

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
DUNCHURCH BAPTIST CHURCH**

DUNCHURCH BAPTIST CHURCH

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FOR THE YEAR ENDED 31 MARCH 2022**

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DUNCHURCH BAPTIST CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES	Revd. D Woods (resigned 21/4/22) Mrs K Wederell Mrs R Hobgen (resigned 21/4/22) Miss C Tabor Mrs S Coulon Mr J Robson (appointed 21/4/22)
PRINCIPAL ADDRESS	Coventry Road Dunchurch Rugby Warwickshire CV22 6RF
REGISTERED CHARITY NUMBER	1181840
INDEPENDENT EXAMINER	DNG Dove Naish LLP Chartered Accountants Eagle House 28 Billing Road Northampton Northamptonshire NN1 5AJ

DUNCHURCH BAPTIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The web address for the Church is: www.dunchurchbaptistchurch.org.uk

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose of the Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Our vision is for people to experience the love of God, and hear his message for them.

Its objectives are pursued by:-

- Regular meetings for public worship at 10.30am and 7.00pm on Sundays.
- Weekly classes for children and teenagers on Sundays at 10.30am.
- A number of small groups made up of a group of those attending the church and meeting at various homes.
- Regular Men's and Women's breakfasts and church lunches
- Occasional courses such as Alpha and the Marriage Course.
- Messy Church, Holiday Club.
- A four sessions a week toddler group called Noah's Ark attended by 65 children per week.
- Taking part in the annual village fete.
- Helping plan and organise Holiday at Home events for the retired.
- Supporting Baptist Home Mission and BMS World Mission.
- Close relationship with local primary school (one school governor; leading assemblies).
- Walking group.
- Lunch club.
- Support for local and overseas missions.

The church tithed its non-rental, non-building fund income supporting local, national and international charities. The decision on which groups to support is made by the church meeting.

The minister is the only paid office holder. The church has no other employees. All of its work, including that carried out by the other trustees, is done by volunteers. Many of these are members of the church but some are those who attend the church but are not members.

Public benefit

Our Church is open to all regardless of their faith position. Everyone is welcomed and offered the benefits of our fellowship.

We believe that offering the teaching of Christianity is a benefit to the local area and to society at large.

Noah's Ark Toddler Group is open to any parent/carers and their child. This was able to re-start in September 2021 for two sessions a week with limited numbers to maintain a Covid-secure environment for those attending.

Church rooms are available for hire by community groups.

The Trustees have had regard to the Charity Commission's guidance on public benefit, and believe the activities stated above comply with this guidance.

DUNCHURCH BAPTIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

On-going Covid restrictions meant that Sunday morning services continued to be pre-recorded and streamed via YouTube during the first part of the year, followed by Zoom calls to allow people to chat and share. As restrictions eased, we carefully transitioned to in-person services and live-streaming the morning services. Evening services have remained on Zoom with good attendance. Many other meetings have continued via Zoom. We have implemented a rigorous pastoral care system to ensure continuing connections with, and when necessary practical support for, all our contacts.

During the year:-

- 2 persons came into membership.

The Building Committee is responsible to the trustees and church meeting and is made up of volunteers drawn from the church.

Work on the building project has continued and services moved into the new Baptist Church building in February 2022.

Fund raising for the building project has continued throughout the year and is on-going.

Covid-19 Impact

With the easing of restrictions during the year it has been good to be able to re-start face-to-face services and meetings, particularly with the additional space the new building provides, taking care to follow guidelines to ensure we make the environment as covid-safe as we are able. Some meetings and evening services continue to meet on Zoom as this has proved beneficial, particularly for those with health issues.

FINANCIAL REVIEW

Financial position and Reserves Policy

The church's reserves policy is to have in hand in the General Fund at any time sufficient to cover two month's unavoidable running expenses.

The main funds of the church are:

- General Fund (Unrestricted),
- Building Fund (Restricted),
- Noah's Ark Fund (Restricted),
- Manse Fund (Designated),
- Crisis Fund (Restricted),
- Support Other Churches Fund (Restricted).

Funds raised during the year came either directly from those attending the church or from fundraising instigated by them.

The church encourages the use of the Gift Aid scheme and made claims for Gift Aid monies each half year. Due to Covid-19 and not being able to have cash collections for part of the year, we have missed out on the full benefit of the Gift Aid Small Donations scheme this year.

The church owns (subject to mortgage) a house. The principal reason for ownership is to be able to offer a manse to any future minister who needs the accommodation. Whilst not needed for this purpose the house is let to tenants. The church uses letting agents, Belvoir Rugby.

During the year we have been able to use our Support Other Churches Fund to support a church project in Albania to enable them to assist with their building needs.

All expenditure supported the objectives of the church.

Total funds as at 31 March 2022 amounted to £1,273,410 (2021: £1,130,151), of which £162,413 (2021: £154,397) were unrestricted.

DUNCHURCH BAPTIST CHURCH

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing document is the church's constitution.

The church is constituted as an association.

Trustees are elected by the church meeting.

Dunchurch Baptist Church is a member of the Baptist Union of Great Britain.

It is part of the Heart of England Baptist Association (HEBA)

It is part of the local Baptist cluster along with the churches at Daventry, Rugby and Wolston.

The church works in cooperation with Dunchurch Methodist Church and St. Peter's Church in Dunchurch.

The trustees ensure that all work of the church is subject to regularly reviewed risk assessment. It operates a safeguarding policy to help ensure the safety of children and adults at risk.

In addition to trustees the church uses 'ministry coordinators' to oversee specific areas of church life. These coordinators do not have any leadership functions and are subject to the trustees in all of their actions.

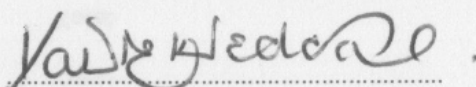
Custodian Trustee

The Baptist Union Corporation acts as custodian for the charity as far as its real property is concerned.

Managing Trustees (referred to as Trustees)

All trustees are elected to office by the church meeting. Other than the minister, trustees are elected for periods of three years. The minister's appointment is indefinite.

Approved by order of the board of trustees on 9-1-23 and signed on its behalf by:


.....
Mrs K Wederell - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF– DUNCHURCH BAPTIST CHURCH

Independent examiner's report to the trustees of Dunchurch Baptist Church–

I report to the charity trustees on my examination of the accounts of Dunchurch Baptist Church (the Trust) for the year ended 31 March 2022.–

Responsibilities and basis of report–

As the charity trustees of the Trust 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 the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 the Trust as required by section 130 of the Act; or–
2. the accounts do not accord with those records; or–
3. 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 no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.–

Use of our report:

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our independent examination work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our independent examination work, for this report, or for the opinions we have formed.



Nicola Fox FCA
DNG Dove Naish LLP
Chartered Accountants
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

Date: 12 January 2023

DUNCHURCH BAPTIST CHURCH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	56,923	150,677	207,600	145,092
Investment income	3	10,501	362	10,863	11,309
Other income	4	<u>398</u>	<u>6,745</u>	<u>7,143</u>	<u>-</u>
Total		<u>67,822</u>	<u>157,784</u>	<u>225,606</u>	<u>156,401</u>
EXPENDITURE ON					
Raising funds	5	2,107	-	2,107	4,791
Charitable activities	6				
Charitable activities		57,699	22,541	80,240	52,212
Other		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total		<u>59,806</u>	<u>22,541</u>	<u>82,347</u>	<u>57,003</u>
NET INCOME		8,016	135,243	143,259	99,398
RECONCILIATION OF FUNDS					
Total funds brought forward		154,397	975,754	1,130,151	1,030,753
TOTAL FUNDS CARRIED FORWARD		<u>162,413</u>	<u>1,110,997</u>	<u>1,273,410</u>	<u>1,130,151</u>

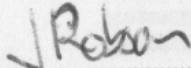
The notes form part of these financial statements

DUNCHURCH BAPTIST CHURCH

STATEMENT OF FINANCIAL POSITION
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	174,470	1,511,418	1,685,888	1,077,812
CURRENT ASSETS					
Debtors	13	6,616	4,939	11,555	7,500
Cash at bank		<u>14,864</u>	<u>98,139</u>	<u>113,003</u>	<u>339,415</u>
		21,480	103,078	124,558	346,915
CREDITORS					
Amounts falling due within one year	14	(16,737)	(53,499)	(70,236)	(37,401)
NET CURRENT ASSETS		<u>4,743</u>	<u>49,579</u>	<u>54,322</u>	<u>309,514</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		179,213	1,560,997	1,740,210	1,387,326
CREDITORS					
Amounts falling due after more than one year	15	-	(450,000)	(450,000)	(236,050)
PROVISIONS FOR LIABILITIES	18	(16,800)	-	(16,800)	(21,125)
NET ASSETS		<u>162,413</u>	<u>1,110,997</u>	<u>1,273,410</u>	<u>1,130,151</u>
FUNDS	19				
Unrestricted funds				162,413	154,397
Restricted funds				<u>1,110,997</u>	<u>975,754</u>
TOTAL FUNDS				<u>1,273,410</u>	<u>1,130,151</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9.1.23 and were signed on its behalf by:


Mr J Robson - Trustee


Mrs K Wedderell - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Dunchurch Baptist Church is a registered charity. The charity's registered number and principal office address can be found on the Company Information page.

No material uncertainties exist in relation to going concern.

The presentation currency of the financial statements is the Pound Sterling (£).

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

For inalienable property acquired prior to 2004, there is insufficient cost information available and therefore such assets are not valued in the accounts.

Any items acquired during the year that do not exceed £1,000 are written off.

The Manse is not depreciated as the residual value is greater than or equal to its cost.

The Coventry Road property is depreciated by 2% on a straight line basis.

Fixtures and fittings are depreciated by 20% on a straight line basis.

Other fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The trustees are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The trustees consider that the individual carrying values of assets are supportable by their value in use.

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
General giving	87,531	115,666
Gift aid	18,956	15,775
Grants	54,615	-
Giving for special causes	460	-
Fundraising giving	10,268	1,626
Gift day	<u>35,770</u>	<u>12,025</u>
	<u>207,600</u>	<u>145,092</u>

DUNCHURCH BAPTIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****2. DONATIONS AND LEGACIES - continued**

Grants received, included in the above, are as follows:

	2022 £	2021 £
Dunchurch Festival Group	1,000	-
Joseph Rant Trust	30,000	-
Dunchurch and Thurlaston Community Trust	17,500	-
Rugby Group Benevolent Fund	5,000	-
Warwickshire CC	<u>1,115</u>	<u>-</u>
	<u>54,615</u>	<u>-</u>

3. INVESTMENT INCOME

	2022 £	2021 £
Manse rent	10,500	10,500
Deposit account interest	<u>363</u>	<u>809</u>
	<u>10,863</u>	<u>11,309</u>

4. OTHER INCOME

	2022 £	2021 £
Church building hire	398	-
Noah's Ark income	1,164	-
Children & Young People (Lazer) Income	<u>5,581</u>	<u>-</u>
	<u>7,143</u>	<u>-</u>

5. RAISING FUNDS**Raising donations and legacies**

	2022 £	2021 £
Manse maintenance	317	3,067
Manse building insurance	278	212
Manse letting expenses	<u>1,512</u>	<u>1,512</u>
	<u>2,107</u>	<u>4,791</u>

DUNCHURCH BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs £	Totals £
Charitable activities	<u>78,680</u>	<u>1,560</u>	<u>80,240</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	(526)	(9,331)
Church electricity	2,298	1,113
Church water rates	79	103
Church telephone	635	625
Church building maintenance	1,625	298
Church insurance	1,933	685
Church cleaning	1,419	637
Furnishings and Equipment	8,994	1,491
Post & Stationery	409	182
Fellowship and discipleship	101	17
Venue hire	7	1,350
Subscriptions	475	561
Normal giving	5,700	5,727
Giving from fundraising	-	6,000
Giving to special causes	3,981	400
Minister's stipend	23,939	23,569
Minister's pension - dbc share	3,448	3,479
Minister's house rental	6,329	6,253
Minister's house utilities and insurance	2,098	2,092
Minister's expenses	197	77
Minister's telephone costs	440	521
Minister's council tax	2,485	2,407
Minister's house repairs	300	-
Minister's payroll management	135	130
Church catering	155	-
CCLI Music copyright licence	607	625
Training	145	20
Accountancy software	150	150
Speaker's expenses	597	100
Children & young people's work	652	519
Noah's Ark expenditure	1,874	669
Depreciation	2,826	-
Loss on sale of assets	4,958	-
Interest payable and similar charges	<u>215</u>	<u>351</u>
	<u>78,680</u>	<u>50,820</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**8. INDEPENDENT EXAMINERS' REMUNERATION**

	2022	2021
	£	£
Fees payable to the charity's independent examiners' for the independent examination	575	500
Fees payable to the charity's independent examiners' for the accounts preparation	985	892
	<u>1,560</u>	<u>1,392</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year Revd D Woods, a Trustee of the charity was paid a Stipend of £23,939 (2021 £23,569) for his role in the charity as the Church Minister. Pension contribution payments of £3,448 (2021 £3,479) were also made by the charity for the Trustee Revd D Woods. This is paid under the legal authority of the charity as set out by a provision made in the governing document of the charity.

No other Trustees received any further remuneration or other benefits during the year, nor for the year ended 31 March 2021

Trustees' expenses

Expenses of £1,182 (2021: £813) were reimbursed to 3 (2021: 3) Trustees for expenses paid on behalf of the charity during the year.

Expenses of £9,110 (2021: £11,273) were also reimbursed to the Minister D Woods and paid in relation to the property occupied by the Minister during the year.

10. STAFF COSTS

	2022	2021
	£	£
Ministers Stipend	23,939	23,569
Pension costs	3,448	3,479
Unwinding of pension provision	<u>(526)</u>	<u>(9,331)</u>
	<u>26,861</u>	<u>17,717</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Church minister	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

Trustee and key management remuneration totalled £27,387 (2021: £27,048) during the year.

DUNCHURCH BAPTIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	57,183	87,909	145,092
Investment income	<u>10,584</u>	<u>725</u>	<u>11,309</u>
Total	<u>67,767</u>	<u>88,634</u>	<u>156,401</u>
EXPENDITURE ON			
Raising funds	4,791	-	4,791
Charitable activities			
Charitable activities	<u>45,543</u>	<u>6,669</u>	<u>52,212</u>
Total	<u>50,334</u>	<u>6,669</u>	<u>57,003</u>
NET INCOME	17,433	81,965	99,398
RECONCILIATION OF FUNDS			
Total funds brought forward	136,964	893,789	1,030,753
TOTAL FUNDS CARRIED FORWARD	<u>154,397</u>	<u>975,754</u>	<u>1,130,151</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2021	1,077,812	-	1,077,812
Additions	612,660	8,600	621,260
Disposals	<u>(10,358)</u>	<u>-</u>	<u>(10,358)</u>
At 31 March 2022	<u>1,680,114</u>	<u>8,600</u>	<u>1,688,714</u>
DEPRECIATION			
Charge for year	<u>2,509</u>	<u>317</u>	<u>2,826</u>
NET BOOK VALUE			
At 31 March 2022	<u>1,677,605</u>	<u>8,283</u>	<u>1,685,888</u>
At 31 March 2021	<u>1,077,812</u>	<u>-</u>	<u>1,077,812</u>

The properties are held in Trust with the Baptist Union Corporation Limited as the Holding Trustee, but the Charity have the economic and beneficial rights to the properties.

A new church building, which was under construction at the prior year end, has been brought into use in February 2022.

DUNCHURCH BAPTIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	<u>11,555</u>	<u>7,500</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	11,068	7,143
Other loans (see note 16)	25,000	25,000
Social security and other taxes	428	327
Accruals and deferred income	<u>33,740</u>	<u>4,931</u>
	<u>70,236</u>	<u>37,401</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	-	11,050
Other loans (see note 16)	<u>450,000</u>	<u>225,000</u>
	<u>450,000</u>	<u>236,050</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	11,068	7,143
Other loans	<u>25,000</u>	<u>25,000</u>
	<u>36,068</u>	<u>32,143</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	-	7,230
Other loans - 1-2 years	<u>25,000</u>	<u>25,000</u>
	<u>25,000</u>	<u>32,230</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	3,820
Other loans - 2-5 years	<u>75,000</u>	<u>75,000</u>
	<u>75,000</u>	<u>78,820</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	350,000	125,000

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022
17. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Bank loans	11,068	18,193
Other loans	<u>475,000</u>	<u>-</u>
	<u>486,068</u>	<u>18,193</u>

An outstanding bank loan totalling £11,068 is secured against the freehold property at Weston Close, as detailed in the financial statements.

An outstanding bank loan totalling £225,000 is to continue the build of the new Church which is near completion at the year end. This is be secured against the assets of the Charity.

An additional private loan totalling £250,000 is to continue to fund the build of the new Church which is near completion at the year end. This is be secured against the assets of the Charity.

18. PROVISIONS FOR LIABILITIES

	2022 £	2021 £
Provisions	<u>16,800</u>	<u>21,125</u>

	2022 £	2021 £
Provision at 1 April 21	21,125	33,262
Deficit contribution paid in the year	(3,799)	(2,806)
Unwinding of the discount factor (interest expense)	173	701
Impact of changes in assumptions	<u>(699)</u>	<u>(10,032)</u>
Provision at 31 March 22	<u>16,800</u>	<u>21,125</u>

The provision is the net present value of additional contributions payable to The Baptist Pension Scheme, administered by the Baptist Pension Trust Limited. The contributions arise from the deficit recovery agreement and is payable annually until 30 June 2026.

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

Accounting date	31 March 2022	31 March 2021	31 March 2020
Discount rate	3.0%	0.9%	2.2%
Future increases to minimum pensionable income	4.9%	3.5%	2.8%

DUNCHURCH BAPTIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

19. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	19,178	(4,487)	14,691
Manse Fund	156,344	8,178	164,522
Pension Fund	(21,125)	4,325	(16,800)
	154,397	8,016	162,413
Restricted funds			
Building Fund	961,817	130,855	1,092,672
Crisis Fund	150	-	150
Children & Young People (Lazer) Fund	680	5,551	6,231
Noah's Ark Fund	1,717	405	2,122
Support Other Churches Fund	11,390	(1,568)	9,822
	975,754	135,243	1,110,997
TOTAL FUNDS	<u>1,130,151</u>	<u>143,259</u>	<u>1,273,410</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	57,322	(61,809)	(4,487)
Manse Fund	10,500	(2,322)	8,178
Pension Fund	-	4,325	4,325
	67,822	(59,806)	8,016
Restricted funds			
Building Fund	148,492	(17,637)	130,855
Children & Young People (Lazer) Fund	5,581	(30)	5,551
Noah's Ark Fund	2,279	(1,874)	405
Support Other Churches Fund	1,432	(3,000)	(1,568)
	157,784	(22,541)	135,243
TOTAL FUNDS	<u>225,606</u>	<u>(82,347)</u>	<u>143,259</u>

DUNCHURCH BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	19,240	2,744	(2,806)	19,178
Manse Fund	150,986	5,358	-	156,344
Pension Fund	(33,262)	9,331	2,806	(21,125)
	136,964	17,433	-	154,397
Restricted funds				
Building Fund	874,367	87,450	-	961,817
Crisis Fund	150	-	-	150
Children & Young People (Lazer) Fund	680	-	-	680
Noah's Ark Fund	2,386	(669)	-	1,717
Support Other Churches Fund	16,206	(4,816)	-	11,390
	893,789	81,965	-	975,754
TOTAL FUNDS	<u>1,030,753</u>	<u>99,398</u>	<u>-</u>	<u>1,130,151</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	57,267	(54,523)	2,744
Manse Fund	10,500	(5,142)	5,358
Pension Fund	-	9,331	9,331
	67,767	(50,334)	17,433
Restricted funds			
Building Fund	87,450	-	87,450
Noah's Ark Fund	-	(669)	(669)
Support Other Churches Fund	1,184	(6,000)	(4,816)
	88,634	(6,669)	81,965
TOTAL FUNDS	<u>156,401</u>	<u>(57,003)</u>	<u>99,398</u>

The Manse Fund is for income, expenses and maintenance of the Manse and the repayment of the mortgage.

The Pension Fund is the net present value of the provision for the additional contributions payable to the Baptist Pension Scheme, which arose from the deficit recovery agreement. The contributions are payable annually until 30 June 2026 to bring the fund to £nil.

The transfer from the General Fund to the Pension Fund is deficiency contributions paid during the year.

19. MOVEMENT IN FUNDS - continued

The Building Fund is for the Building project, used for paying out associated costs relating to the preparatory work and for the costs of the build.

The Crisis Fund is to enable financial assistance to be given to individuals in crisis, as deemed appropriate by the Minister.

The Children & Young People (Lazer) Fund is for youth related expenditure.

Noah's Ark Fund is to support the toddler group.

The Support Other Churches Fund is to enable the church to support other churches in need.

20. EMPLOYEE BENEFIT OBLIGATIONS

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Minister is eligible to join the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members 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 Unum Limited. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.] The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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.

Actuarial valuation as at 31 December 2019

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%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

The key assumptions underlying the valuation were as follows:

Type of financial assumption % pa
RPI price inflation assumption 3.20
CPI price inflation assumption 2.70
Minimum Pensionable Income increases
(RPI) 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 2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Cessation Event

Consequent upon the departure of the Minister from the Church in 2006, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme.

In 2020 the Church entered into a "Deferred Debt Arrangement". Under this arrangement the Church is no longer liable for this debt, but the Church continues to pay the ongoing deficiency contributions as outlined above. There are limited circumstances under the Deferred Debt Arrangement where the Church would become responsible for a debt equal to its share of the current BPS deficit (assessed by reference to the up to date cost of securing benefits by the purchase of annuities).

DUNCHURCH BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

21. CAPITAL COMMITMENTS

	2022	2021
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>40,029</u>

22. OTHER FINANCIAL COMMITMENTS

The Charity has a commitment in place in the Terms of Settlement for the Minister D Woods, to pay the rental and associated property costs while he remains a Minister. The costs for the Minister's property for the current year are displayed separately within the financial statements and totalled £2,024. These costs are not expected to change materially for the next financial year.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022. [2021: Nil]

DUNCHURCH BAPTIST CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
General giving	87,531	115,666
Gift aid	18,956	15,775
Grants	54,615	-
Giving for special causes	460	-
Fundraising giving	10,268	1,626
Gift day	<u>35,770</u>	<u>12,025</u>
	207,600	145,092
Investment income		
Manse rent	10,500	10,500
Deposit account interest	<u>363</u>	<u>809</u>
	10,863	11,309
Other income		
Church building hire	398	-
Noah's Ark income	1,164	-
Children & Young People (Lazer) Income	<u>5,581</u>	<u>-</u>
	<u>7,143</u>	<u>-</u>
Total incoming resources	225,606	156,401
EXPENDITURE		
Raising donations and legacies		
Manse maintenance	317	3,067
Manse building insurance	278	212
Manse letting expenses	<u>1,512</u>	<u>1,512</u>
	2,107	4,791
Charitable activities		
Unwinding of pension provision	(526)	(9,331)
Church electricity	2,298	1,113
Church water rates	79	103
Church telephone	635	625
Church building maintenance	1,625	298
Church insurance	1,933	685
Church cleaning	1,419	637
Furnishings and Equipment	8,994	1,491
Post & Stationery	409	182
Fellowship and discipleship	101	17
Venue hire	7	1,350
Carried forward	16,974	(2,830)

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DUNCHURCH BAPTIST CHURCH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Charitable activities		
Brought forward	16,974	(2,830)
Subscriptions	475	561
Normal giving	5,700	5,727
Giving from fundraising	-	6,000
Giving to special causes	3,981	400
Minister's stipend	23,939	23,569
Minister's pension - dbc share	3,448	3,479
Minister's house rental	6,329	6,253
Minister's house utilities and insurance	2,098	2,092
Minister's expenses	197	77
Minister's telephone costs	440	521
Minister's council tax	2,485	2,407
Minister's house repairs	300	-
Minister's payroll management	135	130
Church catering	155	-
CCLI Music copyright licence	607	625
Training	145	20
Accountancy software	150	150
Speaker's expenses	597	100
Children & young people's work	652	519
Noah's Ark expenditure	1,874	669
Depreciation of tangible fixed assets	2,826	-
Loss on sale of tangible fixed assets	4,958	-
Bank interest	42	43
Bank loan interest	173	308
	<u>78,680</u>	<u>50,820</u>
Support costs		
Governance costs		
Independent examiners fees	<u>1,560</u>	<u>1,392</u>
Total resources expended	<u>82,347</u>	<u>57,003</u>
Net income	<u><u>143,259</u></u>	<u><u>99,398</u></u>

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