of one freehold property measured at fair value through income or expenditure.

Going concern

There are no material uncertainties about the charity's ability to continue.

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

-income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

-legacy income is recognised when receipt is probable and entitlement is established.

-income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

-income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

-expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

-expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

-other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Expenditure

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible fixed assets

Tangible fixed assets are stated at cost, except for the freehold Church premises, which are stated at a valuation obtained in 1995. The premises have not been revalued since 1995 as the Eldership considers that the costs involved in obtaining an annual valuation would outweigh the value of the information to the Church's members.

Freehold property is not depreciated as it is the Eldership's policy to maintain the buildings to such a standard that their estimated residual value is not less than their book value, subject to market fluctuations.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 25% straight line

Property improvements - 7% straight line

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Defined contribution plans

The Church contributes to pension arrangements for the Pastors. The Pastors contribute to a defined contribution stakeholder pension scheme. The contributions are charged in the accounts when due for payment.

The Church also operates an auto-enrolment defined contribution scheme for other staff members in accordance with pension regulations. The contributions are charged in the accounts when due for payment.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

3. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Donations Offerings	261,455	6,737	268,192

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Donations Offerings	311,737	8,081	319,818

4. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Bank Interest Receivable	136	1

5. INCOME FROM CHARITABLE ACTIVITIES

	31.12.22 Charitable Activities	31.12.21 Total activities
	£	£
Income from non-investment property in furtherance of the charity's objects	13,728	14,473
Other income	200	-
	<u>13,928</u>	<u>14,473</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

6. CHARITABLE ACTIVITIES COSTS

Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable activities	253,403	4,911	258,314
Support costs	3,000	-	3,000
	<u>256,403</u>	<u>4,911</u>	<u>261,314</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	260,796	1,372	262,168
Support costs	3,000	-	3,000
	<u>263,796</u>	<u>1,372</u>	<u>265,168</u>

Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2022 £	Total Funds 2021 £
Charitable activities	258,314	-	258,314	262,168
Governance costs	-	3,000	3,000	3,000
	<u>257,035</u>	<u>3,000</u>	<u>260,035</u>	<u>265,168</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

Trustee remuneration and expenses

The following Elder/trustees received the following remuneration under the church's constitution:

	2022	2021
Gross Pay		
E Irving	£28,797	£28,797
G McBain	£35,996	£35,756
Pension		
E Irving	£3,330	£3,330
G McBain	£4,414	£4,414
Housing Allowance		
E Irving	£12,600	£12,600
Expenses		
E Irving	£1,434	£1,265
G McBain	£286	£1,461

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

7. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

No sums were reimbursed to the Elders for their work as Elders in either year. The expenses recorded above are expenses paid in relation to their ordinary work, not their work as Trustees.

8. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	114,088	127,260
Social security costs	4,852	5,736
Employer contributions to pension plans	8,483	9,025
Other employee benefits	12,600	12,600
	<u>140,023</u>	<u>154,621</u>

The average head count of employees during the year was 5 (2021: 8).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	311,737	8,081	319,818
Charitable activities			
Charitable Activities	14,473	-	14,473
Investment income	1	-	1
Total	<u>326,211</u>	<u>8,081</u>	<u>334,292</u>
EXPENDITURE ON			
Charitable activities			
Charitable Activities	263,796	1,372	265,168
NET INCOME	62,415	6,709	69,124
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	942	-	942
Net movement in funds	63,357	6,709	70,066
RECONCILIATION OF FUNDS			
Total funds brought forward	744,866	155,692	900,558

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	808,223	162,401	970,624

10. NET INCOME

Net income is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	4,013	2,728
The amount recognised in income or expenditure as an expense in relation to defined contribution plans	8,483	9,025
Independent Examiner's fee	4,200	3,000

11. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Computer equipment £	Totals £
COST				
At 1 January 2022	759,257	40,800	52,518	852,575
Additions	-	-	1,909	1,909
Disposals	-	-	(880)	(880)
At 31 December 2022	759,257	40,800	53,547	853,604
DEPRECIATION				
At 1 January 2022	-	227	50,382	50,609
Charge for year	-	2,720	1,292	4,012
Eliminated on disposal	-	-	(880)	(880)
At 31 December 2022	-	2,947	50,794	53,741
NET BOOK VALUE				
At 31 December 2022	759,257	37,853	2,753	799,863
At 31 December 2021	759,257	40,573	2,136	801,966

The freehold church premises were revalued in 1995 and the surplus on revaluation at that date of £150,000 is included in the above total of £759,257.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Accrued gift aid	138,153	145,985
Prepayments	3,269	2,987
	<u>141,422</u>	<u>148,972</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	29	160
Other creditors	8,505	4,823
Accrued expenses	27,010	15,821
	<u>35,544</u>	<u>20,804</u>

14. PROVISIONS FOR LIABILITIES**FRS102 pensions disclosure****- Background to the disclosure**

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 Pastors of the Church are eligible to join the Scheme.

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

14. PROVISIONS FOR LIABILITIES - continued

- Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31st 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%). As a result of the valuation, in addition to the contributions to the Defined Contribution Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1st July 2020 to 31st December 2020.

At the end of June 2022, the BPS signed an agreement with the insurance company Just Group to secure members' pension benefits under the DB Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was announced in July 2022 with deficit contributions from each participating employer in the DB Plan reducing to £1 per month from August 2022. However, the participating employers remain responsible for providing a share of any additional funds that the DB Plan may require in the future.

The key assumptions underlying the valuation were as follows:

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

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

In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31st December 2020. The current Recovery Plan dated 30th September 2020 envisages deficiency contributions continuing until 30th June 2026.

- Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 December 2022	31 December 2021
	£	£
Balance sheet liability at year start	18,700	23,609
Minus deficiency contributions paid	(2,404)	(4,053)
Interest cost (recognised in SoFA)	350	86

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

14. PROVISIONS FOR LIABILITIES - continued

Remaining change to balance sheet liability*
(recognised in SOFA)

(16,646) (942)

Balance sheet liability at year end

- 18,700

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31 December 2022	31 December 2021	31 December 2020
Discount rate	5.7%	2.0%	0.4%
Future increases to			
Minimum	3.3%	4.1%	3.0%
Pensionable Income			

15. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	808,223	35,762	555	844,540
Restricted funds				
Property Revaluation Reserve	150,000	-	-	150,000
COVID-19 Fund	2,304	-	-	2,304
Bassra Bereavement Fund	1,360	(1,258)	-	102
Redhill Community Food Club	3,046	2,254	-	5,300
CMES	5,691	(137)	-	5,554
Computer Equipment	-	967	(555)	412
	<u>162,401</u>	<u>1,826</u>	<u>(555)</u>	<u>163,672</u>
TOTAL FUNDS	<u>970,624</u>	<u>37,588</u>	<u>-</u>	<u>1,008,212</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	275,519	(256,403)	16,646	35,762
Restricted funds				
Bassra Bereavement Fund	101	(1,359)	-	(1,258)
Redhill Community Food Club	3,723	(1,469)	-	2,254
CMES	1,663	(1,800)	-	(137)
Computer Equipment	1,250	(283)	-	967
	<u>6,737</u>	<u>(4,911)</u>	<u>-</u>	<u>1,826</u>
TOTAL FUNDS	<u>282,256</u>	<u>(261,314)</u>	<u>16,646</u>	<u>37,588</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	744,866	63,357	808,223
Restricted funds			
Property Revaluation Reserve	150,000	-	150,000
COVID-19 Fund	2,274	30	2,304
Bassra Bereavement Fund	-	1,360	1,360
Redhill Community Food Club	-	3,046	3,046
CMES	3,418	2,273	5,691
	<u>155,692</u>	<u>6,709</u>	<u>162,401</u>
TOTAL FUNDS	<u>900,558</u>	<u>70,066</u>	<u>970,624</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	326,211	(263,796)	942	63,357
Restricted funds				
COVID-19 Fund	30	-	-	30
Bassra Bereavement Fund	2,000	(640)	-	1,360
Redhill Community Food Club	3,778	(732)	-	3,046
CMES	2,273	-	-	2,273
	<u>8,081</u>	<u>(1,372)</u>	<u>-</u>	<u>6,709</u>
TOTAL FUNDS	<u>334,292</u>	<u>(265,168)</u>	<u>942</u>	<u>70,066</u>

Restricted funds is funding given for specific external projects, approved by the trustees, that are passed on to the specific projects during the course of the year.

Revaluation reserve is a restricted fund arising on the church's premises revaluation in 1995. The revaluation reserve represents the surplus of the 1995 valuation over the original costs of the building.

16. RELATED PARTY DISCLOSURES

The Custodian Trustee of the Church is the Baptist Union Corporation Limited, which is charity number 249635 and is controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain and the South East Baptist Association.

The Baptist Union was paid £892 (2021: £907) as a subscription based on the number of registered members.

South Eastern Baptist Association was donated £7,000 (2021: £7,000). The home mission fund, a fund that supports churches in the area that do not have sufficient funds, received £7,000 (2021: £7,000). A payment of £206 (2020: £206) was paid as a subscription based on the number of members registered with the church.

BMS World Mission, a related entity to the Baptist Union of Great Britain, was donated £4,000 (2021: £4,700). It is an agency that supports personnel working around the world on short, medium and long term missions.

G McBain and E Irving are trustees of the Church and are paid a stipend which is approved by the members at the end of the year for the coming year at a church meeting.

In their capacity as pastors, one elder receives a housing allowance from the church under a rent agreement and one has use of a property as manse.