



# **SOMERSHAM BAPTIST CHURCH**

**Report and Financial Statements**

**For the Year Ended 31<sup>st</sup> December 2020**

**Charity No: 1173623**



**Annual Report for 2020**

The trustees present their Annual Report and financial statements for the year ending 31<sup>st</sup> December 2020.

**Charity's principle address**

Somersham Baptist Church, High Street, Somersham, Huntingdon, Cambridgeshire, PE28 3JB

**Trustees**

The Trustees who served during the year and up to the date of the signing of this report were:

<b>Name</b>	<b>Office (if any)</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
Mr. R Blackhurst	Chair		
Mr. P Driscoll	Deacon for Administration		30 <sup>th</sup> November 2020
Mrs. M Davies	Treasurer		
Mr. A Ralph		Reappointed 1 <sup>st</sup> November 2020	
Mr. S Anker			
Mrs. K Downes	Deacon for Administration	30 <sup>th</sup> November 2020	

Trustees are appointed for a 3 year term by the members of the Church.

**Property Trustees**

The Baptist Union Corporation Limited, Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8RT.

**Independent Examiner**

Vincent Lynch

**Structure, Governance and Management**

The Charity was constituted as a Charitable Incorporated Organisation (CIO) on 29<sup>th</sup> June 2017.

The Charity is governed by an Approved Governing Document (Baptist Union Model Constitution adopted on 26<sup>th</sup> March 2017). Membership of the Church is open to those who have professed faith in Jesus Christ and wish to become members, and who, by applying for membership have indicated acceptance of the Beliefs, a willingness to participate in the activities, have indicated their agreement to become a member and acceptance of the duty of members set out in the Constitution. Persons seeking membership who have not been baptised in the manner described in the Baptist Union's Declaration of Principle may at the discretion of the Church Members' Meeting be accepted for full membership based on their own public profession of faith.

The Ordinary Church Members' meetings shall be held at regular intervals on not less than three occasions in a calendar year. One ordinary Church Members meeting shall include the AGM (Annual General Meeting).



**Structure, Governance and Management continued...**

In accordance with the constitution, the Church Members' Meeting shall appoint Charity Trustees, including a Church Secretary (or equivalent) and a Church Treasurer (or equivalent), who are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

**Objectives and Activities**

The principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

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

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services take place each Sunday at 10.30am. There are also occasional services at other times which are advertised on the Church Notice Board and on the website at [www.somershambaptist.org](http://www.somershambaptist.org). There is a full children's programme during the morning services. The church seeks to be a friendly and welcoming community and anybody is free to attend any of these services.

The Church runs a series of house groups in the homes of some members, open to both members and non-members, for the growth of faith and discipleship.

The Church runs a group for under 5's and parents or carers (Little Sparrows) which meets in the Church premises on Wednesday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ.

The church aims to restart various events for Young People – Explorers for reception age to year 6 and Dynamite for year 7 to 13 in the coming year.

Occasionally, as needs arise, the Church runs courses for people interested in discovering more about Christianity. The Church also runs the Christians Against Poverty Money course – a course designed to teach skills in building a budget, managing money and preventing debt.

The Church is also used by local community groups on a regular basis: The Mothers Union, Somersham Town Band and The Somersham History Society and a local school who have a summer production and a Christmas Nativity. The Church is also available to hire on an ad-hoc basis as well as for weddings and funerals

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service and attend required Safeguarding training.



**Public Benefit Statement**

The Church has read the Charity Commission guidance on public benefit, and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

**Achievements and Performance**

The Church does not measure its success purely in numerical terms i.e., attendance and financial, but also in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

In March 2020 the whole world changed for what we all initially thought would be a short period of time due to the Covid-19 pandemic. As with all other areas of life, church did not escape the drastic measures needed to be put in place to protect the population from infection. Unfortunately, this meant any planned evangelical outreach work had to be on hold, however one to one discussion sharing the gospel still took place.

The Church managed very early on in the pandemic to offer Sunday services broadcast "live" using the Zoom platform. Guest preachers continued to preach the word 'live'. The fact that the services were, and continue to be at the time of this report 'live' on Zoom, has created great congregational cohesion. Enabling congregational participation in prayer and worship. Church family unity has been retained by being able to see one another's faces, communicate during the service and afterwards meeting in small break out rooms to catch up.

In terms of being fully inclusive of the whole congregation, the live broadcast only goes part way. Despite regularly seeing 15 to 18 screens of different households open at a Sunday zoom service, there is still a proportion of the church family we have been unable to reach, notably older members who do not use the technology. During the last year when there were times when we were allowed to reopen the church; we did so, and this went part way to allowing some of these members to join in.

The congregation continue to find the visiting preachers interesting and varied. Visiting preachers follow our in-house program and last year we worked through the book of Genesis and latterly John's gospel. Having different preachers brings good variety and freshness to Sunday morning worship

However, the Church is actively looking for a full time Minister and a team meet once a month in order to seek God's will in this appointment. The process is not an easy task and with a pandemic it is proving challenging. However, the church remains steadfast in the knowledge that God has prepared someone in advance to be the Minister of Somersham Baptist Church.

Despite the problems of Covid-19 we averaged 22 attendees at Sunday worship during the year. Joyfully we can also report that membership has increased by 2 during 2020 to 25 as at 31<sup>st</sup> December 2020 (23 as at 31<sup>st</sup> December 2019). We had 3 new members join and 1 leave during the year.

Two mid-week House Groups continued during 2020 - again using Zoom. Even post Covid-19, it is possible that this form of meeting may continue in order to better steward the planet's resources and not use the car as much.

During the pandemic a midweek prayer meeting has also been launched on the zoom platform and is well attended.

During this difficult year we are pleased with the way such a small church has dug deep and made things happen, with continued worship in every way legally possible. As I write this report with tears in my eyes, I cannot help but mention that we have undoubtedly had an inordinate amount of supernatural help in order to continue to worship the triune God. Heavenly Father; Thankyou.



**Financial Review**

The church raises funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by giving to national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose. The main recipients of this giving during the period of these accounts were: Baptist Home Mission, Baptist World Mission and UFM (to support Church members who are missionaries in South East Asia).

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

The financial results for the Year Ending 31 December 2020, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

The church is a participant within the Defined Benefit section of the Baptist Pension scheme and has been making ongoing deficit payments to cover the costs of past service of its employees within the scheme under a recovery plan. The church understands that if it had left the scheme at the year-end, it would have to have made a one-off payment estimated to be £24,200 (2019 - £38,000) to meet its statutory obligations of the scheme. The church has no plans to leave the scheme and expects to continue to make payments to the scheme in line with the recovery plan. During 2020 the Baptist Pension Scheme gave all churches paying into the deficit scheme a 50% holiday on payments for six months

**Reserves Policy**

The Trustees have established a Reserves Policy for its unrestricted funds to enable the church to function effectively and meet its obligations in the event of a decline in our income or a major cost.

Having considered the relevant risks of changes in income and expenditure, the trustees have determined that the appropriate level of reserves is in the range of £20,000 to £25,000. As at 31 December 2020 the church held total reserves of £121,127 (2019 - £103,549), of which £25,800 (2019 - £25,552) were Restricted and £70,000 (2019 - £53,000) Designated. The Trustees agreed that £70,000 has been designated for future Ministry costs at Somersham Baptist Church. Reserves that were neither restricted nor designated amounted to £25,327 (2019 - £24,997). (Please see Note 7 on page 8).

Approved by the order of the Trustees of Somersham Baptist Church on 17th June 2021 and signed on its behalf by:



**Mr. Richard Blackhurst**  
Chair



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

RECEIPTS AND PAYMENTS ACCOUNTS

	Notes	Unrestricted £	Restricted £	Designated £	Total 2020 £	Total 2019 £
<b>Receipts</b>						
Regular and Gift Aid Giving		24,620	-	-	24,620	27,593
Gift Aid recovered		5,328	-		5,328	12,170
Donations and other Income	2	109	-		109	578
Rent and Contributions for church use		264	-	-	264	1,215
Bank Interest		-	248	-	248	246
Other	7	-	-	310	310	2,500
<b>Total Receipts</b>		<b>30,321</b>	<b>248</b>	<b>-</b>	<b>30,879</b>	<b>44,302</b>
<b>Payments</b>						
Ministry	3	5,281	-	-	5,281	5,913
Mission	4	3,254	-	-	3,254	6,281
Upkeep of church premises	5	3,199	-	-	3,199	3,193
Administration	6	1,257	-	-	1,257	1,580
Other Payments	7	-		310	310	8,177
<b>Total Payments</b>		<b>12,991</b>	<b>-</b>	<b>-</b>	<b>13,301</b>	<b>25,144</b>
<b>Net Receipts/(Payments) for the year</b>		<b>17,330</b>	<b>248</b>	<b>-</b>	<b>17,578</b>	<b>19,158</b>
Transfers between funds	7	(17,000)	-	17,000	-	-
<b>Net Movement in funds</b>		<b>330</b>	<b>248</b>	<b>17,000</b>	<b>17,578</b>	<b>19,158</b>
<b>Cash balance brought forward</b>		<b>24,997</b>	<b>25,552</b>	<b>53,000</b>	<b>103,549</b>	<b>84,391</b>
<b>Cash balance carried forward</b>		<b>25,327</b>	<b>25,800</b>	<b>70,000</b>	<b>121,127</b>	<b>103,549</b>

## STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2020

	Notes	Unrestricted £	Restricted £	Designated £	Total 2020 £	Total 2019 £
<b>Assets:</b>						
Bank and other cash balances						
Petty Cash		19	-	-	19	46
Lloyds Bank Account		25,308	-	64,340	89,648	72,291
CAF Bank Account		-	-	340	340	339
Shawbrook 60 Day notice Account		-	25,800	5,320	31,120	30,873
		<b>25,327</b>	<b>25,800</b>	<b>70,000</b>	<b>121,127</b>	<b>103,549</b>
Assets Held for the Church's own use	8				910,619	859,785
<b>Total Assets</b>					<b>1,031,746</b>	<b>963,334</b>
<b>Liabilities:</b>						
Pension Scheme Liability	9				20,985	32,683
<b>Total Liabilities</b>					<b>20,985</b>	<b>32,683</b>

The accounts were approved by the Trustees of Somersham Baptist Church on 17th June 2021 and signed on their behalf by:



Mr. Richard Blackhurst  
Chair



Mrs Maureen Davies  
Treasurer



## NOTES TO THE ACCOUNTS

**1 Basis of accounts:**

These accounts have been prepared on a 'receipts and payments' basis and in accordance with Section 133 Charities Act 2011.

	2020	2019
	£	£
<b>2 Donations and other income:</b>		
Donations	57	21
Little Sparrows	52	252
Passover Meal tickets	0	305
<b>Total Donations and other income</b>	<b>109</b>	<b>578</b>
<b>3 Ministry:</b>		
Moderators Salary	250	-
Pension	2,784	3,553
Ministers Travel	216	129
Pulpit Supplies	1,635	1,918
Discipleship	50	156
Other Ministry	346	157
<b>Total Ministry</b>	<b>5,281</b>	<b>5,913</b>
<b>4 Mission:</b>		
Home Mission	1,011	1,368
BMS	1,011	1,368
UFM	1,011	1,368
Youth Work	-	24
Little Sparrows	27	102
Outreach - Easter Weekend	59	1,699
Outreach - Other	135	352
<b>Total Mission</b>	<b>3,254</b>	<b>6,281</b>
<b>5 Upkeep of church premises:</b>		
Lighting and Heating	1,164	1,122
Water charges	339	448
Insurances	1,017	961
Repairs & Maintenance	231	214
Furniture & Equipment	388	428
Other Premises	60	20
<b>Total Upkeep of church premises</b>	<b>3,199</b>	<b>3,193</b>



## NOTES TO THE ACCOUNTS Continued...

	2020 £	2019 £
<b>6 Administration</b>		
Subscriptions	788	745
Photocopying, Printing & Stationery	29	392
Other Administration	440	443
<b>Total Administration</b>	<b>1,257</b>	<b>1,580</b>

**7 Funds - Movement in Restricted and Designated Funds****a) Restricted Funds**

The restricted Significant Building Fund is money raised for major building work on the church premises, particularly renovation or extension projects.

	2020 £	2019 £
<b>Receipts</b>		
Interest	248	246
<b>Payments</b>		
Planning Application	-	984
Architect Fees	-	3,713
Other	-	480
<b>Total Payments</b>	<b>-</b>	<b>5,177</b>
<b>Nett Receipts/(Payments) for the year</b>	<b>248</b>	<b>(4,931)</b>
<b>Cash Balance brought forward</b>	<b>25,552</b>	<b>30,483</b>
<b>Cash Balance carried forward</b>	<b>25,800</b>	<b>25,552</b>

**b) Designated Funds****i) Future Ministry Costs**

The Trustees agreed to set aside a further £17,000 to a designated Future Ministry costs fund as when a Minister is employed it will produce a significant deficit annual budget. Somersham Baptist Church is in the process to fill the Pastoral vacancy.

	2020 £	2019 £
Transfer from General Fund	17,000	53,000
<b>Cash Balance brought forward</b>	<b>53,000</b>	<b>-</b>
<b>Cash Balance carried forward</b>	<b>70,000</b>	<b>53,000</b>

**ii) Gift to retiring Church Secretary**

Receipt from Donations	310	-
Payment for Gift	310	-
<b>Nett Receipts/(Payments) for the year</b>	<b>-</b>	<b>-</b>



## NOTES TO THE ACCOUNTS Continued...

**8 Assets Held for the Church's own use**

The Church is the beneficial owner (subject to the relevant trusts) of the following assets, the legal title to which is held by the church's custodian trustee (the Baptist Union Corporation):

- Church Premises at High Street, Somersham, Huntingdon, Cambridgeshire, PE28 3JB valued in the accounts at £831,392 (2019 - £784,332) based on insured value.
- The Church also owns fixtures, furniture and equipment with an insured value of £79,227 (2019 - £75,453)

**9 Pension Scheme Liabilities**

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. Since January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

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

Under the Schedule of Contributions, the Church makes a monthly payment in respect of the DB Scheme deficit, currently £317.95, which will increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresees these contributions continuing until June 2026. The pension scheme liability shown in the Statement of Assets and Liabilities is calculated at the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions, which amounted to £20,985 as at 31<sup>st</sup> December 2020 (£32,683 as at 31<sup>st</sup> December 2019).

The Church has been advised that the estimated cost for the Church to buyout their Pension Scheme liabilities at 31 December 2020 was £24,200 (31 December 2019 was £38,000).



**Template for Independent Examiners report (where independent examiner does not wish to highlight any issues)**

**Report of the Independent Examiner(s) to the Trustees of** SOMERSHAM BAPTIST CHURCH

**On the accounts for the year ended** 31st DECEMBER 2020

**Respective responsibilities of Trustees and Examiner**

The Church's Trustees are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

~~Since the Church's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of [insert named of applicable listed body], which is one of the listed bodies. (Delete if income is less than £250,000)~~

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination. (if ~~accounts prepared on accruals basis~~\*)

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

*\*Delete the words in the brackets if they do not apply*

Signed by or on behalf of the Examiner  Date 12/6/21

Name VINCENT LYNCH

Relevant Professional Qualification(s) or body (if any) FCA. INSTITUTE OF CHARTERED

ACCOUNTANTS ENGLAND & WALES

Address STANUS HOUSE, KATUNING ST, GEDDINGTON, LE29 2JD