

Linwood Baptist Church

Trustees' Report and Financial Statements
Year Ended 31 December 2023

Linwood Baptist Church

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Linwood Baptist Church

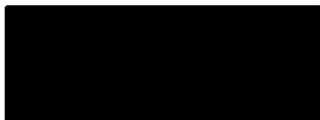
Report of the Trustees for the year ended 31 December 2023

The Trustees are pleased to present their report together with the financial statements of the church for the year ended 31 December 2023.

Status of Charity and governing document

Linwood Baptist Church is established by Constitution and is a registered Scottish Charity (No. SC008676). The charity plan to change its legal form to a Scottish Charitable Incorporated Organisation (SCIO) from 1 April 2024. It was registered as a SCIO on 15 November 2023. The charity is in the process of being wound up and will transfer all of its assets and liabilities to Linwood Baptist Church SCIO (SC052949).

Address



Bankers

Virgin Money
1 Causeyside Street
Dunn Square
Paisley
PA1 1UW

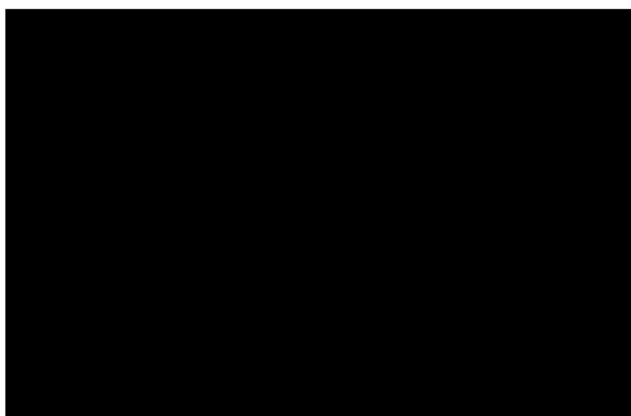
Aims and affiliation

The aims of the church are in line with its Mission Statement - "*The making and maturing of disciples of Jesus Christ in the power of the Holy Spirit to the glory of God*". The church is affiliated to the Baptist Union of Scotland.

Trustees and Office Bearers

The church is congregational in policy and its day to day running is undertaken by the Office Bearers (the Trustees) and the Deacons Court. The Office Bearers who served during the year and to the date of this report were as follows:

Trustees



Church Council: Deacons

The church building held by the Church is in the name of the current Trustees together with the current General Director, Finance Director and Convenor of the Union. The manse held by the Church is in the name of the current Trustees; there is a reversionary clause in favour of the Union in the event of the cessation of the Church.

Appointment of Trustees

New Trustees are nominated for appointment by the existing Trustees. There is no fixed term for Trusteeship. Prior to their appointment, new Trustees would have served the church for some time in various roles and would be familiar with the church's values, its aims and objectives as well as its day-to-day operations. As part of their induction programme, new Trustees are required to understand their statutory responsibilities.

Linwood Baptist Church

Report of the Trustees for the year ended 31 December 2023

Achievements and performance

The church meets together in the building for Sunday Morning services and monthly evening services. During the week, the Pastor, members & friends can participate in an online prayer meeting by using the ZOOM facility. The Pastor also transmits his sermons to members and friends who are unable to attend Sunday services by utilising Facebook and What's app.

Other events of note include the following:

In relation to **Community Focused Activities:**

- The church continues to be used for a community health project. This health group meets once a week. The church is also used by a Craft group which meets once a week.
- The church is open once a week for most of the year to provide a place and time where people can meet, enjoy warmth & hot food.
- The Pastor visits nearby Mosswood Care Home on a monthly basis to conduct a short service.

In relation to **funding:**

- The total income for the current year has decreased compared to last year.

Financial review

Principal sources of funding

The church receives its funding from church members and friends by way of weekly offerings and Gift Aid donations, and in the past year from grants paid by Renfrewshire Council for the specific purpose of helping to fund the weekly meeting facility for people in the community.

Results for the year

As a result of a deficit for the year of £1,119 (2022: surplus of £11,391), total reserves at 31 December 2023 amounted to £16,311 (2022: £17,430). The general fund at 31 December 2023 amounted to £14,800 (2022: £17,119) and the restricted fund amounted to £1,511 (2022: £311).

The Trustees continue to encourage the membership to maintain & increase their giving where possible at the Annual Business Meeting.

Reserves

It is the policy of the church to maintain unrestricted funds, that is, funds not committed or invested in fixed assets, at a level which equates to approximately three month's unrestricted expenditure. This allows sufficient funds to enable the ongoing work of the church to be maintained. The unrestricted General Fund on page 5 and note 5 at 31 December 2023 amounted to £14,800 (2022: £17,119) and was at the required level.

On behalf of the Trustees



Trustee

Dated: ...23/05/..... 2024

Linwood Baptist Church

Report of the Independent Examiner to the Trustees for the year ended 31 December 2023

I report on the accounts of the church for the year ended 31 December 2023 which are set out on pages 4 to 7.

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Charity's Trustees consider that the audit requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
- to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations (as amended)

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Managing Director

Innes & Partners Limited
Chartered Certified Accountants

Date: 29 / 5 / 2024

Innes House
18 Shairps Business Park
Houstoun Road
Livingston
EH54 5FD

Linwood Baptist Church

Receipts and Payments Account for the year ended 31 December 2023

	Notes	General fund £	Restricted fund £	2023 Total £	2022 Total £
Receipts					
General offerings		4,051	-	4,051	5,135
Gift Aid offerings		18,830	-	18,830	27,015
Gift Aid tax rebates		4,841	-	4,841	7,412
Gifts		6,266	-	6,266	10,439
Grants		-	4,000	4,000	-
Interest		113	-	113	15
Total receipts		34,101	4,000	38,101	50,016
Payments					
Staff costs	3	26,319	-	26,319	30,084
Manse expenses		1,714	-	1,714	1,674
Electricity and gas		403	2,800	3,203	2,655
Insurances		2,415	-	2,415	2,369
Gifts and donations	4	266	-	266	316
Maintenance		2,484	-	2,484	-
Miscellaneous expenses		415	-	415	92
Independent Examiner's fee		630	-	630	690
Professional fees		766	-	766	499
Professional fees re formation of SCIO		745	-	745	-
Licence fee		263	-	263	246
Total payments		36,420	2,800	39,220	38,625
Surplus/(Deficit) for the year		(2,319)	1,200	(1,119)	11,391
Total funds brought forward		17,119	311	17,430	6,039
Total funds carried forward		14,800	1,511	16,311	17,430

Linwood Baptist Church

Statement of Balances as at 31 December 2023

	2023			2022		
	Opening balance	Deficit for year	Closing balance	Opening balance	Surplus for year	Closing balance
	£	£	£	£	£	£
Bank and cash	17,430	(1,119)	16,311	6,039	11,391	17,430
Total assets	17,430	(1,119)	16,311	6,039	11,391	17,430
Represented by:						
Unrestricted fund						
General fund		5	14,800			17,119
Restricted funds						
Restricted fund		6	1,511			311
			<u>16,311</u>			<u>17,430</u>
Statement of assets (at valuation)						
Church			600,000			600,000
Manse			100,000			100,000
			<u>700,000</u>			<u>700,000</u>
Gift Aid due (estimate)			4,629			3,557
HMRC - PAYE			-			1,541
			<u>4,629</u>			<u>5,098</u>
Statement of liabilities						
Independent examiner's fees			690			630
Professional fees			132			245
HMRC - PAYE			270			-
			<u>1,092</u>			<u>875</u>

The financial statements on pages 4 to 7 were approved by the Trustees on 23/05/2024 and signed on their behalf by the undernoted:

[Redacted Signature]

Trustee

Linwood Baptist Church

Notes to the financial statements for the year ended 31 December 2023

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of financial statements

The financial statements have been prepared on a receipts and payments basis.

Church income

All voluntary income, income from tax recoveries on Gift Aid and bank interest is accounted for when received.

Receipts and payments account

For the purpose of the Receipts and payments account as shown on page 4, funds are defined as follows:

Unrestricted funds comprise grants and other income received for the objects of the church without further specified purpose and are available as general funds.

Restricted funds comprise income which has been received for the objects of the church and specified for a restricted purpose within these objects by the donor.

2. Transactions with Trustees

There were no transactions with the Trustees during the year ending 31 December 2023 (2022: nil). The Minister is a trustee and his remuneration is disclosed below. This was in connection with his pastoral work, not his role as a Trustee.

3. Staff costs and numbers

	2023	2022
	£	£
Gross salary and employers NI	22,944	24,551
Pension contributions	3,363	2,850
Pension deficiency contributions	12	2,683
	26,319	30,084

The average number of employees during the year was 1 (2022: 1).

4. Gifts and donations

	General funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Baptist Union of Scotland	266	-	266	266
Baptist Union of Scotland - Canopy gift	-	-	-	50
	266	-	266	316

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Notes to the financial statements for the year ended 31 December 2023

5. Unrestricted funds	Balance at 01.01.23 £	Receipts £	Payments £	Balance at 31.12.23 £
General fund	17,119	34,101	(36,420)	14,800
Total unrestricted funds	17,119	34,101	(36,420)	14,800

The General fund encompasses all income and expenditure relating to the primary focus activities of the charity.

6. Restricted funds	Balance at 01.01.23 £	Receipts £	Payments £	Balance at 31.12.23 £
Collections for third parties	311	-	-	311
Warm spaces fund	-	4,000	(2,800)	1,200
Total restricted funds	311	4,000	(2,800)	1,511

The *Collections for third parties fund* represents money donated by the congregation for a specific third party.

The *Warm spaces fund* represents money received for the provision of a warm space for people in the community.

7. Pension obligations

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

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

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

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

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church is £12 (2022: £2,683).

The wind-up phase of the DB Plan was formally triggered by the Trustee and BUGB on 31 March 2024 anticipating fully completing the work to wind-up the DB Plan in 2025.