

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 LINCS)

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 Lincs)

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 LINCS)

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 £
	Notes	Unrestricted fund £	Restricted fund £		
INCOME AND ENDOWMENTS FROM					
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

The notes form part of these financial statements

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 LINGS)

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

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 6	PERIOD 1.4.20 TO 31.12.20 6
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 Lincs)

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	<u>2,768</u>	<u>475</u>	<u>3,243</u>
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	<u>7,000</u>
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	<u>7,000</u>
	<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	4,500	4,952
	<u>4,500</u>	<u>4,952</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.12.20
	£	£
Other creditors	7,920	16,980
	<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	28,489	32,911
	<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	3,780	4,725
	<u>7,560</u>	<u>7,860</u>

13. 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 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 £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	28,777	(36,017)	7,000	(240)
Restricted funds				
Restricted Fund	10,319	(6,066)	-	4,253
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.

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 LINGS)

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	£44,857
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 March 2021	31 December 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
	<hr/> 2,474	<hr/> 10,096
Other income		
Job Retention Scheme Grant	526	1,830
	<hr/> 39,096	<hr/> 180,997
Total incoming resources		
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
	<hr/> 42,083	<hr/> 130,988
Total resources expended	<hr/> 42,083	<hr/> 130,988
Net (expenditure)/income before gains and losses	(2,987)	50,009
Realised recognised gains and losses		
Unrealised gains/losses on investment property	7,000	19,000
	<hr/> 4,013	<hr/> 69,009
Net income		