



# **SOMERSHAM BAPTIST CHURCH**

**Report and Financial Statements**

**For the Year Ended 31<sup>st</sup> December 2022**

**Charity No: 1173623**

The trustees present their Annual Report and financial statements for the year ending 31<sup>st</sup> December 2022.

**Charity's principal 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:

Name	Office (if any)	Date of appointment	Date of resignation
Mr R Blackhurst	Chair		4 January 2022
Mrs M Davies	Treasurer		6 November 2022
Mr A Ralph			3 March 2022
Mrs K Downes	Church Secretary		7 July 2022
Mr Anthony Cooney		24 April 2022	
Mr Graham Lodge	Treasurer	6 November 2022	
Mrs Ruth Lodge	Church Secretary	6 November 2022	

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**

Ian Cunningham

**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, with minor amendments in April 2021, and May 2022). 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 their agreement to become a member, indicated acceptance of the Beliefs, a willingness to participate in the activities, 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.

Ordinary Church Members' meetings are held at regular intervals on not less than three occasions in a calendar year. It is stipulated that one ordinary Church Members meeting shall include the AGM (Annual General Meeting).

In accordance with the constitution, the Church Members' Meeting appoints 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 objectives.

**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 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 fellowship groups in the homes of some members, open to both members and non-members, for the growth of faith and discipleship. Since the Covid pandemic only one house group has been running, and the church aims to increase the number of these small groups during 2023.

The church would ideally like to restart various community outreach activities in the coming year: possible activities include a weekly pre-school group and a community gospel choir. No detailed plans exist at this stage, although it's clear we will be unable to resource two weekly outreaches. The church will also be participating in village events such as carnival and hopes to provide an opportunity to mark the coronation in May.

Occasionally, as needs arise, the Church runs courses for people interested in discovering more about Christianity.

Prior to Covid-19 the Church was also used by local community groups on a regular basis: we were glad to see a local school using our building again last year for their summer production and for a Christmas Nativity; however the Mothers Union, Somersham Town Band and The Somersham History Society have not yet resumed bookings. The Church is also available on an ad-hoc basis for private hire, 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 primarily in less tangible areas like fellowship and encouragement. The Trustees recognise that these are difficult to measure.

Throughout the year Sunday services have been held in the church building, with a live stream available on Zoom - for those who wish to limit their face to face contact in order to reduce the possibility of contracting Covid. It has been good to be back into the swing of congregational participation in prayer and worship

A number of members (four of whom had been trustees) left the fellowship during 2022 and a number of other members joined; this resulted in an overall decrease to 19 members as at 31<sup>st</sup> December 2022. We held elections for new trustees in April, and again in November and this team are now getting established in their new roles. We averaged 22 adult attendees and 2 children at Sunday worship during the year.

One mid-week House Group – now able to meet face to face again - continued throughout 2022, and an additional weekly / fortnightly prayer meeting, taking place at church, is planned for this year.

We continue to support our Missionary Family in South East Asia; through much of 2022 they were in UK on sabbatical, giving a chance to deepen relationships with others in the fellowship. They returned to Asia shortly before Christmas and will resume regular updates via newsletters and video to enable us to feel close to them.

The Church is planning to resume actively looking for a full time Minister with a small team assigned both to practical tasks, and meeting to seek God's will in this appointment. The process was paused during the summer and autumn while the new group of trustees was established. However, the church remains steadfast in the knowledge that God has prepared someone in advance to be the Minister of Somersham Baptist Church.

During another difficult year we are pleased with the way that such a small church has continued to worship and proclaim the gospel. Once again, we give all the glory to 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 2022, 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 (up until the middle of 2022) was making ongoing deficit payments to cover the costs of past service of its employees within the scheme under a recovery plan. Following a 'buy-in' arrangement announced in July 2022, recovery

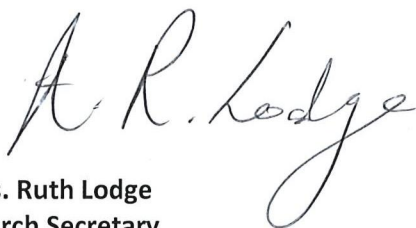
payments were reduced to £1 per month, continuing until June 2026. The latest guidance we have received is that no further deficit payments are anticipated: nevertheless, participating employers remain responsible for providing a share of any additional funds that the Defined Benefit Plan may require in future. The church has no plans to leave the scheme and could therefore be asked to resume deficit payments should the need arise.

**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 £25,000 to £30,000. As at 31 December 2022 the church held total reserves of £138,694 (2021 - £135,296), of which £23,509 (2021 - £25,980) were Restricted and £84,000 (2020 - £84,000) Designated. The Trustees agreed that £84,000 has been designated for future Ministry costs at Somersham Baptist Church. Reserves that were neither restricted nor designated amounted to £31,185 (2021 - £25,316). (Please see Note 7 on page 9).

Approved by the order of the Trustees of Somersham Baptist Church on 7th March 2023 and signed on their behalf by:



**Mrs. Ruth Lodge**  
**Church Secretary**

**Report of the Independent Examiner(s) to the Trustees of Somersham Baptist Church  
On the accounts for the year ended 31<sup>st</sup> December 2022**

**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**

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.

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.

Signed by or on behalf of the Examiner  Date 1 June 2023

Name IAN CUNNINGHAM

Relevant Professional Qualification(s) or body (if any) ACCA QUALIFIED.

Address LARKFIELD, ST PETERS STREET, CAXTON CB23 3PJ



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

RECEIPTS AND PAYMENTS ACCOUNTS

	Notes	Unrestricted £	Restricted £	Designated £	Total 2022 £	Total 2021 £
<b>Receipts</b>						
Regular and Gift Aid Giving		18,768	-	-	18,768	22,596
Gift Aid recovered		4,401	-	-	4,401	4,839
Donations and other Income	2	333	-	-	333	21
Rent and Contributions for church use		-	-	-	-	-
Bank Interest		-	213	-	213	180
Other		-	-	-	-	-
<b>Total Receipts</b>		<b>23,502</b>	<b>213</b>	<b>-</b>	<b>23,715</b>	<b>27,636</b>
<b>Payments</b>						
Ministry	3	4,486	-	-	4,486	6,757
Mission	4	2,911	-	-	2,911	2,850
Upkeep of church premises	5	8,524	-	-	8,524	2,656
Administration	6	1,712	-	-	1,712	1,204
Other Payments	7	-	2,684	-	2,684	-
<b>Total Payments</b>		<b>17,633</b>	<b>2,684</b>	<b>-</b>	<b>20,317</b>	<b>13,467</b>
<b>Nett Receipts/(Payments) for the year</b>		<b>5,869</b>	<b>(2,471)</b>	<b>-</b>	<b>3,398</b>	<b>14,169</b>
Transfers between funds		-	-	-	-	-
<b>Net Movement in funds</b>		<b>5,869</b>	<b>(2,471)</b>	<b>0</b>	<b>3,398</b>	<b>14,169</b>
<b>Cash balance brought forward</b>		<b>25,316</b>	<b>25,980</b>	<b>84,000</b>	<b>135,296</b>	<b>121,127</b>
<b>Cash balance carried forward</b>		<b>31,185</b>	<b>23,509</b>	<b>84,000</b>	<b>138,694</b>	<b>135,296</b>

## STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2022

	Notes	Unrestricted £	Restricted £	Designated £	Total 2022 £	Total 2021 £
<b>Assets:</b>						
Bank and other cash balances						
Petty Cash		0	-	-	0	14
Lloyds Bank Account		31,185	-	55,654	86,839	83,641
CAF Bank Account		-	-	20,419	20,419	20,341
Shawbrook 60 Day notice Account		-	23,509	7,927	31,436	31,300
		<u>31,185</u>	<u>23,509</u>	<u>84,000</u>	<u>138,694</u>	<u>135,296</u>
Assets Held for the Church's own use	8				1,021,502	964,465
<b>Total Assets</b>					<u><u>1,160,196</u></u>	<u><u>1,099,761</u></u>
<b>Liabilities:</b>						
Pension Scheme Liability	9				42	17,414
<b>Total Liabilities</b>					<u><u>42</u></u>	<u><u>17,414</u></u>

The accounts were approved by the Trustees of Somersham Baptist Church on **3rd March 2023** and signed on their behalf by:

 01 Jun 2023

Graham Lodge  
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.

	2022 £	2021 £
<b>2 Donations and other income:</b>		
Donations	333	21
Little Sparrows	-	-
Passover Meal tickets	-	-
<b>Total Donations and other income</b>	<b>333</b>	<b>21</b>
<b>3 Ministry:</b>		
Moderators Salary	500	500
Pension (incl Defecit Payments)	2,312	3,815
Ministers Travel		128
Pulpit Supplies	1,363	2,004
Discipleship	90	60
Other Ministry - Worship Resources	221	250
<b>Total Ministry</b>	<b>4,486</b>	<b>6,757</b>
<b>4 Mission:</b>		
Home Mission	787	915
BMS	787	915
UFM	787	916
Youth Work	400	-
Little Sparrows	-	-
Outreach - Easter Weekend	-	-
Outreach - Other	150	104
<b>Total Mission</b>	<b>2,911</b>	<b>2,850</b>
<b>5 Upkeep of church premises:</b>		
Lighting and Heating	671	(491)
Water charges	369	274
Cleaning	312	-
Insurances	1,140	1,077
Repairs & Maintenance	5,531	1,075
Furniture & Equipment	105	356
Telephone & Broadband	396	365
<b>Total Upkeep of church premises</b>	<b>8,524</b>	<b>2,656</b>

## NOTES TO THE ACCOUNTS Continued...

	2022	2021
	£	£
<b>6 Administration</b>		
Subscriptions	960	845
Photocopying, Printing & Stationery	-	-
Other Administration	752	359
<b>Total Administration</b>	<b>1,712</b>	<b>1,204</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.

	2022	2021
	£	£
<b>Receipts</b>		
Interest	213	180
<b>Payments</b>		
Replacement of side door	2,684	-
Architect Fees	-	-
Other	-	-
<b>Total Payments</b>	<b>2,684</b>	<b>0</b>
<b>Nett Receipts/(Payments) for the year</b>	<b>(2,471)</b>	<b>180</b>
<b>Cash Balance brought forward</b>	<b>25,980</b>	<b>25,800</b>
<b>Cash Balance carried forward</b>	<b>23,509</b>	<b>25,980</b>

**b) Designated Funds**

	2022	2021
	£	£
<b>Future Ministry Costs</b>		
The Trustees agreed to set aside a further £14,000 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.		
Transfer from General Fund		14,000
<b>Cash Balance brought forward</b>	<b>84,000</b>	<b>70,000</b>
<b>Cash Balance carried forward</b>	<b>84,000</b>	<b>84,000</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 £934,153 (2021 - £881,276) based on insured value.
- The Church also owns fixtures, furniture and equipment with an insured value of £87,349 (2021 - £83,189)

**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: the Church and the other participating employers in the DB Plan were collectively responsible for funding this deficit. However in mid-2022 the Pension Trustee signed a 'buy-in' agreement with the insurance company Just Group, under which Just has taken responsibility for meeting the cost of pension benefits due from the DB Plan in the future. The Trustee and the Baptist Union agreed that deficit recovery payments should reduce to £1 per month for each employer from the August 2022 payment until June 2026.

The Trustee and the BU do not anticipate reinstating the requirement to pay full DRCs in the future but this cannot be ruled out at this stage. Participating employers remain responsible for providing a share of any additional funds that the DB Plan may require in future.

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. The current liability is £42 at 31 December 2022 (£17,414 as at 31 December 2021).

Should the Church cease to be a participating employer, an administrative charge will apply for processing cessation events for the time being, even though there is no shortfall. The Church was previously advised that the estimated cost for the Church to buyout their Pension Scheme liabilities (at 31 December 2021) was £16,500.



