

Charity registration number: 1133758

Emmanuel Baptist Church

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Oak Accounting Ltd
Independent examiner
27 Bascott Road
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Emmanuel Baptist Church

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Emmanuel Baptist Church
Legal and administrative information

The trustees who served during the year were as follows:

Land and Property trustees

- Stuart White
- Margaret Dalton
- Janet Norley
- Caroline Powell

Church trustees

- Rev. Mark Hatto (Minister) – until July 2021
- Alison Snell (Worship)
- David Norley (Property)
- Janet Norley (Administration)
- Jo White (World Mission and Discipleship)
- Richard Docherty (Youth Minister)
- Adam Garnish (Finance/Treasurer)
- Ian Snell (Information Technology)
- Helen Rochelle (Safeguarding and Discipleship)

Church Administrator

- Janet Norley

Treasurer

- Adam Garnish

Principal Office	160 Victoria Avenue Swanage BH19 1AZ
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Charity Registration Number	1133758
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Independent Examiner	Sue Wintle FMAAT 27 Bascott Road Wallisdown Bournemouth BH11 8RJ
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Emmanuel Baptist Church

Trustees' Report

The trustees present the annual report together with the financial statements for year ended 31st December 2020.

Our purposes and aims

The Church operates under its Articles of Faith and Church Constitution. It was founded in 1905 and is a member church of the Old Baptist Union and is affiliated to the Southern Counties Baptist Association which sits within The Baptist Union of Great Britain.

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination.

To achieve this purpose we aim to provide the following services:-

- Christian activities to all age groups, to include people with disabilities and to other charities and voluntary bodies.
- We endeavour to make grants to individuals and other organisations, provide buildings, facilities and open space and to provide services, advocacy, advice and information.

Ensuring our activities deliver our aims

We have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission when reviewing our aims and objectives and in planning our future activities.

Emmanuel Baptist Church was founded in 1905 and moved to 1 Howard Road, Swanage in 1921. In 2013 it relocated to its new church building in Victoria Avenue. It is a member church of the Old Baptist Union, a small group of wholly evangelical Baptist churches, established in 1880. The Church is also affiliated to The Southern Counties Baptist Association through which it is able to enjoy the fellowship and share the work of Baptists in the immediate locality. It is the policy of the church to co-operate wherever possible with other Christians in Swanage and across the Isle of Purbeck in advancing Christ's Kingdom in the town and area. Every church member is encouraged to read carefully the churches doctrinal basis and constitution which are set out in detail in the Articles of Faith and Constitution. These were originally drawn up and agreed in 1935, revised by the Church Membership and agreed by the Old Baptist Union in August 2014. Copies are available on request from either the Minister or the Church Administrator. Included with this statement are the guidelines for the administration of the local church.

Restrictions on activities

Of course, since March 2020 and since then in various forms, the church underwent 'lockdown' under Government advice due to the Coronavirus pandemic. This seriously curtailed our normal and regular activities, including corporate worship gatherings and other organised events and groups. However, even though the church buildings closed, the church continued to function and adapted to this situation and now 'stream' our Sunday and a mid-week worship services on the internet, having updated our equipment. This will now become a regular feature of the church's on going ministry 'online' to reach a wider community. We have also stayed connected with our congregation and members with telephone calls, zoom meetings and through social media outlets. The small group network within the church, Life Groups, have provided essential care and aspects of community otherwise impossible to meet. As restrictions begin to lift, congregation are being invited back to the building in person, under Government guidelines.

Our objectives

The main objectives for the year were:

- a) To create and/or establish a wide range of events and activities that will serve the needs of the church and wider community.
- b) To release appropriately gifted people into full-time and part-time staff roles, to help develop and implement the trust's plans.
- c) To ensure full use of the building facilities and complete key works for the benefit of both the Church and the wider community.
- d) Provide ongoing development and training as appropriate for staff and volunteers.

Strategies for achieving our objectives

- a) To work with the wider Church community through "Swanage Churches Together", to meet the needs of the wider community of Swanage and Purbeck avoiding duplication.
- b) To continue to equip and develop the Ministry Teams that were set up in February 2016. Ministry Teams were set up to develop and deliver a subset of the Church's responsibilities (Children, Youth, Seniors, Administration, Building Maintenance etc.).
- c) To provide a range of attractive age-specific programmes, to run alongside the Sunday morning service
- d) To fully support and engage with the joint churches initiative in Swanage 'The Wave Youth and Children's Ministry' via "Wave Youth" and "Wave Kids".
- e) To continue resourcing the "Wave Youth " initiative in particular with our full-time Youth Minister, taking ownership for developing and delivering a Swanage-wide programme for young people aged 11-18 years along with other 'Wave' team members and Trustees.
- f) To provide office and administrative support to 'Wave Kids' and the Children's Ministry Leader.

Significant activities contributing to the achievements of these objectives

- a) Play a leading role within "Swanage Churches Together", helping set the vision and plans and organising and hosting events.
- b) Regular training and support for Ministry Team Leaders, equipping them to build their teams and deliver their plans.
- c) Engaging with church members and regular attendees to develop a long-term vision for the work of the church.
- d) An ongoing training and support programme is in place for Life Group Leaders.
- e) Formal appraisal for staff members on a regular 1-2-1 meeting with their line manager.
- f) A range of regular events for the seniors of Swanage to meet together, share a meal and engage in various activities.
- g) The Church Centre hosts a range of regular non-church, public events including Keep Fit and Pilates classes, Better Balance, Memory Cafe run by the Alzheimer's Society, Community Choir, Knitting Group and Art and Crafts groups.
- h) The Church Centre hosts regular events for children and young people across Swanage, in association with 'The Wave', as well as our own Sunday groups. There is "Remix", where young people can learn to play musical instruments and perform, sing in a band and operate PA equipment and "Rooted" which is a young person's Bible based discussion group. We also host 'Energise' for Wave Kids, providing a place for 'family time' and breakfast on Saturday mornings, alongside a short bible-based talk.
- i) Continuing to develop two gardens, a safe garden for younger children and parents and a quiet garden for everyone to enjoy.

Measures used to assess the achievement of objectives

The Church reviews its aims, objectives and activities on a regular basis, through the following ways:-

- Monthly Leadership/Trustee meetings
- Quarterly congregational meetings.

The way the Church normally operates is clearly set out in our Articles of Faith and Church Constitution.

Achievements and performance

During the year the Church has made significant progress including:

- a) The placement of a student for 2019-21 from Moorlands Bible College as part of their Applied Theology degree training course, to lead and facilitate a variety of activities and pioneer new areas of church ministry.
- b) Continued demand for and use of the building by internal and appropriate external groups has continued to grow. An example is CAMEO – a fortnightly community lunch providing a 2 course meal for app. 60 people.
- c) Swanage Area Forum.
- d) A full programme for youth is in place, attendance levels are good and growing in line with expectation.
- e) Large scale public events have been staged including:
 - Herston Family Funday – August 2019 - a community event in partnership with other local organisations based in the neighbourhood of the church buildings, to help build relationships across the age groups and raise the church profile in the community. This would have been repeated in July 2020 except for Covid-19.
 - Christmas Tree Festival, a three-day event engaging with 45 plus local Swanage organisations (who each sponsored and decorated a tree) and attracting nearly 2,000 visitors.

Plans for future periods

General

(Covid-19 restrictions permitting):

- To seek a new Minister, as our current minister will be retiring as from July 2021, in order to maintain and support the Church's ongoing vision and ministry.
- Provide a greater focus on the communities living in the immediate geographical area of the church.
- To continue to provide a ministry and place of renewal and encouragement for those who visit the town whilst on holiday.
- To use Ministry Teams as the vehicle for developing the trust's objectives.
- To continually train, develop and equip new and existing Ministries and Leaders and Ministry Team Members.
- To continue to improve the weekday coffee shop experience, with special emphasis on younger mums and families, utilising our 'Seaside Room', gardens and soft-play areas.
- To continue creating and establishing a wide range of events and activities that will serve the needs of the Church and wider community.
- To maintain and develop the Church Centre building and facilities to maximise its appropriate use and enable the trust's plans to be delivered.

Long term goals

To serve and meet the needs of the church and the wider community to effect significant change across Swanage and Purbeck.

To secure and release necessary resources to achieve the trust's plans.

To increase awareness, educate and encourage relevant action to be taken, to care for our world and help combat climate change and sustainability of our planet. We see this as an integral part of caring for God's creation.

Sustainability

The Church has maintained its income from offerings, despite the Covid-19 restrictions, which is particularly encouraging when many in the congregation are on fixed incomes and pensions.

In addition the Church has sold a Manse and purchased a new one this last year, in order to pay-off a final outstanding debt in relation to the funding of the new church buildings. We are now debt free in this regard.

Reserves policy

By nature the Church relies totally on the generosity of its members to keep the charity financially sound. As such, we therefore have no specific reserves policy. The trustees do however strive to maintain a month end bank balance equal to at least two month's cost of salaries.

Structure Governance and Management

The charity is run on the dependency of its Articles of Faith and Church Constitution.

Organisational structure

The charity is run by a Leadership Team and some volunteers. The full Leadership Team meet monthly to discuss and determine ongoing matters and policy.

There is a quarterly meeting whereby all members of the Church are invited to attend to discuss and approve matters and policies and an Annual General Meeting.

There are nine trustees on the Leadership team as from September 2020, including the minister who is in overall charge. There are currently four Land and Property trustees who are appointed and agreed by the Church who are the official custodians of the land and property held for the purposes of the church, whose decisions are subject to the approval and agreement of the Leadership Team and subsequently the church (if necessary). The day to day administration of the Church is overseen by the Minister, Treasurer, Church Administrator and Leadership Team. Finally, there are teams of volunteer helpers who contribute to the pastoral and administrative work of the Church.

Recruitment and appointment of trustees

The trustees and officers named on the legal and administrative information page have served throughout the year except where otherwise stated.

Appointment of Minister(s)

A minister shall be appointed by an 80% majority vote at a Church Meeting but only after having agreed the Articles of Faith and Constitution of the Church and having gained the unanimous approval of the Leadership Team. The quorum for such a Church Meeting shall be 60% of the membership, not including those hospitalized, housebound and living or working away at the time. During the appointment process a Moderator (a Baptist minister who knows the Church and has its confidence) may be invited to take the chair at interviews and Church meetings.

Appointment of officers

Leadership members are elected by the church members in church meetings. Nominations for the leadership should be submitted to the minister/leadership team for approval and then placed before the church meeting. A 60% majority of the voting members shall ensure their election, after which they will be presented for ordination. The quorum needed to make such appointments to the leadership shall be 30% of the membership, which will not include members who are living or working away at the time of the meeting. All members, before casting their votes are asked to seek earnestly the mind of Christ in prayer. The number of officers may vary according to need but should not normally exceed 10% of the membership. Leaders will serve for a term of three years, after which they may stand for re-election. At the end of a second three year term of office they cannot be re-elected until a period of one year has elapsed.

Other appointments

All other appointments shall be determined annually by the decision of the Church Meeting.

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures and policies to mitigate those risks identified in the plan;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise, and;
- The financial performance of the charity is regularly reviewed by a financial team and the trustees at its monthly meetings.

Emmanuel Baptist Church

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on and signed on its behalf by:

.....
Adam Garnish
Trustee

Emmanuel Baptist Church

Independent Examiner's Report to the trustees of Emmanuel Baptist Church

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 9 to 21.

Respective responsibilities of trustees and examiner

As the charity's trustees of Emmanuel Baptist Church 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 Emmanuel Baptist Church 's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since Emmanuel Baptist Church 's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Accounting Technicians, 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 Emmanuel Baptist Church 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 accounting 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.

Emmanuel Baptist Church

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies		169,366	84,615	253,981	282,276
Charitable activities		4,609	-	4,609	20,355
Investment income	4	51	-	51	154
Other income		300,107	-	300,107	-
Total income		<u>474,133</u>	<u>84,615</u>	<u>558,748</u>	<u>302,785</u>
Expenditure on:					
Charitable activities		<u>(154,663)</u>	<u>(36,220)</u>	<u>(190,883)</u>	<u>(279,587)</u>
Total expenditure		<u>(154,663)</u>	<u>(36,220)</u>	<u>(190,883)</u>	<u>(279,587)</u>
Net income		319,470	48,395	367,865	23,198
Gross transfers between funds		<u>102,900</u>	<u>(102,900)</u>	<u>-</u>	<u>-</u>
Net movement in funds		422,370	(54,505)	367,865	23,198
Reconciliation of funds					
Total funds brought forward		<u>313,913</u>	<u>1,130,194</u>	<u>1,444,107</u>	<u>1,420,909</u>
Total funds carried forward	17	<u><u>736,283</u></u>	<u><u>1,075,689</u></u>	<u><u>1,811,972</u></u>	<u><u>1,444,107</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 17.

The notes on pages 11 to 21 form an integral part of these financial statements.

Emmanuel Baptist Church
(Registration number: 1133758)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	1,762,056	1,631,207
Current assets			
Debtors	13	10,925	11,407
Cash at bank and in hand	14	<u>41,386</u>	<u>109,082</u>
		52,311	120,489
Creditors: Amounts falling due within one year	15	<u>(2,395)</u>	<u>(7,589)</u>
Net current assets		<u>49,916</u>	<u>112,900</u>
Total assets less current liabilities		1,811,972	1,744,107
Creditors: Amounts falling due after more than one year	16	<u>-</u>	<u>(300,000)</u>
Net assets		<u><u>1,811,972</u></u>	<u><u>1,444,107</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds	17	1,075,689	1,130,194
Unrestricted income funds			
Unrestricted funds		<u>736,283</u>	<u>313,913</u>
Total funds	17	<u><u>1,811,972</u></u>	<u><u>1,444,107</u></u>

The financial statements on pages 9 to 21 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Adam Garnish
Trustee

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Emmanuel 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 notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Coronavirus Job Retention Scheme funding was received from HMRC to assist with covering salaries during the Coronavirus pandemic

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

Other income

The other income stated in this year's accounts are the profit on the sale of the manse. This appears unusually high because the manse was being depreciated year on year on a straight line basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

Depreciation and amortisation

Please note, the trustees have decided to freeze depreciation of the church premises and manse in 2020, as it is believed that the properties will now reduce in value. Up until 2019 the properties were being depreciated on a 2% straight line basis.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer and technical equipment	25% pa reducing balance basis
Furniture and fittings	25% pa reducing balance basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from individuals	129,614	73,344	202,958
Gift aid reclaimed	26,508	11,271	37,779
Grants, including capital grants;			
Government grants	13,244	-	13,244
Total for 2020	169,366	84,615	253,981
Total for 2019	176,417	105,859	282,276

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Income from charitable activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Catering	1,879	1,879	10,384
Room rental	1,230	1,230	5,017
Weddings and funerals	1,500	1,500	-
Pastoral income	-	-	10
Sales of merchandise, services and other events	-	-	2,789
Maintenance income	-	-	2,155
	<u>4,609</u>	<u>4,609</u>	<u>20,355</u>

4 Investment income

	Unrestricted funds General £	Restricted funds £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	<u>51</u>	<u>-</u>	<u>51</u>
Total for 2020	<u>51</u>	<u>-</u>	<u>51</u>
Total for 2019	<u>79</u>	<u>75</u>	<u>154</u>

5 Other income

	Unrestricted funds General £	Total funds £
Gains on sale of tangible fixed assets for charity's own use	<u>300,107</u>	<u>300,107</u>
Total for 2020	<u>300,107</u>	<u>300,107</u>

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

6 Analysis of governance and support costs

Charitable activities analysis

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Staff Salaries	92,103	-	92,103	96,586
Ministers' expenses	1,594	-	1,594	22,127
Manse expenses	6,738	4,064	10,802	-
Youth manse expenses	-	17,200	17,200	-
Church building expenses	19,955	-	19,955	-
Catering expenses	858	-	858	7,923
Office/admin expenses	6,937	-	6,937	5,807
Charitable contributions	16,569	7,599	24,168	44,284
Local mission costs	1,824	-	1,824	6,777
Designated expenses and gifts	2,030	7,356	9,386	4,297
Depreciation of equipment and furniture	6,651	-	6,651	40,221
Intern	434	-	434	4,448
	<u>155,693</u>	<u>36,219</u>	<u>191,912</u>	<u>232,470</u>

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	<u>500</u>	<u>500</u>
Total for 2020	<u>500</u>	<u>500</u>
Total for 2019	<u>3,810</u>	<u>3,810</u>

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	<u>6,651</u>	<u>49,091</u>

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Reverend Mark Hatto

Reverend Mark Hatto received remuneration of £37,135 (2019: £38,685) and £602 (2019: £1,614) of expenses were reimbursed to Reverend Mark Hatto during the year.

Expense reimbursed were for travel, worship resources and administration

Pension contributions £8,121 in 2020 (£8,121 in 2019)

Richard Docherty

Richard Docherty received remuneration of £16,120 (2019: £16,202) and £992 (2019: £746) of expenses were reimbursed to Richard Docherty during the year.

Expense reimbursed were for travel, worship resources and administration

Pension contributions £387 in 2020 (£967 in 2019)

Donations made by the trustees without any conditions attached totalled £46,660 for the year (2019 - £38,040).

9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	<u>93,356</u>	<u>96,586</u>

No employee received emoluments of more than £60,000 during the year

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

10 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	500	3,810

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2020	2,011,057	158,807	2,169,864
Additions	355,000	7,500	362,500
Disposals	(375,000)	-	(375,000)
At 31 December 2020	1,991,057	166,307	2,157,364
Depreciation			
At 1 January 2020	406,452	132,205	538,657
Charge for the year	-	6,651	6,651
Eliminated on disposals	(150,000)	-	(150,000)
At 31 December 2020	256,452	138,856	395,308
Net book value			
At 31 December 2020	1,734,605	27,451	1,762,056
At 31 December 2019	1,604,605	26,602	1,631,207

13 Debtors

	2020 £	2019 £
Prepayments	3,907	4,071
Other debtors	7,018	7,336
	10,925	11,407

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

14 Cash and cash equivalents

	2020	2019
	£	£
Cash at bank	<u>41,386</u>	<u>109,082</u>

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	1,625	1,672
Other creditors	270	2,377
Accruals	<u>500</u>	<u>3,540</u>
	<u>2,395</u>	<u>7,589</u>

16 Creditors: amounts falling due after one year

	2020	2019
	£	£
Bank loans	<u>-</u>	<u>300,000</u>

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

17 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
<i>General</i>					
General Funds	313,913	474,133	(154,663)	102,900	736,283
Restricted funds					
World Focus	1,360	7,456	(7,599)	-	1,217
Eva	1,060,671	-	-	-	1,060,671
Agape	1,110	4,289	(3,202)	-	2,197
Manse Fund	63,718	55,757	(4,064)	(115,411)	-
Shed Fund	211	-	-	(211)	-
Redevelopment of Garden Fund	2,346	-	(1,254)	-	1,092
Round Table Fund	778	-	-	(778)	-
Intern Fund	-	6,012	(2,873)	-	3,139
Youth Manse Fund	-	6,600	(17,227)	13,500	2,873
Camera Equipment Fund	-	4,500	-	-	4,500
Total restricted funds	<u>1,130,194</u>	<u>84,614</u>	<u>(36,219)</u>	<u>(102,900)</u>	<u>1,075,689</u>
Total funds	<u><u>1,444,107</u></u>	<u><u>558,747</u></u>	<u><u>(190,882)</u></u>	<u><u>-</u></u>	<u><u>1,811,972</u></u>

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted funds					
<i>General</i>					
General Funds	313,677	196,851	(217,033)	20,418	313,913
Restricted					
World Focus	1,612	18,061	(17,465)	(848)	1,360
Eva	1,090,636	-	(29,965)	-	1,060,671
Agape	1,462	3,885	(4,297)	60	1,110
Youth Minister's Salary Fund	-	9,750	(9,750)	-	-
Salary Fund	9,263	-	-	(9,263)	-
Manse Fund	-	74,018	-	(10,300)	63,718
Shed Fund	281	-	(70)	-	211
Redevelopment of Garden Fund	2,941	220	(748)	(67)	2,346
Round Table Fund	1,037	-	(259)	-	778
Total restricted funds	<u>1,107,232</u>	<u>105,934</u>	<u>(62,554)</u>	<u>(20,418)</u>	<u>1,130,194</u>
Total funds	<u>1,420,909</u>	<u>302,785</u>	<u>(279,587)</u>	<u>-</u>	<u>1,444,107</u>

The specific purposes for which the funds are to be applied are as follows:

The World Focus Fund is a fund to help promote the beliefs of the Church, both individually and collectively into other communities.

Eva Project Fund is a fund which was dedicated to the redevelopment of the Church's property in Victoria Avenue. Up until 2019, the fund was being reduced annually by the depreciation charge on the building, this year, that policy has changed and the value will remain as a restricted fund.

The Agape fund is distributed at the Church's discretion for people in need and deserving causes.

Emmanuel Baptist Church

Notes to the Financial Statements for the Year Ended 31 December 2020

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	696,885	1,065,171	1,762,056
Current assets	41,793	10,518	52,311
Current liabilities	(2,395)	-	(2,395)
Total net assets	<u>736,283</u>	<u>1,075,689</u>	<u>1,811,972</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets	569,547	1,061,660	1,631,207
Current assets	51,955	68,534	120,489
Current liabilities	(7,589)	-	(7,589)
Creditors over 1 year	(300,000)	-	(300,000)
Total net assets	<u>313,913</u>	<u>1,130,194</u>	<u>1,444,107</u>

19 Pension cost note

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme. The scheme is a separate legal entity which is administered by the Pension Trustee - Baptist Pension Trust Limited. The Minister(s) are eligible to join the scheme, which is funded and not contracted out of the state scheme.

From January 2012, pension provision is being made through the Defined Contribution Plan within the scheme. From January 2012 Ministers pay 8% of their Pensionable Income and the employer 6% of members' Pensionable Income plus an additional 4% 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.

The scheme started in 1925 and was formerly known as the Baptist Ministers' Pension Fund but was closed to future accrual of defined benefits on 31 December 2011. The main benefits provided by the service prior to 1 January 2012 are provided through the Defined Benefit Plan, being a pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with an additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. A formal valuation was performed at 31 December 2016 by a professional qualified Actuary using the Projected Unit Method. The market value of the Defined Benefit Plan assets at the valuation date was £219,000,000.

The valuation of the Defined Benefit Plan revealed a deficit of assets compared with the value of liabilities of £93,000,000 (equivalent to a past service funding level of 70%). As a result of the valuation, in addition to the contributions to the Defined Contribution Plan set out above, it has been agreed to increase the standard rate of deficiency contributions from churches and other employers involved in the Defined Benefit Plan from 11% of Pensionable Income/Minimum Pensionable Income to be based on a 12% rate from 1 January 2016. The contributions will be based on each church's or other employer's position at March 2015. Some churches and other employers that were only involved in the Defined Benefit Plan for a short period will pay less than 12%. The Recovery Plan envisages deficiency contributions continuing until December 2028.

A new "Family Solution" has been agreed that seeks to substantially reduce the deficit in the Baptist Pension Scheme. The Family Solution follows lengthy and detailed negotiations between the Pension Trustee and the BPS Employers Group (acting on behalf of the Baptist Union of Great Britain and the other scheme employers). As part of the Family Solution, Baptist Union of Great Britain has agreed to make total additional contributions of £33,500,000 on behalf of the Baptist family in order to reduce the current deficit. At least £30,000,000 will be paid in 2018, with the remainder by 2023.

As there are a large number of contributing employers to the fund, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the church was £8,121 (2018 - £8,121).

Pension contributions to the Ministers' Fund were payable in respect of the minister Mr Mark Hatto.

The next actuarial valuation of the Defined Benefit Plan within the Scheme was due to take place not later than as at 31 December 2019.

The church also operates a workplace pension Defined Contribution Plan through The People's Pension.

20. Related charities

The Custodian Trustee of the Church is the Old Baptist Union which is charity number 233642. The Church is also a member of The Baptist Union of Great Britain and affiliated to The Southern Counties Baptist Association.

A sum of £500,000 realised from the sale of property at 1 Howard Road, Swanage, which was owned by the Old Baptist Union, has been utilised to partly fund the construction of the new church building and as a result the Old Baptist Union has a 20% share of the ownership of the new building.

There were no transactions between the Church and its related charities during the year.