

Lymington Baptist Church

Accounts

For the year ended 31 December 2023

Charity number: 1166376

Lymington Baptist Church
Legal and Administrative information
For the year ended 31 December 2023

1. Managing Trustees

The following individuals acted as Trustees during the financial year ended 31 December 2023 and to the date of signing this report:

Geraint Davies (<i>Chair of Trustees</i>)	until 27 March 2023
Carl Gulland	until 17 April 2024
Helen Farquharson	until 17 April 2024
Jacky Tritten (<i>Treasurer</i>)	until 20 September 2023
Sarah Mason	
Andrew Stevens	
James Beer	
Mark Corcoran (<i>Chair of Trustees</i>)	from 27 March 2023
Darren Cooke (Pastor)	from 01 July 2023
Anthony Lowman (<i>Treasurer</i>)	from 20 September 2023
John Hilbourne	from 17 April 2024
Nicholas Tsoulli	from 17 April 2024
James Anderson	from 17 April 2024

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

Douglas Forsyth BSc FCA
Chartered Accountant
Roydon Cottage
Sandy Down, Boldre
Lymington
SO41 8PL

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 2023

The Trustees present their report along with the accounts for the year ended 31st December 2023. 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, 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. At the beginning of the year, we had no employed pastor. However, in the summer of 2023 we were delighted to welcome the Rev Darren Cooke to serve as a full-time pastor. He started his ministry with us on 1st July 2023. Our pastor works alongside over eighty voluntary workers, who run both weekday and Sunday activities including children and youth work, without whom the Church could not be able to function.

The Church has two part-time employees in the Christians Against Poverty (CAP) centre.

Throughout the past year, the church has been contemplating the appointment of a Youth and Families Worker. We advertised for suitable applicants in the summer of 2023 and again in the autumn. We were consequently very pleased to appoint Mrs Lizzie Coyston to the role at the end of 2023. Lizzie joined us to take up her position as Youth and Families Worker in February 2024.

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 2023. However, the Covid-19 pandemic and associated lockdown in 2020, and the years that followed, had a major and lasting impact on the church and its ministries. At the beginning of lockdown, we switched our Sunday morning services to livestream, which 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. From early 2021, we embarked on a very slow return to normality, eventually reintroducing full Sunday morning services by the early summer of 2022. However, some of the infrastructure put in place is still in use: we continue to run the livestream on a Sunday morning, with several worshippers joining us regularly via this medium, particularly those with mobility problems and those away from home. We have also used the technology for weekly prayer meetings online. Members meetings can be accessed online by request but we encourage members to meet in person and those online do not form part of the quorum for members' meetings.

In October 2021, our two pastors both stepped down in quick succession. We then entered a period of interregnum. The then board of Trustees, now known as "The Leadership Team" provided stability during that period and as a consequence, Sunday service attendance increased, as newcomers joined the church and others returned after lockdown. Newcomers have included young families, and older couples. 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. When the church was ready to begin the process of searching for a new minister, a team was convened to work with the Leadership to draft up a church profile and person spec in order to advertise. A number of applicants were considered but one individual in particular stood out and it was decided to pursue matters with Darren Cooke, who had been called into ministry from the Teaching Profession and was then 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. He then joined us as our full-time pastor in July 2023, along with his family. Since Darren joined us, the church has continued to thrive under his ministry. The membership has increased in number and Sunday mornings regularly sees the church full of worshippers of all ages. Great credit must be given to the many people who help with children's activities every Sunday, which enables the church to provide age-appropriate teaching for three separate groups: School years Reception-2; 3-6 and 7-9. A creche is also provided for babies and toddlers. The second Sunday of each month is a designated "messy Church" day. See below.

As mentioned earlier, we advertised for a Youth and Families worker in 2023 and were thrilled to appoint Lizzie Coyston to that position. At the time of writing, Lizzie has only recently taken up her place and is still becoming established in her role. She will be responsible youth activity including the regular Sunday "Reckless" activity and also schools liaison.

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:

Hullaballoo and Messy Church(see Children and young people's work below).

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.

Worship

James Beer is the Trustee with oversight of worship at Lymington Baptist Church.

Throughout 2023, Lymington Baptist Church continued to meet regularly on Sunday Mornings, providing for in person and online provision through our You-tube channel. Darren Cooke started as our minister in June 2023 and took on a lead role in the Sunday morning services, with members of the congregation continuing to lead services and preach. Our congregation has continued to grow throughout 2023 with all ages represented in the newcomers to the Sunday morning services.

Pastoral Oversight

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

1. **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.
2. **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

These currently meet three times a week on Mondays, Wednesdays and Fridays. 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). In March of 2024, we held our first 24/7 week of prayer. The entire week was divided into hour-long slots and church members and regular attenders invited to fill them. Every single slot was taken.

Children and young people's work

Helen Farquharson is the Trustee with oversight of Children and young people's work at Lymington Baptist Church.

1. **Hullabaloo** (run by church members alongside non-members) is a popular toddler group which meets weekly 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...
2. **...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.
3. **Sunday Children and young people's work.** We have an active children's work which runs alongside our Sunday morning Service and is supported by teams of faithful volunteers. This year we have employed a full-time Youth and Families Worker to focus on developing the church's youth work further. We have an active children's work which runs alongside our Sunday morning service, as mentioned above. This is entirely run by many faithful volunteers.
4. **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

This 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

These 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. The Trustees understand their responsibilities under Health and Safety law for staff, volunteers, the congregation, and other users of church premises. We review our procedures and premises on an ongoing basis.

1. 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. They ensure the organisers of the activity are mindful of their and the church's responsibility for the H+S of participants.

2. 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.

Health and Safety (continued)

3. 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.

4. 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

The Trustees are responsible for the maintenance and upkeep of three buildings: Lymington Baptist Church, New Street, Lymington; Lillington House, New Street, Lymington; and the Manse, Kings Road Lymington. Carl Gulland is the Trustee with oversight of the 3 premises. 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.

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

Lymington Baptist Church

Balcony: We have undertaken a significant decorative refurbishment of the balcony which has seating capacity for up to 100 people.

Manse

Refurbishment ahead of new pastor. Extensive refurbishment works were carried out on the manse prior to the arrival of Rev. Darren Cooke and his family in July 2023. These included an entirely new kitchen refit, remedial works to address damp issues in the front room, redecoration and recarpeting throughout the entire property.

Next steps for 2024

During 2024, our major challenges will be to allow both our Minister, Rev Darren Cooke (who has only been in post for little more than six months at the time of writing), and our newly appointed Youth and Families Worker to settle into their new roles. We are also about to face changes to our Leadership Team, with two members reaching the end of their term of service. We are extremely grateful to Helen Farquharson and to Carl Gulland for the immense amount of time and effort they have given to serve the church over the past three years. We are currently seeking nominations for new members of the Leadership Team and a meeting is scheduled for April 2024 with a view to appointment of new Leaders and Trustees. By the time this report is published, new Trustees will be in post to replace Helen and Carl.

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 2024.

Financial Review

As the church transitioned further out of the restrictions of Covid into a more typical leadership situation with re-appointment of a full-time Lead Pastor in mid 2023, regular donations both for General Purposes and specifically to support the work of CAP (Christians Against Poverty) increased from the 2022 level by £11,822 (9%). This was substantially incremented by an anonymous one-off donation of £25,000 towards the work of CAP, for which the Trustees are immensely grateful on behalf of the Members. In addition, £27,241 (2022: £22,707) was received in recovery of Gift Aid from HMRC, of which more than £3,000 related to prior years for which donors kindly signed new Gift Aid Declarations. However, there was no income in 2023 from letting of the Manse (2022: £9,304) while it was refurbished in preparation for the arrival of the newly appointed Lead Pastor. Overall income for 2023 therefore only increased by £33,500 from that of 2022.

However, overall expenditure in 2023 increased by £93,834 (75%) primarily driven by the cost of refurbishing the Manse and employing a full-time Lead Pastor for the second half of the year. An expenditure allocation of £25,000 was originally set in the 2023 Annual Budget. However the project was subsequently run without reference to that budget allocation at a total cost of £66,609 which was taken in its entirety from the Buildings Reserve Fund. CAP activities continued throughout the year resourced by two part-time employees and a number of volunteers at a cost of £46,083 which was fully covered by in-year donations including the one-off £25,000 donation noted above. In accordance with the established Reserves Policy and in the light of the considerable in-year expenditure on the Manse, the Trustees have decided to transfer £50,000 into the Buildings Reserve Fund.

In accordance with long-established policy, 20% of all unrestricted donations to the General Fund (£25,863) were set aside into the Mission Fund for the support of Christian missionary work worldwide. This was primarily distributed for the support of the Baptist Union Home Mission (£6,410), Baptist Missionary Society (£8,385), Football Plus - Hamiltons (£7,600), OMF - Stevens (£2,700).

During 2023, two payments were made to Trustees which failed to comply with the Charity Commission's regulations and guidance. These are detailed in the notes at section 12 (Related Party Transactions) and were subsequently reported to the Charities Commission in the latter part of the year. Further thorough investigation undertaken towards the end of 2023 revealed that financial controls and procedures during the first three quarters of 2023 were generally inadequate. While no situations were encountered which constituted a misuse or loss of church funds, or which could have led to significant charitable funds being put at risk, two cases of non-payment or under-payment of tax were also identified which were promptly reported to HMRC and corrected without incurring a statutory fine. Comprehensive Financial Control Procedures were promptly implemented and supporting evidence sourced, where necessary, to properly document earlier transactions. The Charity Commission were notified of these actions and advised that no further action was necessary on their part in respect of the non-compliant Related Party Transactions.

Due to the complexity and potential regulatory consequences of the issues noted above, it was necessary to seek expert advice and assistance from LBC's long-standing professional accountant at a cost of £3,558. However, having instigated extensive internal investigations and subsequently implemented robust financial procedures and controls, the Trustees, in consultation with the accountant, agreed that it was no longer necessary to employ a second separate accountancy firm to undertake the Independent Examination, because the majority of the accounting work required to produce the numbers in the 2023 accounts was completed internally. Overall professional accountancy fees for 2023 (£5,025) are therefore very similar to those incurred in 2022 and are expected to reduce substantially in 2024 to be in the region of 1% of total income.

Looking forward to 2024 the Trustees recognise that expenditure will increase considerably, primarily in the full-year employment costs of a Lead Pastor and the expectation of also appointing a full-time Youth Worker. While reserves have been accumulated in previous years to assist with these increased costs, Trustees recognise that they will need to encourage a substantial increase in income during 2024/5 to fully support these costs on an ongoing basis.

Approved by the Trustees on **12 September 2024** and signed on their behalf by:

.....
Trustee name: Anthony Lowman

Position: Treasurer

.....
Trustee name: Mark Corcoran

Position: Trustee

Lymington Baptist Church
Independent Examiner's Report
For the year ended 31 December 2023

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

I 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 2023, 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").

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

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.

.....
Douglas Forsyth BSc FCA
Chartered Accountant

Roydon Cottage
Sandy Down
Boldre
Lymington
SO41 8PL

Date:2024

Lymington Baptist Church
Statement of Financial Activities
For the year ended 31 December 2023

Charity number: 1166376

	Notes	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
<u>INCOMING RESOURCES</u>					
a) Donations and tax recoverable	2(a)	192,590.18	282.00	192,872.18	151,233.84
b) Bank interest	2(b)	1,983.90	-	1,983.90	771.28
c) Other receipts	2(c)	4,979.70	-	4,979.70	14,044.96
Total incoming resources		199,553.78	282.00	199,835.78	166,050.08
<u>RESOURCES EXPENDED</u>					
a) Pastors salary, pension and living costs	3(a)	19,428.16	-	19,428.16	-
b) Property repairs and maintenance	3(b)	75,052.83	-	75,052.83	14,777.74
c) Utilities, insurances etc.	3(c)	15,543.70	-	15,543.70	16,307.53
d) Other payments	3(d)	57,142.76	-	57,142.76	61,911.39
e) Internal organisations (expenditure)	3(e)	48,885.47	308.00	49,193.47	29,222.65
f) Depreciation	3(f)	3,956.11	-	3,956.11	3,956.14
Total resources expended		220,009.03	308.00	220,317.03	126,175.45
Net incoming/ (outgoing) resources before transfers		(20,455.25)	(26.00)	(20,481.25)	39,874.63
<u>TRANSFERS</u>					
Gross transfers between funds - in		127,892.36	63.00	127,955.36	13,034.16
Gross transfers between funds - out		(126,547.84)	(1,407.52)	(127,955.36)	(13,034.16)
Net incoming/ (outgoing) resources before other recognised gains/ (losses)		(19,110.73)	(1,370.52)	(20,481.25)	39,874.63
<u>Other recognised gains/ (losses)</u>					
Actuarial gains/(losses) on defined benefit pension schemes	14	-	-	-	19,446.57
Net movement in funds		(19,110.73)	(1,370.52)	(20,481.25)	59,321.20
<u>RECONCILIATION OF FUNDS</u>					
Total funds brought forward 1 January 2023		1,574,022.77	457,855.91	2,031,878.68	1,972,557.48
Total funds carried forward 31 December 2023		1,554,912.04	456,485.39	2,011,397.43	2,031,878.68

Lymington Baptist Church
Balance Sheet
As at 31 December 2023

Charity number: 1166376

	Notes	2023 £	2023 £	2022 £	2022 £
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
			<u>1,552,983.15</u>		<u>1,556,939.26</u>
CURRENT ASSETS					
Debtors	5		27,695.70		23,701.19
Cash at bank and in hand					
CAF Current account		292,662.94		317,153.49	
Scottish Widows Deposit Account		79,291.25		78,370.37	
Shawbrook Deposit Account		78,804.54		78,342.85	
Petty cash		<u>180.58</u>		<u>317.38</u>	
			450,939.31		474,184.09
CURRENT LIABILITIES					
Amounts falling due within one year	6		<u>(20,220.73)</u>		<u>(22,945.86)</u>
Net current assets			<u>458,414.28</u>		<u>474,939.42</u>
NET ASSETS			<u>2,011,397.43</u>		<u>2,031,878.68</u>
CHARITABLE FUNDS					
Unrestricted Funds	10		1,554,912.04		1,574,022.77
Restricted Funds	10		<u>456,485.39</u>		<u>457,855.91</u>
			<u>2,011,397.43</u>		<u>2,031,878.68</u>

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

The accounts were approved by the Trustees on **12 September 2024** and signed on their behalf by:

.....
Trustee name: Anthony Lowman	Trustee name: Mark Corcoran
Position: Treasurer	Position: Trustee

1. ACCOUNTING POLICIES

a) Basis of accounting

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 a going concern basis, and on an accruals basis under the historical cost convention.

b) Incoming Resources

Collections and Offertory are recognised when receivable. Planned giving receivable under Gift Aid is recognised when receivable. Income Tax recoverable on Gift Aid is recognised when income tax recovery is receivable and deemed virtually certain. 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 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 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 values of these assets are 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, including in year internal adjustments. These fund transfers are shown in full in note 10. The actual overall fund transfer nets to a transfer of £1,344.52 from restricted funds to unrestricted funds. The majority of this transfer represented a transfer of £1,377.52 from restricted Youth outreach to Designated Youth Outreach, having obtained agreement of the re-designation of funds from the original donor (2022: unrestricted to restricted of £267).

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. In practice this corresponds with when approved final accounts of the estate concerned have been received by the trustees.

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2023

2. INCOMING RESOURCES

	2023	2023	2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<u>a) Offerings and tax recoverable</u>				
Donations	165,348.84	282.00	165,630.84	128,526.77
Grants	-	-	-	-
Legacies	-	-	-	-
Gift Aid Recovered	27,241.34	-	27,241.34	22,707.07
	192,590.18	282.00	192,872.18	151,233.84
<u>b) Bank & CFB interest and investment income</u>				
Bank Interest	1,983.90	-	1,983.90	771.28
	1,983.90	-	1,983.90	771.28
<u>c) Other receipts</u>				
Events	-	-	-	513.00
Sales	37.44	-	37.44	195.25
Reimbursements	200.00	-	200.00	173.80
Lettings	354.40	-	354.40	800.50
Manse Rent Received	-	-	-	9,304.00
Receipts - Other	4,387.86	-	4,387.86	3,058.41
	4,979.70	-	4,979.70	14,044.96
Total incoming resources	199,553.78	282.00	199,835.78	166,050.08

3. RESOURCES EXPENDED

	2023	2023	2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<u>a) Pastors salary, pension and living costs</u>				
Pastor	19,428.16	-	19,428.16	-
	19,428.16	-	19,428.16	-
<u>b) Property repairs and maintenance</u>				
Church - Repairs & Maintenance	4,458.68	-	4,458.68	4,988.96
Church - Cleaning	3,668.18	-	3,668.18	3,281.50
Lillington House - Repairs & Maintenance	166.73	-	166.73	636.47
Manse - Repairs & Maintenance	66,609.24	-	66,609.24	5,487.63
Manse - Cleaning	150.00	-	150.00	383.18
	75,052.83	-	75,052.83	14,777.74
<u>c) Utilities, insurances etc.</u>				
Church	8,892.24	-	8,892.24	11,739.14
Lillington House	3,048.91	-	3,048.91	2,958.16
Manse	3,602.55	-	3,602.55	1,610.23
	15,543.70	-	15,543.70	16,307.53

Lymington Baptist Church
Notes to the Accounts (continued)
For the year ended 31 December 2023

3. RESOURCES EXPENDED (continued)

	2023	2023	2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<u>d) Other payments</u>				
Church	817.55	-	817.55	538.04
Lillington House - General	-	-	-	9.98
Manse	40.59	-	40.59	238.19
Equipment/ repairs	976.34	-	976.34	522.46
Staff expenses - Pastor	5,918.22	-	5,918.22	1,117.54
Staff expenses - Second Pastor	-	-	-	(32.24)
Staff expenses - Youth Pastor	1,720.30	-	1,720.30	-
Staff expenses - Other staff	244.25	-	244.25	241.10
Admin - Office	1,032.38	-	1,032.38	1,088.96
Admin - IT	425.62	-	425.62	3,151.97
Admin - Communications	912.00	-	912.00	-
Admin - Subscriptions & Licences	2,990.15	-	2,990.15	2,642.31
Admin Professional Fees - Audit	1,467.00	-	1,467.00	2,175.00
Admin Professional Fees - Accounting	3,558.00	-	3,558.00	3,000.00
Admin Professional Fees - Other	903.00	-	903.00	828.00
Bank Charges	60.00	-	60.00	86.50
CAP (<i>communications and Head Office Charge</i>)	6,181.15	-	6,181.15	6,364.14
Mission - BU Home	6,410.00	-	6,410.00	6,410.00
Mission - BMS	8,385.00	-	8,385.00	8,597.50
Mission - Whettam	-	-	-	150.00
Mission - Stevens	2,700.00	-	2,700.00	7,180.00
Mission - Hamilton	7,600.00	-	7,600.00	7,400.00
Mission - Other	2,500.00	-	2,500.00	2,600.00
Other salary costs	2,301.21	-	2,301.21	7,193.47
Interest Cost re BU Pension	-	-	-	408.47
	57,142.76	-	57,142.76	61,911.39
<u>e) Internal organisations (expenditure)</u>				
Activities - General	2,539.35	-	2,539.35	1,259.83
Outreach Organisations	5,684.31	-	5,684.31	5,917.58
Youth	759.78	308.00	1,067.78	1,127.92
CAP (<i>salaries and other CAP costs</i>)	39,298.92	-	39,298.92	20,897.92
CAP - Hardship	603.11	-	603.11	19.40
	48,885.47	308.00	49,193.47	29,222.65
<u>f) Depreciation</u>				
Depreciation technical equipment	3,956.11	-	3,956.11	3,956.14
	3,956.11	-	3,956.11	3,956.14
Total resources expended	220,009.03	308.00	220,317.03	126,175.45

4. TANGIBLE FIXED ASSETS

	£	£	£	£	£	£
	Church	Manse	Lillington House	Fixtures & fittings	Computers & equipment	Total
Cost/ Valuation						
Brought forward 1 Jan 2023	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 2023	<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 2023	88,000.00	-	-	114,377.24	27,504.14	229,881.38
Charge for the year	-	-	-	-	3,956.11	3,956.11
Disposals	-	-	-	-	-	-
Carried forward 31 Dec 2023	<u>88,000.00</u>	<u>-</u>	<u>-</u>	<u>114,377.24</u>	<u>31,460.25</u>	<u>233,837.49</u>
Net book Value						
As at 31 December 2023	<u>712,000.00</u>	<u>384,853.15</u>	<u>456,130.00</u>	<u>-</u>	<u>-</u>	<u>1,552,983.15</u>
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>

5. DEBTORS

	2023 £	2022 £
<u>AMOUNTS DUE WITHIN ONE YEAR</u>		
Other debtors (Gift Aid Claim receivable at year end)	26,617.47	22,707.07
Prepayments	1,078.23	994.12
	<u>27,695.70</u>	<u>23,701.19</u>

6. CREDITORS

	2023 £	2022 £
<u>AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Taxation and Social Security creditor due to HMRC	930.37	193.03
Accruals	18,910.36	22,672.83
Other creditors	380.00	80.00
	<u>20,220.73</u>	<u>22,945.86</u>

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £	2022 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
Fixtures and fittings	-	-	-	-
Computers and equipment	-	-	-	3,956.11
	<u>1,096,853.15</u>	<u>456,130.00</u>	<u>1,552,983.15</u>	<u>1,556,939.26</u>
Current assets				
Debtors	27,695.70	-	27,695.70	23,701.19
Cash at bank and in hand	450,583.92	355.39	450,939.31	474,184.09
	<u>478,279.62</u>	<u>355.39</u>	<u>478,635.01</u>	<u>497,885.28</u>
Liabilities				
Creditors: Amounts falling due in one year	(20,220.73)	-	(20,220.73)	(22,945.86)
	<u>458,058.89</u>	<u>355.39</u>	<u>458,414.28</u>	<u>474,939.42</u>
Net current assets				
	<u>458,058.89</u>	<u>355.39</u>	<u>458,414.28</u>	<u>474,939.42</u>
Total net assets less liabilities	<u>1,554,912.04</u>	<u>456,485.39</u>	<u>2,011,397.43</u>	<u>2,031,878.68</u>
Represented by				
Unrestricted funds	1,554,912.04	-	1,554,912.04	1,574,022.77
Restricted funds	-	456,485.39	456,485.39	457,855.91
	<u>1,554,912.04</u>	<u>456,485.39</u>	<u>2,011,397.43</u>	<u>2,031,878.68</u>

10. MOVEMENT IN FUNDS

	Balance 1 January 2023 £	Incoming resources £	Outgoing resources £	Gross Transfers IN £	Gross Transfers OUT £	Balance 31 December 2023 £
Unrestricted funds						
a) NON-CASH Building Fund	1,096,853.15	-	-	-	-	1,096,853.15
b) Other fixed assets fund	3,956.12	-	(269.99)	-	(3,686.13)	-
c) General Reserve	188,631.09	147,526.48	(147,707.55)	44,211.83	(53,005.00)	179,656.85
d) Cash Buildings Reserve	169,403.48	-	-	50,000.00	(69,056.71)	150,346.77
e) CAP	22,589.91	51,227.30	(40,855.97)	4,039.00	-	37,000.24
f) CAP Hardship Fund	-	-	-	-	-	-
g) Mission fund	5,764.29	40.00	(26,095.00)	25,862.90	-	5,572.19
h) Weekend to Remember	1,220.27	-	-	-	-	1,220.27
i) Technical Reserve	4,500.00	-	(3,956.11)	3,686.13	-	4,230.02
j) Future Projects Fund	-	-	-	-	-	-
k) Employment Reserve	43,445.56	-	-	-	-	43,445.56
l) Youth Pastor	36,075.01	-	-	92.50	-	36,167.51
m) Making Friends	1,583.89	760.00	(1,124.41)	-	(800.00)	419.48
	1,574,022.77	199,553.78	(220,009.03)	127,892.36	(126,547.84)	1,554,912.04
Restricted funds						
<i>Restricted Building Funds:</i>						
n) NON-CASH Building Fund	456,130.00	-	-	-	-	456,130.00
o) CASH Building Fund	-	-	-	-	-	-
<i>Restricted Cash Funds:</i>						
p) Youth Outreach	1,377.52	-	-	-	(1,377.52)	-
q) Compassion	348.39	252.00	(308.00)	63.00	-	355.39
r) Fund for Additional Staff	-	-	-	-	-	-
s) BMS Birthdays Fund	-	30.00	-	-	(30.00)	-
	457,855.91	282.00	(308.00)	63.00	(1,407.52)	456,485.39
TOTAL FUNDS	2,031,878.68	199,835.78	(220,317.03)	127,955.36	(127,955.36)	2,011,397.43

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

	2023 £	2022 £
CAF Current account	292,662.94	317,153.49
Scottish Widows Deposit Account	79,291.25	78,370.37
Shawbrook Deposit Account	78,804.54	78,342.85
Petty cash	180.58	317.38
Actual cash balances held at year end	450,939.31	474,184.09
Add: debtors (non cash items e.g. Gift Aid debtor)	27,695.70	23,701.19
Less: creditors (non cash items e.g. taxes due HMRC/ accruals)	(20,220.73)	(22,945.86)
	458,414.28	474,939.42
Represented by:		
Unrestricted funds (c to m above)	457,639.41	473,213.50
Restricted funds (p to s above)	355.39	1,725.91
	457,994.80	474,939.42

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. This fund also includes movements in actuarial gains/ losses on the defined benefit pension scheme as recognised in prior years.

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) Employment reserve

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

l) Youth Pastor

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

m) Making Friends

Funds received in support of the Making Friends group are credited to this fund.

n) NON-CASH Building Fund

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

o) 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.

p) Youth Outreach Fund

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

q) Compassion

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

r) 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.

s) 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

		2023	2022
		£	£
The costs of employing staff during the year were:			
Gross salaries:	Pastor	17,336.98	-
	Other staff (including CAP)	36,987.01	25,646.19
Employers National Insurance Contributions:	Pastor	-	-
(Covered by HMRC's Employer Allowance)	Other staff (including CAP)	-	8.47
Employers pension contributions: *	Pastor	2,079.18	-
Baptist Pension Scheme "DB Plan" Contributions		12.00	2,762.00
	Other staff (including CAP)	476.76	468.28
Staff housing/ living costs **	Pastor	3,602.55	1,610.23
		60,494.48	30,495.17

The average number of employees throughout the year was (rounded to nearest whole): 3 2

No employee received a salary in excess of £60,000 during the year (2022: none).

Under a provision in the Church's Governing Document the Pastor is employed by the Church, and receives remuneration and benefit for his services as an employee as disclosed in the table above. The Pastor is also a trustee of the Church, however he is not remunerated for this role. The Pastor's salary, pension and housing costs are disclosed above as a related party transaction.

* During 2023 the Church paid pension contributions of £2,091 (2022: nil) for the Pastor 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). This amount excludes separate contributions in the year to the historic Baptist Pension scheme "DB Plan" of £12 (2022: £2,762) which were paid to the Baptist Pension Scheme in relation to the previous creditor (see Note 14). During the year the Church also paid pension contributions of £477 (2022: £468) for CAP staff to the Peoples Pension, which is a defined contribution scheme. As at 31 December 2023 the Church was holding no amounts in respect of intended pension contributions on behalf of any employees (2022: nil).

** During the year the Pastor lived rent free in manse accommodation which is wholly owned by the Church, for the better performance of his duties.

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.

Trustee expenses

During the year £1,296 (2022: £1,274) of reimbursements were made to four trustees in respect of expenses incurred in performance of their duties and other items. The nature of the reimbursements and the trustees concerned for the current and prior years were as follows:

Current year 2023:	Darren Cooke	Andrew Stevens	Sarah Mason	Jacky Tritten	Total
	£	£	£	£	£
Church petty cash floats reimbursed	-	-	-	206	206
Church resources/ recruitment expenses	233	-	-	200	433
Leaving Gifts for Trustees	-	-	56	-	56
Travel/ subsistence	202	109	-	-	311
Catering/ hospitality	9	-	-	-	9
Telephone/ IT equipment	108	-	-	-	108
IT subscriptions (Zoom)	-	173	-	-	173
Total	552	282	56	406	1,296
Prior year amount for trustee	-	-	-	-	-

Prior year 2022:	Helen Farquharson	James Beer	J.D. Julius Backer Dirks	Total
	£	£	£	£
Pastoral Gifts/ Outreach	57	-	-	57
Buildings repairs/ Maintenance	-	248	969	1,217
	57	248	969	1,274

12. RELATED PARTY TRANSACTIONS

During the year a resettlement grant totalling £1,350 was paid to Andrew and Jenni Stevens, two members of the Church who had both been employed by OMF International (UK) until March 2023 and had both been regularly supported financially by the Church for several years through their employer organisation, in the form of an ongoing monthly designated grant of £450 which was paid to OMF UK, their employing mission organisation. In accordance with the Church's policy for support of missionaries during their period of mission and for up to three months after their time in a specific mission ends, the trustees agreed to pay a gift of £1,350 to Mr and Mrs Stevens at the end of March 2023 to assist with their resettlement expenses. As this payment was made directly to Mr and Mrs Stevens, and was made after Mr Stevens had been appointed a Trustee of the Church in April 2022, it is being disclosed as a related party transaction. No further payments were made during 2023 to Mr and Mrs Stevens, and no amounts were outstanding at the year end. No terms, conditions or guarantees were attached to the gift. Neither Mr or Mrs Stevens were Key Management Personnel with OMF International (UK) during their tenure with that organisation.

During the year a one-off leaving gift voucher worth £56 was given to the retiring Treasurer and trustee, Jacky Tritten, who had served the church as a volunteer for more than 20 years. No terms, conditions or guarantees were attached to this gift.

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 (2022: £6,410) as set out in note 3 above. The Church also donated £8,385 to the Baptist Missionary Society for the year (2022: £8,598).

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 Pastor is eligible to join the Scheme.

14. PENSION SCHEME LIABILITY (CONTINUED)

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.

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.

	2023	2022
	£	£
Balance sheet liability at year start	-	21,800.00
Minus deficiency contributions paid during the year	-	(2,761.90)
Items recognised in the SOFA:		
Interest costs	-	408.47
Remaining change to balance sheet liability *	-	(19,446.57)
Balance sheet liability at year end	<u>-</u>	<u>-</u>

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

14. PENSION SCHEME LIABILITY (CONTINUED)

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

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

The Church has in the past 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 2023 is not currently available from the Baptist Pension Trust Limited.

15. NON-ADJUSTING POST BALANCE SHEET EVENTS

James Anderson, who is employed by the Church as a part-time employee of the CAP centre, became a Trustee on 17 April 2024. The terms and conditions of Mr Anderson's employment with the Church have not changed since his appointment as a trustee, and his gross monthly salary as paid in April 2024 with respect to his CAP employment was £1,666, with no Employer's National Insurance or Pension contributions payable. Mr Anderson is not remunerated for his role as a trustee.

Darren Cooke's wife, Emily Cooke, is employed by Counselling Together, an external agency that is not linked to the Church and during 2024 has made use of the Church's premises. Emily Cooke is not a Key Management Personnel of Counselling Together.

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 2023	Incoming funds	Outgoing funds	Balance 31 December 2023
	£	£	£	£
Christians Against Poverty Head Office gift	-	1,250.40	(1,250.40)	-
Undisclosed individual gift	-	3,300.00	(3,300.00)	-
	-	4,550.40	(4,550.40)	-

There were no unpaid agency balances held as at 31 December 2023 (2022: nil).

19. COSTS OF INDEPENDENT EXAMINATION AND OTHER FINANCIAL SERVICES

	2023 £	2022 £
During the year the following amounts were payable in respect of:		
a) Costs of the independent examination	1,467.00	2,175.00
b) Other finance services (accountancy services)	3,558.00	3,000.00
	5,025.00	5,175.00