

AMERSHAM FREE CHURCH
REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2021

Charity Number 1137287

AMERSHAM FREE CHURCH
REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2021

Contents

Page

Trustees' Report	1 - 6
Report of the Independent Examiner	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-18

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. 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
Mrs Beryl Cockerill
Mr David Eldridge (from 20th July 2021)
Miss Margaret Howard (to March 2021)
Mrs Norma Jenns
Mr Bryan Long (from 20th July 2021)
Mr Bob Marshall
Mrs Gillian Munro
Mrs Mary Northen
Mrs Janet Reid
Mrs Hazel Richardson (to March 2021)
Mrs Elizabeth Waumsley (from 20th July 2021)
Mr P Wilkinson (from 20th July 2021)
Mrs Margaret Wright (to March 2021)

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.

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

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. During the Year the Elder's reviewed the approach to pastoral care and a Pastoral Care committee has been set up under the chairmanship of the Minister.

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. The pandemic closed the buildings for church groups and third parties from March 2020. The relaxation of the restrictions in 2021 enabled groups both church and 3rd parties to return. Usage by 3rd parties rose during the last three months of 2021 and now is almost at pre covid levels. The 2022 budget for repairs, maintenance and replacement of equipment has been significantly increased. A contract has been agreed to replace the windows in the south facing wall of the sanctuary and installation is expected in late spring. A number of the double glazed windows have failed and the lower opening windows will be replaced with increased security windows with double glazing.

Ecumenical Relationships

The Church is in covenant with St John's (Methodist) and St Michael's (Church of England). Joint services are normally 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 and other restrictions imposed by the UK government during 2021 caused all planned joint activities to be cancelled or adapted. A joint COTHA Service was held on 17th January 2022. A community lunch, afternoon tea, and open coffee mornings were restarted in the Autumn and were operating under government regulations and guidelines. The Christmas Tree Festival took place in December. The decision was made to continue the suspension of the Sycamore Club for those suffering from dementia. During 2022 COTHA will reassess the need for a day centre, or other form of support, for sufferers of dementia and their carers. It was with sad hearts we learned that St John's Methodist church will close for worship at Easter 2022. We have enjoyed a warm relationship with St John's and have made many friends over the years.

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. We have had the benefit of a very capable part time administrator over the past 2 and half years. In December she decided to take another post and we wish her well in her new role. A new administrator has been appointed who took up her appointment at the end of January 2022.

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

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

encouraged to take part in the leadership of Sunday worship through bible readings and by leading intercessory prayers. In person worship resumed during the year and Sunday worship is recorded on video and is made available for on-line viewing during the afternoon. This service has been welcomed and each service is viewed by 29 people including viewers from Kent and Dorset. It is proposed to continue 'broadcasting' morning worship over the internet and to undertake a review at the end of 2023.

Mission and Evangelism

Our mission and evangelism has been severely curtailed by the pandemic. A series of 'reset meetings' were held to review the viability of continuing the various activities that are managed by the Church. Sadly it was agreed that a number of activities had insufficient attendees or the leaders were not able to continue. It was noted that Women's Own and Ladies Supper will not continue. The monthly services at three local care homes are suspended and will only continue when the care homes agree to allow the teams into the home.

The teams that support local Baptist and URC churches by leading worship when they are not able to find an accredited minister have restarted. There is a shortage of Ministers in the district and the services led by the teams are very much in demand. Tuesday Lunchbreak which provides a light lunch followed by a short period of worship, reflective time or music has restarted but with a reduced number of attendees. The annual Christingle service was held just before the revised regulations 'plan B' were introduced. Children were able to make their Christingles followed by a time of worship and a party tea.

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 by using internet conferencing on 21st March 2021. The elders met on eleven occasions during the year. From July onwards the elders met face to face.

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 will take place at 31 December 2022.

Currently the Baptist Union Pension Trustees have indicated that our contributions for the past service debt for 2022 will rise by 1.5% to £387.12 per month and with annual increments will be required up to and

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

including June 2026. These instalments, including an estimate of future stipend increases, total £22,468.(2020 £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 £21,500 (2020 £26,208) (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 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 2020 with some of them continuing using internet conferencing facilities and email. A review of Church activities took place in July 2021. Leaders of the various Church groups undertook a review of their group and presented their conclusion to the congregation at 'reset' meetings. The reports included thoughts from the Worship outreach team, Fun at One, Tea at Three, Lunchbreak, Women's Own, Men's Luncheon Club, Men's Breakfast, Life and Faith Groups as well as a number of other activities managed by individual members. The conclusion of the Women's Own group was not to reopen on Wednesday afternoons but to retain contact with members on Tuesdays at Lunchbreak.

Our commitment to the local community is further illustrated by the regular use of Church premises by charities and secular groups including, Brownies, Rainbows, U3A, the Chiltern Child Contact Centre, a number of local choirs and many others. Fortunately these groups which had suspended their activities in 2020 are now meeting on our premises. The NHS operated their Covid testing operation in the Church hall and later in the Owen room until May 2021

We also welcome the occasional bookings of other organisations.

4. Unrestricted Income

The Statement of Financial Activities for the year ended 31 December 2021 is attached together with the Balance Sheet at 31 December 2021. The Church's unrestricted income is derived principally from the offerings of its 123 members and approximately 62 adherents together with rental income derived from premises lettings. Total unrestricted income for 2021 amounted to £142,999 (2020 £133,182).

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 amounted to £122,161 (2020 £108,980) Total unrestricted income exceeded unrestricted expenditure by £21,231, including a release of part of the pension provision of £393 see note 11. A transfer to restricted funds of £300 reduced this surplus to £20,931.

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

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 2021 amounted to £23,713 (2020 £21,804).

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 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 £10,599 (2020 £8,067).

7. Restricted Fund: Organ Project

At the start of the year the balance of the Organ Fund stood at £3,251. Additional work in the air handling for the organ is under active review and it is anticipated that some work will be undertaken in this area during the year. The Airhandling side of the organ was not part of the organ refurbishment that was completed some years ago.

8. General funds (unrestricted)

a) At the start of the year, unrestricted funds stood at £220,132; the increase from the result of the activities in the year amounted to £20,931. We therefore have unrestricted funds of £241,063 as at the 31st December 2021.

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 2022 budget for the general fund was approved by the members in November 2021 and includes an increase in the spend on repairs, maintenance and replacement equipment. A Letter of Intent to replace the windows in the sanctuary has been submitted to Clivnars.

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

AMERSHAM FREE CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

dates of payment; Regulatory action.

Mitigated by use of actuarial valuation however, a liability of £21,500 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 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.

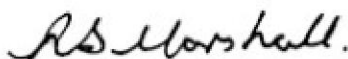
10. Investment policy

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 no such investments to generate a return and has made no social investments.

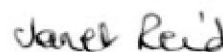
ON BEHALF OF THE ELDERS



Revd Ian Green



R S Marshall, Treasurer



J Reid Secretary

Date: 3rd March 2022

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 2021 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: 08/03/2022

AMERSHAM FREE CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
Income from:									
Donations and legacies	2	105,749	9,651	-	115,400	107,928	8,017	-	115,945
Other activities	3	36,326	-	-	36,326	22,011	-	-	22,011
Investments	4	28	-	-	28	1,322	-	-	1,322
Charitable activities	5	896	-	-	896	1,921	-	-	1,921
Total income		142,999	9,651	-	152,650	133,182	8,017	-	141,199
Expenditure on:									
Charitable activities	6	122,161	10,599	-	132,760	108,980	5,124	-	114,104
Change in Pension Liability	11	(393)	-	-	(393)	(13,797)	-	-	(13,797)
Total expenditure		121,768	10,599	-	132,367	95,183	5,124	-	100,307
Net income		21,231	(948)	-	20,283	37,999	2,893	-	40,892
Transfers between funds		(300)	300	-	-	(1,000)	1,000	-	-
Net movement in funds		20,931	(648)	-	20,283	36,999	3,893	-	40,892
Reconciliation of funds									
Balances brought forward		220,132	9,831	221,109	451,072	183,133	5,938	221,109	410,180
Balances carried forward		241,063	9,183	221,109	471,355	220,132	9,831	221,109	451,072

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

AMERSHAM FREE CHURCH

BALANCE SHEET

AS AT 31ST DECEMBER 2021

	Note	£	2021	£	£	2020	£
Fixed assets							
Tangible fixed assets	8			223,051		224,021	
Current assets							
Debtors	9	5,461			5,920		
Cash at bank		272,878			256,698		
Fixed Rate Bond		-			-		
		<u>278,339</u>			<u>262,618</u>		
Creditors: Amounts falling due within one year	10	(8,535)			(9,359)		
Net current assets				269,804		253,259	
Provisions	11			(21,500)		(26,208)	
Net assets	17			<u>471,355</u>		<u>451,072</u>	
Funds							
Unrestricted Funds	12			241,063		220,132	
Restricted Funds	13			9,183		9,831	
Endowment Funds	14			<u>221,109</u>		<u>221,109</u>	
				<u>471,355</u>		<u>451,072</u>	

Approved by the Trustees on
and signed on their behalf by:

3rd March. 2022

R S Marshall

R S Marshall
Trustee

Jane Reid

Mrs J Reid
Trustee

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

1 ACCOUNTING POLICIES

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

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.

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

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

	2021 £	2020 £
Social Activities	572	1,178
Offerings and other income	91,693	92,607
Gift Aid	20,135	22,160
Legacy	<u>3,000</u>	<u>-</u>
	<u>115,400</u>	<u>115,945</u>

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

3 OTHER ACTIVITIES

	2021	2020
	£	£
Church Hall lettings	26,980	15,648
Sundry income	321	130
Rent from land	<u>9,025</u>	<u>6,233</u>
	<u>36,326</u>	<u>22,011</u>

4 INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>28</u>	<u>1,322</u>

5 INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Preaching fees	Ministry	-	70
Book sales to promote objectives	Ministry	48	71
Fun at One fees	Ministry	222	259
Lunchbreak donations	Ministry	<u>626</u>	<u>1,521</u>
		<u>896</u>	<u>1,921</u>

6 CHARITABLE ACTIVITIES COSTS

	2021	2020
	£	£
Ministry	49,657	40,646
Church expenses	46,598	40,870
Mission Grants and Donations	34,312	29,871
Governance costs:		
Independent Examiner's remuneration	2,193	2,252
Payroll Processing Fees	-	465
	<u>132,760</u>	<u>114,104</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	3,713	1,804
Other Grants and specific collections	<u>10,599</u>	<u>8,067</u>
	<u>34,312</u>	<u>29,871</u>

7 STAFF COSTS AND TRUSTEES REMUNERATION

	2021	2020
	£	£
Wages and salaries	43,436	44,301
Social security costs	-	-
Other pension costs	4,292	4,226
Net movement in pension liability	<u>(393)</u>	<u>(13,797)</u>
	<u>47,335</u>	<u>34,730</u>

There were three employees throughout the year.

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

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:

	2021	2020
	£	£
Rev I Green – stipend and manse benefit	38,254	38,704
- pension contributions	4,291	4,226
Rev E Stevenson	<u>3,504</u>	<u>3,432</u>

The ministers were reimbursed expenses of £2,517 (2020 £2,027).

No employee received emoluments in excess of £60,000 during the year (2020: none)

8 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Fixtures & Fittings £	Total £
Cost			
At 1st January 2021 & 31 December 2021	<u>230,811</u>	<u>8,429</u>	<u>239,240</u>
Depreciation			
At 1st January 2021	6,790	8,429	15,219
Charge for the year	<u>970</u>	<u>-</u>	<u>970</u>
At 31st December 2021	<u>7,760</u>	<u>8,429</u>	<u>16,189</u>
Net book value			
At 31st December 2021	<u>223,051</u>	<u>-</u>	<u>223,051</u>
At 31st December 2020	<u>224,021</u>	<u>-</u>	<u>224,021</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

	2021	2020
	£	£
Income tax recoverable	<u>5,461</u>	<u>5,920</u>

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Taxation and social security	1,691	1,645
Deferred lettings income	790	2,658
Other creditors	<u>6,054</u>	<u>5,056</u>
	<u>8,535</u>	<u>9,359</u>

11 PROVISIONS

	2021 £	2020 £
Pension scheme liability		
At 1 January 2021	26,208	42,682
Payments made	(4,578)	(3,374)
Interest	263	697
(Decrease)/increase in provision in year	(393)	(13,797)
At 31 st December 2021	<u>21,500</u>	<u>26,208</u>

12 UNRESTRICTED FUNDS

	At 01.01.21 £	Income £	Expenditure £	Transfers £	At 31.12.21 £
General fund	149,535	138,600	120,704	(4,105)	163,326
Pension fund (see below)	813	-	-	155	968
Manse Refurb	12,000	-	-	4,000	16,000
Social committee	1,910	-	-	-	1,910
Fun at One	625	222	648	-	199
Men's Lunch Club	377	86	-	(50)	413
Men's Breakfast	34	-	-	-	34
Ladies Supper	223	-	-	-	223
Lunchbreak	-	625	272	-	353
Legacy	3,378	3,000	-	-	6,378
Womens Own	775	35	144	-	666
Tea @ Three	254	230	-	(150)	334
Coffee Donations	208	201	-	(150)	259
Closure reserve	<u>50,000</u>	-	-	-	<u>50,000</u>
	<u>220,132</u>	<u>142,999</u>	<u>121,768</u>	<u>(300)</u>	<u>241,063</u>

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

12 UNRESTRICTED FUNDS (continued)

	<i>At 01.01.20</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>At 31.12.20</i>
	£	£	£	£	£
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	50,000	-	-	-	50,000
	<u>183,133</u>	<u>133,182</u>	<u>95,183</u>	<u>(1,000)</u>	<u>220,132</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 01.01.21</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>At 31.12.21</i>
	£	£	£	£	£
Mission	6,580	9,651	10,599	300	5,932
Organ fund	<u>3,251</u>	-	-	-	<u>3,251</u>
	<u>9,831</u>	<u>9,651</u>	<u>10,599</u>	<u>300</u>	<u>9,183</u>

	<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>3,251</u>
	<u>5,938</u>	<u>8,017</u>	<u>5,124</u>	<u>1,000</u>	<u>9,831</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 2021

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 2020

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 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 £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 2021

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 2021, 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.

	31/12/2021	31/12/2020
Balance sheet liability at year start	£26,208	£42,682
Minus deficiency contributions paid	£(4,578)	£(3,374)
Interest cost (recognised in SoFA)	£263	£697
Remaining change to balance sheet liability		
* (recognised in SoFA)	<u>£(393)</u>	<u>£(13,797)</u>
Balance sheet liability at year end	<u>£21,500</u>	<u>£26,208</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 2021	31 Dec 2020	31 Dec 2019
Discount rate	2.0%	1.1%	1.7%
Future increases to Minimum Pensionable Income	4.1%	3.1%	3.2%

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 (2020: £5,000), Baptist Missionary Society of £5,000 (2020: £5,000) and the United Reformed Church of £10,000 (2020: £10,000).

The trustees and related parties donated a total of £19,410 (2020: £21,317) towards the general and specific work of the church.

M Green received organists fees of £650 (2020 £550).

P Waumsley received emoluments for caretaking duties £nil (2020: £2,482).

AMERSHAM FREE CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

17 NET ASSETS

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Fund</i>	<i>Total</i>
	£	£	£	£
2021				
Tangible fixed assets	1,942	-	221,109	223,051
Current assets	269,156	9,183	-	278,339
Current liabilities	(8,535)	-	-	(8,535)
Provisions	(21,500)	-	-	(21,500)
	<u>241,063</u>	<u>9,183</u>	<u>221,109</u>	<u>471,355</u>
	<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>