



**Lancaster Baptist Church
Trustees' Annual Report
1 September 2020 to 31 August 2021**

Charity name and principal address:

Lancaster Baptist Church, Nelson Street, Lancaster LA1 1PT

Registered Charity number:

1146765

Charity Trustees:

Kirstie Banks-Lyon
Daniel Churm (from 22 July 2021)
Emilian Cirtina
Denise Eggleston
James Ellershaw
Carl Fischer (until 22 July 2021)
Stephen Green
Philip Harper (until 22 July 2021)
Kevin Henderson
Karen Ness
Shona Paterson (until 22 July 2021)
Martin Woolven (from 22 July 2021)

Property Trustee:

Baptist Union Corporation Limited.

Structure, governance and management:

Lancaster Baptist Church is a charitable unincorporated association governed by a Constitution (adopted on 12 February 2012). The Constitution was amended by resolution of a Special Church Members' Meeting on 22 July 2021 to include provision for virtual Church Members' Meetings and virtual meetings of the Charity Trustees. The Charity Trustees are appointed by a Church Members' Meeting and to be elected each is required to receive votes from at least 66% of those members voting.

Aims and purpose:

The Charity Trustees of Lancaster Baptist Church along with its other leaders and congregation are responsible for, and engaged in, the advancement of religion and specifically the advancement of the Christian faith according to the principles of the Baptist denomination. They are also involved in pastoral care, evangelism, and the social and ecumenical activities of the church. The Charity Trustees are responsible for the maintenance of the church buildings at Nelson Street, Lancaster and a residential property at 32 Durham Avenue, Lancaster.

Objectives and activities:

The Charity Trustees and other members of the church and congregation desire that as many people as possible will worship at the church and become involved in its activities and, above all, be followers of Jesus Christ. The main worship service of the church is held each Sunday morning at 10:30 at Nelson Street. All

worship services are open to the general public and Sunday morning services include activities for children. Restrictions imposed as a result of the COVID-19 pandemic meant that Sunday services were conducted online for much of the year. Services resumed at Nelson Street in May 2021 although continued to be made available online too so that those who remained cautious about attending in person could continue to engage with the corporate worship of the church. The church's worship services enable faith to be put into practice through mutual encouragement, preaching/teaching, prayer, Bible reading and music/song.

Throughout the year Lancaster Baptist Church has carried out its aims and purpose for the public benefit in line with its Constitution and in accordance with Charity Commission guidance where this is relevant. Since May 2021 this has been done using a mix of online platforms and physical meetings. During the year the work of the church has included:

- Public worship services both on Sundays and on other special occasions including Christmas and Easter. Christmas 2020 and Easter 2021 were celebrated through online services due to the COVID-19 restrictions in place. Worship services allow individuals to develop their knowledge of and trust in Jesus Christ.
- Encouraging individuals to live out their faith with meetings arranged both on church premises and in homes, where feasible in line with COVID-19 restrictions, and online for prayer, Bible study and mutual encouragement. Meetings were also held outside in gardens or public spaces where appropriate/possible.
- The provision of pastoral care for those connected with the church and others. As a result of the COVID-19 restrictions, contact by telephone and online was often the most appropriate means of communication.
- Supporting local parents and carers through the provision of a weekly baby and toddler group during school term times. This took place online as a result of the COVID-19 restrictions that prevented in-person meeting during the year.
- Supporting those who carry out the church's mission in other parts of the world.
- Maintaining the church buildings so they are safe to use and fit for purpose.
- Providing opportunity for the church members and congregation to voluntarily give financially to support the church as it fulfills its aims and purpose.

Public benefit:

In reviewing the overall aims and purpose of the Charity, and in exercising their powers and duties, the Charity Trustees have had due regard for the Charity Commission's public benefit guidance. The activities of Lancaster Baptist Church are carried out to further its charitable aims and purpose for the public benefit as summarised in "Objectives and activities" above.

Achievements and performance:

The church's worship services are open to anyone who wishes to attend. Numbers attending the Sunday morning services have varied since the building re-opened and slowly increased as restrictions were lifted and individuals felt more at ease returning to worship together. However, numbers remain noticeably below their pre-pandemic levels. All age groups are represented from very young children to those of advanced years. The church provides activities for children which are designed to be fun and diverse, including games, Bible stories, memory verses and craft activities and these take place concurrently with the Sunday morning services or separately online. All leaders of the children's work at Lancaster Baptist Church are subject to the church's written safeguarding policy, including being DBS checked. Evening worship meetings/communion services have not resumed since these were halted at the onset of the pandemic in 2020.

The church has a number of house groups which meet in homes in different parts of the city and the surrounding area. These are open to anyone who wishes to attend. These groups help individuals develop their faith by studying the Bible, praying together, encouraging one another and help fulfill the church's aim of the advancement of religion and, specifically, the advancement of the Christian faith. Until March 2021 some of these groups continued to meet online and since then a number have begun meeting together again either outside – weather permitting – or in people's homes.

A holiday club for children aged 5–11 was held at the church in July/August 2021 with COVID-19 safety guidelines in place. In previous years the summer holiday club has taken place over four days with children attending each day but this year two sessions were held, each for two days, with the number of children attending each purposely limited. Activities included games, crafts, Bible stories and memory verses.

Pastoral care has been provided by the minister and other members of the church who visit those who are ill at home or in hospital, COVID-19 restrictions allowing. Comfort is given to the bereaved and those facing

difficult life-circumstances. During the year the pastoral care of members of the church and congregation has largely involved contact by telephone and online and, where needed, practical help has been given; such as delivering shopping or collecting medical prescriptions.

Weekly activities at the leased unit at 1 Ridge Square, Lancaster had ceased in March 2020 as a result of the COVID-19 restrictions and the decision was later taken not to continue the work there. The premises lease was terminated in April 2021.

The church building is a registered place of worship and is made available for marriages and funerals by arrangement.

Mission in other parts of the world:

The church supports a number of other charities with compatible aims of advancing the Christian faith by way of information, prayer and financial assistance. Grants made from unrestricted funds are provided under the direction of the Charity Trustees. As well as supporting a number of UK based Christian organisations working in the UK the church also provides financial assistance to such organisations working overseas. Helping those in need is a practical demonstration of faith and from time to time grants are made to Christian relief and mission organisations who work in other countries. Raising awareness of these causes provides an opportunity for the church to be informed about the church in other parts of the world and to provide practical financial support.

The city of Lancaster has a resident population drawn from many countries of the world, largely as a result of its principal University and its hospital. The church reflects the multinational nature of the city and welcomes those from all backgrounds and nationalities.

Ecumenical activity:

The church provides representatives to the local Churches Together in Lancaster group which met online during the last year before resuming bi-monthly face to face meetings. Events that are normally held in the city at Easter, arranged through Churches Together, had to be cancelled in 2021 as a result of the COVID-19 restrictions. It had been hoped to hold a Pentecost Praise event in May 2021 (already postponed from May 2020) although this was again deferred and is now scheduled for June 2022. However, the annual door-to-door collection for Christian Aid was resumed on a slightly reduced basis, after being cancelled in 2020, and met with a very encouraging response.

Regular opportunities are given to contribute to The Olive Branch, a Christian charity which administers the local food bank. This charity makes collection points available throughout the city although the collections at church were suspended for much of the last year.

Corona Virus (COVID-19):

As referenced elsewhere in this Report, the COVID-19 pandemic has continued to have a significant impact on the life of the church during the last year. In March 2020, in line with HM Government guidelines, the church took steps to help contain the outbreak of COVID-19 which included the temporary suspension of all physical gatherings and as a result the church had to curtail, or change, how it operates. Many of the restrictions that were introduced in 2020 have remained and the impact from the pandemic has continued to be seen throughout the year to 31 August 2021. The church has been able to continue some of its activities online although certain weekly activities, notably the church's baby and toddler group (known as 'Sing & Play') and the women's fellowship group, did not resume during the year.

When Sunday services resumed in-person in May 2021 individuals were encouraged to register in advance if they were attending as the number of available seats in the building had been reduced as a result of the social distancing measures in place. The Charity Trustees implemented a wide range of precautionary measures in line with best practice guidance to protect those who were meeting in the building.

Many of the normal activities of the church have had to be suspended in their usual format but lockdown has provided an opportunity for reflection and re-focusing. New ways of being church have had to be explored, activities adapted, and new skills have been learned by many, particularly with technology. A number of new initiatives may well continue post COVID-19. Whilst lockdown has brought many challenges it has also provided an opportunity for the church to show God's love to individuals by providing support and encouragement in new ways.

Throughout the period when the church was not meeting in-person the buildings were checked each week, post was collected and telephone messages responded to. Additional health and safety procedures remained

in place in line with HM Government guidance and these are followed each time individuals visit the church premises.

The church administrator was furloughed under the terms of the HM Government Job Retention Scheme between April 2020 and September 2020 and then again from February 2021 to August 2021. The administrative work of the church was undertaken by the Charity Trustees and other members of the congregation during these times.

Those organisations who regularly rent the church buildings have been unable to meet because of the restrictions in place and this has had a material adverse impact on the church's finances. However, whilst overall income has reduced so have a number of costs, principally related to the church building. That said, during the financial year the church incurred significant one-off expenditures in relation to the replacement of the fire alarm system at Nelson Street and the refurbishment of the church-owned residential property at Durham Avenue.

The Charity Trustees closely monitor income and expenditure and, if it becomes necessary, will seek to take measures to mitigate the impact of COVID-19 on the charity's free reserves. The Charity Trustees have continued to meet at least once each month online whilst unable to do so in person.

The church is heavily reliant on voluntary donation income and, to a lesser extent, letting income and the Charity Trustees are unable to estimate the financial impact of COVID-19 in the medium term with any degree of certainty. At the date of approving this report the charity continues to meet its expenditure from ongoing income and general reserves.

Whilst COVID-19 in many ways continues to shape what we do and the way things are done it does not define who we are and a challenge for the church is to seize the opportunity presented by the pandemic to consider how to 'do' and 'be' church.

Maintenance of the church buildings:

The Charity Trustees seek to ensure that the church buildings are kept in good repair and are fit for purpose. Activities normally take place throughout the church buildings each week. Having buildings in good repair means they can be used safely for church activities and by other groups. The buildings are available for use by individuals and groups by agreement, pandemic restrictions permitting, including those with no direct association to the church.

Prior to the COVID-19 restrictions being imposed, the church premises at Nelson Street were used each week under licence by a Registered Charity providing support and care for older people, a local Alcoholics Anonymous group and by a ladies group "East meets West" which provides a drop-in service and lunch for refugee and asylum-seeking women living locally. Other regular users of the premises included a local residents' group and a local orchestra. Those who attend these groups are welcome to attend church activities and services. Whilst none of these groups met in the church building during the year some have returned subsequently.

For security reasons the church buildings cannot remain open at all times. However, the church is open to anyone for private prayer or a time of quiet whenever the minister or administrator (part-time employee) is available. Following the retirement of the caretaker in February 2020 a replacement caretaker/cleaner has still not been appointed and the church has relied on a team of volunteers to keep the building clean and in satisfactory repair.

Lancaster Baptist Church was founded in 1862 and has been based at its present site for well over 120 years. Inevitably, given the age of its buildings, the church incurs costs for ongoing repairs and maintenance and these are reflected in the Accounts. A team of volunteers oversees the general upkeep of the buildings. A weekly security and safety check has been undertaken throughout the period of the COVID-19 restrictions.

The tenancy of the church-owned residential property at Durham Avenue terminated in February 2021. A significant programme of repairs and improvements was then instigated and the costs associated with these works, which continued throughout the remainder of the financial year, are reflected in the Accounts. The property is still to be re-let.

The church building is included in the Statement of Assets & Liabilities at its full reinstatement insured value. Because of the specific nature of this building the Charity Trustees are of the view that the market value of the site will be considerably lower than the insured value but they do not consider a professional valuation of the premises will add in any meaningful way to an understanding of the church's financial position.

Pensions:

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 administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the employer and the other participating employers. The Minister is eligible to join the Scheme.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925 but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. Since 1 January 2012 benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 was undertaken by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million whilst the level of assets needed to pay benefits was £316 million, giving a deficit of £18 million (equivalent to a past service funding level of 94%). The church and the other participating employers in the DB Plan are collectively responsible for funding this deficit. The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Under the Schedule of Contributions, the church makes a monthly payment in respect of the DB scheme deficit, currently £338.13, which will increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresees these contributions continuing until June 2026. The pension scheme liability shown in the Statement of Assets and Liabilities is calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions, which amounted to £19,612 as at 31 August 2021.

The church has been advised that the estimated cost for the church to buyout its Pension Scheme liabilities at 31 August 2020 was £38,800.

Financial review:

The church continues to raise the funds it needs to carry on its activities from within its own membership and congregation and by letting its premises. No wider public appeal was made for funds during the year. The financial results for the year are set out in the accompanying financial statements.

The vast majority of the church's income (normally around 85% but at 92% this year) comes from voluntary donations received through freewill offerings at Sunday worship services, bank standing orders and other one-off gifts. The church encourages those who are able to do so to make donations by Gift Aid. The church also receives income from letting its premises from time to time and by letting the residential property it owns albeit both these sources of income have been significantly curtailed in the past year. The residential property is retained as the church manse although is not used as such at present as the church's minister and his wife jointly own their own property locally.

Weekly cash offerings resumed in May 2021 when in-person Sunday services restarted although the level of donations since then has been materially lower than pre-pandemic. However, regular direct giving overall has held up satisfactorily and reserves have not had to be called upon to meet general expenditure commitments in the last financial year. Similarly, designated funds have remained as allocated.

The church sets a financial budget each year and performance against budget is monitored by the Charity Trustees at their monthly meetings. Information regarding the financial aspects of church life is shared with the church from time to time.

The church has a policy of tithing its unrestricted receipts. The church expresses its part in the life of the wider church by making grants to Christian organisations and societies with aims and purposes which are compatible with its own.

The Charity Trustees review the church's Reserves Policy from time to time. Reserves are required to meet fluctuations in receipts and payments and to meet planned and unexpected costs, including property repairs. It is also the present policy of the church to hold reserves at least sufficient to cover all the contractual notice periods stated in staff terms of appointment/contracts of employment. From time to time the church receives legacies and the Charity Trustees aim, as far as is possible, to ensure that any such receipts are used for specific purposes, within the context of the church's charitable aims and purpose. As such it may be that these

funds are held for more than one accounting period. At the year-end the unrestricted legacy funds held by the church as reserves amounted to £16,437.

During the last financial year the fire alarm system in the church buildings was replaced as the original system had become obsolete, with certain replacement parts no longer available. Given the nature and use of the church buildings a fire alarm system is considered an appropriate risk mitigant. Multiple quotations for a replacement system had been obtained and the expenditure relating to the new system, which was met from reserves, is reflected in the Accounts.

The church is heavily dependent on its membership working as volunteers in all aspects of its activities, many of which run with little or no impact on the church's expenditure but, nevertheless, contribute substantially to the achievement of the church's objectives.

The church has a full-time minister who has been in post since September 2008. The expenditure relating to this position is included in the Accounts within 'Ministerial staff costs' and 'Ministerial property related costs'.

The church does not remunerate any of its Charity Trustees in their capacity as trustees.

Declaration:

The Charity Trustees declare that they have approved the Trustees' Annual Report above.

Signed on behalf of the Charity Trustees.

KBN

SDG

Karen B Ness
Church Secretary

Stephen D Green
Treasurer

10 January 2022



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity name
LANCASTER BAPTIST CHURCH

Registered no.
1146765

Receipts and payments accounts

For the period from	Period start date 01-Sep-20	To	Period end date 31-Aug-21
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Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
Regular giving	49,681	-	-	49,681	60,171
Other voluntary donations	14,790	300	-	15,090	16,984
Income tax recovered on gifts	13,193	-	-	13,193	15,555
Use of church premises	790	-	-	790	5,473
Letting of Durham Avenue	3,900	-	-	3,900	8,417
HMG grants (Job Retention Scheme)	1,741	-	-	1,741	1,541
Sundry income	282	-	-	282	890
	-	-	-	-	-
Sub total	84,377	300	-	84,677	109,031
A2 Asset and investment sales, (see table).					
Furniture	-	-	-	-	40
	-	-	-	-	-
Sub total	-	-	-	-	40
Total receipts	84,377	300	-	84,677	109,071
A3 Payments					
Ministerial staff costs	33,614	-	-	33,614	34,442
Ministerial property related costs	10,946	-	-	10,946	10,850
Other general ministry expenditure	-	-	-	-	281
Children's/Youth work	1,538	-	-	1,538	791
Caretaking & supplies	888	-	-	888	5,488
Fire safety	15,199	-	-	15,199	620
Heat, light & water	1,628	-	-	1,628	6,046
Insurance	4,431	-	-	4,431	4,392
Church premises repairs & renewals	1,547	-	-	1,547	2,161
Sundry premises expenditure	2,075	-	-	2,075	2,969
Durham Avenue property costs	17,317	-	-	17,317	1,618
Ridge Square One property costs	1,322	-	-	1,322	5,493
Administration staff costs	5,855	-	-	5,855	5,694
Sundry expenditure	4,937	-	-	4,937	5,563
Grants made	8,746	220	-	8,966	16,871
	-	-	-	-	-
Sub total	110,043	220	-	110,263	103,279
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	110,043	220	-	110,263	103,279
Net of receipts/(payments)	- 25,666	80	-	- 25,586	5,792
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	91,866	260	-	92,126	86,334
Cash funds this year end	66,200	340	-	66,540	92,126

Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £																
B1 Cash funds	<table border="1"> <tr> <td>Bank accounts</td> <td>16,200</td> <td>270</td> <td>-</td> </tr> <tr> <td>National Savings & Investments</td> <td>50,000</td> <td>-</td> <td>-</td> </tr> <tr> <td>Cash in hand</td> <td>-</td> <td>70</td> <td>-</td> </tr> <tr> <td>Total cash funds</td> <td>66,200</td> <td>340</td> <td>-</td> </tr> </table> <p>(agree balances with receipts and payments account(s))</p>	Bank accounts	16,200	270	-	National Savings & Investments	50,000	-	-	Cash in hand	-	70	-	Total cash funds	66,200	340	-	OK	OK	OK
Bank accounts	16,200	270	-																	
National Savings & Investments	50,000	-	-																	
Cash in hand	-	70	-																	
Total cash funds	66,200	340	-																	
	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £																
B2 Other monetary assets	<table border="1"> <tr> <td>166 Lloyds Banking Group plc Ord</td> <td>71</td> <td>-</td> <td>-</td> </tr> </table>	166 Lloyds Banking Group plc Ord	71	-	-															
166 Lloyds Banking Group plc Ord	71	-	-																	
	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)																
B3 Investment assets	<table border="1"> <tr> <td></td> <td></td> <td>-</td> <td>-</td> </tr> </table>			-	-															
		-	-																	
	Details	Fund to which asset belongs	Insured value	Current value (optional)																
B4 Assets retained for the charity's own use	<table border="1"> <tr> <td>Premises at Nelson Street, Lancaster</td> <td></td> <td>4,836,889</td> <td>-</td> </tr> <tr> <td>Property at Durham Avenue, Lancaster</td> <td></td> <td>308,104</td> <td>-</td> </tr> <tr> <td>Furniture, fixtures, fittings & equipment</td> <td></td> <td>105,754</td> <td>-</td> </tr> </table>	Premises at Nelson Street, Lancaster		4,836,889	-	Property at Durham Avenue, Lancaster		308,104	-	Furniture, fixtures, fittings & equipment		105,754	-							
Premises at Nelson Street, Lancaster		4,836,889	-																	
Property at Durham Avenue, Lancaster		308,104	-																	
Furniture, fixtures, fittings & equipment		105,754	-																	
	Details	Fund to which liability relates	Estimated amount	When due (optional)																
B5 Liabilities	<table border="1"> <tr> <td>DB Pension Scheme</td> <td></td> <td>19,612</td> <td></td> </tr> </table>	DB Pension Scheme		19,612																
DB Pension Scheme		19,612																		
Signed by one or two trustees on behalf of all the trustees	Signature	Print Name	Date of approval																	
	KBN	Mrs Karen B Ness	10.01.2022																	
	SDG	Stephen D Green	10.01.2022																	



Section A

Independent Examiner's Report

Report to the trustees/
members of

LANCASTER BAPTIST CHURCH

On accounts for the year
ended

31 AUGUST 2021

Charity no
(if any)

1146765

Set out on pages

1 - 2

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 August 2021.

Responsibilities and
basis of report

As the charity trustees of the Trust, 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 Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed 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 material matters have come to my attention in connection with the examination which gives me cause to believe that, in any material respect:

- the accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

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

Signed: APA

Date: 13.02.2022

Name: Austen Paul Adams

Relevant professional
qualification(s) or body
(if any):

F.C.A. (retired)

Address:

11 Manor Close, Burton-in-Lonsdale, Carnforth, Lancs. LA6 3NE