

FINCHAMPSTEAD BAPTIST CHURCH
(CHARITABLE COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

COMPANY REGISTERED NUMBER: 07030381

CHARITY REGISTERED NUMBER: 1133789

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees, who are also directors of the charity for the purpose of the Companies Act 2006, are pleased to present their report together with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of the statement of recommended practice (SORP) 'Accounting and Reporting by Charities' Second Edition, issued in October 2019. The trustees have complied with guidance published by the Charity Commission in respect of public benefit.

Objectives

Finchampstead Baptist Church's (FBC's) objects per the Memorandum and Articles of Associations are:-

- 1.1 The advancement of the Christian Faith according to the principles of the Baptist denomination which may include, as part of the mission of the Church, to benefit the residents of Finchampstead and the neighbourhood by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and/or to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving conditions of life for the residents; and
- 1.2 other charitable purposes in the United Kingdom and/or other parts of the world.

Incorporation, Structure, Governance and Management

Finchampstead Baptist Church Charitable Company Limited by Guarantee was incorporated on 25th September 2009 and commenced operations with effect from January 2010. Prior to January 2010 all operations of Finchampstead Baptist Church took place through Finchampstead Baptist Church Unincorporated. On 1st January 2013 Finchampstead Baptist Church Unincorporated transferred all its assets and liabilities (excluding the FBC Centre, two manses and one bank account) to Finchampstead Baptist Church Limited by Guarantee. The transfer amounted to £414,287. The reason some assets remained in Finchampstead Baptist Church Unincorporated was to fulfil our legal obligations to Wokingham District Council, who signed an agreement with Finchampstead Baptist Church Unincorporated and were subsequently unwilling to assign it to Finchampstead Baptist Church Limited by Guarantee. On 15th December 2014, the Charity Commission directed that with effect from 1st January 2015, Finchampstead Baptist Church Unincorporated should be treated as forming part of Finchampstead Baptist Church Limited by Guarantee under a single registration number, with the Charity producing one set of accounts. The funds of Finchampstead Baptist Church Unincorporated are reported as restricted funds (See Note 18). The combined charity is referred to as 'FBC' or 'the church' in this report.

Finchampstead Baptist Church Limited by Guarantee and Finchampstead Baptist Church Unincorporated have the same objects, mission, vision, members and governing document and co-operate closely. The sole charity trustee of Finchampstead Baptist Church Unincorporated is Finchampstead Baptist Church Limited by Guarantee, which exercises its function as charity trustee through its Church members and directors, using the processes contained in the Articles of Finchampstead Baptist Church Limited by Guarantee.

The charity is controlled by its governing document, the Memorandum and Articles of Association and constitutes a company limited by guarantee, as defined by the Companies Act 2006. Trustees are proposed and elected by the members of FBC on the basis of their character, leadership experience and perceived ability to fulfil the responsibilities of a trustee. The training and induction of new trustees depends on their existing experience and background.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021
(continued)

Incorporation, Structure, Governance and Management (continued)

The trustees appoint members of a Ministry Leadership Team to carry out the objects, mission and vision of the church on a day-to-day basis. The members of the Ministry Leadership Team lead and manage the different teams of employees and volunteers. Salaries are reviewed annually as part of the annual budget process. The trustees approve all salary changes and take into account legal and market considerations as well as the relative level of responsibility and expertise required of each employee, in relation to the other employees.

There are no related party transactions between FBC and the trustees or senior managers other than those disclosed in the accounts.

Activities

Within the FBC Centre the church is able to provide many facilities for the community. These include a café, a sports hall and rooms for clubs and societies to rent. The FBC Centre also hosts a children's centre and a library provided by the local council, as well as offices for the parish council and the local Police.

Finchampstead Baptist Church works closely with partners to benefit the community, including the Wokingham Borough Council Children's Centre, The Wokingham Borough Council Library, Finchampstead Parish Council, Gorse Ride Schools, Bohunt School Wokingham, the Link visiting scheme and the local Police.

Finchampstead Baptist Church is very grateful to the Parish Council which donated £12,000 to FBC for Youth and Children's work in 2021.

The church offers Sunday services and an extensive youth and children's programme and is also active in the local community.

In addition to the Sunday programme the church supports Connect Groups and small discipleship groups and provides courses for learning opportunities on a regular basis. The Church also supports activities aligned with our mission outside of the locality through donations to other charities and individuals in the UK and overseas. Around twenty percent of income donated to the church is donated to other charities with charitable objects that are in line with the charity's charitable objects, in the United Kingdom and overseas. In 2021 £49,360 was donated to other charities or set aside for mission opportunities outside our existing community.

Statement on public benefit

We confirm that Finchampstead Baptist Church carries out activities that are in accordance with its charitable objects and these activities are for the benefit of the public.

Achievements and performance

For the first half of 2021 the activities of FBC continued to be impacted by the global COVID-19 pandemic and national lockdowns. When permitted during that time various facilities and services at the FBC Centre were restored to use by the general public with the appropriate levels of additional cleaning and social distancing measures. During the second half of the year Church gatherings gradually moved back from online to in-person.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021 **(continued)**

Achievements and performance (continued)

At the beginning of the year there were 32 members of staff and at the end of the year the Charity had 38 members of staff, 15 on permanent contracts. Over the course of the year the Charity made use of the Government Support measures that were available.

The activities of the Charity are provided by staff and volunteers. The members of staff play a vital role in helping the charity to fulfil our objects, vision and mission and to maximise the benefit to the public. Volunteers also play a very significant role in the life of the charity and are vital in running activities and groups. The majority of trustees are volunteers.

Throughout the pandemic and since the main restrictions have eased, FBC has sought ways to continue to connect with and support the local community, for example, producing and delivering over 500 meals. This has been made possible through the work of a team of over 60 volunteers providing practical support in a variety of ways. Our Community teams have been instrumental in a number of projects throughout the year, partnering with other local agencies to bring support to vulnerable people in our community. We partnered with SHARE Wokingham, a local charity working to tackle food waste. We collect food from local suppliers that are close to going out of date – this food is given away free to anybody in the community who would like it. We also launched a new initiative in partnership with The Friendship Alliance, Berkshire Age UK, Involve and the Link Visiting Scheme. The Friendship table is a safe place for people to come and chat with others. We have a team of volunteers on hand to facilitate conversation, and over the year, we have helped to connect a handful of people who otherwise would have been almost completely isolated.

Finance review

During the year ended 31st December 2021 the church had a total income of £602,014 (of which £255,770 was from donations and grants, £345,029 was from the operation of the FBC Centre, £1,215 investment income) and an actuarial gain by the pension actuary of £5,638. Total expenses were £622,478 (of which £323,358 related to the expenses of running the FBC Centre) resulting in an overall net expenditure for the year of £20,464.

The activities for the year were affected by the ongoing pandemic, in particular the income – and related costs – generated from use of the FBC Centre. To ameliorate the effects of the pandemic restrictions, COVID related grants of £26,207 were received during the year.

In the prior year income from Donations and Offerings increased due to a number of significant one-off donations which were received in response to the loss of income from the restricted use of FBC Centre. In the current year, income from Donations and Offerings is lower than pre-pandemic levels.

As noted in the previous year's accounts, that year had seen the introduction of component accounting as the "undue cost or difficulty" exemption had been removed from the Statement Of Recommended Practice (SORP). The accounts for the year ended 31st December 2020 had included depreciation charge in respect of the Centre for the year of £186,767 as the requirement of the SORP is to bring the accumulated depreciation of the year end up to the amount as if component accounting had always been applied. The charge for the year ended 31st December 2021 was the annual charge for the year only, which included for the Centre £79,263. The details of the component accounting rates can be found in Note 1e.

Plans for the future

The long-term aims of the church (FBC) are to fulfil our objects, mission and vision. The vision of FBC is to become an open, growing, loving community, passionate about following Jesus and serving others. The mission of FBC is to help people find and follow Jesus.

Our priorities are focussed on helping us better fulfil this purpose. As we continue in a phase of rebuilding after the pandemic we are re-evaluating all that we do to help us better fulfil our purpose. This has been through focus on our Structure and Programme and on Communication.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021 **(continued)**

Plans for the future (continued)

Structure - We want to ensure that we have the correct staff, leadership and volunteer structure that enable us to support the development of the purpose for why we exist. This involves reviewing staff positions and roles, identifying the positions we need to adjust or create.

Programme - We want to ensure that the things we do are focussed on helping us fulfil our purpose. Therefore we will review each aspect of the programme against the overall purpose of FBC, identifying the areas we need to adjust, stop or create in order to better achieve our goals.

Reserves

Our reserves policy is to retain adequate reserves to continue operations for 3 months, currently this is estimated as £156,000. The available reserves are calculated as unrestricted net current assets. The unrestricted net current assets held on 31 December 2021 amounted to £105,130 which is below the targeted amount. The Trustees are satisfied that the return to more normal operations with the easing of pandemic restrictions will restore the reserves position and that the shortfall at the year end date is temporary in nature.

Going concern and deficit

The trustees expect FBC to continue as a going concern in the foreseeable future. Although there has been a deficit in the past two years, the easing of the restrictions arising from the pandemic are expected to improve the results going forward.

Pension liabilities

One of the full-time members of staff belongs to a defined benefit pension scheme, namely the Baptist Union scheme. The scheme was closed for further contribution on 31st December 2011 and has a deficit. FBC contributes 12% of the salary of the member of staff as a deficiency contribution. The scheme is aiming to meet the deficit by 30th June 2035 and a liability has been created on the balance sheet based on the current deficiency contribution and the expected remaining period of the contribution.

Risks

The charity carries out a comprehensive risk assessment annually. The reviews are carried out by the managers responsible for the areas of risk. Actions are taken to address or mitigate all areas of risk identified.

The significant risks and corresponding safeguard are listed below:

- **Safeguarding of Children and Adults at Risk** – A comprehensive safeguarding policy is in place and adherence is monitored.
- **Income** – A significant proportion of church donations are received from a few families. This situation is monitored closely and discussed with members and the congregation.
- **New users can be added to the bank account by a single user** – Users list is regularly reviewed by 2 independent members of the team.
- **Fire** – A fire procedure has been documented and staff have been trained.
- **Risk of Injury or harm to users of FBC Centre** – Health & Safety policy is in place and adherence is monitored. All sporting activities are insured and coaches are First aid trained.
- **Loss of a significant tenant of the FBC Centre** - The largest portion of rent is received from Wokingham Borough Council, for the library and the Children's Centre. The risk of losing this tenant is mitigated through the length of the leases, being 14 years remaining on the library lease and 114 years on the Children's Centre lease.
- **Employee related matters** – Consultation with External HR Consultant on employment contracts and other matters.
- **Risk of Money laundering through donations to terrorists or bribery with overseas payments** – Regular contact is maintained with supported organisations to understand use of the donations.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021
(continued)

Significant factors and events since the year end

The impact of the COVID-19 pandemic is still being felt but the trustees remain satisfied that the level of reserves since the balance sheet date remain adequate to enable the charity to continue to operate in the foreseeable future with the appropriate reductions in costs having been implemented in light of reduced revenues. The trustees are not aware of any other significant factors that are likely to affect the financial performance and position of the charity going forward. The trustees are also aware of the continued increase in housing in the area and continue to explore how the charity might best offer its services to the growing local population.

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Finchampstead Baptist Church Limited by Guarantee for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity, and of the income and expenditure of the charitable company for that year.

In preparing these accounts 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

Each of the directors has confirmed that there is no information of which they are aware that is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Reference and administrative details

Company registered number:	07030381
Charity registered number:	1133789
Registered office:	FBC Centre Gorse Ride North Finchampstead Wokingham, Berkshire, RG40 4ES

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021
(continued)

The Trustees

James Gallagher (Chair), Rev. Christopher Simpkins, Thomas Fox, Sarah Simpson and David Goodman served throughout the year and Martin Pluves, Kate Johnstone and Rachel Roberts were each appointed during the year (14 July 2021) and served during the year and were in office at the date when the accounts were approved.

Chris Simpkins, (The Lead Pastor), controls the day-to-day management of the Charity.

Auditors

Knox Cropper LLP, Office Suite 1, Haslemere House, Lower Street, Haslemere, Surrey GU27 2PE

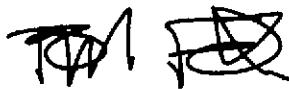
Bankers

Santander, Bridle Road, Bootle, Merseyside, L30 4GB
CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
BOSC, 6th Floor, 33 Old Broad Street, London, EC2N 1HZ
Scottish Widows, 67 Morrison Street, Edinburgh, EH3 8YJ
Shawbrook Bank, Great Warley, Brentwood, Essex, CM13 3BE

Solicitors

Anthony Collins Solicitors, 134 Edmund Street, Birmingham, B3 2ES

Signed on behalf of the board of Directors and the Trustees



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Thomas Fox
Director and Trustee

Date: 28 September 2022

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF FINCHAMPSTEAD BAPTIST CHURCH

Opinion

We have audited the financial statements of Finchampstead Baptist Church (the 'charitable company') for the year ended 31st December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2021 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF FINCHAMPSTEAD BAPTIST CHURCH (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice".

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF FINCHAMPSTEAD BAPTIST CHURCH
(continued)

Our responsibilities for the audit of the financial statements (continued)

- The Charity is required to comply with charity law and, based on our knowledge of its activities we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charity is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, Management Override of Controls and the increased Incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the charity's recognition of income to the terms of the underlying grant agreements and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Our approach was also to check that all restricted Income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statement to ensure compliance with the reporting requirements of the charity.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report or for the options we have formed.

Matthew Elkins 28/9/2022

Matthew Elkins (Senior Statutory Auditor)
 For and on behalf of Knox Cropper LLP
 Chartered Accountants and Statutory Auditors
 Office Suite 1, Haslemere House
 Lower Street
 Haslemere
 Surrey GU27 2PE

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2021

		2021			2020		
	Notes	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
INCOME FROM							
- Donations and Offerings	2	254,795	975	255,770	360,676	49,658	410,334
- Investments	3	1,069	146	1,215	1,443	1,052	2,495
- Other Trading Activities	4	333,029	12,000	345,029	263,362	12,000	275,362
Total Income		<u>588,893</u>	<u>13,121</u>	<u>602,014</u>	<u>625,481</u>	<u>62,710</u>	<u>688,191</u>
EXPENDITURE ON							
- Raising Funds	9	-	-	-	-	-	-
- Charitable Activities	5	536,020	86,458	622,478	546,051	242,458	788,509
Total Expenditure		<u>536,020</u>	<u>86,458</u>	<u>622,478</u>	<u>546,051</u>	<u>242,458</u>	<u>788,509</u>
Net (Expenditure)/Income		52,873	(73,337)	(20,464)	79,430	(179,748)	(100,318)
Actuarial gains		5,638	-	5,638	25,124	-	25,124
Transfer Between Funds		(91,370)	91,370	-	(113,168)	113,168	-
Net Movement in Funds		<u>(32,859)</u>	<u>18,033</u>	<u>(14,826)</u>	<u>(8,614)</u>	<u>(66,580)</u>	<u>(75,194)</u>
Funds Brought Forward 1/1/2021		165,724	5,004,956	5,170,680	174,338	5,071,536	5,245,874
Funds Carried Forward 31/12/2021	17	<u>£132,865</u>	<u>£5,022,989</u>	<u>£5,155,854</u>	<u>£165,724</u>	<u>£5,004,956</u>	<u>£5,170,680</u>

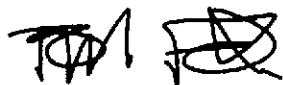
All income and expenditure in the current and preceding year represented ongoing activities. On 15th December 2014, the Charity Commission directed that with effect from 1st January 2015, Finchampstead Baptist Church Unincorporated should be treated as forming part of Finchampstead Baptist Church Charitable Company Limited by Guarantee, under a single registration number, with the combined Charity producing one set of accounts. The funds of Finchampstead Baptist Church Unincorporated are reported as restricted funds.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**BALANCE SHEET****FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible Assets	11		4,657,607			4,739,487	
CURRENT ASSETS							
Debtors	12	47,916			20,927		
Short Term Investments	13	255,812			254,737		
Cash At Bank and in Hand	14	262,509			237,874		
		566,237			513,538		
Creditors: Amounts falling due within one year	15	(41,151)			(38,705)		
Net Current Assets			525,086			474,833	
Creditors: Amounts falling due after more than one year	16		(26,839)			(43,640)	
Net Assets			£5,155,854			£5,170,680	
RESTRICTED FUNDS	17		5,022,989			5,004,956	
UNRESTRICTED FUNDS	17		132,865			165,724	
			£5,155,854			£5,170,680	

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees and signed on their behalf



Thomas Fox

Date: 28 September 2022

Company Registered Number: 07030381

FINCHAMPSTEAD BAPTIST CHURCH
CHARITABLE COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Total Funds 2021 £	Total Funds 2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	24,495	96,790
Cash flows from investing activities:			
Interest received		1,215	2,495
Disposal (acquisition) of investment		-	378
Purchase of Tangible Fixed Assets		-	-
Net cash provided by investing activities		1,215	2,873
Change in Cash and Cash Equivalent in the reporting period		25,710	99,663
Cash and Cash Equivalent at the beginning of the reporting period	B	492,611	392,948
Cash and Cash Equivalent at the end of the reporting period		£518,321	£492,611
A	Net (expenditure)/income for the reporting period as per the Statement of Financial Activities	(14,826)	(75,194)
	Interest receivable	(1,215)	(2,495)
	(Increase)/decrease in debtors	(28,588)	10,974
	(Decrease)/increase in creditors	(12,756)	(25,879)
	Depreciation	81,880	189,384
		£24,495	£96,790
B	Cash at bank and in hand	262,509	237,874
	Notice deposits (less than 3 months)	255,812	254,737
		£518,321	£492,611

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021

1. **ACCOUNTING POLICIES**

a) **Basis of preparation and assessment of going concern**

These accounts have been prepared under the historical cost convention with items recognised at cost of transaction value unless otherwise stated in the relevant notes to the accounts. The financial statements have been prepared in accordance with 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) Second Edition issued in October 2019 and the Companies Act 2006.

On 15th December 2014, the Charity Commission directed that with effect from 1st January 2015, Finchampstead Baptist Church (Unincorporated) should be treated as forming part of Finchampstead Baptist Church (Charitable Company), under a single registration number, with the Charity producing one set of accounts with the funds of the linked charity, being reported as restricted funds.

The Charitable Company constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no notional uncertainties about the Charitable Company's ability to continue as a going concern. The most significant areas of uncertainty are the continued support from Offerings and donations, and any reductions in the use of the facilities at the Centre.

b) **Income**

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amounts of income receivable can be measured reliably. Donations are included when the Charitable Company becomes entitled to the donations and the value can be reliably measured. Tax recoverable is accounted for at the same time as the gift to which they relate.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Company; thus is usually upon notification of the interest paid by the bank.

c) **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charitable Company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure heading.

d) **Volunteer Help**

The value of volunteer help received is not included in the accounts but is an essential part of the work of the charity.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021

(continued)

1. ACCOUNTING POLICIES (continued)

e) Tangible Fixed Assets

Furniture and equipment are capitalised if they can be used for more than one year and cost at least £3,000. They are valued at cost or estimated market value and are depreciated on a straight line basis over 3 years.

Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified and the depreciation rate applied to each component are set out below:

Land	-	Not depreciated
Main fabric	-	Over 125 years
Electrics	-	Over 50 years
Roof structure and covering	-	Over 35 years
Windows & external doors	-	Over 25 years
Mechanical systems	-	Over 25 years
Kitchen	-	Over 20 years
Heating systems	-	Over 15 years
Bathrooms	-	Over 15 years
Fire Alarms	-	Over 15 years

f) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity and which have not been designated for other purposes. Restricted Funds are funds which are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) Pensions

The charity participates in a deferred benefit scheme which covers the Church's Minister. The scheme is administered by Lane Clark & Peacock LLP. As the charity is unable to identify its share of underlying assets and liabilities, FRS 102 requires pension costs to be accounted for on the basis of contributions payable to the scheme in the year.

The charity also pays contributions to stakeholder schemes on behalf of its other staff. These contributions are accounted for in the Statement of Financial Activities when the payments fall due.

A liability for Deficit Funding in respect of the Baptist Pension Scheme has been shown (see note 20).

h) Significant Management Judgements and Estimation Uncertainties

The following are the critical judgements and key sources of estimation uncertainty that the trustees have made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Depreciation:

The depreciation of fixed assets is based on management's estimate of their useful lives which is kept under review.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDING 31ST DECEMBER 2021****(continued)****2. DONATIONS AND OFFERINGS**

		2021			2020
	Notes	Unrestricted	Restricted	Total	
		£	£	£	£
General		187,695	-	187,695	276,259
Mission		-	975	975	1,913
		187,695	975	188,670	278,172
Grants		26,207	-	26,207	74,745
GIFT AID RECOVERED					
General		40,893	-	40,893	57,417
Mission		-	-	-	-
		£254,795	£975	£255,770	£410,334

3. INVESTMENTS

Interest on Short Term Investments		£1,069	£146	£1,215	£2,495
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4. OTHER TRADING ACTIVITIES**FBC CENTRE INCOME**

Catering		119,014	-	119,014	78,681
Facilities		111,612	-	111,612	87,480
Service Charge		101,284	-	101,284	94,082
		331,910	-	331,910	260,243

YOUTH INCOME

Finchampstead Parish Council		-	12,000	12,000	12,000
Activity Fees		1,119	-	1,119	3,119
		£333,029	£12,000	£345,029	£275,362

5. CHARITABLE ACTIVITIES

FBC Centre Expenses (Note 6)		323,358	-	323,358	333,412
Ministry		138,980	-	138,980	174,752
Missionary Giving (Note 7)		49,360	975	50,335	68,648
Outreach Costs		-	6,220	6,220	6,033
Upkeep of Premises		13,602	-	13,602	8,646
General Support Costs (Note 8)		10,720	-	10,720	10,251
Property Depreciation (Note 11)		-	79,263	79,263	186,767
		£536,020	£86,458	£622,478	£788,509

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDING 31ST DECEMBER 2021**
(continued)**6. FBC CENTRE EXPENSES**

	2021	2020
	£	£
Non-Service Charge Expenses		
Cost of Goods Sold	41,622	25,621
Staff Expenses	67,939	88,610
Programme Expenses	595	1,345
Upkeep of Premises	3,396	3,018
Total Non-Service Charge Expenses	113,552	118,594
 Service Charge Expenses		
Auditor and Accounting Fees	2,325	2,682
Bank Charges	3,065	2,381
Dues, Subscriptions and Licenses	1,601	2,001
Utilities – Gas, Water and Electricity	21,952	23,144
Facilities Upkeep, Repairs and Maintenance	67,473	77,079
Insurance Expense	12,273	11,078
Marketing Materials	327	333
Non-Reclaimable VAT	12,526	12,558
Staff Expenses	79,780	69,226
Office Expenses	3,594	2,810
Security	4,890	11,526
Total Service Charge Expenses	209,806	214,818
Total Expenses	£323,358	£333,412

Service charges refer to FBC Centre expenses that are for the benefit of all users. A proportion of these charges are recharged to the tenants and the allocation of these charges is based on floor area.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDING 31ST DECEMBER 2021
(continued)

7. GRANTS: MISSIONARY GIVING (INCOME AND EXPENDITURE)

The FBC has set aside 20% of Unrestricted General Fund Income to be given for missionary causes.

	2021		2020	
	£	£	£	£
Missionary Giving				
20% of General fund Given in year (£228,591)		45,718		66,735
Grants during the year (see below)		(49,360)		(57,147)
		(3,642)		9,588
No surplus on tithe 2021		-		-
Transfer to Yeldall Manor		-		(9,588)

Breakdown of the 20% of General Fund given in 2021

Grants made to Institutions	Total Amount of Grants Paid	Purpose
	£	
Further Faster UK	8,000	Supporting UK Churches
Soulscape	6,240	Local area schools
Baptist Home Mission	6,240	UK Baptist Churches
BMS World Mission	6,240	Overseas Baptist Mission
Evangelical Alliance Subscriptions	400	Subscription
Christians Against Poverty	2,000	Subscription
Innovista	3,000	Equipping Leaders
LICC	6,000	UK Mission
Uganda Projects	3,000	Overseas Mission
Tearfund	2,000	Overseas Mission
Total Grants to Institutions	<u>£43,120</u>	

Grants Made to Individuals

Teus and Maria Kappers	6,240	Overseas Mission
Total Grants to individuals	<u>£6,240</u>	

Other Missionary Giving in Addition to 20% General Fund Giving

	2021	2020	Purpose
	£	£	
Restricted Income for Missionary Causes			
Tearfund Appeal	-	344	Overseas Mission
Dominique Edmunds	375	-	Mission Training
Suubi Clinic	600	-	Overseas Mission
Innovista	-	1,569	Rehabilitation Centre
Restricted Income for Missionary Causes	<u>975</u>	<u>1,913</u>	
Income Tax Reclaim	-	-	
Total Restricted Income for Missionary Causes	<u>£975</u>	<u>£1,913</u>	

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDING 31ST DECEMBER 2021**
(continued)**8. GENERAL SUPPORT COSTS**

	2021	2020
	£	£
Website and IT Costs	3,636	2,124
Technical/Sound	2,167	2,731
Publishing, Photocopying and Stationery	920	857
Audit, Accounting Fees and Software	3,774	4,355
Sundries	223	184
	<u>£10,720</u>	<u>£10,251</u>

External Audit Fees amounted to £4,650 excluding VAT in 2021 and £4,470 excluding VAT in 2020.

9. RAISING FUNDS

	2021	2020
	£	£
Fundraising Materials	-	-
	<u>£ -</u>	<u>£ -</u>

10. TRUSTEES

Chris Simpkins is included in the trustees of the charity. He was reimbursed for travel costs incurred.

	2021	2020
Number of full time equivalent trustees who were paid expenses	<u>1</u>	<u>1</u>
Total Amount Paid (£)	<u>£176</u>	<u>£48</u>

Chris Simpkins received remuneration and pension benefits, under his terms of employment, as follows

	2021	2020
Chris Simpkins		
Stipend	32,269	31,950
Pension Contributions	3,814	8,302
	<u>£36,083</u>	<u>£40,252</u>

Two Trustees of Finchampstead Baptist Church are also trustees of Further Faster UK, to which Finchampstead Baptist Church made grants totalling £8,000 as detailed in Note 7. The wife of one of the Trustees of Finchampstead Baptist Church is a trustee of Innovista, to which Finchampstead Baptist Church made grants totalling £3,000 as detailed in note 7.

Housing

The Finchampstead Baptist Church Unincorporated jointly owns a property L'Abri (44%) with Mr and Mrs Simpkins (56%). The charity provides an element of housing in respect of its share of 44% of the property L'Abri. The charity provides the balance of housing by renting the value of the residual 56% from Mr and Mrs Simpkins. This amounted to £12,432 in the current year. In addition the Charity paid housing related expenses amounting to £2,801.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021
(continued)

11. TANGIBLE FIXED ASSETS

11a. FBC UNINCORPORATED

	Total
	£
Property Cost	
At 1st January 2021	5,157,871
Additions	-
Disposals	-
At 31st December 2021	<u>5,157,871</u>
Accumulated Depreciation	
At 1st January 2021	475,575
Charge for Year	79,263
Disposals	-
At 31st December 2021	<u>554,838</u>
Net Book Value	
At 31st December 2021	<u>£4,603,033</u>
At 31st December 2020	<u>£4,682,296</u>

11b FBC CHARITABLE COMPANY LIMITED BY GUARANTEE

	Property Enhancemen t £	Furniture and Equipment £	Total £
At Cost			
At 1st January 2021	56,098	92,059	148,157
Additions	-	-	-
Disposals	-	-	-
At 31st December 2021	<u>56,098</u>	<u>92,059</u>	<u>148,157</u>
Accumulated Depreciation			
At 1st January 2021	2,802	88,164	90,966
Charge for Year	467	2,150	2,617
Disposals	-	-	-
At 31st December 2021	<u>3,269</u>	<u>90,314</u>	<u>93,583</u>
Net Book Value at 31st December 2021	<u>£52,829</u>	<u>£1,745</u>	<u>£54,574</u>
Net Book Value at 31st December 2020	<u>£53,296</u>	<u>£3,895</u>	<u>£57,191</u>

Of the Furniture and Equipment £7,668 represents the Church and £84,391 the Centre.

TOTAL TANGIBLE FIXED ASSETS £4,657,607

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDING 31ST DECEMBER 2021****(continued)****12. DEBTORS**

	2021	2020
	£	£
Trade Debtors	11,901	4,053
Gift Aid Recoverable	24,495	12,097
VAT	-	177
Floats	584	90
Sundry Debtors & Prepayments	10,936	4,510
	<u>£47,916</u>	<u>£20,927</u>

13. SHORT TERM INVESTMENTS

Bank of Scotland – Sinking Fund	85,053	63,723
Bank of Scotland – General Fund	-	21,277
Santander	84,778	84,769
Scottish Widows Bank – Sinking Fund	85,981	84,968
	<u>£255,812</u>	<u>£254,737</u>

14. CASH AT BANK AND IN HAND

Current Accounts	<u>£262,509</u>	<u>£237,874</u>
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15. CREDITORS DUE WITHIN ONE YEAR

VAT	2,360	-
Trade Creditors	24,455	17,357
Other Creditors & Accruals	9,775	17,088
Provision for pension deficit (Note 20)	4,561	4,260
	<u>£41,151</u>	<u>£38,705</u>

16. CREDITORS DUE AFTER MORE THAN ONE YEAR

Provision for pension deficit (Note 20)	<u>£26,839</u>	<u>£43,640</u>
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17. MOVEMENT IN FUNDS

2021	Income	Expenditure	Fund Transfers	Opening Balance	Closing Balance
	£	£	£	£	£
Unrestricted					
General Undesignated	594,531	(536,020)	(91,370)	144,226	111,367
Christian Service Grant	-	-	-	21,498	21,498
	<u>594,531</u>	<u>(536,020)</u>	<u>(91,370)</u>	<u>165,724</u>	<u>132,865</u>
Restricted					
Mission Grants	975	(975)	-	1,967	1,967
Finchampstead Parish Council	12,000	(6,220)	-	5,967	11,747
Arborfield Fund	-	-	-	58,810	58,810
Yeldall Manor	-	-	(9,588)	9,588	-
Sinking Fund	146	-	100,958	233,460	334,564
Finchampstead Baptist Church (Note 18)	-	(79,263)	-	4,695,164	4,615,901
Total	<u>£607,652</u>	<u>£(622,478)</u>	<u>£-</u>	<u>£5,170,680</u>	<u>£5,155,854</u>

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021
(continued)

17. MOVEMENT IN FUNDS (cont'd)					
2020	Income	Expenditure	Fund	Opening	Closing
	£	£	Transfers	Balance	Balance
			£	£	£
Unrestricted					
General Undesignated	650,605	(546,051)	(113,168)	152,840	144,226
Christian Service Grant	-	-	-	21,498	21,498
	650,605	(546,051)	(113,168)	174,338	165,724
Restricted					
Mission Grants	1,913	(1,913)	-	1,967	1,967
Coronavirus Job Retention Scheme	47,745	(47,745)	-	-	-
Finchampstead Parish Council	12,000	(6,033)	-	-	5,967
Arborfield Fund	-	-	-	58,810	58,810
Yeldall Manor	-	-	9,588	-	9,588
Sinking Fund	1,052	-	103,580	128,828	233,460
Finchampstead Baptist Church (Note 18)	-	(186,767)	-	4,881,931	4,695,164
Total	£713,315	£(788,509)	£-	£5,245,874	£5,170,680

Purposes of Funds

General Fund

This fund is the day to day fund used for the operation of the church in accordance with its Charitable objectives.

Christian Service Grant

This fund was established in 2004 to support individuals or groups involved in mission activities.

Yeldall Manor

This fund has been designated for Yeldall Manor, as part of the annual general fund giving payment.

Mission Grants

Mission Grants are special collection for Charitable purposes, which are collected and paid over. Any balances remaining are held as restricted funds.

Sinking Fund

The Sinking Fund is held in respect of major repairs to the fabric of the FBC Centre. This fund is matched with a bank deposit account and is held on trust on behalf of other users.

Finchampstead Parish Council Grant

The Finchampstead Parish Council Grant is a contribution toward the FBC youth activities.

Arborfield Fund

The Arborfield Fund represents monies received for future outreach opportunities to the nearby housing development.

Coronavirus Job Retention Scheme

Government support to cover wages for employees on temporary leave due to the pandemic

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021
(continued)

18. **FINCHAMPSTEAD BAPTIST CHURCH (UNINCORPORATED)**

RESTRICTED FUNDS

	Balance at 1/1/2021	Income	Expenditure	Transfers	Balance at 31/12/2021
	£	£	£	£	£
Vision Fund	2,826,417	-	(74,465)	-	2,751,952
Chapel Trust Fund	255,207	-	(4,318)	-	250,889
External Grants	1,584,875	-	-	-	1,584,875
Manse Fund	28,665	-	(480)	-	28,185
	<u>£4,965,164</u>	<u>£ -</u>	<u>£(79,263)</u>	<u>£ -</u>	<u>£4,615,901</u>

External Grants received

	£
Big Lottery Grant	495,000
Finchampstead Parish Council	40,000
English Cricket Board	19,875
Sport England Grant	400,000
WBC Children Centre	630,000
Total	<u>£1,584,875</u>

During 2008 the Big Lottery Grant (Community Buildings) was awarded for funding the new FBC Centre. Sport England also awarded a grant for the construction of the FBC Centre and the employment of a Sports Development Officer. Finchampstead Parish Council awarded a grant as a contribution to the construction of the library in the FBC Centre. In 2010 a grant was received from the English Cricket Board. WBC Children Centre represents a 125 year lease based on Surestart Funding.

Chapel Trust Fund

This fund represents the proceeds of the former chapel sold in 2010 and is a Restricted fund. In terms of the confirmatory deeds regarding the Chapel proceeds (2013) it was agreed that the church's share of the two manse L'Abri (£176,280) and a proportion of Kisa (£104,836) will be funded with the proceeds of the Chapel Trust.

Manse Fund

In 2013 the funding of the church's share of L'Abri changed from the Manse Fund to the Chapel Trust Fund. Up to that point the church's share of L'Abri was held in the Manse Fund in terms of the Holborn Trust. These funds are now unrestricted and available as general funds. £31,297 of the Manse Fund was retained in FBC Charitable Unincorporated organisation to fund the balance of Kisa and the rest was transferred to FBC Charitable Company Limited by Guarantee as general funds.

Vision Fund

This fund was established in 2003 for future capital expenditure as authorised by a Church members' meeting and was used substantially to fund the FBC Centre.

19. **NET ASSETS BY FUND**

	Unrestricted	Restricted	Total
	£	£	£
Fixed Assets	54,574	4,603,033	4,657,607
Net Current Assets	105,130	419,956	525,086
Creditors due after more than one year	(26,839)	-	(26,839)
	<u>£132,865</u>	<u>£5,022,989</u>	<u>£5,155,854</u>

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDING 31ST DECEMBER 2021
(continued)

20. DEFINED BENEFIT PENSION SCHEME

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ('the Scheme'). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister is eligible to join the Scheme, which is not contracted out of the State Second Pension.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. Members pay 8% of their pensionable income and employers pay 6% of members' pensionable income into individual pension accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for scheme members in the event that they are unable to work due to long term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited. Members of the Basic Section pay reduced contributions of 5% of pensionable income, and their employers also pay a total of 5%.

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

A formal valuation of the Defined Benefit (DB) Plan was performed at 18th December 2020 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £100 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £48 million (equivalent to a past service funding level of 66%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it has been agreed that there will be no increases in the employers' deficit recovery contributions (other than the annual uplift for inflation). The contributions will be based on each church's or other employer's position at December 2020. Some churches and other employers that were only involved in the DB Plan for a short period will pay less than 12%. The Recovery Plan envisages deficiency contributions continuing until 30th June 2035. To comply with FRS 102 the Charitable Company has created a liability on the Balance Sheet for the deficit contributions.

FINCHAMPSTEAD BAPTIST CHURCH CHARITABLE COMPANY LIMITED BY GUARANTEE**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDING 31ST DECEMBER 2021****(continued)****20. DEFINED BENEFIT PENSION SCHEME (continued)**

The key financial assumptions underlying the valuation were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.50
CPI price inflation assumption	2.75
Minimum Pensionable Income Increases (CPI plus 1.0%pa)	3.50
Assumed investment returns	
- Pre-retirement	3.50
- Post retirement	2.25
Deferred pension increases	
- Pre April 2009	3.50
- Post April 2009	2.50
Pension Increases	
- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

As there is a large number of contributing employers participating in the Scheme, 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 is £3,814 (2020: £8,302).