

Hertford Baptist Church

'Leading people into a growing relationship with Jesus Christ'

Port Hill
Hertford

A registered place of worship

Registered Charity No 1131979

Report of the Trustees

&

Accounts

1 January - 31 December 2021

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

The trustees are pleased to present their annual report together with the financial statement of the charity for the year ending 31st of December 2021 which is also prepared to meet the requirements for the Trustees report and accounts for submission to the Charities Commission.

The financial statements comply with the Charities Act 2011, and the Accounting and Reporting by Charities: The financial statements comply with the Charities Act 2011, and the 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 Republic of Ireland (FRS 102) (effective 1 January 2019). The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved the adoption of the 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 Republic of Ireland (FRS 102).

In preparing this report, the trustees have taken note of all the requirements and guidance issued by the Charity Commission including the specific guidance for religious charities on public benefit. The charity's policy is to prepare its accounts on an accruals basis and comply with approved accounting standards.

Chair's report

'Recovery' has been the watchword at Hertford Baptist Church during 2021 as we have worked to gather the congregation together again on site, and to re-establish ministries that had been impossible during Covid-19 lockdown regulations. Our text for the year gave shape to the year, where all were encouraged through a verse from Hebrews 10:23 – 'Let us hold unswervingly to the hope we profess, for he who promised is faithful.'

During 2021, the work of the church has been led, in partnership with the Leadership Team, by the Reverend Andrew Clark as Pastor and Ministry Team Leader, with Dawn Weston as Team Leader for Pastoral Care and Prayer. The appointment of a Family and Children's Worker to supplement the team has not been made, however, the search for a suitable candidate is proceeding. Anna Sanders continues to serve as part-time Office Administrator and John Goligher continues as part-time Finance Administrator. Church members continue to volunteer to support all aspects of the ministry of the church, however some volunteers have shifted focus and involvement post-lockdown.

In May 2021, we began holding in-person services, initially in the evenings, but moving to re-establishing our morning service in July. In addition, an early morning online service on Facebook Live was retained to continue ministry to those unable to attend worship in person. Significant pastoral work continues to support members and the community through the challenges and complexities of life.

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

As part of our re-opening activities, three 'Big Conversation' sessions were held, focussed on developing our future ministry centred around building a Discipleship Culture, a Pastoral Culture and a Missional Culture. These conversations are to aid participation in the process of enabling us to carry out a key purpose of teaching and preaching the gospel of the Lord Jesus Christ, and ministering to people's felt needs in the fellowship and beyond.

In May 2021, the Church Members Annual General Meeting was held in church. Church Secretary Nigel Hollingsworth stepped down, and Sir John Low was elected as the new Church Secretary and John Goligher agreed to continue as Church Treasurer. Church Officer roles are appointed for renewable one-year terms. The extended appointment of Paula Hine for a second term agreed last year was ratified by the Church Meeting. Three deacons stood down, and two new deacons (Paul Nicholson and David Snell) joined the team.

In addition to our Sunday worship services, the church continues to be actively involved with the community throughout the week in many and varied ways, including providing key input to local organisations such as the Hertford and District Foodbank, Future Hope, Young Life and our continued facilitation of our Christians Against Poverty (CAP) Debt Centre in partnership with Christ Church Ware. Mrs Debs Thompson fulfils the role of Debt Coach in the CAP centre on behalf of Hertford Baptist Church and means that the church is actively seeking to reduce the impact of debt and poverty in the community.

Our 'Hope Fund', set up as a pastoral and relief support scheme during the pandemic, has continued to provide financial gifts, food vouchers, and gifts of encouragement to those who have been vulnerable or in need.

Andrew Clark tendered his resignation as Pastor and Ministry Team Leader in November 2021 and will continue to serve in post until July 2022. The Leadership Team will lead the process of finding his replacement during 2022.

Rev Andrew M Clark, MA
Pastor and Ministry Team Leader

OUR PURPOSES AND ACTIVITIES

The Core Purpose of the Church is "Leading people into a growing relationship with Jesus Christ." Our vision and value statements define the nature of the Church and its vision for growth. The church seeks to encourage individual members to demonstrate these values in their own lives and the Calls to Action of the church are expressed as 'Meet God', 'Make Friends', 'Make a Difference'.

The Church follows the doctrinal basis contained in its governing document and seeks to apply this in today's society and culture.

The Church's principal aim is to advance the Christian faith in Hertford and surrounding areas and through the Christian church nationally and worldwide, and to serve the spiritual, emotional, moral and physical needs of the local community. To help fulfil these objectives, Hertford Baptist Church maintains a registered place of worship and associated buildings, for Christian worship, fellowship, teaching and community activities. Under non-pandemic conditions public worship services are conducted every Sunday morning on the premises.

Physical Sunday morning worship services recommenced in July 2021, these attracted around 100 people from the local community each week. In addition, a range of weekday activities are provided for all ages and many sections of society, to which all are welcome. To achieve the benefits of smaller scale group activities, Home Groups meet weekly for learning, mutual encouragement and support.

In addition to our core purpose of the advancement of the Christian faith, and as an expression of that core purpose, the church seeks to provide additional public benefit through the provision of activities such as lunches for the elderly (once a month) and youth club run on the premises in conjunction with Hertford Young Life, Port Hill Toddler Club, Home Start meet weekly in the church premises and Place of Welcome a weekly coffee drop in centre.

We continue engagement with the local community through the projects including the Food Bank, and Future Hope (working with young people dealing with crises such as addiction, mental health problems and family breakdown), and we have linked to the church a branch of Christians Against Poverty (CAP), this activity has continued to operate during 2021. The church also supports a variety of projects caring for the poorest and neediest around the world through social action and evangelism.

At the end of 2021 the staffing included a Pastor & Ministry Team Leader, a Team Leader for Pastoral Care & Prayer, one part-time administrator, a part-time office secretary and a part-time cleaner. These employees work alongside many voluntary workers without whom the church could not function.

ACHIEVEMENTS AND PERFORMANCE

Staff

Rev. Andrew Clark, has continued as Pastor & Ministry Team Leader

Dawn Weston, has continued as Team Leader for Pastoral Care & Prayer

John Goligher has continued to work as Finance Administrator

Anna Saunders has continued as Office Secretary and a part time cleaner remains in post

ACTIVITIES and ORGANISATIONS

The church has strived to re-establish and develop all its major areas of work during the year, through a period of considerable uncertainty and change.

The church continued to offer a single Sunday morning service online until circumstances allowed a return to physical gatherings in the church buildings in July 2021.

As Government guidance changed, a progressive and risk-based approach to in-person activities was taken, initially meeting outside on a one-to-one basis where practical and in small groups when permitted. Activities within the church buildings and homes have been slowly reinstated, consistent with our COVID Risk Framework and COVID Safe Guidelines. Initially numbers were restricted and the details of those attended recorded to support the work of Test and Trace.

Measures to maintain the safest possible environment placed many restrictions on activities, including ventilation, social distancing, avoiding physical contact and eliminating touch points where cross infection could occur. The duration of Worship Services was reduced, as were the number of songs and quieter songs were chosen. Initially there was large spread reluctance to attend in person, but numbers increased slowly through the year.

Alongside physical meetings for public worship, weekly 9.15am Sunday services have been streamed via Face Book Live and Sermons preached at the physical services were video recorded and uploaded each Sunday. This provided support to those unable or lacking confidence to attend church in person and facilitated the transition from full isolation to community participation in church activities.

There were 198 Church Members at the end of the year.

Youth and children's activities have continued throughout 2021 continuously adapting to changing circumstances. Weekly online meetings were provided for 5-11 year olds, led by Dawn Weston supported by a dedicated voluntary team, moving to physical sessions when practical. Activities aimed at young people have been key to maintaining and growing these age groups in the church family. The work with older young people has grown and has been strengthened by the clear leadership and support of Ian & Jemma Chandler and their team and this has continued strongly during 2021 with online contact and meeting up, socially distanced externally where appropriate.

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

The Church has been pleased to continue working with the Young Life organisation in Hertford where circumstances allowed and the youth club returned to the church premises on a weekly basis later in the year. Future Hope, 'helping people in crisis gain hope and a future', focussing primarily on young people ages 11-19, continued to be supported by members of the Church.

The Hertford Foodbank continues to draw volunteers from Hertford Baptist Church and other churches in Hertford. Many people are involved in the organisation and there is a good partnership with other agencies working in the community.

The Crosslinks group at Hertford Baptist Church is particularly for adults (16+) with learning disabilities has been suspended since the start of the pandemic. The vulnerability and needs of the people involved and the difficulty of adequately resourcing this work has so far prevented it from recommencing. Options are being considered for reopening in 2022.

The Church's work with Senior Citizens remained suspended throughout the year due to the pandemic. Every effort has been made to maintain regular contact with the senior citizens by the leaders of the groups throughout the year. This work recommenced in 2022.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing document

Hertford Baptist Church is a charity registered with the Charity Commission No. 1131979, constituted as an Unincorporated Charitable Association. It is governed by a Foundation Trust Deed dated 16 November 1903 enrolled in the Central Office of the Supreme Court of Judicature on the 21 November 1903, by a constitution approved by the Charity Commission on 5 October 2009 and by Declaration of The Baptist Trusts for Churches 2003 and the Baptist Trusts for Manses 2004, dated 18 April 2006. The church is the beneficial owner of freehold property in Hertford, the legal title to which is held by the church's custodian trustee, the Baptist Union Corporation Ltd.

Appointment of trustees

Hertford Baptist Church is a fully independent organisation and the Church Members' Meeting, normally held six times a year, is the decision-making body. The Church Members' Meeting appoints deacons who act as trustees. The appointment of trustees requires the support of not less than 50% eligible votes cast. Deacons are appointed for a period of three years and may serve for two consecutive periods of three years before being required to stand down for a minimum of one year. Two officers, a Secretary and a Treasurer, are elected annually and are ex officio Deacons and trustees. Information is provided for those considering offering themselves for election as deacons and trustees, as is induction and ongoing training for those elected.

Organisation

The day-to-day programme and spiritual welfare of the church is the responsibility of the pastors, in consultation with the Leadership and Staff Teams.

Individual deacons have a lead role in various aspects of the church's ministry. The pastor, deacons and trustees meet monthly to determine, approve and monitor the strategy and programme of the church, to receive financial reports, and to undertake the management responsibilities of the charity, and for prayer. They meet at least once annually for an extended meeting to consider strategic development.

Hertford Baptist Church is a member of the Baptist Union of Great Britain, its regional organisation the Central Baptist Association, and a number of other organisations with which it identifies, including the Evangelical Alliance and the local ecumenical group, Hertford and District Churches Together.

Related parties and co-operation with other organisations

With the exception of Pastors, who by nature of their appointment are trustees and also paid employees, none of the charity's other trustees receive remuneration or other benefits from their work with the charity as trustee. John Goligher is employed as the financial administrator for the church and was appointed to this position in November 2014. He was re-appointed as Church Treasurer in January 2021 following John Thompson's retirement from the Church Treasurer role in December 2021.

Any connection between a trustee and senior manager of the charity with a supplier or external organisation must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related transactions were reported.

Hertford Baptist Church has a liability emanating from its participation in the Baptist Union Defined Benefit Pension Scheme; this scheme was closed at the end of 2011. This liability is a result of previously employed Ministers/Pastors being enrolled in the scheme while employed by Hertford Baptist Church. The trustees of the Baptist Union Pension Scheme had stated their intention that each participating church will have their actual debt calculated. As at 28/02/2017, the technical provisions deficit was £156 million, equating to an estimated debt of £208,300 for HBC.

The trustees considered it prudent to make a provision in the accounts to the value of £120,000 at the end of 2016 and increased this provision further at the end of 2017 by £10,000 making a total provision of £130,000. As the deficit has decreased over time, the deficit provision has been reduced by £10,000 at the end of 2017 and by a further £20,000 at the end of 2020. The current Baptist Union (defined benefit) pension scheme provision now stands at £100,000.

Various organisations are associated with the church and their leaders are appointed by the Church Members' Meeting. Some of these small organisations keep their own accounts and have separate bank accounts; none exceed £5,000 in income or expenditure per annum. Other unrelated organisations, which are compatible with the church's values, use the church premises and usually pay a nominal fee for doing so. There are no other legal or formal links with related parties.

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

Pay policy for senior staff

The pay of senior staff (including Pastors) is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees consider the advice of 'The Baptist Union of Great Britain' when setting pay levels.

Risk management

A policy of continuous risk assessment and review is adopted. A Health & Safety Policy Document was formally adopted by the Church Meeting in May 2004, and a Health & Safety Officer appointed. These policies are reviewed annually, and any revisions reported to the members at the AGM in May.

A range of risk assessments, action plans and work activities are carried out periodically. Formerly, a Safeguarding Children & Youth Policy and the Safeguarding Vulnerable Adults Policy was reviewed yearly and is adopted at the Church meeting. In September 2018, built on a model document from the Baptist Union, a new combined Safeguarding Policy and Procedures for Children, Young People and Adults at Risk was adopted and will now be reviewed and adopted annually as before.

Policies have been continuously updated during 2021 to ensure the organisation is complying with Government guidelines regarding the COVID pandemic. The church has purchased appropriate screens, hand sanitiser machines and installed necessary signage throughout the building to ensure that when the buildings reopened, all those attending will be able to meet and worship in a COVID safe environment. As part of this strategy the old fabric covered chairs in the hall were replaced by new chairs that can easily be wiped down with necessary antiseptic products.

The church currently makes a deficit contribution of 12% (£4,000) from January 2016 (previously 11% during 2015) to the BU defined benefit pension scheme and while these payments continue there is no immediate expectation that this debt will require to be paid. This contribution increased from 12% to 14% from January 2018 and the contribution for 2020 was £4,184.

During 2021 the trustees of the Baptist Union Pension DC contribution scheme took the decision to reduce the employer's deficit contribution, HBC's deficit contribution for 2021 was £3,057.

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

FINANCIAL REVIEW

Financial income is derived from voluntary donations and regular giving by church members and those who attend the church, supplemented by contributions to activities by those taking part, and some income from the hiring of the premises. Donations during the year of £148,763 were received through regular offerings. This was a decrease on the previous year and the budgeted target. This decline in the most part is due to impact of the COVID 19 pandemic. The church building has been closed for regular worship and therefore weekly cash offerings have not been possible.

A significant proportion of the church's income is given, by way of donations, to Christian mission and relief groups and training colleges, to individuals in training for Christian service; people engaged in Christian work, mostly overseas and through their commissioning organisations. These grants are approved annually by the Church Members' Meeting and no commitment is made to grants in advance or to future funding, with the funding for such grants being received during the year of payment. During 2021 the church was able, through the generosity of members and friends, to make donations to external causes amounting to £32,462 or about 15% of total non-capital expenditure. A pastoral care fund is also available for immediate relief of need. Full disclosure of material grants made is included in the notes to the accounts including the names of individuals ultimately benefiting from material amounts.

Reserves at the end of the year stood at £212,671 before making provision of £100,000 for the shortfall in the BU Pension defined benefit scheme. This leaves a free reserve of £112,671 which is a decrease of just £444 on the previous year. The sum of £15,000 was given for the refurbishment of the church kitchen and this has been kept separate from the 2022 reserves.

The trustees consider the free reserve of £112,671 to be adequate for the future purposes of the church for the coming year.

Funds are 'restricted' when given for a specific purpose and generally these are disbursed before the end of the financial year. 'Designated' funds are funds designated by the managing trustees for a particular purpose, and in the interests of clarity, the tangible fixed assets of the church (land, buildings, fixtures and fittings) which are not normally available for general purposes are held as designated funds. The expectation is that funds will be used for the furtherance of the Church's objectives in the year received and there are no specific investment powers. The policy is that reserves of unrestricted funds (free reserves) should normally be not less than the equivalent of 3 months' expenditure and not exceed 12 months' expenditure. Reserves are currently the equivalent 4 months budgeted expenditure and the managing trustees consider this adequate for the year ahead. Reserve funds should be readily accessible. Cash investments should be retained in high interest, instant access, bank accounts.

The property should be used to further the aims of the Church and not used for investment purposes, except for short-term letting of the temporarily vacant housing.

PLANS FOR FUTURE PERIODS

Over the course of 2021, the Church was challenged to reflect on their own faith and desire to grow the Christian community within Hertford and the surrounding areas. This has progressed to us looking at how we can develop Missional Communities within our Church to reach out to those around us in a positive Christian manner and share the gospel with others in a practical and meaningful way.

Our Pastor, Andrew Clark is supported by Dawn Weston as Pastoral Care and Prayer Worker together with a team of office staff. We are proposing to appoint a Children and Families Worker to grow the team and reach out to families in particular.

We are also reviewing the use of our premises and considering how we need to develop these facilities to enable better and wider use of the space to further support our mission of leading people into a growing relationship with Jesus Christ.

The Rev Andrew Clark tendered his resignation as Pastor and Ministry Team Leader in November 2021 and will continue to serve in post until July 2022. The Leadership Team will lead the process of finding his replacement during 2022.

COVID 19 - 2021

COVID 19 continued to have a very significant impact on the work and activities of Hertford Baptist Church throughout 2021. Active management of the COVID Safe Guidelines and Risk Framework has allowed a proportionate and effective response that has tracked changing Government guidance and the progression of the pandemic.

Although it has proved possible to reopen the buildings and restart in-person weekly worship and a wide range of activities, nevertheless many people have been unable or slow to return. Many have not returned to voluntary leadership and support roles, and the best ways to address needs in the community have changed.

Virtual meetings continue to be employed regularly and when spikes in COVID infections impact specific activities. This flexible hybrid model of interacting is expected to continue and become a regular aspect of the ongoing work of the church. Much greater use and acceptance of online services and social media also changes the way communications and engagement operates and will develop further.

The Hope Fund has proved a particularly effective vehicle for supporting and blessing individuals both in the wider community and within in the church fellowship. Most of the funds initially raised has now been disbursed and the decision has been taken to allocation the 2022 Easter Thank Offering to replenishing the Hope Fund so that this aspect of care and support of those in need can continue.

CUSTODIAN TRUSTEE

No funds are held on behalf of others as Custodian Trustee.

HERTFORD BAPTIST CHURCH

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1131979

Church office: 13/15 Chambers Street, Hertford SG14 1PL
Telephone: 01992 582951

Email: theoffice@hertfordbaptist.org.uk

Website: www.hertfordbaptist.org.uk

Bankers: Lloyds Bank plc, 5/6 Market Place, Hertford SG14 1DF
(New address as at 25th January 2018)

Solicitors: Longmores, 24 Castle Street, Hertford SG14 1HP

Auditors: Cansdales Audit LLP, Chartered Accountants & Business Advisors,
Bourbon Court, Nightingales Corner, Little Chalfont, Bucks HP7 9QS

TRUSTEES

Rev. Andrew Clark	Pastor & Ministry Team Leader
Dawn Weston	Team Leader for Pastoral Care & Prayer
John Goligher	Treasurer *
Paula Hine	
John Low	Church Secretary *
Paul Nicholson	
David Snell	
Tim Strong	to May 2022
Carey White	to May 2022

* Church officers are appointed or re-appointed annually by members vote at the Annual General Meeting in May.

HERTFORD BAPTIST CHURCH

Report of the Trustees and Accounts for the year ended 31 December 2021

Statement of Trustees' Responsibilities:

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (the United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities 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 for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charity SORP;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping 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 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Diaconate on the 24th May 2022 and signed on their behalf by:



Thomas John S Goligher Trustee



John Low Trustee

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made.

We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of Report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CANSDALES Audit LLP, Statutory Auditor
Chartered Accountants & registered Auditors

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks, HP7 9QS

Date:

HERTFORD BAPTIST CHURCH - Summary of Accounts

Statement of Financial Activities for the year ended 31 December 2021

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME & EXPENDITURE					
Income from:					
Donations and legacies					
- Regular Offerings	148,636	-	-	148,636	152,497
- Special Gifts & Legacies	27,335	13,690	2,095	43,120	24,932
- Thankoffering	-	4,350	-	4,350	930
- Gift Aid recoverable	35,572	3,402	265	39,239	31,114
Charitable Activities	1,125	-	80	1,205	284
Activities which generate funds					
- Use of property	33,277	-	-	33,277	34,013
- Repayments	166	-	-	166	277
- Bank interest	511	-	-	511	502
- Government furlough schemes	-	-	-	-	-
Total	246,623	21,442	2,440	270,505	244,549
Expenditure on:					
Charitable Activities					
Local Ministry	175,367	73,195	-	248,562	253,569
Governance Costs	13,275	-	-	13,275	11,998
Grants payable:					
- National Mission	10,800	-	-	10,800	11,116
- World Mission	18,662	16,500	-	35,162	20,630
- Future Mission	3,000	-	-	3,000	-
- Thankoffering & Special	-	6,770	-	6,770	3,514
Total	221,104	96,465	-	317,569	300,827
Net Income/(expenditure)	25,519	(75,023)	2,440	(47,065)	(56,278)
Transfers between funds	(8,808)	8,930	(122)	-	-
	16,711	(66,093)	2,318	(47,064)	(56,278)
Actuarial Gains/(losses) on defined benefit pension scheme	-	-	-	-	20,000
Net Movement in Funds	16,711	(66,093)	2,318	(47,065)	(35,176)
Total Funds brought forward at 1/1/20	113,115	2,084,396	3,072	2,200,583	2,235,759
Total Funds carried forward at 31.12.21	129,826	2,018,303	5,390	2,153,518	2,200,583

Balance Sheet at 31 December 2021

	2021 £	2020 £
Fixed Assets		
Tangible Fixed Assets	2,012,591	2,070,807
Current Assets		
Debtors	39,208	31,114
Cash at bank & in hand	215,333	222,073
Liabilities		
amounts falling due within 1 year	(13,613)	(23,411)
Net Current Assets	240,928	229,776
Defined benefit pension scheme net asset or liability	(100,000)	(100,000)
Net Assets	2,153,519	2,200,583
Funds		
Unrestricted	129,826	113,115
Designated	2,018,303	2,084,396
Restricted	5,390	3,072
	2,153,519	2,200,583

HERTFORD BAPTIST CHURCH

Statement of Financial Activities for the year ended 31 December 2021

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
		£	£	£	£	£
Income from:						
Donations and legacies						
Regular Offerings		148,636	-	-	148,636	152,497
Special Gifts & Legacies		27,335	13,690	2,095	43,120	24,932
Thankoffering		-	4,350	-	4,350	930
Gift Aid recoverable		35,572	3,402	265	39,239	31,114
Charitable activities		1,125	-	80	1,205	284
Investments - bank interest		511	-	-	511	502
Other						
Use of property		33,277	-	-	33,277	34,013
Repayments		166	-	-	166	277
Government furlough schemes		-	-	-	-	1,102
Total		246,623	21,442	2,440	270,505	245,651
Expenditure on:						
Charitable Activities						
Local Ministry	Note 3	175,367	73,195	-	248,562	253,569
Support Costs	Note 4	13,275	-	-	13,275	11,998
Grants payable:						
National Mission	Note 5	10,800	-	-	10,800	11,116
World Mission	Note 5	18,662	16,500	-	35,162	20,630
Future Mission	Note 5	3,000	-	-	3,000	-
Thankoffering & Special	Note 5	-	6,770	-	6,770	3,514
Total	Note 6	221,104	96,465	-	317,569	300,827
Net Income/(expenditure)		25,519	(75,023)	2,440	(47,065)	(55,176)
Transfers between Funds		(8,808)	8,930	(122)	-	-
		16,711	(66,093)	2,318	(47,065)	(55,176)
Other recognised Gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes			-	-	-	20,000
Gain/Loss on Fixtures, Fittings & Equipment written off or revalued					-	-
Net Movement in Funds		16,711	(66,093)	2,318	(47,065)	(35,176)
Reconciliation of funds:						
Total Funds Brought Forward	Notes 15, 16 & 17	113,115	2,084,396	3,072	2,200,583	2,235,759
Total Funds Carried Forward	Notes 15, 16 & 17	129,826	2,018,303	5,390	2,153,518	2,200,583

There are no recognised gains and losses other than the result for the year. All of the Church's activities are classed as continuing.

The notes numbered 1 to 20 form part of these accounts.

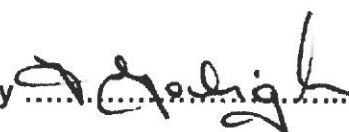
Analysis of the comparative funds in the previous year (2020) is provided in Note 9.

HERTFORD BAPTIST CHURCH

Balance Sheet at 31 December 2021

		2021	2020
	Notes	£	£
Fixed Assets:			
Tangible Fixed Assets	Note 11	2,012,591	2,070,807
Current Assets:			
Debtors	Note 12	39,208	31,114
Cash at bank and in hand	Note 13	215,333	222,073
Total current assets		254,541	253,187
Liabilities:			
Creditors: amounts falling due within 1 year	Note 14	(13,613)	(23,411)
Net current assets or liabilities		240,928	229,776
Total assets less current liabilities		2,253,519	2,300,583
Creditors: amounts falling due after more than one year	Note 14	-	-
Provisions for liabilities		-	-
Net assets or liabilities excluding pension asset or liability		2,253,519	2,300,583
Defined benefit pension scheme asset or liability		(100,000)	(100,000)
Total net assets or liabilities		2,153,519	2,200,583
The funds of the charity:			
Unrestricted	Note 15	129,826	113,115
Designated	Note 16	2,018,303	2,084,396
Restricted	Note 17	5,390	3,072
		2,153,519	2,200,583

Approved by the Diaconate on 24th May 2022 and signed on their behalf

by  Trustee

The notes numbered 1 - 19 form part of these accounts

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of Preparation

The accounts are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019), FRS102 and with the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. Hertford Baptist Church meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b Preparation of the accounts on a going concern basis

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the church's financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future taking into account the principal risks to which the charity is exposed. Recognising the uncertainty associated with predicting the economic impact of Covid-19 in particular, the Trustees have considered the impact of a severe economic outcome on Hertford Baptist Church and the effectiveness of management actions that might be taken to mitigate the impact of this stress. Trustees have also considered the circumstances under which the activities of the church would be unable to continue. After taking into account the current level of the charity's cash and reserves and the financial performance since 31 December 2021, the Trustees have concluded that the risk of this situation occurring is remote.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing of this report.

On this basis these financial statements have been prepared on a going concern basis

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

c. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the income will be received and the amount can be measured reliably and is not deferred.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is more likely than not that the income will be received and the amount can be measured reliably and is not deferred.

Legacies are accounted for when probate has been completed, the amount of the legacy can be reliably quantified and the conditions of the legacy are within the control of the church. No such legacies have been notified for the current (2021) or previous (2020) years.

d. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such services or facilities have been donated in the current (2021) or previous (2020) years.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the church members and wider church fellowship is not recognised in financial terms. Refer to the trustees' annual report for more information about their contribution.

e. Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f. Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the church.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. In the event of the intended purpose not requiring the money such funds could be returned to general use. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the church's work or for specific projects supported by the church. The aim and use of each restricted fund is set out in the notes to the financial statements.

The church has no endowment funds.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

g. Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is classified as relating to charitable activities. These activities are further classified between:

- Local Ministry (to which all governance and support costs are attributed)
- Grants payable

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h. Allocation of support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities. Support costs include office costs, payroll and other professional services and governance costs which support the church's activities. These costs have been allocated entirely to local ministry. Decisions on the awarding of grants do not incur support costs as they are made by the church members in the church meeting, based on information provided by the trustees and other members. No support staff time is attributable to the grant awarding process.

i. Operating leases

The church classifies the lease of the office printer/copier as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years while the economic life of such equipment is normally 5 years. Rental charges are charged on a straight line basis over the term of the lease.

j. Tangible fixed assets

In December 2011 all freehold land and buildings were surveyed and revalued at current market rates by Iain Davies MRICS and on the advice of the auditors values for land and buildings were assessed separately. The church and halls are shown at their fair value for realistic alternative use of £600,000. 13/15 Chambers Street, Hertford, currently used as offices and meeting rooms, are shown at the fair value assigned to them if they were to revert to residential use. Buildings' improvements, fixtures, fittings and equipment costing £4,000 or more are capitalised at cost.

Freehold land is not depreciated. Other fixed assets are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings are depreciated over 50 years following the revaluation in 2011.

Fixtures, fittings and equipment are depreciated at a rate of 10% per annum. On this basis, the organ, pews and other fixtures and fittings within the church would have been fully depreciated at 31 December, 2019. As these items are all in continuing use, they were revalued at their insurance valuations at 31 December 2019: organ £146,748 (2018 NBV £4,485) pews, etc. £121,480 (2018 NBV £2,062). They have been depreciated in the current year at a rate of 10% per annum.

k. Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

l Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening the deposit or similar account. These short term highly liquid investments are valued at the initial investment value.

m Creditors and accruals

Creditors and accruals are recognised when the charity has a present obligation resulting 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 and accruals are normally estimated at their settlement amount after allowing for any trade discounts due.

n. Pensions

The Church is a participating employer in 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 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. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (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, while 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.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

The key financial assumptions underlying the valuation were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increase adjustment (above CPI)	0.50
Assumed investment returns	
- Pre-retirement (gilt yield plus 1.75% pa)	2.95
- Post retirement (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
-Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

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 an additional 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 as 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

Movement in Balance Sheet Liability

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2021 £	2022 £
Balance Sheet liability at the year start	100,000	120,000
Minus deficiency contributions paid	(4,391)	(3,056)
Interest cost (recognised in SoFA)	0	0
Remaining change to balance sheet liability* (recognised in SoFA)	4,391	(16,944)
Balance sheet liability at the year end	100,000	100,000

*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:

	31 Dec 2021	31-Dec- 2020	31-Dec- 2019
Discount rate	2.0%	1.4%	2.1%
Future increases to Minimum Pensionable Income	4.1%	3.2%	3.3%

The church has been advised that the cost for the church to buy out their Pension Scheme liabilities at 31 December 2021 was approximately £40,100 plus cessation event expenses circa £4,500.

As an employer, the church does not contribute to any other defined benefit pension schemes in respect of other employees.

Cessation Event

Consequent upon the departure of the Minister from the church in any given year, the Church would have a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. At present the church is paying the ongoing deficiency contributions outlined above, and the balance sheet liability is based on those deficiency contributions. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time at its discretion.

o. Related Charities

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635, and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain, and the Central Baptist Association. The church made a donation to the Baptist Union Home Mission Scheme as set out in note 5.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

2. Legal Status of the Church

Hertford Baptist Church is a registered charity no 1131979 and the church building is a registered place of worship.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

3. Local Ministry

	Unrestricted	Designated	Restricted	Total	Total
	2021	2021	2021	2021	2020
	£	£	£	£	£
Premises	28,309	-	-	28,309	26,063
Depreciation	-	68,859	-	68,859	72,304
Ministry	94,382	-	-	94,382	64,594
Church Activities	7,261	461	-	7,722	7,409
Outreach Activities	3,581	3,875	-	7,456	19,213
Enabling Activities	41,744	-	-	41,744	63,986
Bank charges	90	-	-	90	-
	175,367	73,195	-	248,562	253,569
2020 totals for unrestricted, designated and restricted funds	162,471	91,098	-		253,569

4. Support Costs

	2021	2020
	£	£
Audit fee	5,646	5,094
Professional fees	6,044	5,618
Secretarial	1,585	1,286
	13,275	11,998

Governance costs are attributed entirely to local ministry (see note 1h) and unrestricted funds in both 2021 and 2020. The Professional fees relate to other financial services from the auditor, letting agent's fees and advice regarding GDPR policies.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

5. Grants for Mission		Unrestricted	Designated	Restricted	Total	Total
		2021	2021	2021	2021	2020
		£	£	£	£	£
National Mission						
Baptist Home Mission (CBA)	(1)	5,800	-	-	5,800	6,116
Future Hope	(1)	2,500	-	-	2,500	3,125
Hertford Young Life	(1)	2,500	-	-	2,500	1,875
Others	-	-	-	-	-	-
		<u>10,800</u>	<u>-</u>	<u>-</u>	<u>10,800</u>	<u>11,116</u>
2020 totals for unrestricted, designated and restricted funds	(3)	11,116	-	-		11,116
World Mission						
BMS World Mission	(1)	5,800	-	-	5,800	10,174
BMS Relief Fund	-	-	-	-	-	-
Other societies	(3)	620	16,500	-	17,120	900
People International (to support a couple)	(1)	3,690	-	-	3,690	3,690
SIM (to support 1 person)	(1)	2,061	-	-	2,061	2,061
Interserve (M LeRoy)	(1)	1,365	-	-	1,365	1,365
Matiza Family (2020 OM)	(1)	3,600	-	-	3,600	2,440
Latin Link (W Davies)	(1)	1,526	-	-	1,526	-
		<u>18,662</u>	<u>16,500</u>	<u>-</u>	<u>35,162</u>	<u>20,630</u>
2020 totals for unrestricted, designated and restricted funds	(6)	18,623	-	2,007		20,630
Future Mission						
Spurgeons College	-	1,500	-	-	1,500	-
All Nations Christian College	-	1,500	-	-	1,500	-
Training Support	-	-	-	-	-	-
		<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
2020 totals for unrestricted, designated and restricted funds		-	-	-		-
Thankoffering & Special Appeal						
Thankoffering	(2)	-	6,770	-	6,770	3,252
Special Appeal		-	-	-	-	262
		<u>-</u>	<u>6,770</u>	<u>-</u>	<u>6,770</u>	<u>3,514</u>
2020 totals for unrestricted, designated and restricted funds	(2)	-	3,252	-		3,252

14 (2020: 11) separate grants were paid out to institutions. The number of grants made in each category are disclosed above in brackets. Some single grants are paid in monthly or quarterly instalments. No support costs are apportioned to the payment of grants to Mission.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

6. Total Expenditure

	Staff Costs £	Premises Costs £	Other Costs £	Total 2021 £	Total 2020 £
Local Ministry	115,298	28,309	104,955	248,562	253,569
National Mission	-	-	10,800	10,800	11,116
World Mission	-	-	35,162	35,162	20,630
Future Mission	-	-	3,000	3,000	-
Thankoffering	-	-	6,770	6,770	3,252
Special Appeals	-	-	-	-	262
Governance	-	-	13,275	13,275	11,998
	115,298	28,309	173,962	317,569	300,827

Total expenditure was £317,569 (2020: £300,827) of which £221,104 was unrestricted (2020: £204,208) £96,465 was designated (2020: £94,350) and none was restricted (2020: £2,269)

7. Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2021 £	2020 £
Stipends, Expenses & Wages	101,490	93,005
Social Security Costs	4,364	3,429
Pensions Costs	9,444	8,182
	115,298	104,616

No employees had employee benefits in excess of £60,000 (2020: nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds

2 pastors were remunerated £59,972 (2020: 2 pastors £56,050) using scales recommended by the Baptist Union and according to the relevant agreement with the Charity Commission. 1 trustee was remunerated £12,514 (2020: Nil) during the year for work not related to his role as a trustee. No charity trustee received payment for professional or other services supplied to the charity (2020: nil). During the year, phone, travel and meal expenses totalling £1,052 were reimbursed to 2 pastors and 1 trustee (2020: phone, travel and meal expenses of £559 to 2 pastors and 1 trustee). In addition, 2 pastors and 1 trustees made purchases totalling £3,292 on behalf of the church and were reimbursed (2020: 2 pastors and 2 trustees, £5,410).

In addition to the trustees, the key management personnel of Hertford Baptist Church comprise the church office secretary and the administrator (who are employees) and the two cashiers and the youth and children's work administrator (who are volunteers). The total employee benefits of the key management personnel of the trust who are not trustees (2 individuals) were £23,939 (2020: 3 individuals, £32,484). During the year, no expenses were reimbursed to any member of key management personnel (2020: 1 individual, £47). In addition, No key management personnel (non-trustees) made purchases on behalf of the church (2020: 2 key management personnel (non trustees), £181).

8 Staff Numbers

Average Number of Employees

	2021 Number	2020 Number
Ministers	1	1
Team Leader for Pastoral Care & Prayer	1	1
Secretaries/Administrators (all part-time)	2	2
Cleaner (part-time)	1	1
	5	5

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

9 Comparative figures (2020) for the separate classes of funds shown in total on the face of the SOFA

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £
Income from:				
Donations and legacies				
Regular Offerings	152,497	-	-	152,497
Special Gifts & Legacies	1,967	21,396	1,569	24,932
Thankoffering	-	930	-	930
Gift Aid recoverable	27,933	2,921	260	31,114
Charitable activities	284	-	-	284
Investments - bank interest	502	-	-	502
Other				
Use of property	34,013	-	-	34,013
Repayments	277	-	-	277
Government furlough schemes	1,102	-	-	1,102
Total	218,575	25,247	1,829	245,651
Expenditure on:				
Charitable activities				
Local Ministry	162,471	91,098	-	253,569
Support Costs	11,998	-	-	11,998
Grants payable				
National Mission	11,116	-	-	11,116
World Mission	18,623	-	2,007	20,630
Future Mission	-	-	-	-
Thankoffering & Special	-	3,252	262	3,514
Total	204,208	94,350	2,269	300,827
Net Income/(Expenditure)	14,367	(69,103)	(440)	(55,176)
Transfers between Funds	(19,332)	19,332	-	-
	(4,965)	(49,771)	(440)	(55,176)
Other recognised Gains/(Losses)Gains & (Losses)				
Actuarial gains/(losses) on defined benefit pension scheme	20,000	-	-	20,000
Gain/Loss on fixtures, fittings and equipment written off or revalued	-	-	-	-
Net Movement in Funds	15,035	(49,771)	(440)	(35,176)
Reconciliation of Funds:				
Total Funds Brought Forward at 1 January 2020	98,080	2,134,167	3,512	2,235,759
Total Funds Carried Forward at 31 December 2020	113,115	2,084,396	3,072	2,200,583

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

10 Related party transactions

Close family members of the trustees and key management personnel of Hertford Baptist Church are regarded as related parties for the purposes of these accounts. The majority of these people are themselves members of the church.

The total amount of donations received without conditions from trustees and connected parties was £35,926 (2020 £27,683)

No expenses were paid to any related party (2020: nil). 1 person related to the trustees made purchases totalling £100 on behalf of the church and was reimbursed (2020: 1 related party, £367)
No reimbursements were made to parties related to the key management personnel (2020: nil).

The daughter-in-law of one of the trustees was paid nothing for book-keeping work (2020: £963) carried out by her on behalf of the church.

11. Tangible Fixed Assets

	Freehold Land	Freehold Buildings	Fixtures, Fittings & Equipment	Total
Cost/Valuation	£	£	£	£
At 1 January 2021	468,000	1,595,220	418,450	2,481,670
Disposals	-	-	-	-
Revaluation	-	-	-	-
Additions	-	-	10,644	10,644
At 31 December 2021	468,000	1,595,220	429,094	2,492,314
Depreciation				
At 31 December 2020	-	283,393	127,470	410,863
Disposals	-	-	-	-
Revaluation	-	-	-	-
Charge for the year	-	31,697	37,162	68,859
At 31 December 2021	-	315,090	164,632	479,723
Net Book Value				
At 31 December 2021	468,000	1,280,130	264,462	2,012,591
At 31 December 2020	468,000	1,311,827	290,980	2,070,807

Freehold Land and Buildings

In December 2011 all freehold land and buildings were surveyed and revalued at current market rates by Iain Davies MRICS and on the advice of the auditors values for land and buildings were assessed separately. The church and halls are shown at their fair value for realistic alternative use of £600,000, 13/15 Chambers Street, Hertford, currently used as offices and meeting rooms, are shown at the fair value assigned to them if they were to revert to residential use.

The value of buildings will be depreciated over 50 years under FRS 15 following the valuation in December 2011. Fixtures, fittings and equipment are depreciated at a rate of 10% per annum on the valuation figure

12. Debtors

	2021 £	2020 £
Other debtors	-	-
Income Tax Recoverable	39,208	31,114
	39,208	31,114

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

13. Cash at Bank and In Hand

	2021 £	2020 £
Bank Accounts	215,288	222,016
Petty Cash	45	57
	<u>215,333</u>	<u>222,073</u>

14. Liabilities

	2021 £	2020 £
Payroll liabilities	2,751	5,810
Accruals	<u>10,862</u>	<u>17,601</u>
	<u>13,613</u>	<u>23,411</u>
Creditors Due > 1 year	-	-

15. Unrestricted Funds

	Balance 1.1.21 £	Incoming £	Movement Outgoing £	Transfers £	Pension Liability £	Balance 31.12.21 £
General Church Funds	113,115	246,623	221,104	(8,808)	-	<u>129,826</u>

A transfer was made to Designated Funds to reflect capitalised improvements to the church's fixtures and fittings. The balance of funds related to the Christians Against Poverty project was transferred to General Funds as the project is now supported as part of the General work of the church.

16. Designated Funds

	Balance 1.1.21 £	Incoming £	Movement Outgoing £	Transfers £	Gains and losses £	Balance 31.12.21 £
Thankoffering	3,510	5,383	6,770	-	-	2,123
Training Support	1,431	360	-	-	-	1,791
Other designated donations	8,648	15,699	20,836	(1,714)	-	<u>1,797</u>
	<u>13,589</u>	<u>21,442</u>	<u>27,606</u>	<u>(1,714)</u>	<u>-</u>	<u>5,711</u>
Tangible fixed assets	2,070,807	-	68,859	10,644	-	2,012,592
	<u>2,084,396</u>	<u>21,442</u>	<u>96,465</u>	<u>8,930</u>	<u>-</u>	<u>2,018,303</u>

The Thankoffering funds are raised each year for specific causes. The Training Support Fund supports individuals training for Christian service through full or part-time courses or on training placements. The balance of funds related to the Christians Against Poverty project was transferred to General Funds as the project is now supported as part of the General work of the church.

The Tangible Fixed Assets Fund (TFAF) is set aside to represent the net book value of the property of the church. £10,644 was transferred from General Funds to the TFAF to reflect the capitalisation of kitchen improvements in accordance with the accounting policies.

HERTFORD BAPTIST CHURCH

Notes to the accounts for the year ended 31 December 2021

17. Restricted Funds

	Balance 1.1.21 £	Incoming £	Outgoing £	Transfers £	Gains and losses £	Balance 31.12.21 £
Baptist societies	2,347	2,440	-	(122)	-	4,665
Others	725	-	-	-	-	725
	3,072	2,440	-	(122)	-	5,390

Baptist societies and other funds are ongoing funds held for specific societies, the majority of which are paid out in the course of the year.

18. Analysis of Net Assets Between Funds

	Tangible Fixed Assets £	Net Current Assets £	Total Assets £
Unrestricted Funds (note 15)	-	129,826	129,826
Designated Funds (note 16)	2,012,591	5,712	2,018,303
Restricted Funds (note 17)	-	5,390	5,390
	2,012,591	140,928	2,153,519

19. Operating lease commitments

At 31 December 2021 there were commitments under operating leases

	Land & Buildings £	Other £	2020 £
Expiring within 1 year	-	1,736	828
Expiring within 2-5 years	-	3,402	-
Expiring in over 5 years	-	-	-
	-	5,138	828

20. Post Balance Sheet

There are no material post balance sheets events to report, although Trustees note the inflationary pressures which may impact future financial performance and events in Ukraine which may contribute to above inflation increases in energy costs once current hedges expire

HERTFORD BAPTIST CHURCH - Summary of Accounts **Statement of Financial Activities for the year ended 31 December 2021**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME & EXPENDITURE					
Income from:					
Donations and legacies					
- Regular Offerings	148,636	-	-	148,636	152,497
- Special Gifts & Legacies	27,335	13,690	2,095	43,120	24,932
- Thankoffering	-	4,350	-	4,350	930
- Gift Aid recoverable	35,572	3,402	265	39,239	31,114
Charitable Activities	1,125	-	80	1,205	284
Activities which generate funds					
- Use of property	33,277	-	-	33,277	34,013
- Repayments	166	-	-	166	277
- Bank interest	511	-	-	511	502
- Government furlough schemes	-	-	-	-	-
Total	246,623	21,442	2,440	270,505	244,549
Expenditure on:					
Charitable Activities					
Local Ministry	175,367	73,195	-	248,562	253,569
Governance Costs	13,275	-	-	13,275	11,998
Grants payable:					
- National Mission	10,800	-	-	10,800	11,116
- World Mission	18,662	16,500	-	35,162	20,630
- Future Mission	3,000	-	-	3,000	-
- Thankoffering & Special	-	6,770	-	6,770	3,514
Total	221,104	96,465	-	317,569	300,827
Net Income/(expenditure)	25,519	(75,023)	2,440	(47,065)	(56,278)
Transfers between funds	(8,808)	8,930	(122)	-	-
	16,711	(66,093)	2,318	(47,064)	(56,278)
Actuarial Gains/(losses) on defined benefit pension scheme	-	-	-	-	20,000
Net Movement in Funds	16,711	(66,093)	2,318	(47,065)	(35,176)
Total Funds brought forward at 1/1/20	113,115	2,084,396	3,072	2,200,583	2,235,759
Total Funds carried forward at 31.12.21	129,826	2,018,303	5,390	2,153,518	2,200,583

Balance Sheet at 31 December 2021

	2021 £	2020 £
Fixed Assets		
Tangible Fixed Assets	2,012,591	2,070,807
Current Assets		
Debtors	39,208	31,114
Cash at bank & in hand	215,333	222,073
Liabilities		
amounts falling due within 1 year	(13,613)	(23,411)
Net Current Assets	240,928	229,776
Defined benefit pension scheme net asset or liability	(100,000)	(100,000)
Net Assets	2,153,519	2,200,583
Funds		
Unrestricted	129,826	113,115
Designated	2,018,303	2,084,396
Restricted	5,390	3,072
	2,153,519	2,200,583