

Lymington Baptist Church

Accounts

For the year ended 31 December 2022

Charity number: 1166376

Lymington Baptist Church
Legal and Administrative information
For the year ended 31 December 2022

1. Managing Trustees

The following individuals acted as Trustees during the financial year ended 31 December 2022 and to the date of signing this report:

J. D. Julius Backer Dirks	until 27 April 2022
James Beer	
Geraint Davies (<i>Chair of Trustees</i>)	until 11 January 2023
Carl Gulland	
Helen Farquharson	
Jacky Tritten (<i>Treasurer</i>)	
Mark Corcoran (<i>Chair of Trustees</i>)	from 15 March 2023
Sarah Mason	from 27 April 2022
Andrew Stevens	from 27 April 2022

2. Custodian Trustee

The Church is the beneficial owner of freehold property in Lymington, the legal title to which is held by the Church's Custodian Trustee, the Baptist Union Corporation Limited.

3. Church Address

New Street
Lymington
Hampshire
SO41 9BJ

4. Independent Examiner

Hope Jones Chartered Accountants
Dunlop House
23a Spencer Road
New Milton
BH25 6BZ

5. Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

6. Solicitors

Anthony Collins
St. Phillips Gate
5 Waterloo Street
Birmingham
B2 5PG

7. Registered Charity Number

1166376

**Lymington Baptist Church
Trustees Report
For the year ended 31 December 2022**

The Trustees present their report along with the accounts for the year ended 31st December 2022. The accounts have been prepared in accordance with the accounting policies set out on page 12 and comply with the Charity's Constitution and applicable law.

Charitable Status

Lymington Baptist Church of New Street, Lymington is a registered charity number 1166376.

Trustees

Trustees are appointed by the Church Members' Meeting, requiring the support of 75 per cent of those present and eligible to vote.

Compliance

We confirm that the Accounts for the period comply with current statutory requirements and with the requirements of the Church's governing documents. A copy of this report must be attached to the Accounts whenever a full set is distributed.

Investments

The expectation is that funds will be used for the furtherance of the Church's objectives. Funds should generally be disbursed in the year received and the Reserves Policy dictates that funds should be readily accessible. Cash investments should be retained in interest bearing, easy access bank accounts. Property should be used to further the aims of the Church and not be used for investment purposes, except for short-term letting of temporarily vacant housing.

Reserves Policy

Unrestricted funds should not normally be less than the equivalent of six months' recurring expenditure. In addition, at least £15,000 should be added to reserves each year to cover the future cost of major building refurbishment.

Grants

Grants are made to organisations, to individuals in training for Christian service and to people in full-time Christian work mostly overseas and through their commissioning organisations. These grants are approved annually by the Church Members' Meeting and no commitment is made to grants in advance or to future funding. The policy is to disburse approximately 20 per cent of general fund offerings (including Gift Aid) for Christian work outside Lymington.

Risk

The principal risks and uncertainties facing the church, as identified by the trustees, are: health and safety, the safeguarding of children and vulnerable adults, financial and reputational. These risks are managed by ongoing monitoring and review via the regular trustees' meetings, with a designated lead trustee assigned to the portfolios of safeguarding, health and safety, and finance. Formal policies are reviewed annually and assessment of risks is factored into decisions taken in all aspects of church activity. An annual physical Risk Assessment is carried out on all buildings owned by the Church. Maintenance of ageing buildings presents an ongoing challenge and their condition continues to be monitored carefully.

Public Benefit

The Charity's Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Objectives

Lymington Baptist Church aims to provide a place of worship where Christians can meet together for worship, teaching and fellowship. An important aspect is the advancement of the Christian faith through outreach activities locally, nationally and overseas. To these ends it is a registered place of worship and associated buildings are maintained, regular Sunday services are conducted and a wide range of weekday activities organised for all ages and sections of society.

The mission statement of the Church is 'Helping people to know and follow Jesus' and this is defined in more detail in our Church brochure and website.

Structure and Relationships

Lymington Baptist Church is a fully independent organisation and the Church Members' Meeting is the ultimate authority under God. The Church Members' Meeting appoints trustees and a treasurer who, together with the appointed pastor or pastors, act as Managing Trustees.

Various organisations are associated with the Church and their leaders are accountable to the Church Members' Meeting. The Church is a member of the Baptist Union of Great Britain and a number of other organisations with which it identifies.

Financial income is primarily derived from donations and regular giving by the Church Members and attendees. Until 2021, two full time pastors were employed who worked alongside over eighty voluntary workers without whom the Church could not function. Currently, we have no employed pastors, but in the summer of this year, we advertised the post and have successfully appointed a new full-time pastor. It is envisaged that the Rev Darren Cooke will start his ministry with us in the summer of 2023.

During 2022 the Church also had two part-time employees in the Christians Against Poverty (CAP) centre and a part-time Children and Families Worker. The Children and Families worker signalled her intention to leave the Church's employment in early 2023, and had left by the end of March 2023. We are therefore currently advertising for a full time Youth and Families worker.

Practical and financial support is given to many individuals and causes whose objectives conform to those of the Church.

Review of Developments, Activities and Achievements

This annual report refers to 2022, but in order to understand the report, it is important to understand the context by looking back to 2020 and 2021: The Covid-19 pandemic and associated lockdown had a major impact on the church and its ministries. At the beginning of lockdown in 2020, we reacted quickly by switching our Sunday morning services to livestream, and this continued through that year. Many of the other activities were also switched to an online version, and we were able to continue our youth work, midweek connect groups, Christians Against Poverty, and prayer groups in this way. By early 2021, we had begun to meet in the church once again but in small numbers with the majority of members continuing to join in through the livestream. As Covid restrictions gradually eased, we were able to return to a situation where the majority of the congregation met in the church on Sunday Mornings. We complied strictly with ongoing Covid regulations, initially advocating the wearing of face coverings, ensuring adequate ventilation and encouraging people to vacate the building promptly after morning worship and to socialise outside in New Street. As restrictions eased still further, we were able to return, largely to our pre-covid patterns with full Sunday morning services and eventually reintroducing coffee after the morning service in the early summer of 2022. Throughout this time, we have continued to run the livestream and there are still worshippers who join us regularly on Sunday mornings via this medium.

Early in 2020, our pastors sought help with significant problems that had emerged in their working relationships. Despite a long drawn-out process involving professional mediation, it became clear that their working relationship could not continue. By mid-2021, it was evident that both Pastors would be leaving the Church, and both had gone by October 2021. Some of the trustees were due to stand down in 2021, and others indicated that they wished to resign. A new board of trustees was elected in April 2021, with only one remaining member of the previous board, who was happy to continue to serve until his term of office was due to expire in 2022. Understandably, the church was left confused and divided by all the upheaval of 2020-21. In the light of these events, the main priority for a new board of trustees was to seek to unite the church again, and to move forward, ultimately to a position where the church was ready to appoint a new minister. Despite these challenges, the church has developed, grown and flourished. Huge credit must be given to the current board of Trustees, now known collectively as "The Leadership Team" under the steady guidance of Geraint Davies, Chair of the Trustees and of the Leadership Team. As a consequence, Sunday service attendance increased, as newcomers joined the church and others returned. Newcomers have included young families, and older couples, and some of these have come into membership of the church in 2022. The children's work flourished under the leadership of our Children and Families worker, and Christians Against Poverty has continued to serve many vulnerable people struggling with debt and unemployment. Details of our other activities can be found later in the report. By the end of 2021, it was clear that the church was ready to begin the process of searching for a new minister. A team was convened to work with the Leadership Team to draft up a church profile and person spec in order to advertise. We were ready to seek expressions of interest from potential candidates by May 2022. A number of applicants were considered but one individual in particular stood out and it was decided to pursue matters with him. Darren Cooke has been called into ministry from the Teaching Profession and is currently in the final year of his studies at Spurgeon's College. He had secured training placements at his home church of Victoria Baptist Church, Eastbourne and then at Freedom Church, Bexhill, which was without a pastor at that time. Freedom church has grown significantly and thrived under his leadership. Darren was invited, first to meet the church, then to answer questions at a church members' meeting and finally to "preach with a view". A subsequent members' meeting confirmed the church's desire to invite him to join us as our minister and he accepted that invitation. It is anticipated that he will join us in the summer of 2023, along with his family.

As mentioned earlier, our excellent Children and Families worker left at the end of March 2023, and we are advertising for a Youth and Families worker to replace her.

Review of Developments, Activities and Achievements (continued)

Our activities

LBC has been blessed with a wide-ranging programme of ministries and activities over many years, from social outreach and local community engagement to pastoral care and discipleship groups. Starting with our outreach work into the community, these include:

Hullabaloo (run by church members alongside non-members) is a popular toddler group which meets weekly on a Monday morning during term time. Many of the attending families are from outside the church and, encouragingly, several have gone on to become regulars at our Messy Church meeting...

...**Messy Church** happens on the second Sunday of the month, beginning at 9am with breakfast in the main church building. We follow this with 45 minutes of crafts, games and cake-decorating, themed around a Bible story that is then explored and explained in the "Second Sunday" service that follows (see Our Services, above).

Making Friends (headed up by church members) is a weekly craft group that is designed to help us connect with people on the fringe of church, our older members, and others who are lonely or outside LBC. As they make craft together, members build new friendships.

Christians Against poverty (CAP) is an award-winning charity that partners with local churches across the UK to provide free practical and emotional support for people in debt. LBC partners with CAP to run a Debt Centre, Job Club and Life Skills course. We also run CAP Cafe for anyone who already accesses the service or is interested in finding out more. Many of the people who attend CAP are outside the church.

The Women's ministry organises well-attended breakfast events with speakers from inside or outside LBC. The group also arranges social outreach events such as theatre visits, craft evenings and skittles evenings for families.

The Men's ministry has a range of activities for men in and outside LBC, including a once-termly hike and a quarterly breakfast with an invited speaker.

Pastoral Oversight

Sarah Mason is the Trustee with oversight of the pastoral work at LBC with a specific role to oversee the work of:

Connect Groups - we have 6 small groups known as Connect Groups, which meet either weekly or fortnightly. They vary in size and at the moment they choose their own material and programmes however they all meet for fellowship, to study scripture and pray. Some find ways to outreach as a group whilst others support their members as they work on their own frontlines. All our groups function as pastoral support networks where members look out for each other.

The Barnabas Team Ministry - which is a small team of church members who encourage the fellowship to be encouragers themselves. The Barnabas Team also ensures connection to the fellowship for those who have no other pastoral support from another group. The team also support those who are alone and in greatest need by providing extra help often by accessing outside agencies.

Prayer groups currently meet three times a week. Pre-pandemic, we had four in-person meetings on Mondays, Tuesdays and Wednesdays. We hold the meetings on Zoom, with a further church-based prayer meeting once a month. Members are encouraged to join a prayer group that fits with their weekly schedule. We also integrate prayer into our church services, our children's groups and our Connect groups (home groups).

Children and young people's work. We have an active children's work which runs alongside our Sunday morning Service, overseen currently by a part-time children's worker employed by the church, supported by many faithful volunteers.

Reckless is a group for people aged between 14 and 18. They meet on Sunday evenings to have fun, play games and discuss the Bible and faith topics. We encourage Reckless members to get involved in the wider life of the church family too, for example by helping out at younger children's groups, serving in Messy Church, playing in the worship band, hosting our Second Sunday service and interviewing guests on stage.

World Mission is a team that supports our mission partners around the world. We are keen to be a church that looks beyond itself. Part of this commitment involves donating 20% of our unrestricted income to mission partners through BMS World Mission and Baptist Home Mission and discretionary gifts to other missionary partners.

Outreach courses are one of the ways we have been helping people in and around LBC to come to faith in Christ. Before the pandemic we were running one or two courses a year, using the Alpha, Christianity Explored and Freedom in Christ programmes. We were able to restart this programme with a new Alpha course in autumn 2022.

Communications

Andy Stevens is the Trustee with oversight of church comms. In 2022 we launched a new website. The work on this had begun before the pandemic. This now provides a more contemporary 'shop window' for those searching for the church and wanting to find out more about us.

Health and Safety

Carl Gulland is the Trustee with oversight of Health and Safety (H+S) issues at Lymington Baptist Church and is named as the Health and Safety Officer in the Health and Safety Policy.

Ventilation

The additional H+S measures implemented during the covid pandemic have now largely been suspended. One measure that will be retained is better natural ventilation of spaces via the simple opening of windows and vents ahead of activities involving a significant number of people (services, weekday groups, etc).

Risk Assessments

A risk assessment is sought from the organisers of all regular and one-off activities. These are not onerous and can generally be evolved from risk assessments for similar activities and ensure the organisers of the activity are mindful of their and the church's responsibility for the H+S of participants.

First Aid

We have a database of qualified First Aiders and regular church activities they are involved with. We seek to have 2 First Aiders associated with all our main activities. We look for our First Aiders to go on a refresher course every 3 years.

Premises

The fabric team arrange annual checks of the premises, electrical and heating equipment and fire protection. Access to the church sanctuary does not meet modern accessibility standards – we are reviewing options for addressing this as part of wider discussions on works to the church building.

Health and Safety at Work Act 1974

We have specific H+S responsibilities to our employees. We carry the correct insurances and display the Health and Safety Law poster. Our employees have line managers who arrange regular catch ups and appraisals and seek to identify any areas of concern – including those relating to H+S.

Premises

Carl Gulland is the Trustee with oversight of the 3 premises Lymington Baptist Church (LBC) is responsible for. These are Lymington Baptist Church, New Street, Lymington; Lillington House, New Street, Lymington; and the Manse, Kings Road Lymington. Lillington House and the Manse are owned by LBC. The church building is owned by the Baptist Union. This is a standard arrangement for churches affiliated with the Baptist Union. Jules Backer Dirks and Jim Anderson are the current members of the Fabric Team that maintain and repair church premises (either themselves, with others in the church or by sourcing appropriate tradespeople).

The following is a summary of the main premises works in the last year:

Lymington Baptist Church

Leadwork. The leadwork capping of the front pediment was partially blown off in a strong storm in the autumn of 2021. This was repaired by a roofing specialist in the summer of 2022. The cost was met by the payout from an insurance claim.

Car Park Bollard. The hydraulic bollard to the carpark was damaged by the impact of a vehicle entering the car park. This was repaired following a successful insurance claim against the vehicle driver, however the repair has not been completely successful and a further repair has been instructed.

Heating System Controls. A Hive smart control system was installed to allow the church heating to be programmed and controlled remotely by a number of trained individuals. This is a profound improvement as it also allows better management of the heating avoiding it running unnecessarily saving on running costs.

Wall in rear yard. A large buddleia damaged the brick wall in the rear yard when it came down in a winter storm. The wall has not yet been repaired as it was decided to check if the buddleia still has viable roots embedded in the wall. Once this is established and resolved the wall will be repaired.

New Signs. We are in the process of commissioning new signage for the outside of the building as part of a general 'spruce up' of the front of house ahead of the arrival of our new pastor in June.

Premises (continued)

Lymington Baptist Church (continued)

Clear out. As part of the 'spruce up' we will be clearing out old furniture, books etc that have been stored with no likelihood of them being required again.

Balcony. The balcony is preferred by a significant number of young families and the teenagers. It has not been kept in good decorative order compared to the main part of the sanctuary. Prompted by comments from some of those who use this area we are undertaking a project to refresh the balcony.

Lillington House

Heating System Controls. The Hive system installed in the church has been extended to allow the heating in all the rooms of Lillington House to be controlled remotely. This is a significant improvement to the previous system and should result in significant energy and cost savings.

Damp. A damp specialist has proposed measures for stopping the damp ingress on the south wall and chimneybreast. The work will be carried out over the summer.

Clear out. Like the main church building, a large quantity of unused furniture and clutter has been stored in Lillington House and this will be cleared out as part of a general spruce up of premises.

Manse

Refurbishment ahead of new pastor. Our new pastor, Darren Cooke and his family are moving into the manse at the end of June. Ahead of this a major programme of repair, refurbishment and redecoration of the manse is being project managed by church member, Jim Anderson in discussion with Darren.

Damp. The south west corner of the manse has had a damp issue for a number of years. As part of the repair work being carried out, the causes of the damp have been identified by a specialist and will be repaired and treated.

Next steps for 2023

During 2023, our major challenges will be to select and appoint a new Youth and Families worker. We shall also of course be welcoming our new Minister, Rev Darren Cooke, and will need to allow him time and space to settle into his new ministry here. We are currently refurbishing the manse, which has a number of structural issues to deal with, along with the installation of a new kitchen and bathroom, together with full internal redecoration. There are currently substantial financial reserves put aside for these appointments and for the work on the manse, but the trustees will be careful not to proceed until they are satisfied that there is sufficient recurrent resource to fund these ventures.

We are progressing well with our plans, we have seen the church move forward in good heart, and we anticipate that this will continue to be the case through 2023.

Financial Review

As a direct result of the upheavals experienced by the church in 2021, General Fund giving in 2022 continued to decline by a further 12% to £127,945, prior to Gift Aid recovery from HMRC of £22,707 (2021: 24,839). However, this was substantially offset by income from letting of the Manse (£9,304) which was vacated by the former Lead Pastor at the end of 2021.

Specific donations in 2022 towards CAP (£16,596) declined by a further 23% from 2021 (£21,642), while CAP-related expenditure in 2022, including staff costs, increased by 21% to £26,711 in order to fund new and enhanced activities. As a result, CAP activities in 2022 were not fully funded by in-year designated donations which needed to be topped up from the designated CAP Reserve Fund by £2,087, leaving the CAP fund at £22,590 (-26%) at the end of 2022. However, the full-year impact of the expanded CAP activities leads to a budgeted expenditure of £50,200 in 2023. It is therefore anticipated that the CAP Reserve Fund will be fully depleted in 2023 and designated donations will need to increase by approximately 70% during 2023 if the present level of CAP activities are to be maintained and fully funded by those donations without recourse to the church's General Reserve.

As both Pastors had departed during 2021, employment costs in 2022 were much reduced. Following the return of one earlier donation at the request of the donor which was approved by the Charity Commission, reserve funds held specifically for future employment expenditures stood at £79,521 at the year end.

As the impact of the Covid-19 pandemic reduced throughout 2022 and the church building were brought back into regular use, expenditure on repairs, maintenance, cleaning and utilities for the main church building returned to more normal levels, but Lillington house remained somewhat less used with correspondingly reduced expenditures. However, following the departure of the former Lead Pastor, further immediate maintenance was required on the Manse at a cost of £5,487 (2021: £8,821) and it is anticipated that considerable expenditure will be required in 2023 to refurbish the property prior to occupation by the new Pastor.

Aside from expenditure on staff and buildings, contributions toward mission activities remained at 20% of General Fund donations but therefore declined in real terms in line with the reduction in those donations. However, other expenditure returned to more normal levels as activities increased post-pandemic and, in some cases, returned to operating in-house.

Primarily as a result of having no Pastors employed throughout 2022, total income exceeded expenditure by £39,875, leaving a healthy balance of £170,494 in the General Reserve Fund, very adequately satisfying the Trustees' stated Reserves Policy. However, it is expected that a new Pastor will join LBC during 2023. While it is anticipated that this appointment will only result in a part-year financial impact in 2023, it is likely that General fund donations in 2024 may need to increase from present levels to enable all costs to be covered by in-year donations and to facilitate possible further staff appointments.

Approved by the Trustees on **12 July 2023** and signed on their behalf by:

.....
Trustee name: Jacky Tritten	Trustee name: Mark Corcoran
Position: Treasurer	Position: Trustee

**Lymington Baptist Church
Independent Examiner's Report
For the year ended 31 December 2022**

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

We report to the Trustees on our examination of the accounts of Lymington Baptist Church ("the Charity") registered number 1166376 for the year ended 31 December 2022, which are set out on pages 10 to 22.

Responsibilities and basis of report

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

We report in respect of our examination of the Charity's accounts carried out under section 145 of the Act. In carrying out my examination we have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- 2) the accounts did not accord with those records; or
- 3) the accounts did 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.

We 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.

.....
Hope Jones Chartered Accountants

Dunlop House
23a Spencer Road
New Milton
BH25 6BZ

Date:2023

Lymington Baptist Church
Statement of Financial Activities
For the year ended 31 December 2022

Charity number: 1166376

	Notes	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
<u>INCOMING RESOURCES</u>					
a) Donations and tax recoverable	2(a)	150,651.84	582.00	151,233.84	170,249.41
b) Bank interest	2(b)	771.28	-	771.28	656.81
c) Other receipts	2(c)	14,044.96	-	14,044.96	1,691.30
Total incoming resources		165,468.08	582.00	166,050.08	172,597.52
<u>RESOURCES EXPENDED</u>					
a) Pastors salary, pension and living costs	3(a)	-	-	-	63,504.69
b) Property repairs and maintenance	3(b)	14,777.74	-	14,777.74	12,089.11
c) Utilities, insurances etc.	3(c)	16,307.53	-	16,307.53	13,421.17
d) Other payments	3(d)	61,910.89	0.50	61,911.39	75,984.19
e) Internal organisations (expenditure)	3(e)	29,110.65	112.00	29,222.65	21,403.59
f) Depreciation	3(f)	3,956.14	-	3,956.14	7,127.58
Total resources expended		126,062.95	112.50	126,175.45	193,530.33
Net incoming/ (outgoing) resources before transfers		39,405.13	469.50	39,874.63	(20,932.81)
<u>TRANSFERS</u>					
Gross transfers between funds - in		12,971.16	63.00	13,034.16	195,199.85
Gross transfers between funds - out		(12,704.66)	(329.50)	(13,034.16)	(195,199.85)
Net incoming/ (outgoing) resources before other recognised gains/ (losses)		39,671.63	203.00	39,874.63	(20,932.81)
<u>Other recognised gains/ (losses)</u>					
Actuarial gains/(losses) on defined benefit pension schemes	14	19,446.57	-	19,446.57	274.38
Net movement in funds		59,118.20	203.00	59,321.20	(20,658.43)
<u>RECONCILIATION OF FUNDS</u>					
Total funds brought forward 1 January 2022		1,514,904.57	457,652.91	1,972,557.48	1,993,215.91
Total funds carried forward 31 December 2022		1,574,022.77	457,855.91	2,031,878.68	1,972,557.48

Lymington Baptist Church
Balance Sheet
As at 31 December 2022

Charity number: 1166376

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible fixed assets:					
Freehold land and Buildings	4		1,552,983.15		1,552,983.15
Fixtures and fittings			-		-
Computers and Equipment			3,956.11		7,912.25
			<u>1,556,939.26</u>		<u>1,560,895.40</u>
CURRENT ASSETS					
Debtors	5		23,701.19		26,707.98
Cash at bank and in hand					
CAF Current account		317,153.49		272,176.17	
Scottish Widows Deposit Account		78,370.37		78,178.04	
Shawbrook Deposit Account		78,342.85		78,046.71	
Petty cash		317.38		435.31	
			<u>474,184.09</u>		<u>428,836.23</u>
CURRENT LIABILITIES					
Amounts falling due within one year	6		<u>(22,945.86)</u>		<u>(22,082.13)</u>
Net current assets			<u>474,939.42</u>		<u>433,462.08</u>
Net assets excluding pension liability			<u>2,031,878.68</u>		<u>1,994,357.48</u>
Defined benefit pension scheme liability	14		-		(21,800.00)
NET ASSETS			<u>2,031,878.68</u>		<u>1,972,557.48</u>
CHARITABLE FUNDS					
Unrestricted Funds	10		1,574,022.77		1,514,904.57
Restricted Funds	10		<u>457,855.91</u>		<u>457,652.91</u>
			<u>2,031,878.68</u>		<u>1,972,557.48</u>

The notes on pages 12 to 22 form an integral part of these accounts.

The accounts were approved by the Trustees on **12 July 2023** and signed on their behalf by:

.....
Trustee name: Jacky Tritten
Position: Treasurer

.....
Trustee name: Mark Corcoran
Position: Trustee

1. ACCOUNTING POLICIES

a) Accounting Conventions

The accounts have been prepared in accordance with the Statement of Recommended Accounting Practice: Accounting and Reporting by Charities SORP 2021, FRS 102 and the Charities Act 2011.

The accounts have been prepared on an accruals basis under the historical cost convention.

b) Incoming Resources

Collections and Offertory together with Legacies are recognised when receivable. Planned giving receivable under Gift Aid is recognised when receivable. From 2013 onwards Income Tax recoverable on Gift Aid is recognised when the income tax recovery is receivable and deemed virtually certain, rather than when the Gift Aid is received as in prior years. Income from operating activities is recognised when receivable. Interest on investments is accounted for as it accrues.

c) Resources Expended

Resources expended are included in the Statement of Financial Activities ("SOFA") on an accruals basis inclusive of any VAT, which cannot be recovered. The Church makes grants to other organisations whose charitable objects complement its work and are accounted for in the year in which they are payable. An accrual is made at the year end for short term employee benefits, including any untaken annual leave which has been agreed to be carried over to the next financial year. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

d) Fixed Assets

(i) Freehold Land and Buildings

Lillington House is shown at cost plus additions. The Church is shown at market value as at 31 December 2004, which was treated as its deemed historical cost on first time adoption of FRS102 in 2016. The Manse is shown at market value as at 31 December 2004 plus additions at cost, which was also treated as its deemed historical cost. No land and building revaluations have been undertaken since 2004. No depreciation is provided on the Church, the Manse or Lillington House because in the opinion of the Trustees the residual value of these assets is considerably higher than when the land and buildings were originally acquired or last valued. All buildings are currently maintained in good order. All renovations to buildings are expensed in the year the costs are incurred.

(ii) Fixtures, fittings and furniture

All fixtures, fittings and non technical equipment are now expensed in the year the cost is incurred. In the view of the Trustees this more accurately reflects the reality of the carrying value of the assets concerned.

(iii) Computers and technical equipment

Computers and technical equipment are expensed in the year the cost is incurred, unless the item costs over £5,000. In the view of the Trustees this more accurately reflects the reality of the carrying value of the assets concerned.

e) Agency funds

Donations received which the Trustees are legally bound to pay on to third parties, and for which the Trustees have no responsibility for the ultimate charitable application of the funds nor are able to direct how the funds are used by third parties, are treated as agency funds. These funds are not recognised as incoming or outgoing resources in the Statement of Financial Activities or as assets in the balance sheet. Movements in agency funds during the year are disclosed in the notes to the accounts by party in so far as donor/third party confidentiality permits.

f) Mission funds

The Mission Fund is accounted for on an accruals basis during the year.

g) Fund transfers

The fund transfer line in the SOFA records all transfers between funds. These fund transfers are shown in full in note 10, representing accounting entries during the year. The actual overall fund transfer nets to a transfer of £267 (2021: unrestricted to restricted of £38,285) from restricted to unrestricted funds, the majority of which represents a net transfer of £329.50 out of the BMS Birthdays fund into the Mission fund before being paid.

h) Categories of expenditure in the SOFA

As a small charity, the Church has not reported its income and expenditure on an activity basis, instead it has adopted an approach based on the nature of income received and expenditure incurred. All support type costs (e.g. office, administration and governance) are separately disclosed by category in "other payments", and were all incurred directly in connection with activities of the church, however an apportionment of those support type costs between different activities is not practical.

i) Legacies

Legacies are accounted for when probate has been completed, the amount of the legacy can be reliably quantified and the conditions of the legacy are within the control of the Church.

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2022

2. INCOMING RESOURCES

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<u>a) Offerings and tax recoverable</u>				
Donations	127,944.77	582.00	128,526.77	145,420.54
Grants	-	-	-	-
Legacies	-	-	-	-
Gift Aid Recovered	22,707.07	-	22,707.07	24,828.87
	<u>150,651.84</u>	<u>582.00</u>	<u>151,233.84</u>	<u>170,249.41</u>
<u>b) Bank & CFB interest and investment income</u>				
Bank Interest	771.28	-	771.28	656.81
	<u>771.28</u>	<u>-</u>	<u>771.28</u>	<u>656.81</u>
<u>c) Other receipts</u>				
Events	513.00	-	513.00	780.00
Sales	195.25	-	195.25	635.00
Reimbursements	173.80	-	173.80	-
Lettings	800.50	-	800.50	49.30
Manse Rent Received	9,304.00	-	9,304.00	-
Receipts - Other	3,058.41	-	3,058.41	227.00
	<u>14,044.96</u>	<u>-</u>	<u>14,044.96</u>	<u>1,691.30</u>
Total incoming resources	<u>165,468.08</u>	<u>582.00</u>	<u>166,050.08</u>	<u>172,597.52</u>

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2022

3. RESOURCES EXPENDED

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<u>a) Pastors salary, pension and living costs</u>				
Lead Pastor	-	-	-	31,832.62
2nd Pastor	-	-	-	31,672.07
	-	-	-	63,504.69
<u>b) Property repairs and maintenance</u>				
Church - Repairs & Maintenance	4,988.96	-	4,988.96	2,194.81
Church - Cleaning	3,281.50	-	3,281.50	918.46
Lillington House - Repairs & Maintenance	636.47	-	636.47	154.75
Manse - Repairs & Maintenance	5,487.63	-	5,487.63	8,821.09
Manse - Cleaning	383.18	-	383.18	-
	14,777.74	-	14,777.74	12,089.11
<u>c) Utilities, insurances etc.</u>				
Church	11,739.14	-	11,739.14	6,981.50
Lillington House	2,958.16	-	2,958.16	1,003.00
Manse	1,610.23	-	1,610.23	3,958.17
Samber Close	-	-	-	1,478.50
	16,307.53	-	16,307.53	13,421.17
<u>d) Other payments</u>				
Church	538.04	-	538.04	-
Lillington House - General	9.98	-	9.98	-
Manse	238.19	-	238.19	120.00
Equipment/ repairs	522.46	-	522.46	1,824.89
Staff expenses - Lead Pastor	1,117.54	-	1,117.54	425.91
Staff expenses - Second Pastor	(32.24)	-	(32.24)	3,384.72
Staff expenses - Other staff	241.10	-	241.10	250.00
Admin - Office	1,088.96	-	1,088.96	669.67
Admin - IT	3,151.97	-	3,151.97	481.95
Admin - Subscriptions & Licences	2,642.31	-	2,642.31	2,584.01
Admin Professional Fees - Audit	2,175.00	-	2,175.00	2,016.00
Admin Professional Fees - Accounting	3,000.00	-	3,000.00	5,060.00
Admin Professional Fees - Legal	-	-	-	15,910.80
Admin Professional Fees - Other	828.00	-	828.00	376.00
Bank Charges	86.50	-	86.50	-
CAP	6,364.14	-	6,364.14	6,321.71
Mission - General	-	-	-	51.80
Mission - BU Home	6,410.00	-	6,410.00	7,116.16
Mission - BMS	8,597.00	0.50	8,597.50	9,784.25
Mission - Whettam	150.00	-	150.00	2,250.00
Mission - Stevens	7,180.00	-	7,180.00	5,400.00
Mission - Hamilton	7,400.00	-	7,400.00	5,400.00
Mission - Other	2,600.00	-	2,600.00	-
Youth Leader salary costs	7,193.47	-	7,193.47	6,225.94
Interest Cost re BU Pension	408.47	-	408.47	330.38
	61,910.89	0.50	61,911.39	75,984.19
<u>e) Internal organisations (expenditure)</u>				
Activities - Genera	1,259.83	-	1,259.83	2,235.75
Outreach Organisations	5,917.58	-	5,917.58	1,788.57
Youth	1,015.92	112.00	1,127.92	1,426.14
CAP	20,897.92	-	20,897.92	15,767.71
CAP - Hardship	19.40	-	19.40	185.42
	29,110.65	112.00	29,222.65	21,403.59
<u>f) Depreciation</u>				
Depreciation technical equipment	3,956.14	-	3,956.14	7,127.58
	3,956.14	-	3,956.14	7,127.58
Total resources expended	126,062.95	112.50	126,175.45	193,530.33

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2022

4. TANGIBLE FIXED ASSETS

	£	£	£	£	£	£
	Church	Manse	Lillington House	Fixtures & fittings	Computers & equipment	Total
Cost/ Valuation						
Brought forward 1 Jan 2022	800,000.00	384,853.15	456,130.00	114,377.24	31,460.25	1,786,820.64
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Carried forward 31 Dec 2022	<u>800,000.00</u>	<u>384,853.15</u>	<u>456,130.00</u>	<u>114,377.24</u>	<u>31,460.25</u>	<u>1,786,820.64</u>
Depreciation						
Brought forward 1 Jan 2022	88,000.00	-	-	114,377.24	23,548.00	225,925.24
Charge for the year	-	-	-	-	3,956.14	3,956.14
Disposals	-	-	-	-	-	-
Carried forward 31 Dec 2022	<u>88,000.00</u>	<u>-</u>	<u>-</u>	<u>114,377.24</u>	<u>27,504.14</u>	<u>229,881.38</u>
Net book Value						
As at 31 December 2022	<u>712,000.00</u>	<u>384,853.15</u>	<u>456,130.00</u>	<u>-</u>	<u>3,956.11</u>	<u>1,556,939.26</u>
At 31 December 2021	<u>712,000.00</u>	<u>384,853.15</u>	<u>456,130.00</u>	<u>-</u>	<u>7,912.25</u>	<u>1,560,895.40</u>

5. DEBTORS

	2022 £	2021 £
AMOUNTS DUE WITHIN ONE YEAR		
Other debtors (Gift Aid Claim receivable at year end)	22,707.07	24,828.87
Prepayments	994.12	1,879.11
	<u>23,701.19</u>	<u>26,707.98</u>

6. CREDITORS

	2022 £	2021 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Taxation and Social Security creditor due to HMRC	193.03	139.53
Accruals	22,672.83	21,759.93
Other creditors (<i>carpark key deposits</i>)	80.00	182.67
	<u>22,945.86</u>	<u>22,082.13</u>

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £	2021 Total £
Fixed assets				
<i>Tangible assets:</i>				
Church	712,000.00	-	712,000.00	712,000.00
Manse	384,853.15	-	384,853.15	384,853.15
Lillington House	-	456,130.00	456,130.00	456,130.00
Computers and equipment	3,956.11	-	3,956.11	7,912.25
	<u>1,100,809.26</u>	<u>456,130.00</u>	<u>1,556,939.26</u>	<u>1,560,895.40</u>
Current assets				
Debtors	23,701.19	-	23,701.19	26,707.98
Cash at bank and in hand	472,458.18	1,725.91	474,184.09	428,836.23
	<u>496,159.37</u>	<u>1,725.91</u>	<u>497,885.28</u>	<u>455,544.21</u>
Liabilities				
Creditors: Amounts falling due in one year	(22,945.86)	-	(22,945.86)	(22,082.13)
Net current assets	<u>473,213.51</u>	<u>1,725.91</u>	<u>474,939.42</u>	<u>433,462.08</u>
Net assets excluding pension liability	<u>1,574,022.77</u>	<u>457,855.91</u>	<u>2,031,878.68</u>	<u>1,994,357.48</u>
Defined benefit pension scheme liability	-	-	-	(21,800.00)
Total net assets less liabilities	<u>1,574,022.77</u>	<u>457,855.91</u>	<u>2,031,878.68</u>	<u>1,972,557.48</u>
Represented by				
Unrestricted funds	1,574,022.77	-	1,574,022.77	1,514,904.57
Restricted funds	-	457,855.91	457,855.91	457,652.91
	<u>1,574,022.77</u>	<u>457,855.91</u>	<u>2,031,878.68</u>	<u>1,972,557.48</u>

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2022

10. MOVEMENT IN FUNDS

	Balance 1 January 2022	Incoming resources	Outgoing resources	Gross Transfers IN	Gross Transfers OUT	Balance 31 December 2022
	£	£	£	£	£	£
Unrestricted funds						
a) NON-CASH Building Fund	1,096,853.15	-	-	-	-	1,096,853.15
b) Other fixed assets fund	7,912.26	-	(3,956.14)	-	-	3,956.12
c) General Reserve	110,646.82	148,872.03	(79,988.98)	1,768.82	(10,804.66)	170,494.03
d) Cash Buildings Reserve	169,403.48	-	-	-	-	169,403.48
e) CAP	30,617.41	16,596.05	(26,710.83)	2,087.28	-	22,589.91
f) CAP Hardship Fund	-	-	-	-	-	-
g) Mission fund	12,056.23	-	(15,407.00)	9,115.06	-	5,764.29
h) Weekend to Remember	1,220.27	-	-	-	-	1,220.27
i) Technical Reserve	4,500.00	-	-	-	-	4,500.00
j) Future Projects Fund	-	-	-	-	-	-
k) Outreach organisations	-	-	-	-	-	-
l) Alpha Course Fund	-	-	-	-	-	-
m) Employment Reserve	43,445.56	-	-	-	-	43,445.56
n) Youth Pastor	37,975.01	-	-	-	(1,900.00)	36,075.01
Actuarial gains on defined benefit pension scheme	274.38	-	-	-	-	19,720.95
	1,514,904.57	165,468.08	(126,062.95)	12,971.16	(12,704.66)	1,574,022.77
	-	-	-	-	-	-
Restricted funds						
<i>Restricted Building Funds:</i>						
o) NON-CASH Building Fund	456,130.00	-	-	-	-	456,130.00
p) CASH Building Fund	-	-	-	-	-	-
<i>Restricted Cash Funds:</i>						
q) Youth Outreach	1,377.52	-	-	-	-	1,377.52
r) Compassion	145.39	252.00	(112.00)	63.00	-	348.39
s) Fund for Additional Staff	-	-	-	-	-	-
t) BMS Birthdays Fund	-	330.00	(0.50)	-	(329.50)	-
	457,652.91	582.00	(112.50)	63.00	(329.50)	457,855.91
	-	-	-	-	-	-
Total funds	1,972,557.48	166,050.08	(126,175.45)	13,034.16	(13,034.16)	2,031,878.68
	-	-	-	-	-	-

Reconciliation of cash balances held at year end to non-building funds:

	2022 £	2021 £
CAF Current account	317,153.49	272,176.17
Scottish Widows Deposit Account	78,370.37	78,178.04
Shawbrook Deposit Account	78,342.85	78,046.71
Petty cash	317.38	435.31
Actual cash balances held at year end	474,184.09	428,836.23
Add: debtors (non cash items e.g. Gift Aid debtor)	23,701.19	26,707.98
Less: creditor (non cash items e.g. taxes due HMRC/ accrued expenses)	(22,945.86)	(43,882.13)
	474,939.42	411,662.08
Represented by:		
Unrestricted funds (c to n above)	473,213.50	410,139.16
Restricted funds (o to t above)	1,725.91	1,522.91
	474,939.42	411,662.08

a) NON-CASH Building Fund

This fund represents the balance of unrestricted funds relating to buildings and fixed assets other than Lillington House.

b) Other fixed assets fund

This fund represents the depreciated net book value of the £12,686 of audio visual equipment capitalised in 2018, plus £15,825 of livestream equipment purchased in 2020. This equipment is being depreciated and charged to the SOFA over 4 years, see Note 3(f).

c) General Reserve

Unrestricted funds received held to meet other running costs and expenditure are credited to this fund.

d) CASH Building Fund (Unrestricted)

Funds raised to meet costs of a capital nature incurred on the buildings to ensure they remain suitable for Church purposes are credited to this unrestricted fund.

e) CAP

Funds received and costs associated with Christians Against Poverty are credited to this fund.

f) CAP Hardship Fund

Funds donated to meet financial needs identified by LBC CAP staff amongst their CAP contacts.

g) Mission fund

Funds received in support of other general mission projects are credited to this fund. Principally this comprises the 20 percent allocation from general offering and is fully distributed to mission partners.

h) Weekend to Remember

Funds received in support of future Weekend To Remember ("W2R") events are only credited to this fund when the church is entitled to recognise those monies as income in the SOFA. Associated W2R expenses are only debited to this fund when the church has an obligation to pay the costs.

i) Technical Reserve

Funds received in support of technical and sound equipment are credited to this fund, which is utilised for future capital additions.

j) Future Projects Fund

Funds received in support of specific future capital projects are credited to this fund.

k) Outreach organisations

Funds received in support of two of the Church's outreach initiatives were previously credited to this fund, being Grace Café/ Hullabaloo and Messy Church.

l) Alpha Course Fund

Funds received in support of this initiative are credited to this fund.

m) Employment reserve

Unrestricted funds set aside to cover any shortfall in staffing budget.

n) Youth Pastor

Funds received in support of a future youth pastor are credited to this fund.

o) NON-CASH Building Fund

Funds raised for the purchase of Lillington House at 10 New Street Lymington are credited to this restricted fund.

p) CASH Building Fund

Funds raised to meet costs of a capital nature incurred on Lillington House to ensure the building remain suitable for Church purposes were previously credited to this restricted fund.

q) Youth Outreach Fund

Funds received in support of the Church Youth projects are credited to this fund.

r) Compassion

Funds received in support of the Compassion project are credited to this fund, in support of one child in Africa.

s) Fund for Additional Staff

Trust funds received for the specific purpose of financing the cost of a Second Pastor are credited to this fund. Salary and welfare costs in excess of this amount are financed from the Church's General reserve.

t) BMS Birthdays Fund

Funds received in support of the BMS Birthday Scheme are credited to this fund.

11. STAFF COSTS AND TRUSTEES EXPENSES/ REMUNERATION/ BENEFITS

		2022	2021
		£	£
The costs of employing staff during the year were:			
Gross salaries:	Lead Pastor	-	27,844.21
	2nd Pastor	-	21,988.96
	Youth Worker	7,193.47	6,225.94
	Other staff (CAP)	18,452.72	13,582.60
Employers National Insurance Contributions:	Lead Pastor	-	852.39
	2nd Pastor	-	574.96
	Other staff (CAP)	8.47	86.52
Employers pension contributions: *	Lead Pastor	-	3,136.02
	2nd Pastor	-	1,308.15
	Other staff (CAP)	468.28	340.05
Leaseback costs:	2nd Pastor	-	7,800.00
Staff housing/ living costs:	Lead Pastor	1,610.23	3,958.17
	2nd Pastor	-	1,478.50
		27,733.17	89,176.47

* Employer pension contributions excludes deficit contributions paid to the Baptist Pension Scheme. See note 14 for details.

The average number of employees throughout the year was (rounded to nearest whole): 2 4

No employee received a salary in excess of £60,000 during the year (2021: none).

Under a provision in the Church's Governing Document the Lead Pastor and the Second Pastor are both employed by the Church, and receive remuneration and benefit for their services as employees as disclosed in the table above. The Lead Pastor and the Second Pastor are also both trustees of the Church, however they are not remunerated for these roles.

One Trustee (the Lead Pastor) lived in manse accommodation wholly owned by the Church. Staff housing/ living costs shown above included a rent allowance under a lease-back arrangement with the Second Pastor and payment of Council Tax.

In addition to the above staff costs a great amount of time, the value of which is impossible to reflect in these accounts, is donated to the Church each year by volunteers.

During 2022 the Church paid total pension contributions of £nil (2021: £4,444) for the Lead and Second Pastors to the Baptist Pension Trust Limited, which is a final salary defined contribution scheme and is not contracted out of the State second pension (see note 14). These amounts exclude the Baptist Pension scheme deficiency payments for the year of £2,762 (2021: £4,656) which were paid to the Baptist Pension Scheme and are treated as a payments towards the creditor recognised in Note 14. During the year the Church also paid pension contributions of £468 (2021: £340) for CAP staff to the Peoples Pension, which is a defined contribution scheme. As at 31 December 2022 the Church was holding no amounts in respect of intended pension contributions on behalf of any employees (2021: nil).

Trustee expenses

During the year £1,274 (2021: £426) of reimbursements were made to trustees in respect of expenses incurred in performance of their duties. The nature of the reimbursements and the trustees concerned for the current and prior years were as follows:

Expense description	David Gooderidge	Helen Farquharson	James Beer	J.D. Julius Backer Dirks	Total
	£	£	£	£	£
Pastoral gifts/ outreach	-	57	-	-	57
Building repair/ maintainece	-	-	248	969	1,217
Total	-	57	248	969	1,274
2021 prior year	426	-	-	-	426

12. RELATED PARTY TRANSACTIONS

During the year there were no transactions with the Trustees or Key Management Personnel (other than the those highlighted in note 11) or other related party transactions that require disclosing. Normal donations were received from trustees during the year however none of those donations had any conditions attached which required the Church to significantly alter the nature of its existing activities and would therefore need to be disclosed under FRS102.

13. RELATED CHARITIES

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.

The Church made a donation to the Baptist Union Home Mission Scheme of £6,410 (2021: £7,116) as set out in note 3 above. The Church also donated £8,598 to the Baptist Missionary Society for the year (2021: £9,784).

14. PENSION SCHEME LIABILITY

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which 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 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.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. 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 if 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 Limited.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme. The Pastors are eligible to join the Scheme.

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out 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 £316m, giving a deficit of £18m (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 key financial assumptions underlying the valuations were as follows:

RPI price inflation assumption	3.20%
CPI price inflation assumption	2.70%
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50%
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95%
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70%
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20%
Deferred pension increases (based on RPI):	
- Pre April 2009	3.20%
- Post April 2009	2.50%
Pension increases:	
- Based on CPI with an annual floor of 0% and annual cap of 5%	2.70%

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme will commence in 2023 to reflect the position as at 31 December 2022.

14. PENSION SCHEME LIABILITY (CONTINUED)

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

Movement in Balance Sheet Liability

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

	2022 £	2021 £
Balance sheet liability at year start	21,800.00	26,400.00
Minus deficiency contributions paid during the year	(2,761.90)	(4,656.00)
Items recognised in the SOFA:		
Interest costs	408.47	330.38
Remaining change to balance sheet liability *	(19,446.57)	(274.38)
Balance sheet liability at year end	<u>-</u>	<u>21,800.00</u>

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

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

	31-Dec-22	31-Dec-21	31-Dec-20
Accounting date			
Discount rate	5.7%	2.0%	1.4%
Future increases to Minimum Pensionable Income	<u>3.3%</u>	<u>4.1%</u>	<u>3.0%</u>

The Church has been advised that the cost for it to buyout its Pension Scheme liabilities at 20 June 2022 was approximately £19,700 (31 December 2021: £58,800). An updated figure as at 31 December 2022 is not currently available.

15. POST BALANCE SHEET EVENTS

No post balance sheet events have been identified during the period up to the date these accounts were signed.

16. CONTINGENT LIABILITIES

No contingent liabilities existed at the year end.

17. GOING CONCERN REVIEW

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Church to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The Trustees have concluded the Church has adequate resources to continue in operational existence for the foreseeable future, and therefore continues to adopt the going concern basis in preparing its Accounts.

18. AGENCY FUNDS

The following special collections were received for the charities or individuals mentioned below and have been excluded from the income and expenditure of the church as they are treated as agency funds:

Special collection recipients	Balance 1 January 2022	Incoming funds	Outgoing funds	Balance 31 December 2022
	£	£	£	£
Cancer Research	-	500.00	(500.00)	-
	<u>-</u>	<u>500.00</u>	<u>(500.00)</u>	<u>-</u>

There were no unpaid balances held as at 31 December 2022 (2021: nil).

19. COSTS OF INDEPENDENT EXAMINATION AND OTHER FINANCIAL SERVICES

	2022	2021
	£	£
During the year the following amounts were payable in respect of:		
a) Costs of the independent examination	2,175.00	2,016.00
b) Other finance services (accountancy services)	3,000.00	5,060.00
	<u>5,175.00</u>	<u>7,076.00</u>