

CONNECT CHURCH (NORTH LINCS)

England & Wales · Charity number 1190541

Details

Other names FORMERLY SCUNTHORPE BAPTIST CHURCH

Status Registered

Legal form CIO

Registered 2020-07-23

Register [View on the Charity Commission register](#)

Contact

Address Connect Church
Ashby Road
Scunthorpe
DN16 1NR

Phone 01724848388

Email hello@weareconnectchurch.co.uk

Website <http://www.weareconnectchurch.co.uk>

Activities

Objects: 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.

Activities: REGULAR PUBLIC WORSHIP PRAYER BIBLE STUDY PREACHING & TEACHING BAPTISM AS DEFINED IN THE B U'S DEC OF PRINCIPLE HOLY COMMUNION EVANGELISM & MISSION TEACHING ENCOURAGEMENT WELCOME & INCLUSION OF YOUNG PEOPLE NURTURE OF CHRISTIAN DISCIPLES EDUCATION/TRAINING FOR CHRISTIAN & COMMUNITY SERVICE PASTORAL CARES SUPPORTING CHARITABLE SOCIAL ACTION RELATIONSHIPS WITH OTHER BAPTIST/CHRISTIANS

Classification

- **How:** Provides Services
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- Lincolnshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£180,662	£187,689	-	-
2024-03-31	£180,662	£187,689	-	-
2023-03-31	£164,506	£158,929	-	-
2022-03-31	£197,079	£199,920	-	-
2021-03-31	£220,093	£173,071	-	-

Trustees

Name	Role	Appointed
ALISON ROBINSON		2023-11-14
Ann Elizabeth Sturman		2017-06-06
Milos Karaffa		2023-11-14
Rev Thomas William MacDonald		2015-09-01

CONNECT CHURCH (NORTH LINCS)

England & Wales - Charity number 1190541

Accounts

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
FOR
CONNECT CHURCH (NORTH LINCS)

CONNECT CHURCH (NORTH LINCS)
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FOR THE YEAR ENDED 31 MARCH 2025

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CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report with the financial statements of the charity for the year ended 31 March 2025. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'to build the Kingdom and to make disciples'. Grants are made as directed by the donor or where the Trustees consider the payment would further the objectives of the church.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The church worked hard to fully implement the vision previously adopted. The vision is 'to build the Kingdom and to make disciples', and alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making. The values are as follows:

We depend on God for immeasurably more
Everyone has value and adds value
We seek the well-being of our community
We don't maintain we multiply
We are joyfully all in

In the context of the objectives, the following achievements show how our vision has increasingly come to life:

Care

We continue to offer pastoral provisions on request, and we have worked hard to build strong processes to ensure that we are helping individuals and families to meet their needs; spiritually, emotionally, physically, and mentally. The vast majority of our care and support is of individuals by volunteers.

Children & Youth

We have continued to include children and young people within the life of the church, supporting parents and families where possible, and we remain committed to providing holiday clubs and Sunday provisions for local children and young people, as well as bespoke events and activities which are tailored to the needs of the younger generations.

Discipleship

Connect Groups meet during the week at different times and locations, making it easier for people to engage on a regular basis. These groups are an important setting for personal development, as well as a space for personal care.

Our weekly gatherings also continue to be an opportunity for Christian learning, and we have also been encouraged by the teaching and support of various invited individuals and organisations, and have provided training opportunities for various leaders and volunteers from within the church.

Gatherings

The church continues to meet each Sunday, across two locations, and during these times various teams ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a wider church for corporate prayer and ministry.

Mission

Through both of our locations at Ashby Road and Crosby we have continued to serve the local community, regularly providing meals, social opportunities, befriending and more. We have also continued to work with others in the community to seek the wellbeing and welfare of those who are most vulnerable.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW

Reserves policy

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate free reserves for the church's future plans of £115,026 (2024 - £124,071).

The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2024/25 as £25,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting.

Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting.

Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

This report shows a healthy level of unrestricted funds for Connect Church. However, there are already plans for significant investment in several capital projects in the financial year ahead, as well as budgeted expectations for a sizable deficit which will also have an impact on future unrestricted funds.

FUTURE PLANS

Significant plans are being developed for further Connect Church locations to be planted within North Lincolnshire, with a new strategy being adopted in 2025 and communicated to the wider church.

We are also continuing to give significant focus and energy to developing and releasing more leaders within the life of the church, giving us greater capacity and a wider skillset.

As we continue to work together with Connect Foundation, we anticipate that in the coming year we will partner with them to focus on alleviating poverty, particularly in the current challenges locally.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a charitable incorporated organisation (CIO).

Organisational structure

Connect Church was registered as a CIO on 23 July 2020, and operates in accordance with its constitution, which was adopted on 15 January 2020. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except the Lead Pastor, are appointed for an initial three-year term and serve so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of their three-year term, after which there must be a break of at least one-year before they are nominated again. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the period were those listed below.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1190541

Principal address

Ashby Road
Scunthorpe
DN16 1NR

Trustees

Rev T W Macdonald
P Clark (resigned 2.7.24)
A Sturman
M Hockey (resigned 8.7.25)
J Sadler (resigned 8.7.25)
M Karaffa
A Robinson

Independent Examiner

Helen Spauls FCA
Smethurst & Co
12 Abbey Road
GRIMSBY
DN32 0HL

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
A Robinson - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CONNECT CHURCH (NORTH LINCS)**

Independent examiner's report to the trustees of Connect Church (North Lincs)

I report to the charity trustees on my examination of the accounts of Connect Church (North Lincs) (the CIO) for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 CIO 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.

Helen Spauls FCA

Smethurst & Co
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CONNECT CHURCH (NORTH LINCS)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted fund £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		137,082	24,114	161,196	145,131
Charitable activities					
Core		30,772	-	30,772	22,528
Investment income	2	<u>13,469</u>	<u>-</u>	<u>13,469</u>	<u>13,003</u>
Total		<u>181,323</u>	<u>24,114</u>	<u>205,437</u>	<u>180,662</u>
EXPENDITURE ON					
Charitable activities					
Core		<u>198,864</u>	<u>21,090</u>	<u>219,954</u>	<u>187,689</u>
Net gains/(losses) on investments		<u>(35,000)</u>	<u>-</u>	<u>(35,000)</u>	<u>-</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	11	<u>(52,541)</u> <u>(1,914)</u>	<u>3,024</u> <u>1,914</u>	<u>(49,517)</u> <u>-</u>	<u>(7,027)</u> <u>-</u>
Net movement in funds		<u>(54,455)</u>	<u>4,938</u>	<u>(49,517)</u>	<u>(7,027)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>706,662</u>	<u>10,214</u>	<u>716,876</u>	<u>723,903</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>652,207</u></u>	<u><u>15,152</u></u>	<u><u>667,359</u></u>	<u><u>716,876</u></u>

The notes form part of these financial statements

CONNECT CHURCH (NORTH LINCS)

BALANCE SHEET
31 MARCH 2025

	Notes	Unrestricted fund £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	7	287,181	-	287,181	297,591
Investment property	8	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>285,000</u>
		537,181	-	537,181	582,591
CURRENT ASSETS					
Debtors	9	17,618	-	17,618	20,607
Cash at bank and in hand		<u>111,128</u>	<u>15,152</u>	<u>126,280</u>	<u>128,226</u>
		128,746	15,152	143,898	148,833
CREDITORS					
Amounts falling due within one year	10	(13,720)	-	(13,720)	(14,548)
NET CURRENT ASSETS		<u>115,026</u>	<u>15,152</u>	<u>130,178</u>	<u>134,285</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>652,207</u>	<u>15,152</u>	<u>667,359</u>	<u>716,876</u>
NET ASSETS		<u>652,207</u>	<u>15,152</u>	<u>667,359</u>	<u>716,876</u>
FUNDS	11				
Unrestricted funds				652,207	706,662
Restricted funds				<u>15,152</u>	<u>10,214</u>
TOTAL FUNDS				<u>667,359</u>	<u>716,876</u>

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

.....
A Robinson - Trustee

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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, as modified by the revaluation of certain assets.

Donations

Donations are accounted for gross when received.

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.

Investment Income

Investment income is accounted for in the year in which it is received.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 5% Straight Line and 2% Straight Line

Fixtures and fittings - 25% Straight Line, 20% Straight Line and 10% Straight Line

Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost.

The building extension in 2002 is included in fixed assets at a cost of £485,200 and depreciated at 2% straight line. The Trustees consider that none of its separate components has a significantly different useful economic life that collectively would materially affect the carrying value in the accounts.

Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

Investment property

Investment property is measured at cost and subsequently at fair value at each reporting date. No depreciation is provided on investment property.

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.

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Pension costs

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. From August 2022 it was agreed that £1 per month would be contributed towards the pension scheme deficit therefore no liability is recognised.

2. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Rents received	9,600	9,525
Bank interest	<u>3,869</u>	<u>3,478</u>
	<u>13,469</u>	<u>13,003</u>

3. GRANTS PAYABLE

	31.3.25	31.3.24
	£	£
Core	<u>17,816</u>	<u>11,240</u>

The total grants paid to institutions during the year was as follows:

	31.3.25	31.3.24
	£	£
BMS World Mission	4,320	4,320
Home Misson	4,320	4,320
Lives	-	100
Weave Foundation	3,700	-
Other institutions	<u>1,125</u>	<u>-</u>
	<u>13,465</u>	<u>8,740</u>

The total grants paid to individuals during the year was as follows:

	31.3.25	31.3.24
	£	£
Other individuals	<u>4,351</u>	<u>2,500</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

	31.3.25	31.3.24
	£	£
Trustees' salaries	35,400	32,880
Trustees' pensions paid	<u>4,102</u>	<u>3,627</u>
	<u>39,502</u>	<u>36,507</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor.

In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £7,600 (2024 - £7,600).

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

5. STAFF COSTS

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

Church	31.3.25 <u>5</u>	31.3.24 <u>5</u>
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No employees received emoluments in excess of £60,000.

Total paid to key management during the period inclusive of national insurance and pension contributions was £39,503 (2024 -£36,507).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	130,647	14,484	145,131
Charitable activities			
Core	22,528	-	22,528
Investment income	<u>13,003</u>	<u>-</u>	<u>13,003</u>
Total	<u>166,178</u>	<u>14,484</u>	<u>180,662</u>
EXPENDITURE ON			
Charitable activities			
Core	<u>175,025</u>	<u>12,664</u>	<u>187,689</u>
NET INCOME/(EXPENDITURE)	(8,847)	1,820	(7,027)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>715,509</u>	<u>8,394</u>	<u>723,903</u>
TOTAL FUNDS CARRIED FORWARD	<u>706,662</u>	<u>10,214</u>	<u>716,876</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2024	512,539	87,779	600,318
Additions	<u>-</u>	<u>2,394</u>	<u>2,394</u>
At 31 March 2025	<u>512,539</u>	<u>90,173</u>	<u>602,712</u>
DEPRECIATION			
At 1 April 2024	224,742	77,985	302,727
Charge for year	<u>10,516</u>	<u>2,288</u>	<u>12,804</u>
At 31 March 2025	<u>235,258</u>	<u>80,273</u>	<u>315,531</u>
NET BOOK VALUE			
At 31 March 2025	<u>277,281</u>	<u>9,900</u>	<u>287,181</u>
At 31 March 2024	<u>287,797</u>	<u>9,794</u>	<u>297,591</u>

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2024	285,000
Revaluation	<u>(35,000)</u>
At 31 March 2025	<u>250,000</u>
NET BOOK VALUE	
At 31 March 2025	<u>250,000</u>
At 31 March 2024	<u>285,000</u>

Investment property was initially purchased for £155,000 in 2003.

The investment property was valued by RICS registered valuers in August 2025 at £250,000. This is considered to be an indicator of impairment at March 2025 and therefore the fair value has been revised to £250,000 in the year ended 31st March 2025.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Gift aid debtor	5,496	6,128
Other debtors	<u>12,122</u>	<u>14,479</u>
	<u>17,618</u>	<u>20,607</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Other creditors	<u>13,720</u>	<u>14,548</u>

11. MOVEMENT IN FUNDS

	At 1.4.24	Net movement in funds	Transfers between funds	At 31.3.25
	£	£	£	£
Unrestricted funds				
General fund	706,662	(52,541)	(1,914)	652,207
Restricted funds				
Restricted	10,214	3,024	1,914	15,152
	<u>716,876</u>	<u>(49,517)</u>	<u>-</u>	<u>667,359</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	181,323	(198,864)	(35,000)	(52,541)
Restricted funds				
Restricted	24,114	(21,090)	-	3,024
	<u>205,437</u>	<u>(219,954)</u>	<u>(35,000)</u>	<u>(49,517)</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	715,509	(8,847)	706,662
Restricted funds			
Restricted	8,394	1,820	10,214
TOTAL FUNDS	<u>723,903</u>	<u>(7,027)</u>	<u>716,876</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	166,178	(175,025)	(8,847)
Restricted funds			
Restricted	14,484	(12,664)	1,820
TOTAL FUNDS	<u>180,662</u>	<u>(187,689)</u>	<u>(7,027)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	715,509	(61,388)	(1,914)	652,207
Restricted funds				
Restricted	8,394	4,844	1,914	15,152
TOTAL FUNDS	<u>723,903</u>	<u>(56,544)</u>	<u>-</u>	<u>667,359</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	347,501	(373,889)	(35,000)	(61,388)
Restricted funds				
Restricted	38,598	(33,754)	-	4,844
TOTAL FUNDS	<u>386,099</u>	<u>(407,643)</u>	<u>(35,000)</u>	<u>(56,544)</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

11. MOVEMENT IN FUNDS - continued

Included within restricted funds in the current and comparative periods are as follows:

Next Generation

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

Christmas Hampers

Donations were made to sponsor a Christmas hamper. The Christmas hampers were then prepared and delivered in partnership with local children's services, ensuring that the most vulnerable and needy families, received a full Christmas dinner and gifts for children.

Fuelled Fund

The delivery of holiday clubs in Crosby as part of the local authority campaign to support those who receive school meals.

Trauma Training

Providing training to those from within local education settings to ensure that children and young adults are being cared for in a way that is appropriate for their needs.

University Fees

Raising funds toward university fees.

Transfers

Transfers are amounts transferred from unrestricted funds for overspends on the Next Generation and Christmas Hampers funds.

12. CAPITAL COMMITMENTS

	31.3.25	31.3.24
	£	£
Contracted but not provided for in the financial statements	<u>17,294</u>	<u>-</u>

The above is in relation to sanctuary chairs delivered after the year end.

13. RELATED PARTY DISCLOSURES

During the year elected Trustees donated £14,710 (2024 - £17,180) to the church.

During the year management fees of £22,500 (2024 - £15,000) were received from Connect Foundation (North Lincs).

Amounts outstanding at the 31st March 2025 from Connect Foundation (North Lincs) were £2,887 (at 31 March 2024 £13,330).

14. POST BALANCE SHEET EVENTS

The decision to sell the investment property in Dartmouth Road was made at the church meeting on 12 June 2025. The intention was to sell immediately but it has now been agreed that it will be part exchanged for the purchase of the new Crosby location premises. Funding for this is in negotiation but the intention is for this to happen as soon as possible.

15. RELATED CHARITIES

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

CONNECT CHURCH (NORTH LINCS)

England & Wales - Charity number 1190541

Accounts

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
CONNECT CHURCH (NORTH LINCS)

CONNECT CHURCH (NORTH LINCS)
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FOR THE YEAR ENDED 31 MARCH 2024

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CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'to build the Kingdom and to make disciples'. Grants are made as directed by the donor or where the Trustees consider the payment would further the objectives of the church.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The church worked hard to fully implement the vision previously adopted. The vision is 'to build the Kingdom and to make disciples', and alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making. The values are as follows:

We depend on God for immeasurably more
Everyone has value and adds value
We seek the well-being of our community
We don't maintain we multiply
We are joyfully all in

In the context of the objectives, the following achievements show how our vision has increasingly come to life:

Care

We continue to offer pastoral provisions on request, and we have worked really hard to build strong systems to ensure that we are helping individuals and families to meet their needs; spiritually, emotionally, physically, and mentally. The vast majority of our care and support is of individuals by volunteers on a regular basis.

Children & Youth

Throughout the year we have continued to include children and young people within the life of the church, supporting parents and families where possible, and we remain committed to providing holiday clubs and Sunday provisions for local children and young people.

Discipleship

We continue to offer Connect Groups during the week at different times and locations, making it easier for people to engage on a regular basis. These groups are an important setting for personal development, as well as a space for personal care.

Our weekly gatherings also continue to be an opportunity for Christian learning, and we have also been encouraged by the teaching and support of various invited individuals and organisations, and have provided training opportunities for various leaders and volunteers from within the church.

Gatherings

The church continues to meet each Sunday, and during these times various teams ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a church for corporate prayer and ministry.

Mission

Through both of our locations at Ashby Road and Crosby we have continued to serve the local community, regularly providing meals, social opportunities, befriending and more. We have also continued to work with others in the community to seek the wellbeing and welfare of those who are most vulnerable.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Reserves policy

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate free reserves for the church's future plans of £124,071 (2023 - £121,394).

The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2023/24 as £25,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting.

Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting.

Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

FUTURE PLANS

We are still working toward a third location of Connect Church being planted in Brigg, with the teams being developed now.

Our trustees conducted an organisational review, giving consideration to our strategic objectives moving forward. A SWOT analysis with a focus group has been conducted, and a new action plan will be developed in the near future. A new leadership structure and team has also been implemented.

This culminated in a church weekend in September 2024 to set the course for the next phase.

As we continue to work together with Connect Foundation, we anticipate that in the coming year we will partner with them to focus on alleviating poverty, particularly in the current challenges locally.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a charitable incorporated organisation (CIO).

Organisational structure

Connect Church was registered as a CIO on 23 July 2020, and operates in accordance with its constitution, which was adopted on 15 January 2020. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except the Lead Pastor, are appointed for an initial three-year term and serve so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of their three-year term, after which there must be a break of at least one-year before they are nominated again. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the period were those listed below.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1190541

Principal address

Ashby Road
Scunthorpe
DN16 1NR

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Trustees

Rev T W Macdonald
P Clark (resigned 2.7.24)
A Sturman
M Hockey
J Sadler
M Karaffa (appointed 14.11.23)
A Robinson (appointed 14.11.23)

Independent Examiner

Helen Spauls FCA
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
A Robinson - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CONNECT CHURCH (NORTH LINCS)**

Independent examiner's report to the trustees of Connect Church (North Lincs)

I report to the charity trustees on my examination of the accounts of Connect Church (North Lincs) (the CIO) for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 CIO 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.

Helen Spauls FCA

Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CONNECT CHURCH (NORTH LINCS)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		130,647	14,484	145,131	138,492
Charitable activities					
Core		22,528	-	22,528	14,111
Investment income	2	<u>13,003</u>	<u>-</u>	<u>13,003</u>	<u>11,903</u>
Total		<u>166,178</u>	<u>14,484</u>	<u>180,662</u>	<u>164,506</u>
EXPENDITURE ON					
Charitable activities					
Core		<u>175,025</u>	<u>12,664</u>	<u>187,689</u>	<u>158,929</u>
Net gains on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>9,000</u>
NET INCOME/(EXPENDITURE)		(8,847)	1,820	(7,027)	14,577
Transfers to Connect Foundation (North Lincs)	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,908)</u>
Net movement in funds		(8,847)	1,820	(7,027)	(62,331)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>715,509</u>	<u>8,394</u>	<u>723,903</u>	<u>786,234</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>706,662</u></u>	<u><u>10,214</u></u>	<u><u>716,876</u></u>	<u><u>723,903</u></u>

The notes form part of these financial statements

CONNECT CHURCH (NORTH LINCS)

BALANCE SHEET
31 MARCH 2024

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	7	297,591	-	297,591	309,115
Investment property	8	<u>285,000</u>	<u>-</u>	<u>285,000</u>	<u>285,000</u>
		582,591	-	582,591	594,115
CURRENT ASSETS					
Debtors	9	20,607	-	20,607	8,220
Cash at bank		<u>118,012</u>	<u>10,214</u>	<u>128,226</u>	<u>129,789</u>
		138,619	10,214	148,833	138,009
CREDITORS					
Amounts falling due within one year	10	(14,548)	-	(14,548)	(8,221)
NET CURRENT ASSETS		<u>124,071</u>	<u>10,214</u>	<u>134,285</u>	<u>129,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>706,662</u>	<u>10,214</u>	<u>716,876</u>	<u>723,903</u>
NET ASSETS		<u>706,662</u>	<u>10,214</u>	<u>716,876</u>	<u>723,903</u>
FUNDS	11				
Unrestricted funds				706,662	715,509
Restricted funds				<u>10,214</u>	<u>8,394</u>
TOTAL FUNDS				<u>716,876</u>	<u>723,903</u>

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

.....
A Robinson - Trustee

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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, as modified by the revaluation of certain assets.

Donations

Donations are accounted for gross when received.

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.

Investment Income

Investment income is accounted for in the year in which it is received.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% Straight Line and 2% Straight Line
Fixtures and fittings	- 25% Straight Line, 20% Straight Line and 10% Straight Line

Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost.

The building extension in 2002 is included in fixed assets at a cost of £485,200 and depreciated at 2% straight line. The Trustees consider that none of its separate components has a significantly different useful economic life that collectively would materially affect the carrying value in the accounts.

Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

Investment property

Investment property is measured at cost and subsequently at fair value at each reporting date. No depreciation is provided on investment property.

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.

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Pension costs

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. From August 2022 it was agreed that £1 per month would be contributed towards the pension scheme deficit therefore no liability is recognised.

2. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Rents received	9,525	9,900
Bank interest	<u>3,478</u>	<u>2,003</u>
	<u>13,003</u>	<u>11,903</u>

3. GRANTS PAYABLE

	31.3.24	31.3.23
	£	£
Core	<u>11,240</u>	<u>8,900</u>

The total grants paid to institutions during the year was as follows:

	31.3.24	31.3.23
	£	£
BMS World Mission	4,320	4,320
Home Misson	4,320	4,320
Pakistan Flood Relief	-	260
Lives	<u>100</u>	<u>-</u>
	<u>8,740</u>	<u>8,900</u>

The total grants paid to individuals during the year was as follows:

	31.3.24	31.3.23
	£	£
Other individual	<u>2,500</u>	<u>-</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

	31.3.24	31.3.23
	£	£
Trustees' salaries	32,880	30,780
Trustees' pensions paid	<u>3,627</u>	<u>3,530</u>
	<u>36,507</u>	<u>34,310</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor.

In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £7,600 (2023 - £6,000)

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

5. STAFF COSTS

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

	31.3.24	31.3.23
Church	<u>5</u>	<u>5</u>

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

Total paid to key management during the period inclusive of national insurance and pension contributions was £36,507 (2023 -£34,310).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	124,981	13,511	138,492
Charitable activities			
Core	14,111	-	14,111
Investment income	<u>11,903</u>	<u>-</u>	<u>11,903</u>
Total	<u>150,995</u>	<u>13,511</u>	<u>164,506</u>
EXPENDITURE ON			
Charitable activities			
Core	<u>147,440</u>	<u>11,489</u>	<u>158,929</u>
Net gains on investments	<u>9,000</u>	<u>-</u>	<u>9,000</u>
NET INCOME	12,555	2,022	14,577
Transfers to Connect Foundation (North Lincs)	<u>-</u>	<u>(76,908)</u>	<u>(76,908)</u>
Net movement in funds	12,555	(74,886)	(62,331)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>702,954</u>	<u>83,280</u>	<u>786,234</u>
TOTAL FUNDS CARRIED FORWARD	<u>715,509</u>	<u>8,394</u>	<u>723,903</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2023	512,539	86,349	598,888
Additions	<u>-</u>	<u>1,430</u>	<u>1,430</u>
At 31 March 2024	<u>512,539</u>	<u>87,779</u>	<u>600,318</u>
DEPRECIATION			
At 1 April 2023	213,963	75,810	289,773
Charge for year	<u>10,779</u>	<u>2,175</u>	<u>12,954</u>
At 31 March 2024	<u>224,742</u>	<u>77,985</u>	<u>302,727</u>
NET BOOK VALUE			
At 31 March 2024	<u>287,797</u>	<u>9,794</u>	<u>297,591</u>
At 31 March 2023	<u>298,576</u>	<u>10,539</u>	<u>309,115</u>

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023 and 31 March 2024	<u>285,000</u>
NET BOOK VALUE	
At 31 March 2024	<u>285,000</u>
At 31 March 2023	<u>285,000</u>

Investment property was initially purchased for £155,000 in 2003.

The Trustees have estimated the fair value of the investment property at each period end using publicly available government information on local house prices.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Gift aid debtor	6,128	4,976
Other debtors	<u>14,479</u>	<u>3,244</u>
	<u>20,607</u>	<u>8,220</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Other creditors	<u>14,548</u>	<u>8,221</u>

11. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	715,509	(8,847)	706,662
Restricted funds			
Restricted	8,394	1,820	10,214
	<u>723,903</u>	<u>(7,027)</u>	<u>716,876</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	166,178	(175,025)	(8,847)
Restricted funds			
Restricted	14,484	(12,664)	1,820
	<u>180,662</u>	<u>(187,689)</u>	<u>(7,027)</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers to Connect Foundation (North Lincs) on 1.4.22 £	At 31.3.23 £
Unrestricted funds				
General fund	702,954	12,555	-	715,509
Restricted funds				
Restricted	83,280	2,022	(76,908)	8,394
	<u>786,234</u>	<u>14,577</u>	<u>(76,908)</u>	<u>723,903</u>

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	150,995	(147,440)	9,000	12,555
Restricted funds				
Restricted	13,511	(11,489)	-	2,022
TOTAL FUNDS	<u>164,506</u>	<u>(158,929)</u>	<u>9,000</u>	<u>14,577</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	Transfers to Connect Foundation (North Lincs) on 1.4.22 £	At 31.3.24 £
Unrestricted funds				
General fund	702,954	3,708	-	706,662
Restricted funds				
Restricted	83,280	3,842	(76,908)	10,214
TOTAL FUNDS	<u>786,234</u>	<u>7,550</u>	<u>(76,908)</u>	<u>716,876</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	317,173	(322,465)	9,000	3,708
Restricted funds				
Restricted	27,995	(24,153)	-	3,842
TOTAL FUNDS	<u>345,168</u>	<u>(346,618)</u>	<u>9,000</u>	<u>7,550</u>

Included within restricted funds in the current and comparative periods are as follows:

Next Generation

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

Christmas Hampers

Donations were made to sponsor a Christmas hamper. The Christmas hampers were then prepared and delivered in partnership with local children's services, ensuring that the most vulnerable and needy families, received a full Christmas dinner and gifts for children.

Ukraine Appeal Fund

One off donations were received and distributed to some of our partner organisations and/or churches who were supporting refugees on the Ukrainian border, following the Russian invasion.

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

11. MOVEMENT IN FUNDS - continued

Fuelled Fund

The delivery of holiday clubs in Crosby as part of the local authority campaign to support those who receive school meals.

Interfaith

Supporting the promotion and delivery of equality and diversity training within North Lincolnshire as part of national interfaith week.

Trauma Training

Providing training to those from within local education settings to ensure that children and young adults are being cared for in a way that is appropriate for their needs.

Burglary

Raising funds to support a family who were the victims of a burglary, leading to significant financial losses.

University Fees

Raising funds toward university fees.

Mission All

One off donations were made to support the work of various partner charities who are seeking to share the Christian message in areas that are considered to be missionally challenging. These donations followed those involved in these charities sharing their stories and providing some training to Connect Church.

Transfers

Transfers are amounts transferred to Connect Foundation (North Lincs) on 1st April 2022.

12. RELATED PARTY DISCLOSURES

During the year elected Trustees donated £17,180 (2023 - £9,330) to the church.

During the year management fees of £15,000 (2023 - £12,000) were received from Connect Foundation (North Lincs).

Amounts outstanding at the 31st March 2024 from Connect Foundation (North Lincs) were £13,330 (at 31 March 2023 £2,534).

13. PENSIONS

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

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

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 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. 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 if 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 Limited. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.]

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

The Minister is eligible to join the Scheme.

CONNECT CHURCH (NORTH LINC'S)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

13. PENSIONS - continued

Actuarial Valuation as at 31 December 2019

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 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 Increase Adjustments (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality was assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme was due to take place not later than as at 31 December 2022. However, the DB Plan is to be wound up, and the process to wind it up was started with effect from 31 March 2024 and therefore no formal valuation is due to take place.

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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026.

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. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 March 2024	31 March 2023
Balance sheet liability at year start	£-	£23,200
Minus deficiency contributions paid	£-	-£1,878
Interest cost (recognised in SoFA)	£-	£-
Remaining change to balance sheet liability *(recognised in SoFA)	£-	£21,322
Balance sheet liability at year end	£-	£-

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

14. RELATED CHARITIES

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

15. CHARITY RECONSTRUCTION

From 1 April 2022 the activities and restricted funds relating to Scunthorpe Foodbank and Change for Change were transferred to Connect Foundation (North Lincs), a Charitable Incorporated Organisation, which was set up by Connect Church (North Lincs).

The minister of Connect Church (North Lincs) is automatically a Charity Trustee of Connect Foundation (North Lincs), and the members of Connect Church (North Lincs) shall nominate candidates for election as Charity Trustees to the board of Connect Foundation (North Lincs) when appropriate.

On 1st April 2022 £3,049 was transferred from Connect Church (North Lincs) to Connect Foundation (North Lincs) held in relation to Change for Change and £73,859 was transferred from Connect Church (North Lincs) to Connect Foundation (North Lincs) held in relation to Foodbank.

CONNECT CHURCH (NORTH LINCS)

England & Wales - Charity number 1190541

Accounts

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
CONNECT CHURCH (NORTH LINCS)

CONNECT CHURCH (NORTH LINCS)
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FOR THE YEAR ENDED 31 MARCH 2023

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CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'to build the Kingdom and to make disciples'. Grants are made as directed by the donor or where the Trustees consider the payment would further the objectives of the church.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The church worked hard to fully implement the vision previously adopted. The vision is 'to build the Kingdom and to make disciples', and alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making. The values are as follows:

We depend on God for immeasurably more
Everyone has value and adds value
We seek the well-being of our community
We don't maintain we multiply
We are joyfully all in

In the context of the objectives, the following achievements show how our vision has increasingly come to life:

Care

We continue to offer pastoral support on request, and we have worked really hard to build robust systems to ensure that we are helping individuals and families to meet their needs; spiritually, emotionally, physically, and mentally. The vast majority of our care and support is of individuals by volunteers on a regular basis.

Children & Youth

Throughout the year we have continued to include children and young people within the life of the church, supporting parents and families where possible, and we remain committed to providing holiday clubs and Sunday provisions for local children and young people.

Discipleship

We continue to offer Connect Groups during the week at different times and locations, making it easier for people to engage on a regular basis. These groups are an important setting for personal development, as well as a space for personal care.

Our weekly gatherings also continue to be an opportunity for Christian learning, and we have also been encouraged by the teaching and support of various invited individuals and organisations, and have provided training opportunities for various leaders and volunteers from within the church.

Gatherings

The church continues to meet each Sunday, and during these times various teams ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a church for corporate prayer and ministry.

Mission

Through both of our locations at Ashby Road and Crosby we have continued to serve the local community, regularly providing meals, social opportunities, befriending and more. We have also continued to work with others in the community to seek the wellbeing and welfare of those who are most vulnerable, particularly working with 'Warm Spaces' during the winter and the current cost of living crisis.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Reserves policy

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate free reserves for the church's future plans of £121,394 (2022 - £105,907).

The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2022/23 as £25,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting.

Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting.

Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

IMPACT OF COVID-19 PANDEMIC

We are extremely grateful to our members and local community who have continued to support us financially during recent difficult times, meaning that we are able to remain in a healthy financial position despite the challenges that remain in light of the COVID-19 pandemic. It remains the case that we have a reserves policy in place and as such we seek to have 3 months of costs in reserve. So far these reserves remain available and unaffected by the pandemic.

We are pleased to see that by the end of this financial year Connect Church has been able to return to near full operational capacity again, giving us confidence moving forward.

FUTURE PLANS

We are now working toward a third location of Connect Church being planted in Brigg, with the groundwork and teams being developed now.

Our trustees have been conducting an organisational review, giving consideration to our strategic objectives moving forward. A SWOT analysis with a focus group has been conducted, and a new action plan will be developed in the near future.

It is also expected that this process will result in a new leadership team structure being adopted.

As we continue to work together with Connect Foundation, we anticipate that in the coming year we will partner with them to focus on alleviating poverty, particularly in light of the current cost of living crisis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a charitable incorporated organisation (CIO).

Organisational structure

Connect Church was registered as a CIO on 23 July 2020, and operates in accordance with its constitution, which was adopted on 15 January 2020. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except the Lead Pastor, are appointed for an initial three-year term and serve for so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of their three-year term, after which there must be a break of at least one-year before they are nominated again. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the period were those listed below.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1190541

Principal address

Ashby Road
Scunthorpe
DN16 1NR

Trustees

Rev T W Macdonald
P Clark
A Sturman
M Roberts (resigned 5.7.22)
M Hockey (appointed 5.7.22)
J Sadler (appointed 5.7.22)

Independent Examiner

Helen Spauls FCA
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
P Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CONNECT CHURCH (NORTH LINCS)**

Independent examiner's report to the trustees of Connect Church (North Lincs)

I report to the charity trustees on my examination of the accounts of Connect Church (North Lincs) (the CIO) for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 CIO 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.

Helen Spauls FCA

Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CONNECT CHURCH (NORTH LINCS)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted fund £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		124,981	13,511	138,492	184,356
Charitable activities					
Core		14,111	-	14,111	2,953
Investment income	2	11,903	-	11,903	9,369
Other income		-	-	-	401
Total		<u>150,995</u>	<u>13,511</u>	<u>164,506</u>	<u>197,079</u>
EXPENDITURE ON					
Charitable activities					
Core		<u>147,440</u>	<u>11,489</u>	<u>158,929</u>	<u>199,920</u>
Net gains on investments		<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>30,000</u>
NET INCOME		12,555	2,022	14,577	27,159
Transfers to Connect Foundation (North Lincs)	13	<u>-</u>	<u>(76,908)</u>	<u>(76,908)</u>	<u>-</u>
Net movement in funds		12,555	(74,886)	(62,331)	27,159
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>702,954</u>	<u>83,280</u>	<u>786,234</u>	<u>759,075</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>715,509</u></u>	<u><u>8,394</u></u>	<u><u>723,903</u></u>	<u><u>786,234</u></u>

The notes form part of these financial statements

CONNECT CHURCH (NORTH LINCS)

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted fund £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	7	309,115	-	309,115	321,047
Investment property	8	<u>285,000</u>	<u>-</u>	<u>285,000</u>	<u>276,000</u>
		594,115	-	594,115	597,047
CURRENT ASSETS					
Debtors	9	8,220	-	8,220	21,912
Cash at bank		<u>121,395</u>	<u>8,394</u>	<u>129,789</u>	<u>200,194</u>
		129,615	8,394	138,009	222,106
CREDITORS					
Amounts falling due within one year	10	(8,221)	-	(8,221)	(9,719)
NET CURRENT ASSETS		<u>121,394</u>	<u>8,394</u>	<u>129,788</u>	<u>212,387</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		715,509	8,394	723,903	809,434
CREDITORS					
Amounts falling due after more than one year	11	-	-	-	(23,200)
NET ASSETS		<u>715,509</u>	<u>8,394</u>	<u>723,903</u>	<u>786,234</u>
FUNDS	13				
Unrestricted funds				715,509	702,954
Restricted funds				<u>8,394</u>	<u>83,280</u>
TOTAL FUNDS				<u>723,903</u>	<u>786,234</u>

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

.....
P Clark - Trustee

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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, as modified by the revaluation of certain assets.

Donations

Donations are accounted for gross when received.

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.

Investment Income

Investment income is accounted for in the year in which it is received.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% Straight Line and 2% Straight Line
Fixtures and fittings	- 25% Straight Line, 20% Straight Line and 10% Straight Line

Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost.

The building extension in 2002 is included in fixed assets at a cost of £485,200 and depreciated at 2% straight line. The Trustees consider that none of its separate components has a significantly different useful economic life that collectively would materially affect the carrying value in the accounts.

Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

Investment property

Investment property is measured at cost and subsequently at fair value at each reporting date. No depreciation is provided on investment property.

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.

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Pension costs

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. A liability is included for the present value of contributions payable that result from the terms of the agreement with the multi-employer plan and the impact of deficiency contributions are included in the Statement of financial activity.

2. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Rents received	9,900	8,701
Bank interest	<u>2,003</u>	<u>668</u>
	<u>11,903</u>	<u>9,369</u>

3. GRANTS PAYABLE

	31.3.23	31.3.22
	£	£
Core	<u>8,900</u>	<u>8,640</u>

The total grants paid to institutions during the year was as follows:

	31.3.23	31.3.22
	£	£
BMS World Mission	4,320	4,320
Home Misson	4,320	4,320
Pakistan Flood Relief	<u>260</u>	<u>-</u>
	<u>8,900</u>	<u>8,640</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

	31.3.23	31.3.22
	£	£
Trustees' salaries	30,780	30,480
Trustees' pensions paid	<u>3,530</u>	<u>3,616</u>
	<u>34,310</u>	<u>34,096</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor. In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £6,000 (2022 - £6,000)

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. STAFF COSTS

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

	31.3.23	31.3.22
Church	<u>5</u>	<u>6</u>

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

Total paid to key management during the period inclusive of national insurance and pension contributions was £34,310 (2022 -£34,096).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	109,879	74,477	184,356
Charitable activities			
Core	2,953	-	2,953
Investment income	9,369	-	9,369
Other income	<u>401</u>	<u>-</u>	<u>401</u>
Total	<u>122,602</u>	<u>74,477</u>	<u>197,079</u>
EXPENDITURE ON			
Charitable activities			
Core	<u>138,740</u>	<u>61,180</u>	<u>199,920</u>
Net gains on investments	<u>30,000</u>	<u>-</u>	<u>30,000</u>
NET INCOME	13,862	13,297	27,159
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>689,092</u>	<u>69,983</u>	<u>759,075</u>
TOTAL FUNDS CARRIED FORWARD	<u>702,954</u>	<u>83,280</u>	<u>786,234</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2022	512,539	84,990	597,529
Additions	<u>-</u>	<u>1,359</u>	<u>1,359</u>
At 31 March 2023	<u>512,539</u>	<u>86,349</u>	<u>598,888</u>
DEPRECIATION			
At 1 April 2022	202,891	73,591	276,482
Charge for year	<u>11,072</u>	<u>2,219</u>	<u>13,291</u>
At 31 March 2023	<u>213,963</u>	<u>75,810</u>	<u>289,773</u>
NET BOOK VALUE			
At 31 March 2023	<u>298,576</u>	<u>10,539</u>	<u>309,115</u>
At 31 March 2022	<u>309,648</u>	<u>11,399</u>	<u>321,047</u>

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022	276,000
Revaluation	<u>9,000</u>
At 31 March 2023	<u>285,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>285,000</u>
At 31 March 2022	<u>276,000</u>

Investment property was initially purchased for £155,000 in 2003.

The Trustees have estimated the fair value of the investment property at each period end using publicly available government information on local house prices.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Gift aid debtor	5,686	21,562
Other debtors	<u>2,534</u>	<u>350</u>
	<u>8,220</u>	<u>21,912</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	-	630
Other creditors	<u>8,221</u>	<u>9,089</u>
	<u>8,221</u>	<u>9,719</u>

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

	31.3.23	31.3.22
	£	£
Other creditors	<u>-</u>	<u>23,200</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	<u>-</u>	<u>3,780</u>

13. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers to Connect Foundation (North Lincs) on 1.4.22	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	702,953	12,556	-	715,509
Restricted funds				
Restricted	83,280	2,022	(76,908)	8,394
	<u>786,233</u>	<u>14,578</u>	<u>(76,908)</u>	<u>723,903</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	150,995	(147,439)	9,000	12,556
Restricted funds				
Restricted	13,511	(11,489)	-	2,022
	<u>164,506</u>	<u>(158,928)</u>	<u>9,000</u>	<u>14,578</u>

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	689,092	13,862	702,954
Restricted funds			
Restricted	69,983	13,297	83,280
	<u>759,075</u>	<u>27,159</u>	<u>786,234</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	122,602	(138,740)	30,000	13,862
Restricted funds				
Restricted	74,477	(61,180)	-	13,297
	<u>197,079</u>	<u>(199,920)</u>	<u>30,000</u>	<u>27,159</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers to Connect Foundation (North Lincs) on 1.4.22 £	At 31.3.23 £
Unrestricted funds				
General fund	689,092	26,418	-	715,510
Restricted funds				
Restricted	69,983	15,319	(76,908)	8,394
	<u>759,075</u>	<u>41,737</u>	<u>(76,908)</u>	<u>723,904</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	273,597	(286,179)	39,000	26,418
Restricted funds				
Restricted	87,988	(72,669)	-	15,319
	<u>361,585</u>	<u>(358,848)</u>	<u>39,000</u>	<u>41,737</u>

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

Included within restricted funds in the current and comparative periods are as follows:

Foodbank

These funds are given specifically to support our Foodbank project, offering emergency food parcels to people in crisis.

Change for Change

These funds are loose change donations that are given to allow us to support vulnerable people with one-off support, for example, purchasing a microwave, buying a train ticket etc.

Holiday Club

These funds finance the holiday clubs we provide in conjunction with the local schools and local authority, particularly during the Easter and summer breaks.

Next Generation

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

Christmas Hampers

Donations were made to sponsor a Christmas hamper. The Christmas hampers were then prepared and delivered in partnership with local children's services, ensuring that the most vulnerable and needy families, received a full Christmas dinner and gifts for children.

Ukraine Appeal Fund

One off donations were received and distributed to some of our partner organisations and/or churches who were supporting refugees on the Ukrainian border, following the Russian invasion.

Fuelled Fund

The delivery of holiday clubs in Crosby as part of the local authority campaign to support those who receive school meals.

Interfaith

Supporting the promotion and delivery of equality and diversity training within North Lincolnshire as part of national interfaith week.

Trauma Training

Providing training to those from within local education settings to ensure that children and young adults are being cared for in a way that is appropriate for their needs.

Burglary

Raising funds to support a family who were the victims of a burglary, leading to significant financial losses.

Mission All

One off donations were made to support the work of various partner charities who are seeking to share the Christian message in areas that are considered to be missionally challenging. These donations followed those involved in these charities sharing their stories and providing some training to Connect Church.

Transfers

Transfers are amounts transferred to Connect Foundation (North Lincs) on 1st April 2022.

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

14. RELATED PARTY DISCLOSURES

During the period elected Trustees donated £9,330 (2022 - £7,550) to the church.

£12,000 management fees were received from Connect Foundation (North Lincs) during the year.

Amounts outstanding at the 31st March 2023 from Connect Foundation (North Lincs) were £2,534.

15. PENSIONS

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the East Midlands Baptist Association.

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 Aviva plc. [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.

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 (CPI plus 0.75% pa)	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

CONNECT CHURCH (NORTH LINCS)
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

15. PENSIONS - continued

Post retirement mortality in accordance with 80% of the S3NFA and S3NMA 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 will commence in 2023 to reflect the position 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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

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.

Therefore the balance has been reduced to nil in the year.

Accounting date (year ending):	31 March 2023	31 March 2022
Balance sheet liability at year start	£23,200	28,489
Minus deficiency contributions paid	-£1,878	-£5,160
Interest cost (recognised in SoFA)		£478
Remaining change to balance sheet liability *(recognised in SoFA)	£21,322	-£607
Balance sheet liability at year end	£0	£23,200

16. RELATED CHARITIES

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

17. CHARITY RECONSTRUCTION

From 1 April 2022 the activities and restricted funds relating to Scunthorpe Foodbank and Change for Change were transferred to Connect Foundation (North Lincs), a Charitable Incorporated Organisation, which was set up by Connect Church (North Lincs).

The minister of Connect Church (North Lincs) is automatically a Charity Trustee of Connect Foundation (North Lincs), and the members of Connect Church (North Lincs) shall nominate candidates for election as Charity Trustees to the board of Connect Foundation (North Lincs) when appropriate.

On 1st April 2022 £3,049 was transferred from Connect Church to Connect Foundation (North Lincs) held in relation to Change for Change and £73,859 was transferred from Connect Church (North Lincs) to Connect Foundation (North Lincs) held in relation to Foodbank.

CONNECT CHURCH (NORTH LINCS)

England & Wales - Charity number 1190541

Accounts

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
CONNECT CHURCH (NORTH LINCS)

CONNECT CHURCH (NORTH LINCS)

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FOR THE YEAR ENDED 31 MARCH 2022

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CONNECT CHURCH (NORTH LINCS)

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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'to build the Kingdom and to make disciples'. Grants are made as directed by the donor or where the Trustees consider the payment would further the objectives of the church.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The church worked hard to fully implement the vision previously adopted. The vision is 'to build the Kingdom and to make disciples', and alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making. The values are as follows:

We depend on God for immeasurably more

Everyone has value and adds value

We seek the well-being of our community

We don't maintain we multiply

We are joyfully all in

In the context of the objectives, the following achievements show how our vision has increasingly come to life:

Care

We continue to offer pastoral support on request, and we have worked really hard to build robust systems to ensure that we are helping individuals and families to meet their needs; spiritually, emotionally, physically, and mentally. The vast majority of our care and support is of individuals by volunteers on a regular basis.

Children & Youth

Throughout the year we have continued to include children and young people within the life of the church, supporting parents and families where possible, and we remain committed to providing holiday clubs and Sunday provisions for local children and young people.

Discipleship

We continue to offer Connect Groups during the week at different times and locations, making it easier for people to engage on a regular basis, including new groups meeting online to make them even more accessible to different people groups. These groups are an important setting for personal development, as well as a space for personal care.

Our weekly gatherings also continue to be an opportunity for Christian learning, and we have also been encouraged by the teaching and support of various invited individuals and organisations, and have provided training opportunities for various leaders and volunteers from within the church.

Gatherings

The church continued to meet each Sunday morning, and during these times various teams ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a church for corporate prayer and ministry.

Mission

Through both of our locations at Ashby Road and Crosby we have continued to serve the local community, regularly providing meals, social opportunities, befriending and more. We have also continued to work with others in the community to seek the wellbeing and welfare of those who are most vulnerable.

Connect Foundation

From 1 April 2022 many of our community projects, including Scunthorpe Foodbank, became part of a second new CIO (Connect Foundation), allowing these projects to have more focused and specialised leadership.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

ACHIEVEMENT AND PERFORMANCE

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

FINANCIAL REVIEW

Reserves policy

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate free reserves for the church's future plans of £105,907 (2021 - £113,777).

The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2021/22 as £25,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting.

Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting.

Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

IMPACT OF COVID-19 PANDEMIC

We are extremely grateful to our members and local community who have continued to support us financially during recent difficult times, meaning that we are able to remain in a healthy financial position despite the challenges that remain in light of the COVID-19 pandemic. It remains the case that we have a reserves policy in place and as such we seek to have 3 months of costs in reserve. So far these reserves remain available and unaffected by the pandemic.

We are pleased to see that by the end of this financial year Connect Church has been able to return to near full operational capacity again, giving us confidence moving forward.

FUTURE PLANS

Now that Connect Church is established with two locations, plans are being developed to consider future opportunities for more locations to be planted and established. A third location is expected to launch in 2023, and the groundwork for this has already begun.

We are also seeking to develop and strengthen new partnerships with other local churches and charitable organisations, to discern where we can best work together to fulfil our charitable objectives. An example of this would be our connection with local schools, as well as other faith groups within North Lincolnshire.

As we continue to work together with the newly established Connect Foundation, we anticipate that in the coming year we will increase the community work that we do as a church which is focused on alleviating poverty, particularly in light of the current cost of living crisis. This will almost certainly include the development of our 'Warm Welcome' campaign.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a charitable incorporated organisation (CIO).

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Connect Church was registered as a CIO on 23 July 2020, and operates in accordance with its constitution, which was adopted on 15 January 2020. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except for the Lead Pastor, are appointed for an initial three-year term and serve so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of each three-year term. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team. In addition, each member of the Leadership Team has responsibility for a particular area of the church's work.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the period were those listed below.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1190541

Principal address

Ashby Road
Scunthorpe
DN16 1NR

Trustees

T W Macdonald
P Clark
A Sturman
M Roberts

Independent Examiner

Helen Spauls
F.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Approved by order of the board of trustees on and signed on its behalf by:

.....
P Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CONNECT CHURCH (NORTH LINCS)**

Independent examiner's report to the trustees of Connect Church (North Lincs)

I report to the charity trustees on my examination of the accounts of Connect Church (North Lincs) (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.

Helen Spauls
F.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CONNECT CHURCH (NORTH LINCS)

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

				YEAR ENDED 31.3.22 Total funds £	PERIOD 1.1.21 TO 31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		Unrestricted fund £	Restricted fund £	184,356	36,096
	Notes				
Charitable activities					
Core		2,953	-	2,953	-
Investment income	2	9,369	-	9,369	2,474
Other income		401	-	401	526
Total		<u>122,602</u>	<u>74,477</u>	<u>197,079</u>	<u>39,096</u>
EXPENDITURE ON					
Charitable activities					
Core		138,740	61,180	199,920	42,083
Net gains on investments		30,000	-	30,000	7,000
NET INCOME		13,862	13,297	27,159	4,013
RECONCILIATION OF FUNDS					
Total funds brought forward		689,092	69,983	759,075	755,062
TOTAL FUNDS CARRIED FORWARD		<u>702,954</u>	<u>83,280</u>	<u>786,234</u>	<u>759,075</u>

The notes form part of these financial statements

CONNECT CHURCH (NORTH LINCS)

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted fund £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Tangible assets	7	321,047	-	321,047	329,315
Investment property	8	276,000	-	276,000	246,000
		<u>597,047</u>	<u>-</u>	<u>597,047</u>	<u>575,315</u>
CURRENT ASSETS					
Debtors	9	21,912	-	21,912	4,500
Cash at bank and in hand		116,914	83,280	200,194	215,669
		<u>138,826</u>	<u>83,280</u>	<u>222,106</u>	<u>220,169</u>
CREDITORS					
Amounts falling due within one year	10	(9,719)	-	(9,719)	(7,920)
		<u>129,107</u>	<u>83,280</u>	<u>212,387</u>	<u>212,249</u>
NET CURRENT ASSETS					
		<u>726,154</u>	<u>83,280</u>	<u>809,434</u>	<u>787,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	11	(23,200)	-	(23,200)	(28,489)
		<u>702,954</u>	<u>83,280</u>	<u>786,234</u>	<u>759,075</u>
NET ASSETS					
FUNDS					
Unrestricted funds	13			702,954	689,092
Restricted funds				83,280	69,983
				<u>786,234</u>	<u>759,075</u>
TOTAL FUNDS					

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

.....
P Clark - Trustee

CONNECT CHURCH (NORTH LINCS)

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

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, as modified by the revaluation of certain assets.

Donations

Donations are accounted for gross when received.

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.

Investment Income

Investment income is accounted for in the year in which it is received.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% Straight Line and 2% Straight Line
Fixtures and fittings	- 25% Straight Line, 20% Straight Line and 10% Straight Line

Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost.

The building extension in 2002 is included in fixed assets at a cost of £485,200 and depreciated at 2% straight line. The Trustees consider that none of its separate components has a significantly different useful economic life that collectively would materially affect the carrying value in the accounts.

Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

Investment property

Investment property is measured at cost and subsequently at fair value at each reporting date. No depreciation is provided on investment property.

Taxation

The charity is exempt from tax on its charitable activities.

CONNECT CHURCH (NORTH LINCS)

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

1. ACCOUNTING POLICIES - continued

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

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. A liability is included for the present value of contributions payable that result from the terms of the agreement with the multi-employer plan and the impact of deficiency contributions are included in the Statement of financial activity.

2. INVESTMENT INCOME

	YEAR ENDED 31.3.22	PERIOD 1.1.21 TO 31.3.21
Rents received	£ 8,701	£ 2,175
Bank interest	668	299
	<u>9,369</u>	<u>2,474</u>

3. GRANTS PAYABLE

	YEAR ENDED 31.3.22	PERIOD 1.1.21 TO 31.3.21
Core	£ 8,640	£ 2,160
	<u>8,640</u>	<u>2,160</u>

The total grants paid to institutions during the year was as follows:

	YEAR ENDED 31.3.22	PERIOD 1.1.21 TO 31.3.21
BMS World Mission	£ 4,320	£ 1,080
Home Misson	4,320	1,080
	<u>8,640</u>	<u>2,160</u>

CONNECT CHURCH (NORTH LINGS)

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

4. TRUSTEES' REMUNERATION AND BENEFITS

	YEAR ENDED 31.3.22 £	PERIOD 1.1.21 TO 31.3.21 £
Trustees' salaries	30,480	7,470
Trustees' pensions paid	3,616	904
	<u>34,096</u>	<u>8,374</u>

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the period ended 31 March 2021.

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor. In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £6,000 (2021 - £1,536)

5. STAFF COSTS

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

	YEAR ENDED 31.3.22	PERIOD 1.1.21 TO 31.3.21
Church	<u>6</u>	<u>6</u>

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

Total paid to key management during the period inclusive of national insurance and pension contributions was £34,096 (2021 -£8,374).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	25,777	10,319	36,096
Investment income	2,474	-	2,474
Other income	526	-	526
Total	<u>28,777</u>	<u>10,319</u>	<u>39,096</u>
EXPENDITURE ON			
Charitable activities			
Core	<u>36,017</u>	<u>6,066</u>	<u>42,083</u>
Net gains on investments	<u>7,000</u>	<u>-</u>	<u>7,000</u>
NET INCOME/(EXPENDITURE)	(240)	4,253	4,013

CONNECT CHURCH (NORTH LINCS)

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

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	689,332	65,730	755,062
TOTAL FUNDS CARRIED FORWARD	<u>689,092</u>	<u>69,983</u>	<u>759,075</u>
7. TANGIBLE FIXED ASSETS			
	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2021	512,539	79,763	592,302
Additions	-	5,227	5,227
At 31 March 2022	<u>512,539</u>	<u>84,990</u>	<u>597,529</u>
DEPRECIATION			
At 1 April 2021	191,819	71,168	262,987
Charge for year	11,072	2,423	13,495
At 31 March 2022	<u>202,891</u>	<u>73,591</u>	<u>276,482</u>
NET BOOK VALUE			
At 31 March 2022	<u>309,648</u>	<u>11,399</u>	<u>321,047</u>
At 31 March 2021	<u>320,720</u>	<u>8,595</u>	<u>329,315</u>
8. INVESTMENT PROPERTY			£
FAIR VALUE			
At 1 April 2021			246,000
Revaluation			30,000
At 31 March 2022			<u>276,000</u>
NET BOOK VALUE			
At 31 March 2022			<u>276,000</u>
At 31 March 2021			<u>246,000</u>

Investment property was initially purchased for £155,000 in 2003.

The Trustees have estimated the fair value of the investment property at each period end using publicly available government information on local house prices.

CONNECT CHURCH (NORTH LINCS)

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

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.22	31.3.21
		£	£
Gift aid debtor		21,562	4,500
Other debtors		350	-
		<u>21,912</u>	<u>4,500</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.22	31.3.21
		£	£
Trade creditors		630	-
Other creditors		9,089	7,920
		<u>9,719</u>	<u>7,920</u>
11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		31.3.22	31.3.21
		£	£
Other creditors		23,200	28,489
		<u>23,200</u>	<u>28,489</u>
12. LEASING AGREEMENTS			
Minimum lease payments under non-cancellable operating leases fall due as follows:			
		31.3.22	31.3.21
		£	£
Within one year		3,780	3,780
Between one and five years		-	3,780
		<u>3,780</u>	<u>7,560</u>
13. MOVEMENT IN FUNDS			
		Net	
	At 1.4.21	movement	At
	£	in funds	31.3.22
		£	£
Unrestricted funds			
General fund	689,092	13,862	702,954
Restricted funds			
Restricted	69,983	13,297	83,280
TOTAL FUNDS	<u>759,075</u>	<u>27,159</u>	<u>786,234</u>

CONNECT CHURCH (NORTH LINCS)

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

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	122,602	(138,740)	30,000	13,862
Restricted funds				
Restricted	74,477	(61,180)	-	13,297
TOTAL FUNDS	<u>197,079</u>	<u>(199,920)</u>	<u>30,000</u>	<u>27,159</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	689,332	(240)	689,092
Restricted funds			
Restricted	65,730	4,253	69,983
TOTAL FUNDS	<u>755,062</u>	<u>4,013</u>	<u>759,075</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	28,777	(36,017)	7,000	(240)
Restricted funds				
Restricted	10,319	(6,066)	-	4,253
TOTAL FUNDS	<u>39,096</u>	<u>(42,083)</u>	<u>7,000</u>	<u>4,013</u>

Included within restricted funds in the current and comparative periods are as follows:

Foodbank

These funds are given specifically to support our Foodbank project, offering emergency food parcels to people in crisis.

Change for Change

These funds are loose change donations that are given to allow us to support vulnerable people with one-off support, for example, purchasing a microwave, buying a train ticket etc.

Holiday Club

CONNECT CHURCH (NORTH LINCS)

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

13. MOVEMENT IN FUNDS - continued

These funds finance the holiday clubs we provide in conjunction with the local schools and local authority, particularly during the Easter and summer breaks.

Next Generation

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

Christmas Hampers

Donations were made to sponsor a Christmas hamper. The Christmas hampers were then prepared and delivered in partnership with local children's services, ensuring that the most vulnerable and needy families, received a full Christmas dinner and gifts for children.

Pastor Albert

Funds were raised to support a partner of the church in Zambia with school fees for his son. All donations were sent directly to Albert.

Ukraine Appeal Fund

One off donations were received and distributed to some of our partner organisations and/or churches who were supporting refugees on the Ukrainian border, following the Russian invasion.

Mission All

One off donations were made to support the work of various partner charities who are seeking to share the Christian message in areas that are considered to be missionally challenging. These donations followed those involved in these charities sharing their stories and providing some training to Connect Church.

14. RELATED PARTY DISCLOSURES

During the period elected Trustees donated £7,550 (2021 - £2,802) to the church.

15. PENSIONS

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

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).

CONNECT CHURCH (NORTH LINCS)

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

15. PENSIONS - continued

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 Aviva plc. [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.

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 (CPI plus 0.75% pa)	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 S3NFA and S3NMA 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 will commence in 2023 to reflect the position 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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

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

CONNECT CHURCH (NORTH LINCS)

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

15. PENSIONS - continued

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.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 March 2022	31 March 2021**
Balance sheet liability at year start	£28,489	£329,11
Minus deficiency contributions paid	-£5,160	-£1,276
Interest cost (recognised in SoFA)	478	£236
Remaining change to balance sheet liability *(recognised in SoFA)	-607	-£3,382
Balance sheet liability at year end	£23,200	£28,489

*Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the 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:

** Please note comparative figures to March 2021 are for the period 1st January 2021 to 31st March 2021.

Accounting Date	31 March 2022	31 March 2021	31 December 2020
Discount rate	3.0%	0.9%	0.9%
Further increases to Minimum Pensionable Income	4.9%	3.5%	3.5%

16. RELATED CHARITIES

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

17. CHARITY RECONSTRUCTION

From 1 January 2021 Connect Church (North Lincs), a Charitable Incorporated Organisation, was set up by Scunthorpe Baptist Church to enable the charity to change its legal form. The charity's purposes and beneficiary class remain unchanged, and all activities and funds were transferred from Scunthorpe Baptist Church to Connect Church (North Lincs) as a merger in accordance with Charity SORP FRS102 (effective 1st January 2019).

From 1 April 2022 the activities and restricted funds relating to Scunthorpe Foodbank and Change for Change were transferred to Connect Foundation, a Charitable Incorporated Organisation, which was set up by Connect Church (North Lincs).

The minister of Connect Church (North Lincs) will automatically be a Charity Trustee of Connect Foundation, and the members of Connect Church (North Lincs) shall nominate candidates for election as Charity Trustees to the board of Connect Foundation when appropriate.

CONNECT CHURCH (NORTH LINCS)

England & Wales - Charity number 1190541

Accounts

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021
FOR
CONNECT CHURCH (NORTH LINGS)

CONNECT CHURCH (NORTH LINGS)

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FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

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CONNECT CHURCH (NORTH LINGS)

REPORT OF THE TRUSTEES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the period 1 January 2021 to 31 March 2021. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'to build the Kingdom and to make disciples'. Grants are made as directed by the donor or where the Trustees consider the payment would further the objectives of the church.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The church worked hard to fully implement the vision previously adopted. The vision is 'to build the Kingdom and to make disciples', and alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making. The values are as follows:

We depend on God for immeasurably more
Everyone has value and adds value
We seek the well-being of our community
We don't maintain we multiply
We are joyfully all in

In the context of the objectives, the following achievements show how our vision has increasingly come to life:

Care

We continue to offer pastoral support on request, and we have worked really hard to build robust systems to ensure that we are helping individuals and families to meet their needs; spiritually, emotionally, physically, and mentally. The vast majority of our care and support is of individuals by volunteers on a regular basis.

Children & Youth

Throughout the year we have continued to include children and young people within the life of the church, supporting parents and families where possible, and we remain committed to providing holiday clubs and Sunday provisions for local children and young people.

Discipleship

We continue to offer Connect Groups during the week at different times and locations, making it easier for people to engage on a regular basis, including new groups meeting online to make them even more accessible to different people groups. These groups are an important setting for personal development, as well as a space for personal care.

Our weekly gatherings also continue to be an opportunity for Christian learning, and we have also been encouraged by the teaching and support of various invited individuals and organisations, and have provided training opportunities for various leaders and volunteers from within the church.

Gatherings

The church continued to meet each Sunday morning, and during these times various teams ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a church for corporate prayer and ministry.

Mission

Through both of our locations at Ashby Road and Crosby we have continued to serve the local community, regularly providing meals, social opportunities, befriending and more. We have also continued to work with others in the community to seek the wellbeing and welfare of those who are most vulnerable.

CONNECT CHURCH (NORTH LINGS)

REPORT OF THE TRUSTEES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

FINANCIAL REVIEW

Reserves policy

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate free reserves for the church's future plans of £113,777 (December 2020 - £117,774).

The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2020/21 as £35,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting.

Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting.

Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

FUTURE PLANS

Now that Connect Church is established with two locations, plans are being developed to consider future opportunities for more locations to be planted and established.

We are also seeking to develop and strengthen new partnerships with other local churches and charitable organisations, to discern where we can best work together to fulfil our charitable objectives.

As part of our immediate future it is also anticipated that many of our community projects, including Scunthorpe Foodbank, will become part of a second new CIO (Connect Foundation), to enable these projects to continue to develop, grow, and adapt in the future. This has also faced delays due to the pandemic, but is now expected to begin from 1 April 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a charitable incorporated organisation (CIO).

Organisational structure

Connect Church was registered as a CIO on 23 July 2020, and operates in accordance with its constitution, which was adopted on 15 January 2020. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except for the Lead Pastor, are appointed for an initial three-year term and serve so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of each three-year term. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team. In addition, each member of the Leadership Team has responsibility for a particular area of the church's work.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the period were those listed below.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1190541

Principal address

Ashby Road
Scunthorpe
DN16 1NR

CONNECT CHURCH (NORTH LINCS)

REPORT OF THE TRUSTEES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

Trustees

T W Macdonald
P Clark
A Sturman
M Roberts

Independent Examiner

Helen Spauls
F.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

COMMENCEMENT OF ACTIVITIES

Connect Church (North Lincs) continued the activities of Scunthorpe Baptist Church with effect from 1st January 2021. All comparative figures within the financial statements are those of the Charitable Trust Scunthorpe Baptist Church which transferred all of its activities and funds across to Connect Church (North Lincs) on 1st January 2021.

IMPACT OF COVID-19 PANDEMIC

COVID-19 has undoubtedly had an impact on our charitable activities and capacity, but throughout the pandemic we have taken every necessary step to ensure that our resources are utilised effectively and focused on our key priorities as an organisation.

Our volunteer numbers have been impacted, due to individuals also having to isolate for periods of times, but also with some more vulnerable volunteers choosing to avoid public spaces and gatherings. We have made every effort to keep in contact with those volunteers, and we will continue to support them during this time.

Many of our key activities have had to pivot and adapt to the new circumstances created by the COVID-19 pandemic, and we now have more robust measures in place to be able to respond and adjust against an uncertain backdrop.

We are extremely grateful to our members and local community who have continued to support us financially during these difficult times, meaning that we are able to remain in a healthy financial position despite the challenges presented by COVID-19. It remains the case that we have a reserves policy in place and as such we seek to have 3 months of costs in reserve. So far these reserves remain available and unaffected by the pandemic.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

CONNECT CHURCH (NORTH LINGS)

REPORT OF THE TRUSTEES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
P Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CONNECT CHURCH (NORTH LINCS)**

Independent examiner's report to the trustees of Connect Church (North Lincs)

I report to the charity trustees on my examination of the accounts of Connect Church (North Lincs) (CIO) for the period 1 January 2021 to 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Charitable Incorporated Organisation 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 CIO'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 CIO 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.

Helen Spauls
F.C.A
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CONNECT CHURCH (NORTH LINGS)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

				PERIOD 1.1.21 TO 31.3.21 Total funds £	PERIOD 1.4.20 TO 31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM	Notes	Unrestricted fund £	Restricted fund £		
Donations and legacies		25,777	10,319	36,096	169,071
Investment income	2	2,474	-	2,474	10,096
Other income		526	-	526	1,830
Total		28,777	10,319	39,096	180,997
EXPENDITURE ON					
Charitable activities					
Core		36,017	6,066	42,083	130,988
Net gains on investments		7,000	-	7,000	19,000
NET INCOME/(EXPENDITURE)		(240)	4,253	4,013	69,009
RECONCILIATION OF FUNDS					
Total funds brought forward		689,332	65,730	755,062	686,053
TOTAL FUNDS CARRIED FORWARD		689,092	69,983	759,075	755,062

The notes form part of these financial statements

CONNECT CHURCH (NORTH LINGS)

BALANCE SHEET
31 MARCH 2021

	Notes	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	7	329,315	-	329,315	332,558
Investment property	8	246,000	-	246,000	239,000
		<u>575,315</u>	<u>-</u>	<u>575,315</u>	<u>571,558</u>
CURRENT ASSETS					
Debtors	9	4,500	-	4,500	4,952
Cash at bank and in hand		145,686	69,983	215,669	228,443
		<u>150,186</u>	<u>69,983</u>	<u>220,169</u>	<u>233,395</u>
CREDITORS					
Amounts falling due within one year	10	(7,920)	-	(7,920)	(16,980)
		<u>142,266</u>	<u>69,983</u>	<u>212,249</u>	<u>216,415</u>
NET CURRENT ASSETS					
		<u>142,266</u>	<u>69,983</u>	<u>212,249</u>	<u>216,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		717,581	69,983	787,564	787,973
CREDITORS					
Amounts falling due after more than one year	11	(28,489)	-	(28,489)	(32,911)
		<u>689,092</u>	<u>69,983</u>	<u>759,075</u>	<u>755,062</u>
NET ASSETS					
		<u>689,092</u>	<u>69,983</u>	<u>759,075</u>	<u>755,062</u>
FUNDS	13				
Unrestricted funds				689,092	689,332
Restricted funds				69,983	65,730
TOTAL FUNDS				<u>759,075</u>	<u>755,062</u>

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

.....
P Clark - Trustee

.....
T W Macdonald - Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

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, as modified by the revaluation of certain assets.

Donations

Donations are accounted for gross when received.

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.

Investment income

Investment income is accounted for in the year in which it is received.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Costs of activities in furtherance of the charity's objects

Actual costs are included in the accounts in the year in which they are incurred, inclusive of any irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% Straight Line and 2% Straight Line
Fixtures and fittings	- 25% Straight Line, 20% Straight Line and 10% Straight Line

Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost.

The building extension in 2002 is included in fixed assets at a cost of £485,200 and depreciated at 2% straight line. The Trustees consider that none of its separate components has a significantly different useful economic life that collectively would materially affect the carrying value in the accounts.

Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

Investment property

Investment property is measured at cost and subsequently at fair value at each reporting date. No depreciation is provided on investment property.

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

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.

Pension costs

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. A liability is included for the present value of contributions payable that result from the terms of the agreement with the multi-employer plan and the impact of deficiency contributions are included in the Statement of financial activity.

2. INVESTMENT INCOME

	PERIOD 1.1.21 TO 31.3.21 £	PERIOD 1.4.20 TO 31.12.20 £
Rents received	2,175	8,997
Bank interest	299	1,099
	<u>2,474</u>	<u>10,096</u>

3. GRANTS PAYABLE

	PERIOD 1.1.21 TO 31.3.21 £	PERIOD 1.4.20 TO 31.12.20 £
Core	2,160	6,480
	<u>2,160</u>	<u>6,480</u>

The total grants paid to institutions during the period was as follows:

	PERIOD 1.1.21 TO 31.3.21 £	PERIOD 1.4.20 TO 31.12.20 £
Home Mission	1,080	3,240
BMS World Mission	1,080	3,240
	<u>2,160</u>	<u>6,480</u>

CONNECT CHURCH (NORTH LINGS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

4. TRUSTEES' REMUNERATION AND BENEFITS

	PERIOD 1.1.21 TO 31.3.21 £	PERIOD 1.4.20 TO 31.12.20 £
Trustees' salaries	7,470	22,410
Trustees' pension contributions to defined benefit schemes	904	2,052
	<u>8,374</u>	<u>24,462</u>

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor. In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £1,536 (December 2020 - £4,608).

£1,276 has been paid to the Baptist Pension Trust Limited as Scunthorpe Baptist Church's share of the deficit (December 2020 - £2,508).

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 March 2021 nor for the period ended 31 December 2020.

5. STAFF COSTS

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

	PERIOD 1.1.21 TO 31.3.21	PERIOD 1.4.20 TO 31.12.20
Church	<u>6</u>	<u>6</u>

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

Total paid to key management during the period inclusive of national insurance and pension contributions was £8,374 (December 2020- £24,462).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	86,437	82,634	169,071
Investment income	10,096	-	10,096
Other income	1,830	-	1,830
Total	<u>98,363</u>	<u>82,634</u>	<u>180,997</u>
EXPENDITURE ON			
Charitable activities			
Core	90,274	40,714	130,988
Net gains on investments	19,000	-	19,000
NET INCOME	<u>27,089</u>	<u>41,920</u>	<u>69,009</u>

CONNECT CHURCH (NORTH LINGS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	662,243	23,810	686,053
TOTAL FUNDS CARRIED FORWARD	<u>689,332</u>	<u>65,730</u>	<u>755,062</u>
7. TANGIBLE FIXED ASSETS			
	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2021 and 31 March 2021	<u>512,539</u>	<u>79,763</u>	<u>592,302</u>
DEPRECIATION			
At 1 January 2021	189,051	70,693	259,744
Charge for year	2,768	475	3,243
At 31 March 2021	<u>191,819</u>	<u>71,168</u>	<u>262,987</u>
NET BOOK VALUE			
At 31 March 2021	<u>320,720</u>	<u>8,595</u>	<u>329,315</u>
At 31 December 2020	<u>323,488</u>	<u>9,070</u>	<u>332,558</u>
8. INVESTMENT PROPERTY			£
FAIR VALUE			
At 1 January 2021			239,000
Revaluation			7,000
At 31 March 2021			<u>246,000</u>
NET BOOK VALUE			
At 31 March 2021			<u>246,000</u>
At 31 December 2020			<u>239,000</u>

Investment property was initially purchased for £155,000 in 2003.

The Trustees have estimated the fair value of the investment property at each period end using publicly available government information on local house prices.

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2020	239,000
Valuation in 2021	7,000
	<u>246,000</u>

CONNECT CHURCH (NORTH LINGS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		31.3.21	31.12.20
		£	£
Other debtors		<u>4,500</u>	<u>4,952</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		31.3.21	31.12.20
		£	£
Other creditors		<u>7,920</u>	<u>16,980</u>
11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
		31.3.21	31.12.20
		£	£
Other creditors		<u>28,489</u>	<u>32,911</u>
12. LEASING AGREEMENTS			
Minimum lease payments under non-cancellable operating leases fall due as follows:			
		31.3.21	31.12.20
		£	£
Within one year		3,780	3,135
Between one and five years		<u>3,780</u>	<u>4,725</u>
		<u>7,560</u>	<u>7,860</u>
13. MOVEMENT IN FUNDS			
		Net	
	At 1.1.21	movement	At
	£	in funds	31.3.21
		£	£
Unrestricted funds			
General fund	689,332	(240)	689,092
Restricted funds			
Restricted Fund	65,730	4,253	69,983
TOTAL FUNDS	<u>755,062</u>	<u>4,013</u>	<u>759,075</u>
Net movement in funds, included in the above are as follows:			
	Incoming	Resources	Gains and
	resources	expended	losses
	£	£	£
Unrestricted funds			
General fund	28,777	(36,017)	7,000
Restricted funds			
Restricted Fund	10,319	(6,066)	-
TOTAL FUNDS	<u>39,096</u>	<u>(42,083)</u>	<u>7,000</u>
			<u>4,013</u>

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	662,243	27,089	689,332
Restricted funds			
Restricted Fund	23,810	41,920	65,730
TOTAL FUNDS	<u>686,053</u>	<u>69,009</u>	<u>755,062</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	98,363	(90,274)	19,000	27,089
Restricted funds				
Restricted Fund	82,634	(40,714)	-	41,920
TOTAL FUNDS	<u>180,997</u>	<u>(130,988)</u>	<u>19,000</u>	<u>69,009</u>

Included within restricted funds in the current and comparative periods are as follows:

Foodbank

These funds are given specifically to support our Foodbank project, offering emergency food parcels to people in crisis.

Change for Change

These funds are loose change donations that are given to allow us to support vulnerable people with one-off support, for example, purchasing a microwave, buying a train ticket etc.

Holiday Club

These funds finance the holiday clubs we provide in conjunction with the local schools and local authority, particularly during the Easter and summer breaks.

Next Generation

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

Christmas Hampers

Donations were made to sponsor a Christmas hamper. The Christmas hampers were then prepared and delivered in partnership with local children's services, ensuring that the most vulnerable and needy families received a full Christmas dinner and gifts for the children.

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Pastor Albert

Funds were raised to support a partner of the church in Zambia with school fees for his son. All donations were sent directly to Albert.

14. RELATED PARTY TRANSACTIONS

During the period elected Trustees donated £2,802 (December 2020 - £7,380) to the church.

15. PENSIONS

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

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 Aviva plc. [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.

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

15. PENSIONS - continued

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.

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 (CPI plus 0.75% pa	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 S3NFA and S3NMA 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.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 March 2021	31 December 2020
	Balance sheet liability at year start	£32,911
Minus deficiency contributions paid	-£1,276	-£2,508
Interest cost (recognised in SoFA)	£236	£709
Remaining change to balance sheet liability *(recognised in SoFA)	-£3,382	-£10,147
Balance sheet liability at year end	£28,489	£32,911

*Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the 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 December		
	31 March 2021	2020	31 March 2020
Discount rate	0.9 %	0.9%	2.2%
Further increases to Minimum Pensionable Income	3.5 %	3.5%	3.8%

CONNECT CHURCH (NORTH LINCS)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

16. RELATED CHARITIES

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the East Midlands Baptist Association.

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

17. CHARITY RECONSTRUCTION

Connect Church (North Lincs) is a Charitable Incorporated Organisation set up by Scunthorpe Baptist Church to enable the charity to change its legal form. The charity's purposes and beneficiary class remain unchanged.

All activities and funds were transferred from Scunthorpe Baptist Church to Connect Church (North Lincs) on the 1st January 2021.

All comparative figures relate to those of the previous Charity Scunthorpe Baptist Church.

The charity reconstruction has been accounted for within the financial statements as a merger in accordance with Charity SORP FRS102 (effective 1st January 2019).

CONNECT CHURCH (NORTH LINGS)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

	PERIOD 1.1.21 TO 31.3.21 £	PERIOD 1.4.20 TO 31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	36,096	169,071
Investment income		
Rents received	2,175	8,997
Bank interest	299	1,099
	<u>2,474</u>	<u>10,096</u>
Other income		
Job Retention Scheme Grant	526	1,830
	<u>526</u>	<u>1,830</u>
Total incoming resources	<u>39,096</u>	<u>180,997</u>
EXPENDITURE		
Charitable activities		
Trustees' salaries	7,470	22,410
Trustees' pension contributions	904	2,052
Wages	14,427	32,292
Pensions	687	1,328
Sundries	16,338	65,596
Depreciation of tangible fixed assets	3,243	10,268
Baptist pension deficit costs	(3,146)	(9,438)
Grants to institutions	2,160	6,480
	<u>42,083</u>	<u>130,988</u>
Total resources expended	<u>42,083</u>	<u>130,988</u>
Net (expenditure)/income before gains and losses	<u>(2,987)</u>	<u>50,009</u>
Realised recognised gains and losses		
Unrealised gains/losses on investment property	7,000	19,000
	<u>7,000</u>	<u>19,000</u>
Net income	<u><u>4,013</u></u>	<u><u>69,009</u></u>