

Redcar Baptist Church
Charity number: 1186196

Financial Statements for the year ended 31 December 2022

Redcar Baptist Church
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General Receipts and Payments Account

	<i>Notes</i>	2022	2021 April to December
		£	£
Receipts			
Offerings and donations		59,391	36,384
Gift aid		9,665	6,569
Grant income	2	82,482	20,525
Hire of premises		5,417	2,432
Manse		6,600	4,744
Common Ground	5	30,891	11,835
Eden	6	1,503	100
Interest		191	19
Other income		2,395	4,072
Total Receipts		<u>198,535</u>	<u>86,680</u>
Payments			
Ministry, Youth/Children & Administration	3	44,994	28,129
Premises	4	39,811	11,509
Impact		-	2,564
Giving		6,322	3,755
Other Ministries		2,936	1,219
Common Ground	5	31,291	10,274
BU Pension Deficit		2,192	2,771
Manse		6,000	4,500
Eden	6	30,763	20,001
Sundries		290	(8)
Total Payments		<u>164,599</u>	<u>84,714</u>
Surplus of receipts over payments		<u>33,936</u>	<u>1,966</u>
Bank accounts and cash at 1 January		<u>75,266</u>	<u>73,300</u>
Bank accounts and cash at 31 December		<u>109,202</u>	<u>75,266</u>


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Statement of Assets and Liabilities at 31 December 2022

	2022	2021
	£	£
<i>Cash Funds as at 31 December</i>		
Cash	70	127
Barclays Current Account	3,059	3,139
Barclays Deposit Account	75,822	41,992
Baptist Union Account	6,652	6,550
Cash (Common Ground)	11	2
Barclays Current Account (Common Ground)	2,598	3,006
Barclays Current Account (Eden)	468	463
Barclays Deposit Account (Eden)	20,522	19,987
	<u>109,202</u>	<u>75,266</u>
 <i>Represented by</i>		
<i>Cash funds as at 1 January/1 April</i>		
Cash	127	70
Barclays Current Account	3,139	2,072
Barclays Deposit Account	41,992	44,798
Baptist Union Account	6,550	6,536
Cash (Common Ground)	2	-
Barclays Current Account (Common Ground)	3,006	-
Barclays Current Account (Eden)	463	-
Barclays Deposit Account (Eden)	19,987	19,824
	<u>75,266</u>	<u>73,300</u>
 Surplus of receipts over payments	33,936	1,966
	<u>109,202</u>	<u>75,266</u>

Approved at a meeting of the Redcar Baptist Church's Leadership Team on 15 February 2023 which authorised the following trustees to sign on their behalf:


 Mrs Cindy Riches
 Church Secretary


 Mrs Elizabeth Gibson
 Treasurer

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Notes to the Financial Statements

1 Accounting policies

Basis of the financial statements

The financial statements of Redcar Baptist Church have been prepared in accordance with section 133 of the Charities Act 2011 using the Receipts and Payment basis.

Fixtures, fittings and equipment

The furniture, fittings and other items of equipment are held on the premises. It is unlikely that anything has significant market value. No asset register is maintained.

2 Grant income

	2022	2021
	£	£
Lady Hewley Trust	35,877	-
Biffa Award Grant	16,820	-
Eden Network Grant Funding (Eden)	16,980	12,525
BU Insurance (Eden)	7,090	-
Church Urban Fund (Eden)	4,715	-
Arnold Clark (Eden)	1,000	-
All Churches Trust	-	4,500
Allan Lane Foundation	-	3,500
Total	<u>82,482</u>	<u>20,525</u>

3 Ministry, Youth/Children & Administration

	2022	2021
	£	£
Ministry	30,906	23,224
Youth/Children	1,667	385
Administration	17,284	4,520
	<u>49,857</u>	<u>28,129</u>
Less		
Amount charged to Eden	(2,496)	-
Amount charged to Common Ground	(2,367)	-
Total	<u>44,994</u>	<u>28,129</u>

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4 Premises

	2022	2021
	£	£
Church maintenance	3,800	4,136
Refurbishment (Biffa Award Grant)	27,123	-
Manse maintenance	70	728
Church cleaning	3,373	1,334
Church insurance and utilities	9,045	5,311
	<u>43,411</u>	<u>11,509</u>
Less		
Amount charged to Common Ground	(3,600)	-
Total	<u>39,811</u>	<u>11,509</u>

5 Common Ground Coffee Shop

	2022	2021
	£	£
Receipts		
Sales	30,891	11,835
Total	<u>30,891</u>	<u>11,835</u>
Payments		
Staffing	8,989	882
Management	2,367	-
Premises	3,600	-
Admin/Operational	665	961
Resources	15,670	6,377
Set Up Costs	-	2,054
Total	<u>31,291</u>	<u>10,274</u>

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6 Eden

	2022	2021
	£	£
Receipts (Grant Income – see above (2))		
Additional Giving	1,503	100
Total	<u>1,503</u>	<u>100</u>
Payments		
Team Leader Salary	25,011	18,786
Activity Costs	1,307	132
Management	2,496	-
Admin & Operational	749	183
Partnership Contribution to Eden Network	1,200	900
Total	<u>30,763</u>	<u>20,001</u>

7 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 Limited:

- Church premises for which no valuation is included in the financial statements, but the building is insured at a value of £1,415,112.
- The manse for which no valuation is included in the financial statements, but the building is insured at a value of £272,141.
- The church also owns fixtures, furniture and equipment with an insured value of £73,413.

8 Pension Scheme Liabilities

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

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

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

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

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Independent Examiner's Report to the Trustees and Members of Redcar Baptist Church

I report on the financial statements of the Redcar Baptist Church (the Church) for the year ended 31 December 2022 set out on pages 1 to 6.

Respective Responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity 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 subsequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

I am satisfied that the General Receipts and Payments Account discloses money received and expended by Redcar Baptist Church and that the Statement of Assets and Liabilities and the Notes to the Financial Statements present the financial position of the church to the degree required by the Charities Act.

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



Jonathan Thompson

Date

16 February 2023

1 Manor Farm Place
Great Smeaton
Northallerton
DL6 2HP

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Report on Financial Management for year 2022

Introduction

The General Receipts and Payments Account and the Statement of Assets and Liabilities summarise the finances for the year and disclose the financial position at the end of the year.

A deficit budget was set and approved by the Church Business Meeting in November 2021. Monthly reports were received by the leadership team which enabled them to monitor performance against budget and to consider any significant variances from budget and the reasons for them.

Review of the Finances

Based on the combined General Receipts and Payments Account, the principal points to be made are as follows:

- Offerings have been higher than the budget set. We have been thankful for members increasing their giving and for some to start giving for the first time. Thank you. We have also received one off donations this year and received legacies from members who are sadly no longer with us.
- During the year a partnership was formed between the Baptist Church and the Redcar URC. A Lady Hewley Grant of £35,877 was received in July and this was to be used to fund a full time interim Baptist Pioneer Minister as per the application. The Baptist Pioneer Minister would work with the local and regional leadership of both the Baptist and URC churches and their role would be to ensure the URC building remain viable, that the building be used as a space for use by the local community and to minister in word and sacrament to the existing congregation. It was decided that the current Baptist Minister take on this role and to appoint a second Minister to minister at Redcar Baptist Church. The new Minister will not be in post until 2023 so the Grant received will be used in 2023 and not 2022.
- Due to our two main projects namely The Eden Project and Common Ground Coffee Shop successfully moving forward it was agreed by members at the Members meeting in November that a contribution to cover the management of staff and use of facilities e.g gas/electric/hire of building be transferred on a monthly basis from the respective projects. This was reviewed after 6 months and continued for the rest of the year.
- Utilities/Premises. The roof was repaired at the start of the year, and we were fortunate to be successful in receiving a grant from BIFFA for £27,965 which has enabled us to refurbish the Kitchen, install hand driers in the toilets and install an air conditioning unit in the Coffee Shop/Community Grocery area. We have received £16,819.67 to date and will receive the balance to cover the outstanding expenditure in 2023 (approx. £10K).

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Review of the Finances (continued)

- The Eden Project continues to evolve and as per the partnership agreement with The Eden Network a grant of £16,980 has been received from Eden Network. There is also a responsibility for Redcar Baptist Church to raise additional funding each year. The following Grants have also been received; £7,090 from BU Insurance, £4,714.99 from Church Urban Fund for a Ukrainian Support Hub, £1,000 from Arnold Clark to help fund a number of activities now run by the team e.g Community Allotment. As activities continue into the next financial year a proportion of these grants received will be carried forward into 2023.
- The Common Ground Coffee Shop sales have steadily increased during the year and a successful stall at the Festival of Thrift in September bought in much needed funds. A freezer was purchased and repairs to the coffee machine were required during the year hence just about breaking even on the year.
- The Baptist Union Pension Scheme. At the end of June 2022, the Baptist Pension Scheme signed an agreement with the insurance company Just Group ('Just') to secure members' pension benefits under the Defined Benefit ('DB') Plan. This agreement is referred to as a 'buy-in policy'. It follows a similar agreement with Just in 2019 that covered most pensions in payment at that time. The combined agreements mean that Just are now providing financial backing for all DB pensions provided through the Scheme's DB Plan. For us this meant a reduction in contributions from £312.48 per month to £1 per month.

Reserves Policy

The reserves policy of Redcar Baptist Church is to hold three months of all expenditure to allow the church to adapt to any changes in the financial position of the church. The Trustees currently believe this amount to be £23,174 compared to £49,726 in free cash reserves held at 31 December 2022.

The Trustees would like to take the opportunity to thank the church family for their continued financial support over this period.

The Trustees of Redcar Baptist Church
(15 February 2023)