

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2022
for
Fleet Baptist Church

A J Bennewith FCA, FCPA, FFA, FFTA,
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Contents of the Financial Statements
for the Year Ended 31 December 2022

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 18

Report of the Trustees
for the Year Ended 31 December 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The principal objective of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world, including through gift and grant-making.

The Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In fulfilling the above objectives, the Church will engage in a range of activities either on its own or with others that will vary from time to time with activities being initiated, expanded, or closed, as appropriate. These activities may include but are not restricted to:

- regular public worship, prayer, Bible study, teaching and training;
- baptism, as defined in the Baptist Union's Declaration of Principle;
- the Communion of the Lord's Supper which shall normally be observed at least once a month;
- evangelism and mission, locally, regionally, nationally and internationally;
- teaching, encouragement, welcome and inclusion of children & young people;
- the nurture and spiritual formation of Christian disciples;
- education and training for Christian and community service;
- giving and encouraging pastoral care;
- supporting and encouraging charitable social action in the United Kingdom and abroad;
- encouraging relationships with, and supporting, Baptists, other churches and Christians.

To facilitate this work, it is important that we maintain the fabric of the Church buildings.

The Trustees would like to thank all the volunteers who contribute and work so hard to support the Church's activities and enable it to function.

Report of the Trustees
for the Year Ended 31 December 2022

ACHIEVEMENT AND PERFORMANCE

As a Church we continue to pray for growth, in faith, size and influence. We long to see more people coming to faith in Jesus Christ and to help nurture and encourage individuals in their own spiritual and Christian formation. The importance of being 'light and love' in the community has become one of our prime values as we learn to serve the surrounding area more effectively.

As of 31st December 2022, our membership was 125. During 2022

- 7 people were received into membership
- 8 people resigned
- 1 person was removed due to attendance at another church
- 8 people were baptised

2022 has seen significant change. If last year was a year of coming home and consolidating as family, this year has witnessed a greater measure of shaping, building, and releasing. We are recognising and resourcing a variety of ministry areas within FBC, such as Prayer, Pastoral Journeying, Alpha, Men's Ministry and Teaching Team, and we are seeing gifted and equipped people released into these areas.

Our in-person Sunday gatherings are lively and well attended, and we have been privileged to see many newcomers visit on a regular basis. In September we began FAB (Family All-In Breakfast) - a shorter Sunday all-in service with breakfast in the middle. We see this as a wonderful way to invite those who are new to church and a great way to foster conversation and build community. Our twice-yearly Alpha courses have made a considerable impact with many Alpha participants having now integrated into the church family. Many have found personal belief in God; some have been baptised and some have become members.

A significant step has been made in seeing Hart Foodbank move their base to FBC. This is a wonderful way for us to serve and facilitate such an important initiative. Foodbank is continually expanding, resulting in them needing a venue which would provide opportunity to engage with clients, more storage space, a kitchen, and refrigeration. As a church we are delighted to work alongside Hart Foodbank and provide the base they need for their expanding work. We are also in discussions with Foodbank to house a community pantry in a renovated garage within FBC's car park.

We also started to support a CAP (Christians Against Poverty) initiative called 'LifeSkills'. Free courses are provided to help participants manage their money as well as look at relational and personal wellbeing. The first course was delivered in November with more planned in 2023. This initiative is jointly run with Christ Church, Church Crookham.

Throughout the year, several activities found fresh momentum. Toddlealong re-started in September and has already seen a growing number attend. Various Men's ministry and Women's ministry events have been provided and have included visits from speakers Gordon Hickson from 'Heartcry For Change' and Bekah Legg, CEO of the charity 'Restored'. We have organised a Newcomers meal, scheduled monthly prayer & worship gatherings, and enjoyed a Summer BBQ alongside our regular array of activities.

FBC has benefitted from guest speakers including Rick Oldland from Harvest Alliance, Rachel Hickson and Helen Azer from 'Heartcry For Change', Mark Madavan and Clive Corfield to input into our journey. They are long-time supportive friends of ours and bring inspiration and encouragement as well as key training in areas such as prayer and living in freedom.

There has also been an increase in networking with other churches in the area and with 'Christians Together', resulting in us supporting two key town-wide events with worship, music, and crafts. The most notable was our involvement in the Queens Platinum Jubilee in June and the re-staging of the Walk-Through Nativity at the Christmas Festival in November. At the Christmas Festival we were also involved in organising carol singing on the main stage at the end of the evening.

Report of the Trustees
for the Year Ended 31 December 2022

The Church continues to encourage and support members' involvement in the local community and there are many serving as volunteers and trustees in other local charities and organisations. These include Fleet Angels, Fleet Carnival, Fleet Baptist Pre-School, Fleet Christmas events, Fleet Marathons and FACCTS, a charity working within the schools of Fleet and Church Crookham.

We are excited to see the evolving shape of FBC and so very grateful to God for the immeasurable grace and kindness that continually resources and envisions us. We are also humbled by the love and generous service of our church family.

The Church conducts some of its activities through gift and grant-making. Gifts and grants were made to organisations operating overseas, nationally, and locally whose objectives reflect its own. Grants were also given to support members and attenders pursuing mission and vocational work.

FINANCIAL REVIEW

Financial position

The Church's accounts for the year ended 31 December 2022 are set out on pages 7 to 18. The Church's main source of income is offerings and donations from members and attendees and the associated gift aid claims. Expenditure over the year has supported the activities of the church by supporting staff, providing for ministries, maintaining property, and making gifts and grants.

Unrestricted income decreased by 0.5% to £193,615 (2021: £194,621). This slight decrease reflects the natural turnover of a changing church membership and individual's work fluctuations. Similar to last year, we cannot underestimate the changes and uncertainty in the wider economy and its effects upon people's own financial positions.

Unrestricted expenditure increased by 4.2% to £183,603 (2021: £176,278) mainly due to an increase in depreciation of £10,348 (not a cash item) and an increase in light and heat of £2,949. There was, however, a decrease in maintenance expenditure of £7,376. Last year saw high input into our boiler and heating system which made a difference.

After this, the Church's activities in 2022 led to an excess of incoming resources over resources expended of £9,950, being a surplus of £10,012 on unrestricted funds and a deficit of £62 on restricted funds. After the movement on the defined benefit pension scheme, the net movements are surpluses of £31,162 on unrestricted funds and a deficit of £62 on restricted funds.

Reserves policy

The Church's policy on reserves is that Unrestricted funds are needed to provide protection against, and the ability to continue operating despite events such as a sudden loss of income or the need to designate funds to specific projects or items of expenditure at short notice. The majority of the Church's funds are in the form of the property that it uses to carry out its charitable activities (the Church buildings and the Manse), so could not be used in practice in such circumstances. Therefore, this policy focuses on the reserves that are represented by cash.

Much of the Church's expenditure is fixed or semi-fixed in nature, mainly being premises-related or staff costs. Charitable gifts and donations are not fixed in nature but, for relationship reasons, suspension of these by the Church at short notice would only be considered in extreme circumstances. The Church's income comes primarily from collections and donations from Church Members and the associated Gift Aid. Whilst there is no reliance on a dominant local employer, the risk exists of small number of significant donors suffering a dramatic fall in their income or moving away.

The Trustees believe that the minimum level of unrestricted cash reserves should be sufficient to allow for expenditure to be reduced gradually over 18 months following a sustained reduction of income to 25% below the expenditure budget. This 18-month period would comprise 6 months of review followed by 12 months of gradual cost reduction and as such a reserve of 25% of the annual expenditure budget would be required.

On 31 December 2022 unrestricted cash reserves were £160,149 (31 December 2021: £166,246), well above the budgeted reserves policy figure of £47,580. Reasons for the decrease include investment into the buildings such as a new fire alarm system and various roofing and fireproofing repairs. For the 2023 Budget the reserves policy figure is £48,553.

Report of the Trustees
for the Year Ended 31 December 2022

FUTURE PLANS

We anticipate the momentum already experienced will continue to gain even more traction. We hope and expect the next year to see a growing attendance on Sundays and in our mid-week activities, regular newcomers, new members, successful Alpha courses with resulting salvations and baptisms, vibrant collective worship and an increasing involvement from members. Our reach within the community will continue to expand with potential plans and initiatives for 2023 including a community pantry and developing links between Foodbank and the Citizens Advice Bureau. Seeing an increase in new families joining us has generated the need to prioritise our delivery of groups and activities for children and young people. FAB Sunday and ToddleAlong are part of this, with hopes to employ a part-time children and families worker. Being an outward-facing church, immersed within community, continues to be a major value alongside prayer & corporate worship, teaching and application of the Word of God, and 'being' family together.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Fleet Baptist Church ("the Church") is a Charitable Incorporated Organisation governed by the constitution adopted on 10 September 2015. On 9 December 2015, the Church registered with the Charity Commission, receiving the charity number 1164766.

The custodian trustee of the Church is the Baptist Union Corporation Limited, which is charity number 249635 and which is controlled by the Baptist Union Council.

Trustees are appointed by the Church Members' Meeting to be responsible for the governance of the Church and the fulfilment of its objectives through its activities. On appointment, Trustees are provided with copies of the constitution and the Baptist Union Corporation Limited Guideline Leaflet C15: Help I'm a Charity Trustee, as well as copies of recent Leadership Team meeting minutes and financial reports. Trustees, with the exception of the Senior Pastor, receive no financial benefit for their trustee service.

The Trustees aim to meet bi-monthly to prayerfully review progress against objectives, to discern God's will in relation to the Church's objectives and activities and to exercise governance. They delegate day to day operation of Church activities to the Pastors and volunteers appointed to lead various ministries. Church Members' Meetings are held at regular intervals (at least four times a year) to worship, to discern God's will in relation to proposals brought by the Trustees and to prayerfully consider matters in the life of the Church, such as the budget, financial reports, membership and general church activities.

The Church is a member of the Baptist Union of Great Britain, the South-Eastern Baptist Association and the Evangelical Alliance.

The Trustees have reviewed the major risks that the Church is exposed to and systems and procedures have been established to manage those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1164766

Principal address
115 Clarence Road
Fleet
Hampshire
GU51 3RS

Report of the Trustees
for the Year Ended 31 December 2022

Trustees

Mrs Y Mandiki

Ms S Rinaldi Treasurer

M J Lewis

M Corr (appointed 1.10.23)

B Gillman (appointed 1.10.23)

Senior Staff member

The position of Senior Pastor was vacant throughout the year.

Independent Examiner

A J Bennewith FCA, FCPA, FFA, FFTA,

FIPA, DChA, FRSA

3 Wey Court

Mary Road

Guildford

Surrey

GU1 4QU

Solicitors

Anthony Collins Solicitors LLP

134 Edmund Street

Birmingham

B3 2ES

Primary Banker

CAF Bank Ltd

25 Kings Hill Ave

West Malling

Kent

ME19 4QJ

Custodian Trustees

The custodian trustee of the Church is the Baptist Union Corporation Limited, which is charity number 249635 and which is controlled by the Baptist Union Council.

Approved by order of the board of trustees on 25 October 2023 and signed on its behalf by:

M J Lewis - Trustee

Independent Examiner's Report to the Trustees of
Fleet Baptist Church

Independent examiner's report to the trustees of Fleet Baptist Church

I report to the charity trustees on my examination of the accounts of Fleet Baptist Church (the Trust) for the year ended 31 December 2022.

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 all 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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust 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 Reports) 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.

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.

A J Bennewith FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA

A J Bennewith FCA, FCPA, FFA, FFTA,
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26 October 2023

Statement of Financial Activities
for the Year Ended 31 December 2022

		Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	177,278	20	177,298	177,719
Other trading activities	3	14,600	-	14,600	9,950
Investment income	4	957	-	957	432
Other income	5	780	-	780	6,885
Total		<u>193,615</u>	<u>20</u>	<u>193,635</u>	<u>194,986</u>
EXPENDITURE ON					
Charitable activities	6				
Ministry		103,413	-	103,413	100,698
Establishment		53,695	-	53,695	46,033
Mission and Events		26,495	82	26,577	29,679
Total		<u>183,603</u>	<u>82</u>	<u>183,685</u>	<u>176,410</u>
NET INCOME/(EXPENDITURE)		10,012	(62)	9,950	18,576
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		21,150	-	21,150	770
Net movement in funds		<u>31,162</u>	<u>(62)</u>	<u>31,100</u>	<u>19,346</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		629,063	7,967	637,030	617,684
TOTAL FUNDS CARRIED FORWARD		<u><u>660,225</u></u>	<u><u>7,905</u></u>	<u><u>668,130</u></u>	<u><u>637,030</u></u>

Balance Sheet
31 December 2022

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	11	429,717	-	429,717	452,985
CURRENT ASSETS					
Debtors	12	77,100	-	77,100	43,697
Cash at bank	13	160,149	7,905	168,054	174,213
		<u>237,249</u>	<u>7,905</u>	<u>245,154</u>	<u>217,910</u>
CREDITORS					
Amounts falling due within one year	14	(6,741)	-	(6,741)	(10,165)
		<u>230,508</u>	<u>7,905</u>	<u>238,413</u>	<u>207,745</u>
NET CURRENT ASSETS					
		660,225	7,905	668,130	660,730
TOTAL ASSETS LESS CURRENT LIABILITIES					
PROVISIONS FOR LIABILITIES	15	-	-	-	(23,700)
		<u>660,225</u>	<u>7,905</u>	<u>668,130</u>	<u>637,030</u>
NET ASSETS					
FUNDS	16				
Unrestricted funds				660,225	629,063
Restricted funds				7,905	7,967
TOTAL FUNDS				<u>668,130</u>	<u>637,030</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 October 2023 and were signed on its behalf by:

M J Lewis - Trustee

S Rinaldi - Trustee

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The accounts have been prepared under the historical cost convention.

Offerings, donations, and tax refunds

Offerings and donations are accounted for gross when received. The associated tax refunds are accounted for on a receivable basis in line with the offering or donation.

Legacies

Legacies are accounted for when their receipt is certain and can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Fund raising and publicity costs

Expenditure on these items is not material.

Fixed assets

Tangible fixed assets for use by the Church are capitalised if they can be used for more than one year and cost at least £250.

The freehold land and buildings and other major assets purchased prior to 1 January 1997 were recognised in the balance sheet at their transfer value from the previous charity.

Depreciation

Depreciation is provided on all tangible fixed assets, except freehold land, at rates calculated to write off their cost or valuation, less estimated residual value, of each asset over its expected useful life.

Freehold buildings transferred from previous charity	- over 31 years
Freehold buildings	- over 50 years
Furniture and fittings	- 2-4 years straight line
Equipment	- 2-4 years straight line

Taxation

The charity is exempt from tax on its charitable activities.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The church participates in a pension scheme known as the Baptist Pension Scheme. Deficit contributions to the defined benefit element of the Baptist Pension Scheme are charged to the Statement of Financial Activities as future liabilities. Contributions to the defined contribution element are charged to the Statement of Financial Activities in the year to which they relate. Further details of the scheme are included in the notes of the financial statements.

2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	144,100	150,686
Gift aid	33,198	27,033
	<u>177,298</u>	<u>177,719</u>

3. OTHER TRADING ACTIVITIES

	31.12.22	31.12.21
	£	£
Church premises lettings and sales of goods	<u>14,600</u>	<u>9,950</u>

4. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Interest on bank and building society accounts	<u>957</u>	<u>432</u>

5. OTHER INCOME

	31.12.22	31.12.21
	£	£
Gain on sale of tangible fixed assets	<u>780</u>	<u>6,885</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

6. CHARITIES ACTIVITIES COSTS

	Direct Costs £
Ministry	103,413
Establishment	53,695
Mission and Events	26,577
	183,685

Mission and events includes the following Gifts and Grants payable:

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Gifts and grants payable				
Grants to people	500	-	500	4,000
Baptist Missionary Society	9,998	-	9,998	9,998
Wycliffe	2,000	-	2,000	1,500
Fleet and Crookham Churches				
Together in Schools (FACCTS)	4,500	-	4,500	4,500
Compassion UK	1,000	-	1,000	-
Open Doors	1,800	-	1,800	1,600
Other*	2,228	-	2,228	4,491
FBC Pre-School	2,020	-	2,020	2,000
	24,046	-	24,046	28,089

*Includes leaving collections, gifts to speakers and other small donations.

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or benefits for the year (2021: none).

Ms Sue Rinaldi was paid £14,050 for worship leading, administrative and other general duties including streaming and leading services (2021: £12,200 for worship leading, administrative and other duties).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

8. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	58,000	58,400
Social security costs	1,391	1,622
Other pension costs	3,344	3,008
	<u>62,735</u>	<u>63,030</u>

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
Associate Pastors	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	177,354	365	177,719
Other trading activities	9,950	-	9,950
Investment income	432	-	432
Other income	6,885	-	6,885
	<u>194,621</u>	<u>365</u>	<u>194,986</u>
Total			
	<u>194,621</u>	<u>365</u>	<u>194,986</u>
EXPENDITURE ON			
Charitable activities			
Ministry	100,698	-	100,698
Establishment	46,033	-	46,033
Mission and Events	29,547	132	29,679
	<u>176,278</u>	<u>132</u>	<u>176,410</u>
Total			
	<u>176,278</u>	<u>132</u>	<u>176,410</u>
NET INCOME	18,343	233	18,576
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	770	-	770
	<u>19,113</u>	<u>233</u>	<u>19,346</u>
Net movement in funds			
	<u>19,113</u>	<u>233</u>	<u>19,346</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	609,950	7,734	617,684

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
	<u>£</u>	<u>£</u>	<u>£</u>
TOTAL FUNDS CARRIED FORWARD	629,063	7,967	637,030

10. NET MOVEMENT IN FUNDS

	2022 £	2021 £
The net movement in funds is stated after charging:		
Independent Examiner's Remuneration	3,600	3,600
Independent Examiner's fees for bookkeeping and accountancy services	3,540	4,600
Depreciation: owned assets	31,271	20,923

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2022	462,150	70,621	42,279	575,050
Additions	-	6,564	1,805	8,369
Disposals	-	(366)	(602)	(968)
At 31 December 2022	462,150	76,819	43,482	582,451
DEPRECIATION				
At 1 January 2022	58,737	25,226	38,102	122,065
Charge for year	10,070	18,447	2,754	31,271
Eliminated on disposal	-	-	(602)	(602)
At 31 December 2022	68,807	43,673	40,254	152,734
NET BOOK VALUE				
At 31 December 2022	393,343	33,146	3,228	429,717
At 31 December 2021	403,413	45,395	4,177	452,985

Freehold Property comprises the Church premises and the Manse. The net book value of the Church premises at 31 December 2022 was £290,243 (2021: £298,116) and the net book value of the Manse at 31 December 2022 was £103,100 (2021: £105,297).

Computer equipment includes sound and other equipment.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Interest Receivable	589	230
Gift Aid Receivable	75,816	42,618
Prepayments	695	849
	<u>77,100</u>	<u>43,697</u>

13. CASH AT BANK

	2022	2021
	£	£
Church:		
-CAF cash account	17,841	16,761
-CAF gold account	70,517	10,763
-Office expenses account (CAF)	683	497
-Stewardship deposit account	-	67,432
-The Family Building Society	79,012	78,760
	<u>168,053</u>	<u>174,213</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Other creditors	<u>6,741</u>	<u>10,165</u>

15. PROVISIONS FOR LIABILITIES

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.

From January 2012, pension provision for Ministers was made through the Defined Contribution (DC) Plan within the BPS. 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 (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. PROVISIONS FOR LIABILITIES - continued

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the BPS. 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 valuations, 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 and 31 December 2020.

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

At the end of June 2022, the BPS signed an agreement with the insurance company Just Group to secure members' pension benefits under the DB Plan. As a result, the Scheme no longer has a shortfall. A revised statement of contributions was announced in July 2022 with deficit contributions from each participating employer in the DB Plan reducing to £1 per month from August 2022. However, participating employers remain responsible for providing a share of any additional funds that the DB Plan may require in the future.

The key financial assumptions underlying the valuations were as follows (% pa):

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, the charge for the period recognised in the Statement of Financial Activities represents the employer contributions payable.

Movement in Balance Sheet liability

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. PROVISIONS FOR LIABILITIES - continued

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.

	2022 £	2021 £
Liability at the beginning of the year	23,700	29,412
Contributions for the year	(2,994)	(5,050)
Interest cost	444	108
Remaining charge/(credit) to balance sheet (recognised in SoFA)	(21,150)	(770)
Liability at the end of the year	-	23,700

16. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	629,063	31,162	660,225
Restricted funds			
Charity Fund	4,249	20	4,269
Emmanuel Fund	497	-	497
Toddle Along	3,221	(82)	3,139
	7,967	(62)	7,905
TOTAL FUNDS	637,030	31,100	668,130

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	193,615	(183,603)	21,150	31,162
Restricted funds				
Charity Fund	20	-	-	20
Toddle Along	-	(82)	-	(82)
	20	(82)	-	(62)
TOTAL FUNDS	193,635	(183,685)	21,150	31,100

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	609,950	19,113	629,063
Restricted funds			
Charity Fund	4,016	233	4,249
Emmanuel Fund	496	-	496
Toddle Along	3,222	-	3,222
	<u>7,734</u>	<u>233</u>	<u>7,967</u>
TOTAL FUNDS	<u><u>617,684</u></u>	<u><u>19,346</u></u>	<u><u>637,030</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	194,621	(176,278)	770	19,113
Restricted funds				
Charity Fund	365	(132)	-	233
	<u>194,986</u>	<u>(176,410)</u>	<u>770</u>	<u>19,346</u>
TOTAL FUNDS	<u><u>194,986</u></u>	<u><u>(176,410)</u></u>	<u><u>770</u></u>	<u><u>19,346</u></u>

The Charity fund is for restricted funds received and then paid out for their specific purposes. The Emmanuel Fund is used to bless those known to Fleet Baptist Church who are unable to meet their immediate material needs. Toddle Along is an organisation that operates within Fleet Baptist Church.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

17. RELATED PARTY DISCLOSURES

The custodian trustee of the Church is the Baptist Union Corporation Limited, which is charity number 249635 and which is controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain and the South Eastern Baptist Association.

There were no related party expenses during the years ended 31 December 2022 or 31 December 2021. Payments to one trustee in respect of services rendered are disclosed in note 7.

In 2022, the Trustees made total unrestricted donations of £13,600 to the Church (2021: £12,060).