

AMERSHAM FREE CHURCH
REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2020

Charity Number 1137287

AMERSHAM FREE CHURCH
REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2020

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AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

Reference and Administrative Information

Charity name Amersham Free Church

Charity registration number 1137287

Principal address Woodside Road, Amersham, Buckinghamshire, HP6 6AJ

Trustees

Minister	Revd Ian Green
Associate Minister	Revd Erna Stevenson
Secretary	Mrs Janet Reid
Treasurer	Mr Robert Marshall

Elders

Mr Michael Autton (from 15th March 2020)
Mrs Beryl Cockerill
Miss Margaret Howard
Mrs Norma Jenns
Mr Bryan Long (to 15th March 2020)
Mr Bob Marshall
Mrs Gillian Munro
Mrs Mary Northen
Mrs Janet Reid
Mrs Hazel Richardson
Mrs Elizabeth Waumsley
Mrs Margaret Wright

Bankers National Westminster Bank, Amersham Branch, Oakfield Corner, Hill Avenue, Amersham, Buckinghamshire, HP6 5TD

Independent Examiners Jacob Cavenagh & Skeet, Chartered Accountants, 5 Robin Hood Lane, Sutton, Surrey SM1 2SW

Structure, Governance and Management

The Church is governed by its constitution that was adopted on 25th May 2010 and revised 25th November 2015 and 23rd May 2017.

The Elders of the Church are the same as the Trustees and are also considered to be key management personnel. Details of remuneration are set out in note 7 to the Financial Statements.

Elders are elected by the Church Meeting. The Elders' Meeting is charged with the day-to-day management of the Church and is responsible to the Church Meeting, consisting of all members of the Church.

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Objectives and Activities

The principal purpose of the Church is the advancement of the Christian Faith according to the Baptist Union of Great Britain (BUGB) and the United Reformed Church in the United Kingdom ("The URC").

Pastoral Care

Pastoral care is a high priority of Amersham Free Church. The agenda of every meeting of the elders includes a time to consider pastoral matters. Each elder has oversight of a number of members and regular worshippers and members are encouraged to discuss pastoral matters with 'their elder' or one of the Ministers. The Church Magazine is used to share news of significant birthdays, anniversaries and news of members who are unwell or in hospital. Care is taken to respect the wishes of each individual as to the extent that their news may be shared with the wider membership.

Property and Buildings

The Church buildings were constructed in 1962, and the Alfred Ellis Hall was refurbished in 2010. The buildings are heavily used and the number of external lettings was increasing significantly until the Corona Virus pandemic hit the UK. The additional income is very welcome but the higher use increases the wear and tear on the building and fabric as well as increasing energy costs. Greater use requires more cleaning and constant attention to the repair and maintenance of the interior of the building and the installed electro-mechanical services.

Ecumenical Relationships

The Church is in covenant with St John's (Methodist) and St Michael's (Church of England). Joint services are held twice a year. The ministers meet regularly to discuss matters of mutual concern. Each church provides representatives to the Churches on the Hill Amersham (COTHA) committee to plan and jointly execute a number of activities. The lockdown restrictions imposed by the UK government caused all planned joint activities to be cancelled or adapted. During 2021 COTHA hope to engage in occasional collective worship and mission activities as might be permitted under government pandemic guidelines. A community lunch, afternoon tea, open coffee mornings and a club for those suffering from dementia which is supported by the local Churches were cancelled from the middle of March and have not yet reopened.

Volunteers

Like most churches, we rely on an army of willing volunteers to ensure the smooth running of the Church and to keep the fabric in good order. The list of jobs undertaken is large and ranges from arranging flowers and welcoming visitors to cleaning the premises or taking part in the worship teams. We thank all the volunteers who contribute to the ministry of Amersham Free Church.

Worship and Prayer

The worship at AFC has been described as being 'quite liturgical' and we use a mixture of hymns and worship songs, together with prayers and thought provoking sermons. We rely on a rota of freelance organists to provide the musical accompaniment to our worship and support the choir. Members are encouraged to take part in the leadership of Sunday worship through bible readings and by leading intercessory prayers.

Mission and Evangelism

Our mission and evangelism has been severely curtailed by the pandemic but is planned that these activities will be reinstated as soon as it is safe to do so. These activities include small groups providing regular times of worship in 3 local care homes. Teams support local Baptist and URC churches by leading worship when they are not able to find an accredited minister. On approximately 12 occasions a year teams support local Baptist and URC Churches by leading worship when they are not able to find an accredited Minister. There is a shortage of Ministers in the district and the services led by the teams are very much in demand. Tuesday Lunchbreak attracts many members of the public; as well as a light lunch there is a short period of worship, reflective time or music. An annual Christingle service encourages

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children to spend time in the church making Christingles followed by a time of worship and a party tea. At Easter children from within and without the Church are invited to join in an Easter Crafts morning followed by a packed lunch picnic. Women's Own fellowship continues to meet and we are grateful to those who prepare and lead this group

1. Governance

Elders are elected by the Church Meeting.

The Elders' Meeting is charged with the day-to-day management of the Church and is responsible to the Church Meeting, consisting of all members of the Church.

The AGM was held on March 15th just before the UK government announced restrictions on 'gatherings'. The officers (Ministers, Secretary and Treasurer) met via electronic conferencing or where permissible as a group. These meetings were held frequently and a record of these meetings was given to all elders. Where a decision of elders was required this was undertaken via email. The elders met face to face on three occasions before the pandemic. From July onwards the elders met every month either face to face or via electronic conference

2. Reserves policy

(a) Closure Reserve

Along with other Charities it is incumbent upon the Elders, as Trustees, to set aside an amount that would support the Church if closure were imminent. Although this may seem unlikely it is a requirement of the Charity Commission with whom we are registered. The Elders believe that they should hold a fund equivalent to three months running costs together with related employment costs. Based upon an estimate of the Treasurer the members agreed to maintain the designated reserve at £50,000.

b) Pension Deficit Reserve

As described in note 15 to the financial statements the Baptist Union Final Salary Scheme is in deficit. Our contributions to the deficit are based on a percentage (currently 12%) of our current Ministers remuneration, including benefits, even though he is not a member of the Baptist Union final Salary Scheme.

The Trustees of the Baptist Union Pension Fund have undertaken a review of the Pension Fund deficit and agreed a plan to eliminate the deficit by June 2026. The trustees of the Pension fund published a new investment strategy and have transferred the liability for the costs of pensions currently in payment to a third party. The next triennial review of the scheme is taking place as at the 31 December 2022.

Currently the Baptist Union Pension Trustees have indicated that our contributions for the past service debt for 2021 will rise by 1.76% to £381.51 per month and with annual increments will be required up to and including June 2026. These instalments, including an estimate of future stipend increases, total £27,021.

Under the accounting disclosure requirements of Charities SORP (FRS 102) we are required to accrue the total liability but having applied a discount to take account of the effect of future interest and inflation rates this discounted liability amounts to £26,208 (2019 £42,682) (refer to Note 11).

The Trustees believe it prudent to designate a further sum, equivalent to the amount of the discount, thereby setting aside in the two reserves the gross liability (see Note 12).

3. Public benefit

When reviewing our aims and objectives and in planning our future activities, we have referred to the guidelines in the Charity Commission's general guidance on public benefit. In particular, the trustees

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FOR THE YEAR ENDED 31ST DECEMBER 2020

consider how planned activities will contribute to the aims and objectives they have set. Amersham Free Church believes that it has a duty along with other local churches to the 'cure (care) of souls' for the town of Amersham. The overall ministry and work of the Ministers, Elders, and the Staff Team routinely embraces this charge. All the Church's services and activities are accessible and open to the general public living within and beyond the town's boundaries.

Specific activities that demonstrate our commitment and service to the community have been referred to earlier in this report. All these activities were suspended from mid-March with some of them continuing using internet conferencing facilities and email. A review of Church activities will take place when there is some certainty that they will be permitted to recommence. They include the outreach of our worship teams, Fun at One, Tea at Three, Lunchbreak, Women's Own, Men's Luncheon Club, Men's Breakfast, Life and Faith Groups as well as our continued membership of the Churches-on-the Hill Amersham and our partnership with St Margaret's and St George's Church in Harlesden.

Our commitment to the local community is further illustrated by the regular use of Church premises by charities and secular groups including The Sycamore Club for sufferers of dementia, Cruse, Brownies, Rainbows, U3A, the Chiltern Child Contact Centre, a number of local choirs and many others. Unfortunately these groups have suspended their activities. Recently the Elders agreed to support the Covid testing programme by allowing the covid testing organisation to use part of the premises.

We also welcome the occasional bookings of other organisations.

We look forward to resuming our activities when the advice from our denominations and when permitted by Government regulations.

4. Unrestricted Income

The Statement of Financial Activities for the year ended 31 December 2020 is attached together with the Balance Sheet at 31 December 2020. The Church's unrestricted income is derived principally from the offerings of its 118 members and approximately 62 adherents together with rental income derived from premises lettings. Total unrestricted income for 2020 amounted to £133,182 (2019 £170,536).

5. Unrestricted Resources Expended

Expenditure on the ministry, manse, church premises and mission payments from our unrestricted funds together with the costs of Fun at One, Lunchbreak and our other social activities to £108,980 (2019 £153,276) Total unrestricted income exceeded unrestricted expenditure by £37,999, including a release of part of the pension provision of £13,797 see note 11. A transfer to restricted funds of £1,000 reduced this surplus to £36,999.

6. Mission Grants and Donations

a) It is the Church's policy to devote a substantial part of its unrestricted income to other causes. The Church recognises its commitment to the mission work of both denominations to which it is affiliated, as well as other causes. We calculate our commitment to The United Reformed Church based approximately upon their national formulae as a contribution to its Ministry and Mission Fund and an equal amount is donated to Baptist causes for home and overseas mission. We also support the local ecumenical organisation COTHA. Total giving out of unrestricted funds in 2020 amounted to £21,804 (2019 £23,582).

b) During the year offerings taken at the close of a communion service are allocated to a number of charities. In addition to offerings taken at communion services, special appeals are made at other services including the Christmas services for Children's charities and the Good Friday service for Christian Aid. Most of the Good Friday Appeal monies go direct to Christian Aid and are thus not reflected in the Statement of Financial Activities. The amounts paid to the various charities is enhanced by the net proceeds received

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from Tea @ Three and the net donations from coffee after morning worship, resulting in a total amount to be paid to the designated charities of £8,067 (2019 £3,667).

7. Restricted Fund: Organ Project

At the start of the year the balance of the Organ Fund stood at £651. Donations amounting to £200 were received during the year. The final account for the refurbishment of the Organ has been received and paid consequently an overprovision of £2,400 has been released into the organ fund.

8. General funds (unrestricted)

a) At the start of the year, unrestricted funds stood at £183,333; the increase from the result of the activities in the year amounted to £36,999. We therefore have unrestricted funds of £220,132 as at the 31st December 2020.

b) Along with other Charities it is incumbent upon the Elders, as Trustees, to set aside from this sum an amount that would support the Church if closure were imminent. This is a requirement of the Charity Commission with whom we are registered. The Elders believe that they should hold a fund equivalent to three months running costs, together with related employment costs. An amount of £50,000 has been so designated.

c) The financial statements refer to a deficit in the final salary pension provision of the Baptist Ministers' Pension Scheme. At present the Church is paying 12% of the Minister's stipend.

d) The 2021 budget for the general fund approved by the members in November 2020 shows a deficit of £6,000

9. Risk Management

The trustees confirm that they have given consideration to the major risks to which the charity is exposed and that systems have been designed and established to mitigate those risks. The trustees consider the principal risks and uncertainties facing the church and their plans and strategies for managing these risks to be:

- Income and Expenditure – diminishing reserves; Loss of local reputation; Costs spiral out of control.
Mitigated by regular budget reviews; Monitor adequacy of financial information; Ensure proper authorisation for expenditure
- Pensions – Underfunded defined benefit scheme; Impact on future cash flow; Failure to meet due dates of payment; Regulatory action.
Mitigated by use of actuarial valuation however, a liability of £26,208 has been included in the accounts (see notes 11 and 12); Review pension scheme arrangements;
Review procedures for admission to schemes and control over pension administration;
Ensure compliance with Work Place Pension regulations.

Risks and Risk Management Plan

From time to time the Trustees consider the risks and uncertainties that might prevent the church from achieving its charitable goals. The risk areas, and our approach for managing risk can be summarised as follows:-

Financial

Risk Area: our regular and one-off giving declines; an uninsured liability; a significant reduction in lettings income.

Risk Management Approach: we prepare management accounts; we manage an Operational Cash

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Reserves of twelve months expenses; we ensure that insurance policies are up-to-date and include Employer's Liability of £10M, Public Liability of £5M and Property Owner's Liability of £5M

Security & Safeguarding

Risk Area: a major Security, Safeguarding or Health & Safety incident

Risk Management Approach: we conduct a thorough Security & Safeguarding Review; we ensure compliance with our Building Terms of Use for all external hirers; we ensure that insurance policies are up-to-date and cover us for identified risks; we maintain up-to-date Service Incident logs and Risk Logs; we ensure that all major identified risks are reported to the Elders and a risk management plan identified (Accept, Mitigate or Avoid)

Risk Area - a data protection breach

Risk Management approach – A data protection policy has been developed and a privacy statement published. All members have been requested to confirm their willingness for their data to be published in the directory of members.

10. Investment policy

The charity (through the Elders) has the power to invest in such stocks, shares, investments and property in the UK as deemed fit. The charity has made such investments to generate a return and has made no social investments.

ON BEHALF OF THE ELDERS



Revd Ian Green



R S Marshall, Treasurer



J Reid Secretary

Date: 9th March 2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
AMERSHAM FREE CHURCH

Independent examiner's report to the trustees of Amersham Free Church

I report to the charity trustees on my examination of the accounts of Amersham Free Church (the Church) for the year ended 31 December 2020 set out on pages 8 to 18.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the 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 applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Miriam Hickson CTA FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 16/03/2021

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
Income from:								
Donations and legacies	107,928	8,017	-	115,945	110,916	6,535	-	117,451
Other activities	22,011	-	-	22,011	51,116	-	-	51,116
Investments	1,322	-	-	1,322	678	-	-	678
Charitable activities	1,921	-	-	1,921	7,826	-	-	7,826
Total income	<u>133,182</u>	<u>8,017</u>	<u>-</u>	<u>141,199</u>	<u>170,536</u>	<u>6,535</u>	<u>-</u>	<u>177,071</u>
Expenditure on:								
Charitable activities	108,980	5,124	-	114,104	153,276	3,096	-	156,372
Change in Pension Liability	(13,797)	-	-	(13,797)	600	-	-	600
Total expenditure	<u>95,183</u>	<u>5,124</u>	<u>-</u>	<u>100,307</u>	<u>153,876</u>	<u>3,096</u>	<u>-</u>	<u>156,972</u>
Net income	37,999	2,893	-	40,892	16,660	3,439	-	20,099
Transfers between funds	(1,000)	1,000	-	-	(1,750)	1,750	-	-
Net movement in funds	<u>36,999</u>	<u>3,893</u>	<u>-</u>	<u>40,892</u>	<u>14,910</u>	<u>5,189</u>	<u>-</u>	<u>20,099</u>
Reconciliation of funds								
Balances brought forward	183,133	5,938	221,109	410,180	168,223	749	221,109	390,081
Balances carried forward	<u>220,132</u>	<u>9,831</u>	<u>221,109</u>	<u>451,072</u>	<u>183,133</u>	<u>5,938</u>	<u>221,109</u>	<u>410,180</u>

There were no discontinued or acquired activities during the current or preceding year.

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BALANCE SHEET

AS AT 31ST DECEMBER 2020

	Note	£	2020	£	£	2019	£
Fixed assets							
Tangible fixed assets	8			224,021		224,991	
Current assets							
Debtors	9	5,920			4,689		
Cash at bank		256,698			165,413		
Fixed Rate Bond		-			80,000		
		<u>262,618</u>			<u>250,102</u>		
Creditors: Amounts falling due within one year	10	(9,359)			(22,231)		
Net current assets				253,259		227,871	
Provisions	11			(26,208)		(42,682)	
Net assets				<u>451,072</u>		<u>410,180</u>	
Funds							
Unrestricted Funds	12			220,132		183,133	
Restricted Funds	13			9,831		5,938	
Endowment Funds	14			<u>221,109</u>		<u>221,109</u>	
				<u>451,072</u>		<u>410,180</u>	

Approved by the Trustees on *9th March* 2021
and signed on their behalf by:

RS Marshall

R S Marshall
Trustee

J Reid

Mrs J Reid
Trustee

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1 ACCOUNTING POLICIES

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

Accounting convention

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting. There are no material uncertainties about the church's ability to continue in operation. The accounts are presented in pounds sterling and figures are rounded to the nearest pound.

Amersham Free Church meets the definition of a public benefit entity under FRS 102. The church is a charitable trust and its principal address is Woodside Road, Amersham, Buckinghamshire, HP6 6AJ.

Income

Donations and legacies

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Investment income

Investment income is included in the accounts on an accruals basis.

Expenditure

General principles

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Fund raising and publicity costs

The Church does not make formal appeals for funds, and expenditure on these items is therefore not material.

Grants payable

The Church makes grants to other organisations whose charitable objects complement its work, these are accounted for as soon as the beneficiary has been identified.

Governance costs

This represents direct expenditure on the governance of the Church and is included in charitable activities. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost of the volunteers for their service.

Tangible fixed assets

The church premises are included in the balance sheet at original cost, the manse premises are stated at cost. The major work of refurbishment has been recognised as an expense in the year of commitment.

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

Depreciation

Freehold land is not depreciated. Depreciation has not been charged on the church or manse buildings because, in the opinion of the Trustees, the residual value of these assets is not less than the original cost. Fixtures and fittings are written off over 3 years on a straight line basis. Expenditure on improvements to church premises is written off over 10 years on a straight line basis.

Taxation

The charity is exempt from tax on its charitable activities.

Debtors

Gift Aid recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The church pays contributions to the Baptist Pension Scheme. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. The church is paying contributions towards the deficit in the scheme and a provision has been included for the church's liability under this agreement.

2 DONATIONS AND LEGACIES

	2020 £	2019 £
Social Activities	1,178	8,202
Offerings and other income	92,607	89,007
Gift Aid	22,160	20,242
	<u>115,945</u>	<u>117,451</u>

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

3 OTHER ACTIVITIES

	2020	2019
	£	£
Church Hall lettings	15,648	42,449
Sundry income	130	1,144
Rent from land	<u>6,233</u>	<u>7,523</u>
	<u>22,011</u>	<u>51,116</u>

4 INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>1,322</u>	<u>678</u>

5 INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Preaching fees	Ministry	70	250
Book sales to promote objectives	Ministry	71	69
Fun at One fees	Ministry	259	660
Lunchbreak donations	Ministry	<u>1,521</u>	<u>6,847</u>
		<u>1,921</u>	<u>7,826</u>

6 CHARITABLE ACTIVITIES COSTS

	2020	2019
	£	£
Ministry	40,646	55,719
Church expenses	40,870	70,589
Mission Grants and Donations	29,871	27,249
Governance costs:		
Independent Examiner's remuneration	2,252	2,110
Payroll Processing Fees	<u>465</u>	<u>705</u>
	<u>114,104</u>	<u>156,372</u>

Grants made to further the charity's objects, were as follows:

	£	£
Baptist Home Mission	5,000	5,000
Baptist Missionary Society	5,000	5,000
United Reformed Church	10,000	10,000
Chiltern Child Contact Centre	1,804	3,582
Other Grants and specific collections	<u>8,067</u>	<u>3,667</u>
	<u>29,871</u>	<u>27,249</u>

7 STAFF COSTS AND TRUSTEES REMUNERATION

	2020	2019
	£	£
Wages and salaries	44,301	40,223
Social security costs	-	-
Other pension costs	4,226	4,101
Net movement in pension liability	<u>(13,797)</u>	<u>600</u>
	<u>34,730</u>	<u>44,924</u>

There were four employees throughout the year.

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NOTES TO THE ACCOUNTS

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7 STAFF COSTS AND TRUSTEES REMUNERATION (continued)

The ministers, who are also trustees of the church and part of the key management personnel, received remuneration as follows, as permitted by the terms of the church's constitution:

	2020 £	2019 £
Rev I Green – stipend and manse benefit	38,704	37,263
- pension contributions	4,226	4,101
Rev E Stevenson	<u>3,432</u>	<u>3,347</u>

The ministers were reimbursed expenses of £2,027 (2019 £5,808) Contributions totalling Nil (2019 £385) for training courses were paid for three trustees.

No employee received emoluments in excess of £60,000 during the year (2019: none)

8 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Fixtures & Fittings £	Total £
Cost			
At 1st January 2020 & 31 December 2020	<u>230,811</u>	<u>8,429</u>	<u>239,240</u>
Depreciation			
At 1st January 2020	5,820	8,429	14,249
Charge for the year	<u>970</u>	<u>-</u>	<u>970</u>
At 31st December 2020	<u>6,790</u>	<u>8,429</u>	<u>15,219</u>
Net book value			
At 31st December 2020	<u>224,021</u>	<u>-</u>	<u>224,021</u>
At 31st December 2019	<u>224,991</u>	<u>-</u>	<u>224,991</u>

Freehold buildings are used for direct charitable purposes. They are stated at historical cost and the Trustees are confident that their current market value is far in excess of the cost.

9 DEBTORS

	2020 £	2019 £
Income tax recoverable	<u>5,920</u>	<u>4,689</u>

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Taxation and social security	1,645	1,617
Deferred lettings income	2,658	2,225
Other creditors	<u>5,056</u>	<u>18,389</u>
	<u>9,359</u>	<u>22,231</u>

11 PROVISIONS

	2020 £	2019 £
Pension scheme liability		
At 1 January 2020	42,682	45,445
Payments made	(3,374)	(4,401)
Interest	697	1,038
(Decrease)/increase in provision in year	<u>(13,797)</u>	<u>600</u>
At 31 st December 2020	<u>26,208</u>	<u>42,682</u>

12 UNRESTRICTED FUNDS

	At 01.01.20 £	Income £	Expenditure £	Transfers £	At 31.12.20 £
General fund	121,419	130,364	93,227	(9,021)	149,535
Pension fund (see below)	3,397	-	-	(2,584)	813
Manse Refurb	-	-	-	12,000	12,000
Social committee	1,772	138	-	-	1,910
Fun at One	747	259	131	(250)	625
Men's Lunch Club	445	182	250	-	377
Men's Breakfast	34	-	-	-	34
Ladies Supper	223	-	-	-	223
Lunchbreak	1	1,521	1,377	(145)	-
Legacy	3,173	205	-	-	3,378
Womens Own	782	158	165	-	775
Tea @ Three	780	157	33	(650)	254
Coffee Donations	360	198	-	(350)	208
Closure reserve	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	<u>183,133</u>	<u>133,182</u>	<u>95,183</u>	<u>(1,000)</u>	<u>220,132</u>

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

12 UNRESTRICTED FUNDS (continued)

	<i>At 01.01.19</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>At 31.12.19</i>
	£	£	£	£	£
General fund	103,992	156,405	143,579	4,601	121,419
Pension fund (see below)	5,898	-	-	(2,501)	3,397
Social committee	1,544	2,558	2,330	-	1,772
Fun at One	771	661	685	-	747
Men's Lunch Club	125	1,004	584	(100)	445
Men's Breakfast	44	150	160	-	34
Ladies Supper	183	567	477	(50)	223
Lunchbreak	8	6,847	5,054	(1,800)	1
Legacy	3,160	13	-	-	3,173
Womens Own	791	391	250	(150)	782
Tea @ Three	1,234	1,144	448	(1,150)	780
Coffee Donations	473	796	309	(600)	360
Closure reserve	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	<u>168,223</u>	<u>170,536</u>	<u>153,876</u>	<u>(1,750)</u>	<u>183,133</u>

The discounted final salary scheme pension deficit liability has been accrued as detailed in notes 11 and 15. The Trustees believe it to be financially prudent to designate an amount equivalent to that discount, thereby setting aside the gross liability

13 RESTRICTED FUNDS

	<i>At 01.01.20</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>At 31.12.20</i>
	£	£	£	£	£
Mission	5,287	7,817	7,524	1,000	6,580
Organ fund	<u>651</u>	<u>200</u>	<u>(2,400)</u>	<u>-</u>	<u>3,251</u>
	<u>5,938</u>	<u>8,017</u>	<u>5,124</u>	<u>1,000</u>	<u>9,831</u>

	<i>At 01.01.19</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>At 31.12.19</i>
	£	£	£	£	£
Mission	-	6,285	2,748	1,750	5,287
Organ fund	<u>749</u>	<u>250</u>	<u>348</u>	<u>-</u>	<u>651</u>
	<u>749</u>	<u>6,535</u>	<u>3,096</u>	<u>1,750</u>	<u>5,938</u>

The Mission fund is credited with the proceeds of communion offerings and other specific offerings at our Easter and Christmas services which are then distributed to selected charities.

The Organ fund represents net monies raised in excess of the expenditure committed and recognised in the financial statements. As a restricted fund it is only available against expenditure on the organ.

14 ENDOWMENT FUNDS

The endowment fund relates to the church property.

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

15 PENSION COMMITMENTS

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

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below). The Minister is eligible to join the Scheme.

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

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

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows:

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

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

15 PENSION COMMITMENTS (continued)

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

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

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

	31/12/2020	31/12/2019
Balance sheet liability at year start	£42,682	£45,445
Minus deficiency contributions paid	£(3,374)	£(4,401)
Interest cost (recognised in SoFA)	£697	£1,038
Remaining change to balance sheet liability		
* (recognised in SoFA)	(13,797)	£600
Balance sheet liability at year end	<u>£26,208</u>	<u>£42,682</u>

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

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

Accounting date	31 Dec 2020	31 Dec 2019	31 Dec 2018
Discount rate	1.1%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.1%	3.2%	3.3%

16 RELATED PARTY TRANSACTIONS

The custodian Trustees of the Church premises is the URC Thames North Trust and the Baptist Union Corporation Ltd, charity number 249635, which is controlled by the Baptist Union Council. The custodian trustee of the Manse is the Baptist Union Corporation Ltd, charity number 249635, which is controlled by the Baptist Union Council.

The Church is a member of the Baptist Union of Great Britain, the Central Baptist Association and the United Reformed Church.

The Church made donations to the Baptist Union Home Mission Scheme of £5,000 (2019: £5,000), Baptist Missionary Society of £5,000 (2019: £5,000) and the United Reformed Church of £10,000 (2019: £10,000).

The trustees and related parties donated a total of £21,317 (2019: £22,316) towards the general and specific work of the church.

M Green received organists fees of £550 (2019 £400).

P Waumsley received emoluments for caretaking duties £2,482 (2019: £2,400).

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

17 NET ASSETS

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Fund</i>	<i>Total</i>
	£	£	£	£
2020				
Tangible fixed assets	2,912	-	221,109	224,021
Current assets	252,787	9,831	-	262,618
Current liabilities	(9,359)	-	-	(9,359)
Provisions	(26,208)	-	-	(26,208)
	<u>220,132</u>	<u>9,831</u>	<u>221,109</u>	<u>451,072</u>
	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Fund</i>	<i>Total</i>
	£	£	£	£
2019				
Tangible fixed assets	3,882	-	221,109	224,991
Current assets	244,164	5,938	-	250,102
Current liabilities	(22,231)	-	-	(22,231)
Provisions	(42,682)	-	-	(42,682)
	<u>183,133</u>	<u>5,938</u>	<u>221,109</u>	<u>410,180</u>