

**BARNSTAPLE BAPTIST CHURCH**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

## **Barnstaple Baptist Church - Trustees Annual Report Year Ending 31<sup>st</sup> December 2022**

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

### **References and administrative details**

- **Registered Address & Charity Number**

Boutport Street,  
Barnstaple,  
Devon, EX31 1TD  
Charity Registration Number 1173772

- **Trustees**

Reverend Peter Spencer Price - Minister  
Rhian Wyn Hogan – Secretary **(Yearly appointment)**  
Hilary Kathryn Boone **(retired April 2022 and re-elected April 2022)**  
Michael Joseph Cook **(retired June 2021 and re-elected June 2021)**  
Reverend Richard Anthony Martin **(resigned May 2019 re-elected June 2020)**  
Vivien Moore **(appointed June 2020)**  
Christopher Perry – Treasurer **(Yearly appointment)**

- **Property Trustees**

The Baptist Union Corporation Limited,  
Baptist House,  
129 Broadway,  
Didcot,  
Oxfordshire OX11 8RT  
Tel: 01235 517700  
Email: [buc.corp@baptist.org.uk](mailto:buc.corp@baptist.org.uk)

- **Bankers**

CAF Bank Limited  
25 Kings Hill Avenue,  
Kings Hill,  
West Malling,  
Kent ME19 4JQ.  
Tel: 03000 123456  
Email: [cafbank@cafonline.org](mailto:cafbank@cafonline.org)

- **Independent Examiner**

Catherine Williams FCA DChA  
Westcotts (SW) LLP  
47 Boutport Street, Barnstaple,  
Devon, EX31 1SQ  
Tel: 01271 374138  
Email: [cat.williams@westcotts.uk](mailto:cat.williams@westcotts.uk)

## Background information

Barnstaple Baptist Church started life in 1814. The first Church building was finished in 1823, with a Church in Boutport Street opening for worship in February 1833. This building proved too small, the site was cleared, with the current building opening in July 1861.

Throughout many years the Church has operated as a "Charitable Unincorporated Association", (CUA), with the charity being recognised by the Charity Commission as an "excepted charity" with no requirement to register.

On 7<sup>th</sup> June 2017 the Church approved a new Constitution, based upon a template for a "Charitable Incorporated Organisation" (CIO) produced by the Baptist Union, working in conjunction with the Charity Commission. Application was made to the Charity Commission to register a new charity and this was completed on 11<sup>th</sup> July 2017.

The Assets, Liabilities and Activities of the CUA were legally transferred to the CIO at close of operations on 31<sup>st</sup> December 2017. The CIO started its activities under the governance of the new Constitution as from 1<sup>st</sup> January 2018.

## Structure, Governance and Management

The Charity is governed by an Approved Governing Document - the Constitution. 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.

Individuals seeking membership who have not been baptised in the manner described in the Baptist Union's Declaration of Principle may be welcomed as Associate Members at the discretion of the Church Members' Meeting, on the basis of the applicant's public profession of faith, to enable them to participate in Church Members' Meetings, but with restricted voting rights, as determined from time to time by the Church Member's Meeting.

A Church Member's Meeting normally takes place bi-monthly, other than August and December and has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Trustees, who together with the Minister, Church Secretary and Treasurer (who are also appointed by the Members annually), 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.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

## Normal 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 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 to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into 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 10.30 a.m. with services at other times, which are advertised on the Church Notice Board and the church website. The Church seeks to be a friendly and welcoming community and anybody is free to attend any of these services.

### Achievements and Performance

Our numbers of attendees continue to dwindle, although our financial numbers have held up thanks to a lot of sacrificial giving, other less tangible areas like fellowship and encouragement.

2022 has been a challenging year for all forms of measure, Covid is still a worry for our aging congregation along with the severe cost of living increases especially in the cost of gas and electricity, to help we offer every Wednesday morning after our Bible study to which everyone is welcome, we have a time of fellowship with board games chat etc. with plenty of beverages and snacks.

Our web site has been left for a while but is now up and running again with the weekly sermon available on line for those shut in or would just like to listen again.

### Membership and attendance

Church Membership at the end of 2022 is 25. Average Sunday worship attendance was 30 persons. Although all our permanent members and attenders are adult, we had 3 children attend regularly during the summer months, while on holiday here with their grandmother.

### Pastors Report on Church activities: 2022.

1/ OVERVIEW. To some extent, 2022 marked the beginning of something *approaching* normality after the Covid-19 dominated years of 2019-21. We were able to resume our usual Sunday morning services, albeit with a few of our regulars opting to stay at home due to their increased anxiety of still being vulnerable to infection.

### 2/ WHAT WE WERE ABLE TO DO:

- a) Happily, we were able to hold a Harvest Festival Service and donated a substantial amount of non-perishable food to The Freedom Centre, Barnstaple – an outreach center caring for the needs of the most vulnerable in the area.
- b) We were also able to send over £1,600.00 to the Baptist Missionary Society that included specific help to Ukraine, Nepal in the BU *Good Lands* project, as well as to helping needy individuals around the world.
- c) Our annual shoe-box appeal enabled us to send many toys and resources to needy children in the third world via the Samaritans Purse appeal.
- d) Our annual Suffering Church Sunday appeal meant that we could send funds to persecuted Christians in Afghanistan via the Open Doors UK Charity.



e) Locally, we hold a drop-in coffee morning each Wednesday offering a “warm space” for anyone to come in for a chat and free refreshments.

f) Although, as an ageing and dwindling congregation, we have suffered the same challenges of health breakdowns common to many similar churches, the members continue to be very supportive of one another.

g) The future? In my report last year, I made this observation:

*“Without a major increase in the organizations hiring our building, plus a big influx of new members, it’s difficult to see how the continuing maintenance and service costs can be maintained indefinitely”*

We are now facing that anticipated “perfect storm” of rising costs, dwindling hiring opportunities and a smaller, financially challenged (for the most part) congregation.

However, despite our church having decided on “the nuclear option” of selling the building, the leadership and members remain upbeat about our future as a gathered group as we continue to endeavor to be a beacon of light, hope and compassion to our local community.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted regarding the Disclosure and Barring Service.

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.

### Treasurers Report

The Church has had a difficult year recovering from the effects of Covid, we are now meeting normally again, however there is a reduction of attendees from pre-pandemic attendance which has been reflected in the offering.

In November 2021 we were informed that our gas and electricity bills were to be significantly increased with gas in particular quadrupling, it is a very old building with a three-story void to the ceiling in the sanctuary so very difficult to heat. We changed supplier on advice from a consultant. Which has resulted in a far better service and cost reduction, nor have we faced the expected increase in bills so our budget for services was overstated for the period of 2022.

The church normally lets out various rooms for community use including, including weekly Art classes, Ladies keep fit, Model construction and games, quarterly London College of Music exams, however we have lost two significant hirers which will result in a loss of hire income in 2023 unless we are able to re-let the spaces.

We are an ageing congregation with limited funds, so whilst we do have a contingency fund, normal weekly giving and income from hire will make the occupation of the building unsustainable in the long term especially as the building needing some important structural repairs which cannot be met from the regular income so, it is sad that after 190 years of faithful service it seems that the building is no longer fit for purpose and so we are prayerfully seeking a new venue.

### Financial Review - Accounts for the year ending 31st December 2022

The accounts have been prepared on a ‘receipts and payments’ basis and in accordance with Section 133 Charities Act 2011. The accounts represent the fourth operational period of the CIO, being the year ending 31st December 2022. The previous period comparative figures represent activities from the 1st January 2021 to 31st December 2021, Therefore the Accounts for the period ending 31st December 2022 represent 12 months activities and are a direct comparison to the year ending 31st December 2021.

The Church raises the funds which it needs to carry on its activities from within its own membership and congregation. The other significant source of income relates to hiring out the Church premises. Several years ago, the Church realised that the premises were standing empty and unused for much of each week. It was agreed to invest heavily in refurbishment, bringing parts of the building, standing almost in a derelict condition, back into use. However being 190 years old the building is again in need of structural work.

The most significant expense relates to Revd. Peter Price as Pastor of the Church, who leads and co-ordinate the Church's activities including the Sunday Services, to provide pastoral care for the congregation and other people and to equip and encourage the membership in their life, Christian witness and service.

The Church expressed its part in the life of the wider Church by making grants to local, national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purpose.

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, however with a very aging congregation we are finding it increasingly difficult to be physically involved in anything but the daily/weekly activities of running the Church.

The financial results for the year are set out in the accompanying financial statements.

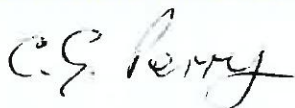
The Church is a participating employer within the Defined Benefit section of the Baptist Pension scheme and has been making ongoing deficit payments to cover the costs of past service of its employees within the scheme under a recovery plan. The Church understands that if it had left the scheme at the year-end, it would have needed to make a one-off payment estimated to be £9,800.00 to meet its statutory obligations to the scheme. The Church has no plan to leave the scheme and expects to continue to make payments to the scheme in line with the recovery plan.

#### **Reserves Policy**

The Trustees have established a Reserves Policy 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 £7,500 to £12,500, representing up to three month's forward expenditure. As at 31 December 2022, the Church held General Fund reserves of £9,405 and Gold Account Funds of £82,120.

**Signed on behalf of the Trustees**



**C G Perry Treasurer/Trustee**

*2<sup>nd</sup> March 2023*



## **Barnstaple Baptist Church**

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### **Independent examiner's report to the Trustees on the unaudited financial statements of Barnstaple Baptist Church.**

I report to the Trustees on my examination of the accounts of Barnstaple Baptist Church for the year ended 31 December 2022.

#### **Respective responsibilities of Deacons and Members and independent examiner**

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 my examination of Barnstaple Baptist Church's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Barnstaple Baptist Church as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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

  
.....  
**Catherine Williams FCA DChA**

**Independent examiner  
Westcotts (SW) LLP  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ**

*2<sup>nd</sup> March 2023*

# BARNSTAPLE BAPTIST CHURCH - CHARITABLE INCORPORATED ORGANISATION - CHARITY NUMBER 1173772

## FINANCIAL STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2022

### GENERAL FUND RECEIPTS & PAYMENTS ACCOUNT

		YEAR ENDING 31/12/2021	YEAR ENDING 31/12/2022
<b>Receipts</b>	<b>Note</b>		
Offerings	3	£ 30,184.00	£ 31,857.92
Income tax recovered on gifts		£ 7,606.07	£ 7,888.89
Donations and other income	4	£ 923.00	£ 580.86
Hire and contributions for use of premises		£ 7,275.64	£ 10,182.14
Raised for other causes	5	£ 979.00	£ 1,825.22
Rent received from manse		£ 10,200.00	£ 10,200.00
Building fund			
<b>Total Receipts</b>		<b>£ 57,167.71</b>	<b>£ 62,535.03</b>
<b>Payments</b>			
Ministry	6	£ 39,481.42	£ 35,902.34
Upkeep of church premises	7	£ 17,589.36	£ 10,422.28
Mission	8	£ 3,411.50	£ 3,191.90
Administration & general expenditure	9	£ 2,591.92	£ 2,479.94
<b>Total Payments</b>		<b>£ 63,074.20</b>	<b>£ 51,996.46</b>
<b>Net receipts for the period</b>		<b>-£ 5,906.49</b>	<b>£ 10,538.57</b>
<b>Transfers from General Fund to Building Fund</b>		<b>£</b>	
<b>Transfers from/to General Fund from/to Community Evangelist Fund</b>		<b>£ 7,000.00</b>	<b>-£ 10,000.00</b>
<b>Balance - at start of period</b>		<b>£ 7,333.87</b>	<b>£ 8,427.38</b>
<b>Balance - as at end of period</b>		<b>£ 8,427.38</b>	<b>£ 8,965.95</b>

*The balance on the General Fund represents unrestricted funds to be used by the charity in fulfilling its charitable objectives.*



**BARNSTAPLE BAPTIST CHURCH - CHARITABLE INCORPORATED ORGANISATION - CHARITY NUMBER 1173772****FINANCIAL STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2022****BUILDING FUND RECEIPTS AND PAYMENTS ACCOUNT**

	YEAR ENDING 31/12/2021	YEAR ENDING 31/12/2022
<b>Receipts</b>		
Envelopes and other income		
Legacy		
VAT recovered		
<b>Total Receipts</b>	<b>£ -</b>	<b>£ -</b>
<b>Payments</b>		
General repairs & improvements		
<b>Total Payments</b>	<b>£ -</b>	<b>£ -</b>
<b>Net receipts for the period</b>	<b>£ -</b>	<b>£ -</b>
<b>Transfers to Building Fund from General Fund</b>		
<b>Balance - at start of period</b>	<b>£ 439.50</b>	<b>£ 439.50</b>
<b>Balance - as at end of period</b>	<b>£ 439.50</b>	<b>£ 439.50</b>

*The balance on the Building Fund represents funds to be used by the charity for building projects.*

*Transfers from the General Fund are unrestricted funds that the Trustees have set aside for this purpose.*

*Envelopes and other income are restricted funds which have been given to the charity for the Building Fund.*

*A Legacy was received during 2019 and the Trustees agreed to contribute this to the Building Fund.*

**BARNSTAPLE BAPTIST CHURCH - CHARITABLE INCORPORATED ORGANISATION - CHARITY NUMBER 1173772**

**FINANCIAL STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2022**

**COMMUNITY EVANGELIST FUND RECEIPTS AND PAYMENTS ACCOUNT**

	YEAR ENDING 31/12/2021	YEAR ENDING 31/12/2022
<b>Receipts</b>		
Envelopes and other income	£ -	£ -
Slee Blackwell final distribution	£ 18,812.25	
Interest received	£ 5.96	£ 298.78
<b>Total Receipts</b>	<b>£ 18,818.21</b>	<b>£ 298.78</b>
<b>Payments</b>		
Interest	£ -	£ -
<b>Total Payments</b>	<b>£ -</b>	<b>£ -</b>
<b>Net receipts for the period</b>	<b>£ 18,818.21</b>	<b>£ 298.78</b>
<b>Transfers to Community Evangelist Fund from General Fund</b>		
<b>Transfers from/to General Fund from/to Community Evangelist Fund</b>	<b>-£ 7,000.00</b>	<b>£ 10,000.00</b>
<b>Balance - at start of period</b>	<b>£ 60,003.24</b>	<b>£ 71,821.45</b>
<b>Balance - as at end of period</b>	<b>£ 71,821.45</b>	<b>£ 82,120.23</b>

*The balance on the Community Evangelist Fund represents funds to be used by the charity to cover the costs of a Community Evangelist.*

*Transfers from the General Fund are unrestricted funds that the Trustees have set aside for this purpose.*

**BARNSTAPLE BAPTIST CHURCH - CHARITABLE INCORPORATED ORGANISATION - CHARITY NUMBER 1173772**

**FINANCIAL STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2022**

		BALANCE SHEET AS AT 31/12/2021	BALANCE SHEET AS AT 31/12/2022
<b>Statement of Assets and Liabilities</b>			
<b>ASSETS</b>	Note		
<b>Bank Balances</b>			
CAF Cash Account		£ 8,866.88	£ 9,405.45
CAF Gold Account		£ 71,821.45	£ 82,120.23
	10	£ 80,688.33	£ 91,525.68
<b>LESS LIABILITIES</b>			
Short term Loans from Members			
<b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>		£ 80,688.33	£ 91,525.68
<b>REPRESENTED BY:</b>			
<b>GENERAL FUND</b>			
Balance 1st January		£ 7,333.87	£ 8,427.38
Surplus/Deficit during Year		-£ 5,906.49	£ 10,538.57
Transfer to Building Fund			
Transfer from/to Community Evangelist Fund		£ 7,000.00	-£ 10,000.00
Balance 31st December		£ 8,427.38	£ 8,965.95
<b>BUILDING FUND</b>			
Balance 1st January		£ 439.50	£ 439.50
Surplus/Deficit during Year		£ -	£ -
Transfer from General Fund		£ -	£ -
Balance 31st December		£ 439.50	£ 439.50
<b>COMMUNITY EVANGELIST FUND</b>			
Balance 1st January		£ 60,003.24	£ 71,821.45
Surplus/Deficit during Year		£ 18,818.21	£ 298.78
Transfer from General Fund		-£ 7,000.00	£ 10,000.00
Balance 31st December		£ 71,821.45	£ 82,120.23
<b>TOTAL RESERVES</b>		£ 80,688.33	£ 91,525.68

This Balance Sheet is only intended for clarification of certain items as stated above and not to necessarily reflect all assets, liabilities or reserves.

The financial statements were approved by the Trustees on 2nd March 2023 and signed on their behalf by

Mr C Perry  
Trustee



## BARNSTAPLE BAPTIST CHURCH

### FINANCIAL STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2022

#### 1 Background information

Barnstaple Baptist Church started life in 1814. The first church building was finished in 1823, with a church in Boutport Street opening for worship in February 1833. This building proved too small, the site was cleared, with the current building opening in July 1861. Throughout many years the church has operated as a "Charitable Unincorporated Association", (CUA), with the charity being recognised by the Charity Commission as an "excepted charity" with no requirement to register. On 7<sup>th</sup> June 2017 the church approved a new Constitution, based upon a template for a "Charitable Incorporated Organisation" (CIO) produced by the Baptist Union working in conjunction with the Charity Commission. Application was made to the Charity Commission to register a new charity and this was completed on 11th July 2017.

#### 2 Basis of accounts

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

#### 3 Offerings

	2021	2022
Sunday offerings - envelopes	£ 15,565.00	£ 17,173.92
Sunday offerings - plate		
Standing Order offerings	£ 14,619.00	£ 14,684.00
<b>Total Offerings</b>	<b>£ 30,184.00</b>	<b>£ 31,857.92</b>

#### 4 Donations and Other Income

	2021	2022
Communion offerings	£ 35.90	£ 27.20
Other income	£ 597.10	£ 253.66
Gift Day	£ -	£ 300.00
Lee Abbey training	£ 290.00	£ -
<b>Total Donations and Other Income</b>	<b>£ 923.00</b>	<b>£ 580.86</b>

#### 5 Raised for Other Causes

	2021	2022
Home Mission	£ 793.00	£ 70.00
BMS World Mission	£ 186.00	£ 1,340.22
Other Mission	£ -	£ 415.00
<b>Total Raised for Other Causes</b>	<b>£ 979.00</b>	<b>£ 1,825.22</b>

#### 6 Ministry

	2021	2022
Minister's stipend	£ 19,600.00	£ 18,956.40
Baptist Pension Fund DC plan employer contributions	£ 1,651.20	£ -
Baptist Pension Fund DB plan deficiency contributions	£ 3,695.40	£ 2,192.36
Minister's travel & other expenses	£ 1,273.96	£ 1,285.73
Music & worship expenditure	£ 669.59	£ 701.77
Training & teaching	£ 291.28	£ 41.57
Manse rent, council tax & water expenditure	£ 12,157.47	£ 12,584.33
BU Subscriptions	£ 142.52	£ 140.18
<b>Total Ministry</b>	<b>£ 39,481.42</b>	<b>£ 35,902.34</b>

Rev. Peter Price acts as one of the church's trustees and receives remuneration and other benefits in respect of his services as Minister, including the provision of manse accommodation, which is rented by the church.

## BARNSTAPLE BAPTIST CHURCH

### NOTES TO THE ACCOUNTS

#### 7 Upkeep of church premises

	2021	2022
Lighting and heating	£ 4,803.00	£ 929.04
Cleaning & catering	£ 724.73	£ 1,621.50
Insurance	£ 4,752.95	£ 4,647.39
Repairs and maintenance	£ 6,374.99	£ 3,139.35
2 Coronation Street	£ 933.69	£ 85.00
<b>Total Upkeep of church premises</b>	<b>£ 17,589.36</b>	<b>£ 10,422.28</b>

#### 8 Mission

	2021	2022
Home Mission	£ -	£ 715.00
BMS World Mission	£ 750.00	£ 1,631.00
Sunday School Youth Work	£ -	£ 104.90
Other mission	£ 2,250.50	£ 170.00
Publicity & outreach	£ 411.00	£ 571.00
<b>Total Mission</b>	<b>£ 3,411.50</b>	<b>£ 3,191.90</b>

#### 9 Administration & general expenditure

	2021	2022
Church office	£ 986.42	£ 1,101.63
Subscriptions	£ -	£ -
Equipment	£ 7.99	£ 66.31
Other administration & general expenditure	£ 1,597.51	£ 1,312.00
<b>Total Administration &amp; general expenditure</b>	<b>£ 2,591.92</b>	<b>£ 2,479.94</b>

#### 10 Reconciliation - Bank Balances & Funds

	31/12/2021	31/12/2022
Bank Balance - CAF Cash Account	£ 8,866.88	£ 9,405.45
Bank Balance - CAF Gold Account	£ 71,821.45	£ 82,120.23
	<b>£ 80,688.33</b>	<b>£ 91,525.68</b>

#### 11 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 Ltd:

- Church & Hall premises at Boutport Street Barnstaple valued at £5,267,671, based on 2023 insured values.
- Church manse at 2 Coronation Street Barnstaple valued at £314,604, based on 2023 insured value.
- The church also owns fixtures, furniture and equipment with a 2023 insured value of £238,244.

#### 12 Pension Scheme Liabilities

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Minister is eligible to join the Scheme.

Since 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. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

## BARNSTAPLE BAPTIST CHURCH

### NOTES TO THE ACCOUNTS

#### 12 Pension Scheme Liabilities (continued)

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

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

The key financial assumptions underlying the valuation were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20%
CPI price inflation assumption	2.70%
Minimum Pensionable Income increases (CPI plus 0.75% p.a.)	3.20%
Assumed investment returns	
- Pre retirement	2.95%
- Post retirement	1.70%
Deferred pension increases	
- Pre April 2009	3.20%
- Post April 2009	2.50%
Pension increases	
- Main Scheme pension Pre April 2006	2.70%
- Main Scheme pension Post April 2006	2.70%

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the charge for the period represents the employer contributions payable. The total pension cost for the Church was £6,498.90 as shown in Note 6.

The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2022.