

RICKMANSWORTH BAPTIST CHURCH

Deacons' Report and Financial Statements for the year ended 31 March 2021

CONTENTS

Page 2-4	Deacons' Report
Page 5	Table 1: Outline Summary of Fund Movements
	Table 2: Statement of Financial Activities
Page 6	Table 3: Statement of Assets and Liabilities
Page 7-9	Notes to the Financial Statements
Page 10	Independent Examiner's Report
Page 11	Supplementary statement: Payments to Charity

RICKMANSWORTH BAPTIST CHURCH

Deacons' Report for the year ended 31 March 2021

The trustees present their Annual Report and Financial Statements for the year ended 31 March 2021.

Reference & Administrative details

Registered Address: High Street, Rickmansworth, Herts, WD3 1EH.

Charity Registration Number: 1175867

Trustees:

The Revd G N Garland (Minister)
Mr D C Langley, Secretary
Mr K A Wall, Treasurer
Mr D C Bass, Deacon
Mr C A Jacques, Deacon (resigned 21 July 2021)

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

Bankers: CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ.
National Westminster Bank Plc, 159 High Street, Rickmansworth, Herts, WD3 1RN.

Independent Examiner:

Mrs P Kavanagh Brown FCA, Woolbeding, Sherwood Road, Tideswell, Derbyshire, SK17 8HJ.

Structure, Governance and Management

The Charity is governed by an Approved Governing Document. Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been publicly baptised on the profession of faith in Jesus Christ, or following other modes of baptism to renew their public profession of faith in Jesus Christ.

The members' meeting takes place three to four times per year and has responsibility for the overall policy of the Church. In accordance with the Constitution, the members appoint Deacons, who together with the Minister, Church Secretary and Treasurer (who are also appointed by the Members), 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 Deacons for guidance, or may be raised by members in Church meeting for further consideration by the Deacons. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

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 to the community generally. Its premises are

RICKMANSWORTH BAPTIST CHURCH

Deacons' Report for the year ended 31 March 2021 (continued)

Objectives and Activities (continued)

also extensively used by community groups. 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 am and the sanctuary is open for prayer on Wednesday mornings. There is a Sunday school for children during the morning services. The Church seeks to be a friendly and welcoming community and anybody is free to attend its services. Several new members joined the Church during the year.

The Church runs a prayer and discussion group on Saturday morning to promote the growth of faith and to support the members of the Church, who are unable to attend. In addition, there is an opportunity for private prayer on Wednesday mornings and there have been Bible studies and lectures at other times.

The Church is responsible for a Toddler Group which meets in the hall and lounge on Tuesday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ. It holds a monthly charity coffee morning and supports a local food bank.

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.

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 only measure the success of its programmes in numbers, including financial numbers, but also in less tangible areas like fellowship and encouragement. The Deacons recognise that these are difficult to measure, but believe that 2020-2021 was a positive year in the life of the Church. Although the Church's charitable income was seriously reduced during the period of government restrictions because of the Covid-19 pandemic, it is expected to recover steadily in 2021-22. There is still uncertainty over the progress of the virus, but the Trustees consider the Church's reserves to be sufficient to carry it through further disruption.

Financial Review

Rickmansworth Baptist Church is a registered charity and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Church continues to raise the 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, but the Church receives substantial support through rental income from an office building, Gable House, and a maisonette, which it owns in Rickmansworth.

Rickmansworth Baptist Church expressed its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian aims or with 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.

RICKMANSWORTH BAPTIST CHURCH

Deacons' Report for the year ended 31 March 2021 (continued)

Financial Review (continued)

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 to have made a one-off payment estimated to be £38,800 (2020 £52,700) to meet its statutory obligations to the Scheme. The deficit is much reduced once again, thanks to additional payments by the Church and work by the Baptist Union and the wider Baptist Family to transfer surplus assets 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 Deacons 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. Recent years have seen large fluctuations in both income and expenditure, so the Deacons are unable to determine a fixed level of reserves, which may be appropriate. However, it keeps the reserves under review by budgeting to ensure that it can cover the Minister's stipend for at least three years in the future.

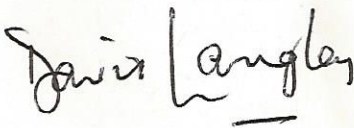
The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. A few highlights are set out below.

Income:

Offertory and envelope income is further reduced from last year. Unlike previous years, this reflects not so much a continued decline in membership as a reduction in cash collections on account of the Covid-19 crisis.

The decline in other income reflects mainly a reduction in hall lettings on account of the Covid-19 crisis.

Rental income was more stable. It fell as a result of there being fewer rechargeable expenses.



D C Langley, Secretary

8 July 2021

RICKMANSWORTH BAPTIST CHURCH

Statement of Financial Activities for the year ended 31 March 2021

Table 1: Outline Summary of Fund Movements

Fund name	Note ref.	Fund balances brought forward As restated	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
		£	£	£	£	£	£
Restricted							
Gift & Legacy	6	11,721	49	0	0	0	11,770
Outreach & Ministry Fund	7	4,000	0	-4,000	0	0	0
		15,721	49	-4,000	0	0	11,770
Unrestricted							
General Reserve	8	30,941	0	0	-1,500		29,441
Gift & Legacy	6	39,394	0	0	0		39,394
Outreach & Ministry Fund	7	0	4,563	-12,399	25,086		17,250
Renovation Fund	9	9,500	0	0	1,500		11,000
General Fund	10	144,836	103,361	-71,340	-25,086		151,771
		224,671	107,924	-83,739	0	0	248,856
Sub-total		240,392	107,973	-87,739	0	0	260,626
Pension Reserve	12	-33,296	0	2,101		10,498	-20,697
Total funds		207,096	107,973	-85,638	0	10,498	239,929

Table 2: Statement of Financial Activities

	Note ref.	Unrestricted funds	Restricted funds	Pension reserve	Total funds	Prior period total funds As restated
		£	£	£	£	£
Income and endowments from:						
Donations and legacies		18,211	0	0	18,211	19,087
Investments	5	83,512	49	0	83,561	87,459
Other income		6,201	0	0	6,201	13,414
Total		107,924	49	0	107,973	119,960
Expenditure on:						
Charitable activities		66,400	4,000	0	70,400	65,457
Other expenditure		17,339	0	-2,101	15,238	17,186
Total		83,739	4,000	-2,101	85,638	82,643
Net income/(expenditure)		24,185	-3,951	2,101	22,335	37,317
		24,185	-3,951	2,101	22,335	37,317
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit	12	0	0	10,498	10,498	-82
Net movement in funds		24,185	-3,951	12,599	32,833	37,235
Reconciliation of funds:						
Total funds brought forward	12	224,671	15,721	-33,296	207,096	169,861
Total funds carried forward		248,856	11,770	-20,697	239,929	207,096

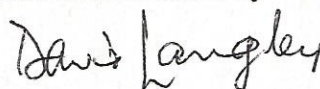
RICKMANSWORTH BAPTIST CHURCH**Statement of Financial Activities for the year ended 31 March 2021****Table 3: Statement of Assets and Liabilities at 31 March 2021**

			Prior year funds As restated £
	Note ref.	Total funds £	
<u>Fixed assets:</u>			
Tangible assets	11	3,054,426	3,312,077
Investments	11	1,578,754	1,563,390
Total fixed assets		<u>4,633,180</u>	<u>4,875,467</u>
<u>Balance sheet</u>			
<u>Current assets:</u>			
Debtors	4	8,698	14,326
Investments	5	255,099	224,179
Cash at bank and in hand		14,545	23,048
Total current assets		<u>278,342</u>	<u>261,553</u>
<u>Liabilities:</u>			
Creditors: Amounts falling due within one year	4	-17,716	-21,161
Net assets excluding pension liability		260,626	240,392
Defined benefit pension scheme liability	12	-20,697	-33,296
Total net assets or liabilities		<u>239,929</u>	<u>207,096</u>
<u>The funds of the charity:</u>			
Restricted income funds	6	11,770	15,721
Unrestricted funds	6-10	248,856	224,671
Pension reserve	12	-20,697	-33,296
Total charity funds		<u>239,929</u>	<u>207,096</u>

The notes on the attached pages form an integral part of these Financial Statements, which were approved by the Deacons on 8 July 2021 and signed on their behalf by



Treasurer
K A Wall



Secretary
D C Langley

RICKMANSWORTH BAPTIST CHURCH

Notes to the Accounts for the year ended 31 March 2021

1 Preparation of Accounts

The accounts are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011.

Rickmansworth Baptist Church is a registered charity, no. 1175867, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

2 Other recognised gains/(losses)

The Financial Statements were amended to comply with FRS102 with effect from 31st March 2018. This affects disclosure of the pension liability. See note 12.

3 Rental Income

Where the Church receives rental income, expenditure is matched with it. If there is no corresponding rental income, then property expenses are treated as overhead expenses. For the purposes of reporting under FRS102, the income and expenditure are shown separately.

4 Debtors and Creditors

Debtors and Creditors represent prepayments, accrued income and accrued payments. These are amounts, which have been paid or received in advance for future periods or which relate to the year but have been paid or received after the end of the period.

5 Investments

The Church has four deposit accounts and tries to ensure that the balances match the restricted funds, to ensure that the money is not wrongly spent for unauthorised purposes. The balances are regularly reviewed and adjusted as necessary, but at the year end, small transfers into and out of the Restricted Deposits had not yet been made. £14,228 (2020 £14,228) relates to deposits held in respect of rent for Gable House, included in Accrued Payments.

6 Gift and Legacy

This fund is in two parts because some gifts and legacies have been received with conditions attached to them. These funds are shown separately to ensure that the funds are not mixed up with other funds. All the restricted funds at the Balance Sheet date are covered by conditions requiring them to be spent on property acquisition or development. During the year, all expenditure deducted related to the church's office building, Gable House.

<u>Restricted</u>	<u>2021</u>	<u>2020</u>
Brought forward last year	11,721	11,594
Interest received	<u>49</u>	<u>127</u>
Carried forward this year	<u>11,770</u>	<u>11,721</u>
<u>Unrestricted</u>	<u>2021</u>	<u>2020</u>
Brought forward last year	39,394	39,075
Receipts - Other	<u>0</u>	<u>319</u>
Carried forward this year	<u>39,394</u>	<u>39,394</u>

RICKMANSWORTH BAPTIST CHURCH**Notes to the Accounts for the year ended 31 March 2021****7 Outreach & Ministry Fund**

	<u>2021</u>	<u>2020</u>
Brought forward last year	4,000	5,500
Transfer from General Fund	4,188	4,649
Gift Aid	898	899
Special transfer from General Fund	20,000	0
Receipts - General Fund	4,563	4,596
Regular payments	-9,649	-10,144
Payment for Christian Aid - Ebola	0	-500
Payment for BMS - Covid-19	0	-1,000
Salvation Army	-500	0
Lend With Care	-1,000	0
Jerusalem Prayer Team	-250	0
National Emergencies Fund	-5,000	0
Carried forward this year	<u>17,250</u>	<u>4,000</u>

This fund is for exceptional donations for mission purposes. The opening amount was restricted and payments were first allocated against that balance. Subsequent payments were taken from £20,000 designated by the church members in August 2020.

8 General Reserve

	<u>2021</u>	<u>2020</u>
Brought forward last year	30,941	32,597
Transfer to Renovation Fund	-1,500	-1,656
Carried forward this year	<u>29,441</u>	<u>30,941</u>

The General Reserve represents money put aside for major unforeseen property expense. It was exhausted in 2009 but the Deacons approved annual allocations of £10,000 from 2011 to 2015, £4,500 in 2016.

9 Renovation Fund

	<u>2021</u>	<u>2020</u>
Brought forward last year	9,500	7,845
Transfer from General Reserve	1,500	1,655
Carried forward this year	<u>11,000</u>	<u>9,500</u>

The Renovation Fund is designated for specific repairs, in particular a replacement boiler in Gable House.

10 Other Funds

The other funds are unrestricted. However, use of these funds must be approved by members. The General Fund is for day-to-day income and expenditure.

11 Fixed Assets

Non-cash assets, which include buildings and equipment, are not recognised in the Financial Statements because, in the opinion of the Trustees, the cost of ascertaining the cost or value of these items is onerous compared with the benefit to be derived by users of the Financial Statements. However, in order to give a complete picture to users, the Deacons have decided to show the rebuilding costs of property for insurance purposes. The most recent figures, which are shown below, are reduced following a revaluation by insurers. They may not represent market value:

<u>Tangible assets</u>	<u>2021</u>	<u>2020</u>
Church	2,270,000	2,563,874
Manse	461,652	423,208
Pipe organ and contents	<u>322,774</u>	<u>324,995</u>
	<u>3,054,426</u>	<u>3,312,077</u>
<u>Investments</u>		
Gable House	1,355,382	1,340,018
Maisonette	<u>223,372</u>	<u>223,372</u>
Building total	<u>1,578,754</u>	<u>1,563,390</u>
Grand total	<u>4,633,180</u>	<u>4,875,467</u>

RICKMANSWORTH BAPTIST CHURCH

Notes to the Accounts for the year ended 31 March 2021

12 Baptist Pension Scheme

The Church contributes to the Baptist Pension Scheme on behalf of its ministers. This is in two parts, a defined benefit scheme and a defined contribution scheme. In common with many other funds of this nature, the defined benefit scheme has fallen into substantial deficit in recent years because of falling returns on investments and the increased longevity of members in retirement. As at 31 March 2021, the deficit was £37 million (2020 £53m), of which the Church's share was £38,800 (2020 £52,700), in respect of the ministers employed between 1985 and 2009. The Deacons have disclosed this amount on the face of the Financial Statements as a Pension Reserve. The amount disclosed has been discounted in accordance with FRS102 guidance and a formula agreed with the Baptist Union.

As a result of adding the liability to the balance sheet, there was a one-off movement in 2017, which is shown in the Statement of Financial Activities in the figure of total funds brought forward at the beginning of the prior period:

As previously stated 31 March 2016	186,615
Pension scheme liability adjusted	<u>-62,725</u>
Adjusted total funds brought forward 1 April 2016	<u>123,890</u>

Subsequent adjustments are split between payments to the scheme, interest and actuarial or revaluation adjustments.

13 Covid-19 Risks

The church did not suffer a serious shortfall in income during the year ended 31 March 2020 because government restrictions were not introduced until the end of the period. However, during the following financial year, free-will and charity income received at Sunday services, and letting income for the premises were zero for several months. Although much of the free-will income was made up by members, charity and letting income have only partially recovered at the date of signing this report and further restrictions have been imposed. Nevertheless, the church has sufficient reserves to carry it through the current crisis.

RICKMANSWORTH BAPTIST CHURCH

Independent Examiner's Report to the Deacons and Members On Financial Statements for the year ended 31 March 2021

I report on the Financial Statements of the Church for the year ended 31 March 2021, which are set out on the attached pages.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the Financial Statements.

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (a) examine the Financial Statements under section 145 of the 2011 Act;
- (b) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (c) 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 Commissioners. An examination includes a review of the accounting records kept by the Church and a comparison of the Financial Statements presented with those records. It also includes consideration of any unusual items or disclosures in the Financial Statements, 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 Financial Statements 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 matter has come to my attention

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (b) to prepare Financial Statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Financial Statements to be reached.



**Mrs P Kavanagh Brown
CHARTERED ACCOUNTANT**

19 July 2021

Woolbeding, Sherwood Road, Tideswell, Derbyshire, SK17 8HJ

RICKMANSWORTH BAPTIST CHURCH
Payments to Charity for the year ended 31 March 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<u>Baptist Missionary Society</u>			
Birthday Scheme		720	327
Tax claim		300	202
Donations		480	480
Special donation from General Fund		0	100
Transfer from General Fund		750	1,000
		2,250	2,109
<u>Special Appeals</u>			
From Outreach for Cyclone Appeal		0	500
From Outreach to BMS for Covid-19		0	1,000
From Outreach to Salvation Army		500	0
From Outreach to Lend With Care		1,000	0
From Outreach to Jerusalem Prayer Team		250	0
From Outreach to National Emergencies Fund		5,000	0
		6,750	1,500
<u>Home Mission Fund</u>			
Donations and Envelopes		1,160	1,000
Tax claim		290	250
Special donation after legal advice		430	0
Transfer from General Fund		800	1,000
		2,680	2,250
<u>Retiring Offerings and Outreach donations</u>			
Barnabas Fund		252	196
Barnabas Fund special donation		250	0
Benevolent Fund (from General Fund)		30	0
Chr Aid Ebola inc £500 from Outreach Fund		0	550
Crisis		150	242
Harvest - BMS Operation Agri		237	185
Lend With Care from General Fund		0	1,000
Leprosy Mission		185	173
Mercy Ships		75	0
Revitalise		150	0
Rickmansworth Food Bank		225	200
Rickmansworth local donation		500	0
Sharp Blind School		350	177
Sharp Blind School from Outreach Fund		0	1,200
Sightsavers		125	200
Toilet Twinning		780	0
Trussell Trust		200	0
Urban Expression from General Find		0	500
WaterAid		150	150
Watford Schools from General Fund		60	48
Watford Peace Hospice		1,000	964
Of this amount, £3,536 (2020 £1,548) came from		4,719	5,785
General Fund and £308 from tax claims (2020 £447)			
Total Giving Including £1,500 from Outreach Fund		16,399	11,644
£5,086 from General Fund, £5,548 in 2020			
Tax recovered £898, £899 in 2020			