

**HAWKWELL BAPTIST CHURCH**

**INDEX TO THE FINANCIAL STATEMENTS**

	Page
Charity Information	1
Trustee Report	2-6
Independent Examiner report	7-8
Financial Statement	9
Statement of Asset and Liabilities	10
Notes to the Financial Statements	11-16

## HAWKWELL BAPTIST CHURCH

### CHARITY INFORMATION

Legal status:	Charity registered with the Charity Commission
Charity Number:	1150184
Principal address:	Hawkwell Baptist Church Rectory Road Rochford Essex SS4 1UG
Bankers:	Royal Bank of Scotland London Baptist Property Board CAF bank Ltd
Trustees:	Rev R Iles (Minister) Mrs M Schramm (Secretary) Mr R Sapsted (Treasurer) (Appointed January 2020) Mrs H Chilvers Mrs L Mcloughlin (Appointed October 2020)

## **HAWKWELL BAPTIST CHURCH**

### **YEAR END TRUSTEE REPORT 2020**

#### **Receipts and Payments accounts**

Hawkwell Baptist Church have adopted receipts and payment accounts for the financial year ending 31st December 2020, in accordance with the Charities Act 2011 for charities with income below £250,000.

#### **Governing document**

Hawkwell Baptist Church registered with the Charity Commission in 2012. The charity is controlled by its governing document ("Constitution").

#### **Recruitment and appointment of new trustees**

Trustees are elected as outlined in the Constitution. They are appointed as required and serve for three years in one term, with an option to serve up to two terms without a year's break in service. Anyone standing as a trustee has to be nominated by two members and submit a short testimony for circulation to the members. The appointment is made by secret ballot and has to receive support from at least two thirds of the members present and voting.

#### **Induction and training of new trustees**

Those wishing to stand for election are interviewed by the Minister and existing trustees before the vote, to explain the role and discuss any concerns. They will then be mentored by the existing trustees.

#### **Charitable Objects**

The charity is governed by the approved Governing Document which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination. The charity may also advance education and carry out such other charitable purposes in the United Kingdom and/or other parts of the world as the Church shall determine.

The premises the Church occupies are held by the London Baptist Property Board on Trusts that are entirely compatible with the above objects.

#### **Organisational Structure and Decision-making processes**

Members of the Church are accepted in accordance with the Constitution, which requires them to make a public profession of faith in Jesus Christ, normally, but not exclusively, through baptism by immersion upon personal profession of faith.

A formal Church Meeting of members normally takes place four times per year and has responsibility for the overall policy of the Church, in accordance with the Constitution, the members appoint Trustees who, together with the Minister, are collectively known as the Leadership. The Leadership is responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the Charitable Objects.

Relevant matters may be submitted to the Church Meeting by the Leadership for guidance, or may be raised there by members for further consideration by the Leadership. Though the Constitution permits decisions to

be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

### **Training and education**

With the onset of the Covid-19 pandemic during 2020, no training was arranged during the year.

### **Objectives and Activities**

In order to achieve the principal objective, set out above, the Church provides a variety of activities for both its membership and the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public gatherings for Christian worship. These gatherings take place each Sunday, normally at 10:30 a.m. A breakfast gathering takes place one Sunday each month at 9:00 a.m. aimed particularly at families. One Saturday a month there is a Messy church morning for all families in the locality and aimed at non church families. There are also occasional gatherings at other times, which are advertised in the Church Notice sheet, on the Church Notice Board and on the website at [www.hawkwellbaptistchurch.co.uk](http://www.hawkwellbaptistchurch.co.uk). The Church seeks to be a friendly and welcoming community and anybody is free to attend any of these gatherings. These are the way we meet our principal objective during normal times. However, due to Covid restrictions, these activities ceased in March 2020, though some intermittent activities took place in the summer and autumn and the church Sunday worship gathering recommenced in the summer until December with a maximum of 30 attendees within a Covid-safe structure in the church building, whilst connecting with many members online through Zoom and Facebook Live.

Normal youth activities are: weekly Girls' Brigade(GB) during term time; a weekly Youth Club for local young people associated with the Church and their friends and, on most Sunday mornings, teaching for our young people, varying between dedicated worship, all-in Family parade services and Breakfast church aimed at families. Boy's Brigade remains closed. In addition, Church youth groups meet weekly on Sunday afternoons for refreshments and Bible activities. Covid restrictions meant the Youth Club hasn't met but the GB and church youth have been having virtual activities throughout the pandemic.

The Church continues to run a series of small groups for the growth of faith and discipleship as well as a number of prayer groups in the homes of some members or on the Church premises. Further details can be obtained from the Trustees on request or at the Sunday worship gatherings. Other groups continued meeting during the year, including Connect 4 (offering support for foster carers and adopters), meeting weekly; Nostalgia (a group of 55+ meeting twice monthly to exercise members' brains through mental exercises and stimulating memories); and the Prayer Workshop, also meeting twice monthly, looking to stimulate prayer within the church. Again, these groups have met either virtually or when allowed within the Covid restrictions guidelines.

MeninSheds (providing space for men to meet and socialise whilst sharing practical skills) continues to meet in a fitted-out shipping container at Potash Nurseries. This group has only met when Covid restrictions allowed during the year after March 2020.

The Church continued to work with Rochford District Council, helping the homeless in the community by providing helpful boxes for people being housed in short term accommodation. These boxes contain basic groceries, other materials and a list of local contacts to help them settle in. Messy church has only operated intermittently due to Covid.

The New Horizon's Club is run on Thursdays for those with mental health issues as a community service. There is also a "Care Club" operating at the church on Thursdays providing physiotherapy and relaxation

exercises and advice for the elderly. We continue to employ a Community Worker part time to forge links within the community. She oversees the New Horizon's Club and gives support for 'Mums & Families UK', providing a base at the Church for them to run their five-week programme (on a rolling basis) for mums affected by postnatal emotional and wellbeing issues. On Wednesday afternoons an Art Group (Art4all) is provided with space for anyone in the locality to explore their painting talents. Most of these groups have not met since March 2020, although there have been some virtual activities.

The church put on a virtual Christingle service which was very well viewed within the community and continued to reach out to unchurched families. Hopefully next year we will revert to church based Christmas activities., although we may continue to stream them online.

'The Faith, Hope and Charity Shop' continues to be run by the Church trading arm, 'HBC Shop Trading Ltd'. The aim of the shop is to raise funds for the work of the Church and for local charitable purposes and the Articles of Incorporation of the company require that all profit is passed to the church. The profit transfer in 2020 was £53,388. The Church then allocated 10% of the shop's income from donations to the Designated Shop Tithe fund used to support local charitable purposes, £10,330.

Many of the groups run by the Church contain some aspects of "missional community" principles, but not all. The Leadership encourage groups, where appropriate, to embrace the concept of balance between recognising our reliance upon and worshipping Our Father, relating to and supporting members of our fellowship and reaching out to people outside the fellowship so that they may experience the love and comfort that comes from Our Lord.

The church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service (DBS) and provides training to assist workers to implement the Baptist Union's safeguarding policies as set out in its "Safe to Grow" publication.

Towards the end of 2019, the church agreed to take on an adjacent shop unit at 40 Hedingham Place to provide a Community Hub consisting of a café area, meeting rooms to provide space for the local community to meet and allow for counselling to take place and storage for our Foodbank Distribution Centre, which would allow us to relocate our food distribution next to Ashington Road, giving improved public transport access. The Pandemic struck just as we were negotiating the lease and we were offered a rent free period up to June, followed by a series of quarterly notice periods/ break clauses up to June 2022. Although the pandemic prevented progress with the Community Hub, the space allowed for accepting, storing, quarantining and sorting donations of goods for sale by our charity shop next door.

## **Public Benefit**

This annual report describes the activities undertaken by the charity during the year to further its charitable purposes for public benefit. The trustees are of the opinion that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

## **Risk management**

The trustees continue to review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. This is an ongoing process carried out informally by the Trustees, but there is no formally recorded Risk Assessment. There is no way we could have foreseen Covid-19 and its effect on our operation, but through the success of the charity shop during 2019/20 and the monitoring of our income and expenditure throughout the year, we were able to improve our reserves position at the year end.

## **Financial Review**

### **Incoming Resources**

The Church raises most of the funds it needs to carry on its general activities from within its own membership and congregation. The general giving in 2020 reduced by 7.7% to £66,596. This reduction was mainly due to the reduction of loose cash collections received at Sunday gatherings and the impact of not being able to claim tax relief using the Gift Aid Small Donation Scheme (GASDS). Although weekly giving was reduced through the pandemic, this was ameliorated by one-off gifts totalling £2,450 and a grant from the Ferndale International Community Trust of £4,000 for general purposes.

The 2019/20 profits of £53,388 (2018/19, £30,443) from HBC Shop Trading Ltd were given to the Church to support activities.

Rochford District Council continued to support the work of Messy Church with a grant of £500. The Sanctuary Housing Association gave a restricted gift of £1,000 to support the Cooking Project.

Rental income from the Church premises was severely affected by the Pandemic requiring the closure of church buildings through much of the year. This resulted in a reduction in income from this source to £6,119 (2019, £11,244) a drop of 45% on the previous year. As Covid restrictions have lifted, rental income has started to re-establish as the community's confidence in restarting activities rises.

A further source of income arose from the Government Job Retention Scheme which allowed us to furlough our Community Worker from May to August, allowing us to claim £3,099.

The church's total incoming resources allocated towards general activities in 2020 were £133,500, up from £118,270 in 2019. However, this increase includes the HBC Shop Trading profits, which increased significantly over the previous year.

In addition, as The Faith Hope and Charity shop was using the new shop unit at 40 Hedingham Place to maintain its operation, it took on the responsibility for the unit's rent and service charge bringing income of £14,111, covering the period June 2020 to March 2021, offsetting most of the cost incurred by the church.

### **Resources Expended**

#### **Volunteers and Staff**

The Church is heavily dependent on its membership working as volunteers in all aspects of the Church's 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.

In addition to the full-time Minister, the office staff includes a part time administrator and a self-employed bookkeeper. The Church also employs, part time, a Community Worker and a Caretaker/Cleaner. The Community Worker was furloughed from May to August and shortly after returning to work in September, she resigned from her post. No one to date has been appointed to the role.

#### **Mission**

Opportunity for missional events was limited and unfortunately the usual Sausage Sizzle, Easter invites and Christmas events (other than the virtual Christingle) had to be cancelled due to the Pandemic. However, the church was involved in distributing food locally to people in need or unable to leave their homes due to the need to self-isolate and the church continued to act as a distribution centre for the Southend Foodbank.



## **Charitable giving**

The Church expressed its part in the life of the wider church during 2020 by making grants from all funds totalling £8,632 (2019, £14,591) to national and international Christian organisations with Christian aims and objectives compatible with the Church's own charitable objects. Included within this figure were regular gifts totalling £8,496 (2019, £8,940) to Baptist family organisations, namely the Eastern Baptist Association and the BMS World Mission.

The Shop Tithe fund distributed £1,740 (2019, £5,440). This included a regular annual grant of £500 to the Southend Food bank and mission support of £1,200 (2019, £200) to the Southend CAP Debt Advice Centre, plus grants to other local organisations.

## **Premises and equipment**

No major costs were incurred on the main site.

The legal costs to establish the lease at 40 Hedingham Place were £2,498. The rental, service charge and *ad hoc* maintenance up to March 2021 were £15,930, the majority of which was offset by billing HBC Shop Trading Ltd for rent and service charges.

## **General fund**

These accounts are prepared on a Receipts and Payments basis, but taking account of deferred payment of profits at 31st December 2020, the General Fund is well supported by the charity shop.

Total resources expended on general charitable activities in 2020 were £99,007 down from £136,790 in 2019.

The financial results for the year, for both general activities and other funds, together with a summary of the accounting policies adopted, are set out in the accompanying financial statements.

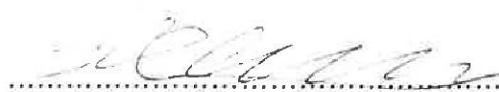
## **Reserves Policy**

The church has three main regular income streams; individual giving which has depth and breadth across the church, regular hall lettings and profit from HBC Shop Trading Ltd.

Operating costs of approximately £83,500 per year cover salaries, centre and manse running costs. The trustees aim to achieve a two month reserve policy on the non-restricted funds, which is approximately £14,000. This would allow the Church to meet its financial commitments for two months with a complete loss of all its income stream. The General Fund unallocated reserves at the year end stood at £17,172, all of which were raised during this year, despite the special challenges of Covid-19.

The trustees are conscious that there is a pension liability in excess of £87,800 (2019, £85,300). It is unlikely that this liability will be realised as a lump sum in the near future.

There is a lease on 39 Hedingham Place of £28,500 per annum up to October 2023. The lease on 40 Hedingham Place has a break clause quarterly up to June 2022 with a quarterly rent of £4,300. HBC Shop Trading Ltd currently meets these costs whilst it is trading profitably.

  
Trustee

  
Trustee



**Independent Examiner's Report**

**TO THE TRUSTEES OF HAWKWEEL BAPTIST CHURCH (charity no. 1150184)**

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st December 2020 set out on pages 9 to 16 of this document.

**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").

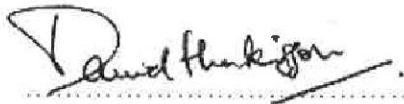
I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and, in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**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 that give me cause to believe that, in any material respect:

- 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.

<b>Signed:</b>		<b>22nd October 2021</b>
<b>Name:</b>	David P. C. Huskisson	
<b>Relevant professional qualification (if any):</b>		CPFA
<b>Address:</b>	7 Central Close, Benfleet SS7 2NU	





**HAWKWELL BAPTIST CHURCH**  
**FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	General Fund £	Designated Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
<b><u>Incoming Resources</u></b>						
Voluntary Income	2	127,083	1,016	3,685	131,784	108,517
Activities for generating funds	3	6,119	-	-	6,119	13,224
Investment Income	4	14,125	-	-	14,125	37
Incoming Resources from Charitable Activities	5	298	283	4,287	4,868	16,362
Other incoming Resources	6	-	-	-	-	(4,518)
<b>Total Incoming Resources</b>		<b>147,625</b>	<b>1,299</b>	<b>7,971</b>	<b>156,896</b>	<b>133,622</b>
<b><u>Resources Expended</u></b>						
Cost of generating funds	7	15,930	-	-	15,930	(6,941)
Charitable Activities	8	99,007	2,963	7,047	109,017	162,494
<b>Total Resources Used</b>		<b>114,937</b>	<b>2,963</b>	<b>7,047</b>	<b>124,947</b>	<b>155,553</b>
Net (outgoing)/incoming resources		32,687	(1,664)	925	31,949	(21,931)
Transfer between funds - In		17	15,533	71	15,621	8,026
Transfer between funds - Out		(15,533)	(88)	-	(15,621)	(8,026)
	9	(15,516)	15,445	71	-	-
Net movement in funds for year		17,172	13,781	996	31,949	(21,931)
Fund Balance at 1 January 2020		-	6,355	4,813	11,167	33,098
Fund Balance at 31 December 2020		<b>17,172</b>	<b>20,136</b>	<b>5,809</b>	<b>43,116</b>	<b>11,167</b>

**HAWKWELL BAPTIST CHURCH**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	General Fund £	Designated Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
<b>MONETARY ASSETS</b>					
Royal Bank of Scotland - Current	-	-	-	-	8,367
Royal Bank of Scotland - Deposit	-	-	-	-	(8,032)
CAF current	(14,460)	20,136	3,778	9,453	3,767
CAF Deposit Gold	30,899	-	-	30,899	2,040
Church - Cash	18	-	-	18	4
London Baptist Property Board	715	-	-	715	1,783
Girls Brigade - Current a/c	-	-	1,802	1,802	2,423
Girls Brigade - cash	-	-	-	-	259
Boys brigade - Current a/c	-	-	190	190	517
Youth Group - Cash	-	-	40	40	40
	17,172	20,136	5,809	43,116	11,167
<b>FIXED ASSETS</b>					
Manse at Insurance value	282,926	-	-	282,926	262,211
Krugerrand 1oz gold coin (estimated value)	1,388	-	-	1,388	1,121
	284,314	-	-	284,314	263,332
<b>MONEY OWED BY THE CHURCH</b>					
LBPB manse loan	-	-	-	-	3,341
EBA asbestos loan	5,875	-	-	5,875	7,000
	5,875	-	-	5,875	10,341
<b>MONEY OWED TO THE CHURCH</b>					
HBC Shop Trading profits up to 31st Dec. 2020	6,332	-	-	6,332	36,995
<b>LIABILITIES</b>					
Pension deficit Liability until December 2028	22,752	-	-	22,752	36,426

Trustee: 

Date: 21.10.21

Trustee: 

Date: 21/10/21

**HAWKWELL BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1) Accounting Policies**

**a) Basis of preparation**

Under section 133 of the Charities Act 2011, charities with gross income below £250,000 can prepare Receipts and Payments accounts.

The charity chose to change from Accrual Accounts in 2015 to Receipts and Payments Accounts in 2016.

**b) Donations**

Donations are accounted for gross when received.

**c) Investment Income**

Investment income is accounted for when it is received.

A fair apportionment is made across funds where material.

**d) Fund Raising and Publicity Costs**

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

**e) Gifts in Kind**

No amounts are included in the financial statements for services donated by volunteers.

**f) Management and Administration**

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

**g) Fixed Assets**

**Main Church premises**

The main Church premises are freehold assets, the value of which the Church is prohibited from realising for its own sake by its Trust Deed. As such they are inalienable. Accordingly no value is placed on them in the Statement of Assets and Liabilities and capital expenditure on them is written off in the year. For the readers information however, the insurance valuation of the buildings at the year ending 2020 was £1,864,525 (2019 £1,844,253).

**Rectory Road manse**

Rectory Road manse is a freehold dwelling and the residence and working base of the Minister. Value is only realisable with vacant possession. The manse is valued at 2020 £282,926 (2019 £262,211) for insurance.

**Short Term investment assets**

Short term cash deposits placed with our custodian trustees, the London Baptist Property Board (LBPB), are repayable to us on seven days notice.

**Krugerrand**

Krugerrand 1oz gold coin estimated value £999, received February 2018. The coin has not been redeemed and remains in a Church safe. The current value as at December 2020 was £1,388 was (2019 £1,122).

2) Voluntary Income

### 3) Activities for generating funds

4) Investment Income

#### 5) Incoming Resources from Charitable Activities

6) Other

12

**HAWKWELL BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**7) Cost of generating funds**

	Unrestricted Fund			Restricted Fund			Total 2020	Total 2019
	General	Lobby (Designated)	Men in Sheds	Faith Hope and Charity Shop Tithe	Minibus	Other	Church sections	
Cost of generating voluntary income	-	-	-	-	-	-	-	184
Shop Operating costs	-	-	-	-	-	-	-	(7,125)
Café HUB premises	15,930	-	-	-	-	-	-	-
	15,930	-	-	-	-	-	15,930	(6,941)

**8) Cost of Charitable Activities**

Mission giving / secular gifts	8,632	-	-	500	-	-	-	9,132	14,591
Minister salary & Expenses	38,594	-	-	-	-	-	-	38,594	39,887
Administrator and bookkeeper	9,132	-	-	-	-	-	-	9,132	9,078
Mission Worker	5,636	-	-	-	-	-	-	5,636	11,566
Manse Rectory	5,035	-	-	-	-	-	-	5,035	17,401
Fellowshipfund/ gifts	960	-	-	-	-	-	1,039	1,999	2,602
Guest Speakers	200	-	-	-	-	-	-	200	240
Training	65	-	-	-	-	-	70	135	10,863
Mission / Outreach	384	-	1,223	1,240	-	394	590	3,832	6,046
Youth mission & resources	249	-	-	-	-	-	-	249	466
Education	139	-	-	-	-	-	-	139	706
Church office costs	3,991	-	-	-	-	-	-	3,991	3,168
Cleaning / caretaker	2,876	-	-	-	-	-	-	2,876	5,796
Upkeep of services	67	-	-	-	-	-	-	67	-
Worship - PA, Puppets etc	2,361	-	-	-	-	-	-	2,361	1,161
Refreshments	223	-	-	-	-	-	281	504	2,008
Centre Costs	11,071	-	-	-	-	-	65	11,136	13,873
Administration	2,776	-	-	-	-	-	2,575	5,351	5,696
Uniform & Badges	-	-	-	-	-	-	1,337	1,337	1,440
Camping & Trips	-	-	-	-	-	-	447	447	6,247
Minibus	1,955	-	-	-	-	-	-	1,955	1,449
Loan Repayments	4,439	-	-	-	-	-	-	4,439	5,500
Loan Interest	58	-	-	-	-	-	-	58	139
Other	164	-	-	-	-	-	248	412	2,573
	99,007	-	1,223	1,740	-	394	6,652	109,017	162,494

**9) Transfers between funds**

	Unrestricted Fund			Restricted Fund			Total 2020	Total 2019
	General	Lobby (Designated)	Men in Sheds	Faith Hope and Charity Shop Tithe	Minibus	Other	Church sections	
Tithe to other Restricted funds	-	-	-	(71)	-	-	71	-
Minibus to General fund	17	-	-	-	(17)	-	-	-
Cash Flow support from tithe 2019	(5,203)	-	-	5,203	-	-	-	-
HBC Shop Trading Ltd 10% profit	(10,330)	-	-	10,330	-	-	-	-
Transfer In	17	-	-	15,533	-	-	71	15,621
Transfers Out	(15,533)	-	-	(71)	(17)	-	-	(15,621)
								8,026
								(8,026)

**10) Fund movement summary**

	Fund balance b/f	Income	Expenditure	Tranfers	Fund Balance c/f
<b>Unrestricted funds</b>					
General	-	147,625	114,937	(15,516)	17,172
<b>Designated funds</b>					
Lobby (Des)	1,182	6	-	-	1,188
Men in Sheds	88	1,293	1,223	-	158
Minibus	17	-	-	(17)	0
Faith Hope and Charity Shop Tithe	5,067	-	1,740	15,462	18,789
<b>Restricted funds</b>					
Girls Brigade	2,963	4,366	5,528	-	1,802
Boys Brigade	517	-	327	-	190
Youth Club	568	416	198	-	786
Homeless	62	0	120	59	0
Messy Church / Saturday Brunch	74	500	479	13	107
CAFÉ (40 Hedingham Place)	-	1,563	-	-	1,563
Lobby (Res)	221	50	-	-	271
Other	408	1,077	394	-	1,091



**HAWKWELL BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

11)	<b><u>Staff Costs</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
	Salaries (inc pension and employer NI)	50,573	61,812

During the year the Church employed a full time Minister.  
 Administrator : - 11.5 hours per week plus overtime on occasion.  
 Caretaker:- 10 hours a week up to March 2020 and then reduced to 2 hours per week due to Covid-19, plus overtime for adhoc events.  
 Mission worker: - 20 hours per week January and February, Sabbatical March and April, furloughed May through to August (£3,094 claimed), and then resigned 31st October.  
 No employee earned £60,000 p.a. or more.  
 One trustee, who is also an office holder, lived in housing wholly owned by the Church.

12) **Bank and cash balances**

GB & BB maintain their own banking arrangements. Other sections use the Church bank account and run petty cash.

13) **Pension scheme**

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

Since January 2012, pension provision has been 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. 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.

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.

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%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020.

**HAWKWELL BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Pension scheme continued**

In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31 December 2020. The current Recovery Plan dated 30 September 2020 envisages deficiency contributions continuing until 30 June 2026.

The key financial assumptions underlying the valuation were as follows:

Type of assumption	%pa
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

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church is £4,137 (2019 £4047). 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 £33,094 as at 31st December 2020.

The Church has been advised that the estimated cost for the church to buyout their Pension Scheme liabilities at 31 December 2020 was £87,800 (2019 £85,300).

The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2022.

**HAWKWELL BAPTIST CHURCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**CHURCH SECTIONS RESTRICTED FUNDS**

	Girls Brigade	Boys Brigade	Youth Club	Homeless	Messy Church / Saturday Brunch	Café HUB (40 Hedingham Place)	Total Section Restricted 2020	Total Section Restricted 2019
<b>Income</b>								
<b>Voluntary income</b>								
Sundry donations/income	250	-	-	-	-	1,050	1,300	557
Income Tax recovered	245	-	-	-	-	13	258	461
Charity Voucher	-	-	-	-	-	500	500	-
Grant	-	-	-	-	500	-	500	1,267
Fundraising events	-	-	-	-	-	-	-	421
<b>From Charitable activities funds</b>	<b>3,871</b>	<b>-</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,287</b>	<b>12,621</b>
	<b>4,366</b>	<b>-</b>	<b>416</b>	<b>-</b>	<b>500</b>	<b>1,563</b>	<b>6,844</b>	<b>15,328</b>
<b>Expenditure</b>								
Cost of fundraising	-	-	-	-	-	-	-	27
Refreshments	155	-	117	-	9	-	281	648
Gifts	712	327	-	-	-	-	1,039	645
Agape - Fellowship fund	-	-	-	-	-	-	-	109
Other	232	-	16	-	-	-	248	2,078
Uniform & Badges	1,337	-	-	-	-	-	1,337	1,440
Administration	2,575	-	-	-	-	-	2,575	3,158
Camping & Trips	447	-	-	-	-	-	447	6,247
Mission	-	-	-	120	470	-	590	874
Centre equipment / sundries	-	-	65	-	-	-	65	50
Training	70	-	-	-	-	-	70	168
	<b>5,528</b>	<b>327</b>	<b>198</b>	<b>120</b>	<b>479</b>	<b>-</b>	<b>6,552</b>	<b>15,442</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>13</b>	<b>-</b>	<b>71</b>	<b>0</b>
<b>Net movement</b>	<b>(1,162)</b>	<b>(327)</b>	<b>218</b>	<b>(62)</b>	<b>33</b>	<b>1,563</b>	<b>263</b>	<b>(116)</b>
<b>Opening balance</b>	<b>2,963</b>	<b>517</b>	<b>568</b>	<b>62</b>	<b>74</b>	<b>-</b>	<b>4,183</b>	<b>4,300</b>
<b>Closing balance</b>	<b>1,802</b>	<b>190</b>	<b>786</b>	<b>-</b>	<b>107</b>	<b>1,563</b>	<b>4,447</b>	<b>4,183</b>

**OTHER RESTRICTED FUNDS**

	OTHER	LOBBY	TOTAL 2020	TOTAL 2019
<b>Voluntary income</b>				
Gift aid giving	30	-	30	20
Charity Voucher	-	-	-	-
Other planned giving	47	50	97	250
Tax recovered	-	-	-	5
Grant	1,000	-	1,000	400
Sundry donations/income	-	-	-	497
	<b>1,077</b>	<b>50</b>	<b>1,127</b>	<b>1,172</b>
<b>Expenditure</b>				
Training	-	-	-	800
Mission	394	-	394	-
Education	-	-	-	104
Refreshments	-	-	-	197
Other sundries	-	-	-	426
Agape - Fellowship fund	-	-	-	583
Giving to charities	-	-	-	402
	<b>394</b>	<b>-</b>	<b>394</b>	<b>2,511</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement</b>	<b>683</b>	<b>50</b>	<b>733</b>	<b>(1,339)</b>
<b>Opening balance</b>	<b>408</b>	<b>221</b>	<b>629</b>	<b>1,968</b>
<b>Closing balance</b>	<b>1,091</b>	<b>271</b>	<b>1,362</b>	<b>629</b>