

Scottish Charity Number: SC015461

Hamilton Baptist Church
Report and Financial Statements for
the year ended 31 January 2022

Hamilton Baptist Church

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Report of the Trustees for the year ending 31 January 2022.

The trustees present their annual report and financial statements of the charity for the year ended 31 January 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 1A) published on 16 July 2014.

Objectives and Activities

The charitable objectives of the church are to worship God together in Spirit and in Truth, to make disciples of the Lord Jesus Christ and to lead them into maturity through the power of the Holy Spirit, for the Glory of God.

Grant Making Policy

The church makes grants from its gift income to individuals and organisations that are generally known to the Trustees and the church. The beneficiaries are involved in activities or ministries compatible with the church's objectives.

Review of Performance and Achievement

In relation to activities:

The 2021/22 church year has continued to be particularly challenging due to the restrictions in activities brought about by the pandemic. The church has responded to the challenge by implementing different ways to carry out its main activities. Sunday morning services in the church were re-introduced but were also recorded and presented live on You Tube. Wednesday night prayer meetings were also reintroduced with devotions being live-streamed, using Zoom technology.

The following church organisations have had the opportunity to meet regularly:

Sunday Crèche, Sunday School, 2 Ways Group, Youth Fellowship, Senior Citizens, Boys and Girls Brigade, Messy Church and Youth Bible studies.

Other activities have also resumed: Sound-Routes Singers, The Wednesday afternoon AA group. The church leadership Group meetings were also held in person. The church continued to lease, for a nominal rent, the outreach centre known as "Exodus" in Hillhouse to "Supporting Our Community" (SOC) to enable that group to provide accommodation for several volunteer organisations which promote health and wellbeing for people of all ages in that area of Hamilton.

A search committee continued the process to find a replacement Senior Pastor for the church.

██████████ who was appointed as part-time Pastoral Assistant in 2012 has continued to serve in that role. The ██████████ who has served as Youth Pastor since 2017, was appointed Associate Pastor in June 2021.

We continue to be grateful to all the leaders and helpers for their regular commitment to the ongoing work within our organisations. We also acknowledge those involved in the great amount of

Report of the Trustees for the year ending 31 January 2022.

unseen work which goes on behind the scenes: grounds and gardens, building maintenance, cleaning of the premises, catering etc and to the large number of people who contact regularly the sick, elderly and housebound. We have had a number of excellent comments about the quality of our YouTube services. These are viewed on average of 450 views per week with an average of 130 views on our Wednesday night devotional. For all our ministries, our hope and prayer is that through clear bible teaching, a lasting impact will be made on our all our lives leading to our vision, a passion for Jesus which ultimately leads to a passion for people, mission and worship.

We continued to provide spiritual and financial support for missionary work. We now support six mission workers home and abroad. [REDACTED] a church member, currently working with SIM in Ethiopia, and also 2 missionaries through BMS. There are also other people in and known to our church family who receive varying levels of financial support. Many other organisations are supported financially through our missionary focus.

We thank God for the addition of a number of new families who have attended the church during the past year after Covid restrictions were relaxed. 3 new members were added, 4 transferred to other churches and 11 of our members have died and passed into the presence of their Saviour. We give thanks to their witness, life and service among His people at HBC. The total membership as of 31st January 2022 was 244.

Financial Review

Results for the year

The financial statements for the year are set out on pages 10 and 11. The surplus amounted to £57,986 (2021: 156,950), a little over one third of the previous year. The surplus in the current year was inflated by the value of the insurance claim and in the previous year, the surplus was inflated by the proceeds of the sale of the manse. Ignoring these exceptional items the underlying surplus figure was 24% below the previous year.

In relation to income:

Income, amounted to £233,819, which reflected a 26% reduction when compared with the previous year. Ignoring the insurance income (£7,172) in the current year and the proceeds of the sale of the manse (£90,000) in the previous year, income was virtually the same. More detail is shown in the notes to the financial statements.

In relation to expenditure:

Expenditure, at £175,883, increased by 11% relative to the previous year as normal church activities resumed. Ignoring exceptional items the increase was reduced to 6%. Expenditure levels continued to remain artificially low due to the lower employment costs as the Senior Pastor role remained vacant throughout the year. More detail is shown in the notes to the financial statements.

Hamilton Baptist Church

Principal sources of funding:

The church receives its funding from church members, and adherents, by way of regular and special offerings and Gift Aid donations.

Risk Management

The Trustees assess the major risks to which the church is exposed on an ongoing basis and have established procedures to mitigate those that are identified as a result of these reviews.

Reserves Policy

It is the policy of the Trustees to maintain unrestricted reserves, i.e. unrestricted funds not committed or invested in fixed assets, at a level which equates to three months' offerings. The current reserves are significantly above this figure as substantial expenditure will be necessary in the near future to fund a major building repair. Current reserves are also inflated by the sale of the manse, in 2021, which is a temporary situation until a new Pastor is appointed. The regular congregational giving, which has been consistent over the years, enables monies to be used for the support of ministries with which the church is involved locally, nationally and overseas.

Structure, Governance and Management

Hamilton Baptist Church is established by Constitution. The church is a registered Scottish Charity with OSCR - (Number SC015461). The church is congregational in policy and is affiliated to the Baptist Union of Scotland.

Trustees

For the purpose of charity law, the church's Trustees are the Office Bearers, Deacons and Elders who undertake its day to day running. The Trustees understand, and fulfilled, their statutory responsibilities during the accounting period.

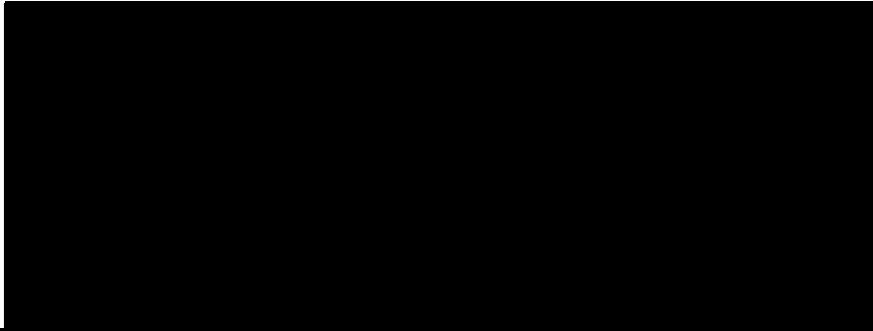
Appointment of Trustees

Trustees are nominated, and approved, by the membership of the congregation to serve the fellowship. There is no fixed term for Trusteeship but, with the exception of Pastoral staff, they require to be reappointed every five years. Prior to their appointment, new Trustees would be active members of the church who would have served the church for some time in various roles and 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.

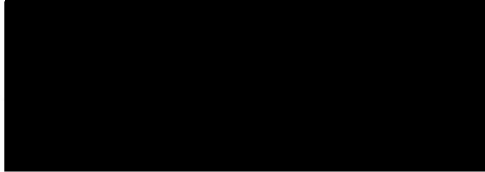
Hamilton Baptist Church

Reference and Administration Information

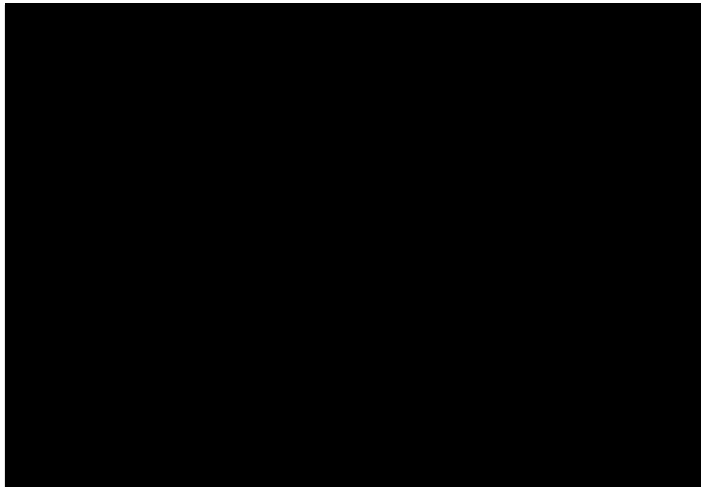
Office Bearers:



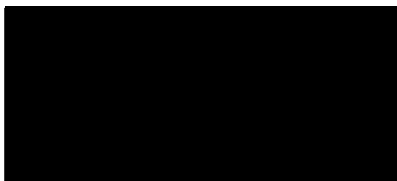
Elders:



Deacons:



Property Trustees:



Principle Office: Hamilton Baptist Church
23 Kemp Street
Hamilton
ML3 6QL

Telephone: 01698 284004

Website: www.hamiltonbaptist.org.uk

Charity Number: SCO15461

Report of the Trustees for the year ended 31 January 2022.

Independent Examiner:

[REDACTED]
Digits Accountancy Co Ltd
112A Cumbernauld Road
Muirhead
Glasgow
G69 9AA

Bankers:

Bank of Scotland
New Cross
9 Brandon Street
Hamilton
ML3 6BZ

Solicitors:

[REDACTED]
Holloway Martin LLP
4th Floor
150 West George Street
Glasgow
G2 2HG

Trustees' Responsibilities in relation to the Financial Statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

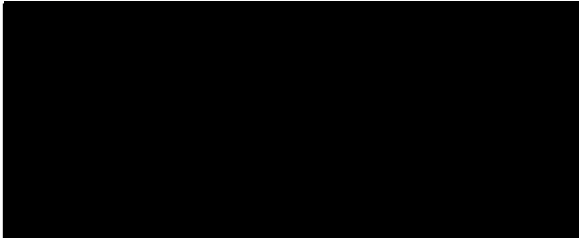
The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that 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 and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Trustees for the year ended 31 January 2022.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ in legislation in other jurisdictions.



Joint Secretary

Hamilton Baptist Church

Report of the Independent Examiner for the year ended 31 January 2022

I report on the financial statements of Hamilton Baptist Church for the year ended 31 January 2022 which comprises the Statement of Financial Activities, the Balance Sheet and the related Notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective Responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the financial statements 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) (a) to (c) of the Accounts Regulations does not apply. It is our responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to our attention.

Basis of Independent Examiner's Statements

My examination was 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.


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 financial statements which accord with the accounting records and comply with Regulation 8 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 financial statements to be reached.



Digits Accountancy Co Ltd
112A Cumbernauld Road
Muirhead
Glasgow
G69 9AA

Date:

Hamilton Baptist Church

Income & Expenditure

		2022	2021
		Total	Total
	Notes	£	£
Income	3		
Offerings		176,289	174,482
Gift Aid Tax Reclaim	3a	33,383	38,481
Donations & Gifts		16,775	12,281
Insurance Claim	3b	7,172	0
Asset Disposal		200	90,600
Legacy		0	71
Investment Income	3c	0	0
Total Income		233,819	315,915
Charitable Expenditure	4		
Employment Costs	4a	59,650	76,832
Missionary Support	4b	22,972	14,188
Building Costs	4c	19,471	5,992
Scottish Baptist Fund		17,327	17,327
Heat, Light & Power		10,758	10,486
Other Evangelism/ Pulpit Supply/Subscriptions		10,568	8,818
Insurance	4d	8,505	6,192
Computers, Phone, Livestream, Music & Zoom		5,287	5,856
Flat Refurbishment	4e	4,648	0
Independent Salary Fees		3,803	3,106
Rent & Rates		2,610	2,071
Donations & Gifts		2,592	3,420
Church Cleaning for Re-opening		2,171	1,029
Roland Piano	4f	1,694	0
Stationary and Printing		1,319	1,566
Church Wine		797	0
Church Weekends Exp		517	0
Miscellaneous Costs		494	16
Catering & Flowers		307	1,846
Senior Citizens		200	220
First Aid		142	0
		175,833	158,965
Surplus/(Deficit)		57,986	156,950


Support costs have not been separately identified as the trustees consider that there is only one charitable activity

Hamilton Baptist Church

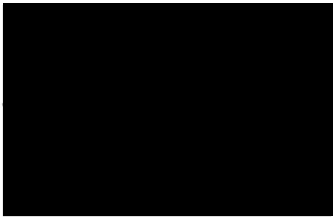
Balance Sheet as at 31 January 2021

	2022 Total £	2021 Total £
Fixed Assets		
Tangible assets	711,497	711,497
Total Fixed Assets	711,497	711,497
Current Assets		
Debtors	0	0
Cash at Bank and in hand	458,204	400,217
Total Current Assets	458,204	400,217
Liabilities		
Creditors falling due within one year	0	0
Net Current Assets/(Liabilities)	458,204	400,217
Net Assets	1,169,701	1,111,714


Associate Pastor


29/6/22


Joint Secretary


29/6/22

Hamilton Baptist Church

Statement of Balances

Statement of Balances as at 31 January 2022

	2021 Total £	2021 Total £
Held at Bank		
Opening Balances	400,218	243,268
Surplus/ (deficit) for year	57,986	156,950
Closing balances	<u>458,204</u>	<u>400,218</u>

Represented by:

Balance as per bank statement	458,204	400,218
Less unrepresented cheques		
Late gift aid payments	0	0
	<u>458,204</u>	<u>400,218</u>

Associate Pastor

Joint Secretary

Notes to the Financial Statements for the year ended 31 January 2022.

1. Accounting Policies

Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared in accordance with 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) issued on 16 July 2014 the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102.

Income Recognition

All voluntary income, including legacies and bank interest, is accounted for when received.

Expenditure Recognition

Expenditure is recognised when a liability is incurred. Expenditure includes any VAT, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Charitable Activities

The expenditure on charitable activities includes grants made, governance costs and support costs as shown in the notes.

Tangible Fixed Assets and Depreciation

The church land is stated at the Trustees' estimate of market value. The church has been fully depreciated. No depreciation has been provided on the Exodus building nor the Manse since the Trustees consider that the market values well exceed the carrying values.

Pensions

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the service lives of the church's employees on the basis of a constant percentage of earnings. During the year the congregation paid contributions to the Baptist Minister Pension Fund.

2. Related Party Transactions and Trustees' Expenses and Remuneration

The Trustees received no remuneration during the year (2021: £Nil) in their capacity as Trustees.

Notes to the Financial Statements for the year ended 31 January 2022.

3. Income

Income, amounted to £233,819, which reflected a 26% reduction when compared with the previous year but there were exceptional items in both years. Ignoring the income from the insurance claim in the current year (£7,172) and the proceeds from the sale of the manse in the previous year, income was virtually unchanged. The church's equity stake generated an exceptional, influx of funds amounting to £90,000. The growth in reserves is likely to be temporary as these funds will be required when a new Senior Pastor is appointed. Underlying Income remains 9% below the pre-Covid level of £250,000 enjoyed in the 2019/20 church year.

- a. The value of **gift aid reclaimed** reduced by 13% which reflected a smaller value of qualifying donations.
- b. The revenue from the **insurance claim** can be regarded as exceptional and non-recurring. This revenue covers the cost of replacing the furnishings and contents of the flat following the burst pipe. The difference between the amount claimed and spent is accounted for by the claim for electricity costs associated with the heaters required to "dry out" the affected areas of the church building.
- c. **Investment** income remained at zero.

4. Expenditure

Expenditure, partially recovered to pre-pandemic levels and amounted to £175,833, an increase of 11%, as normal church activities progressively resumed. Expenditure levels continued to benefit from the lower employment costs as the Senior Pastor role remained vacant throughout the year and the effect of reduced activity levels due to the pandemic.

- a. **Employment costs**, at £59,650 were 22% lower than in the previous year, mainly attributable to the full year effect of the Senior Pastor vacancy.
- b. **Missionary support** has increased by 62%. A specific personal donation (£5,500) to Theresa Ebrahim-Adem by a member was a main contributor to the increase. Additional gifts were also provided to her from church funds. There was also a special offering taken for Katia Severinchik.
- c. The substantial increase in **building costs** (225%) reflected the increase in maintenance activity, as advantage was taken of the reduced activity levels in the church building.
- d. The significant increase in **insurance premium** (37%) was mainly attributable to the claim for water damage following the burst pipe. There was substantial damage to the vestry, the hall, the ladies toilets in addition to the flat. The total claim amounted to around £60,000. The insurance company selected the contractors and paid them directly.
- e. The **refurbishment of the church flat** was necessary following the water damage. The £4,648 was spent on furnishings and contents damaged by the burst pipe and funded by the insurance claim.
- f. The new **Roland Piano** for use in the back hall was funded by specific anonymous donations from 3 church members.

Hamilton Baptist Church

Income & Expenditure	Unrestricted Funds 2022 £	Restricted Funds 2022 £	TOTAL Funds 2022	Total Funds 2021 £
Income				
Offerings	175,089	1,200	176,289	174,482
Legacy	0		0	71
Gift Aid Tax Reclaim	33,383		33,383	38,481
Donations & Gifts	16,775		16,775	12,281
Insurance Claim	7,172		7,172	0
Asset Disposal	200		200	90,600
Total Income	232,619	1,200	233,819	315,915
Charitable Expenditure				
Employment Costs	59,650		59,650	76,832
Missionary Support	22,972		22,972	14,188
Building Costs	19,471		19,471	5,992
Scottish Baptist Fund	17,327		17,327	17,327
Heat, Light & Power	10,758		10,758	10,486
Other Evangelism/ Pulpit Supply/Subscriptions	10,568		10,568	8,818
Insurance	8,505		8,505	6,191
Computers, Phone, Livestream, Music & Zoom	5,287		5,287	5,856
Flat Refurbishment	4,648		4,648	0
Independent Salary Fees	3,803		3,803	3,106
Rent & Rates	2,610		2,610	2,071
Donations & Gifts	2,592		2,592	3,420
Church Cleaning for Re-opening	2,171		2,171	1,029
Roland Piano	1,694		1,694	0
Stationary and Printing	1,319		1,319	1,566
Church Wine	797		797	0
Church Weekends Exp	517		517	0
Miscellaneous Costs	494		494	16
Catering & Flowers	307		307	1,846
Senior Citizens	200		200	220
First Aid	142		142	0
Building Project	0		0	0
	175,833	0	175,833	158,964
Surplus/(Deficit)	56,786	1,200	57,986	156,951

Support costs have not been separately identified as the trustees consider that there is only one charitable activity

Hamilton Baptist Church

Movements in Funds

	As at 01.02.21 £	Incoming Resources £	Outgoing Resources £	Transfers £	As at 31.01.22 £
Restricted Funds					
Trust					
Building Redevelopmen	0	0	0	0	0
HBC Missionary	7,335	1,096	0		8,431
Legacy	0	0			0
Salary					
Exodus					
Church Organisations					
Total Restricted	7,335	1,096	0	0	8,431

Unrestricted Funds

General	327,816	232,723	174,076	42,277	428,740
Fellowship	13,598	0	1,757	0	11,841
HBC Missionary	0	0	0	0	0
Housing	9,193	0	0	0	9,193
Music Team	0	0	0	0	0
Building Team	0	0	0	0	0
Legacy	42,277	0	0	0	0
Designated Assets	711,497	0	0	0	711,497
Total Unrestricted	1,104,381	232,723	175,833	42,277	1,161,271
Total Funds	1,111,716	233,819	175,833	42,277	1,169,702

[REDACTED]

A note from the Treasurer, [REDACTED] to provide the membership with information relating to some of the financial aspects of Hamilton Baptist Church and the make-up of the finance team.

[REDACTED]

[REDACTED] as Treasurer, is responsible for the oversight of all financial matters and regularly reports back to the deacons' meeting. [REDACTED] not involved with the day to day transactional details of the church account but acts as a go-to for any 'out of the ordinary' issues relating to the church finance. [REDACTED] as a deacon, is the link between the church leadership and the finance team to keep the leadership regularly informed as to the financial health of the church including any issues needed to be considered by the leadership in relation to the church finances.

[REDACTED]

[REDACTED] are responsible for the day to day transactional details of the church account. [REDACTED] and [REDACTED] are responsible for payroll for church employees and reimbursing individuals for costs incurred by church members relating to work carried out on behalf of the church. All transactions recorded and handled by [REDACTED] and [REDACTED] are then sent to [REDACTED] as part of month-end reconciliation.

[REDACTED]

[REDACTED] is responsible for month-end reconciliation of the HBC accounts. This means [REDACTED] will ensure that all transactions, both income and expenditure, are accounted and appropriately assigned to any specific organization or mission area associated with Hamilton Baptist Church.

[REDACTED]

[REDACTED] handles all aspects of the Gift Aid administration for the church and its members. [REDACTED] is the main contact for individuals who are interested in signing up for Gift Aid or for those who would like more information on how Gift Aid can be an added benefit to the financial well-being of Hamilton Baptist Church.

[REDACTED]

Reimbursement of Charges:

In order for an individual to be reimbursed for costs incurred on behalf of the church, an individual will need to do the following:

1. Send a picture/scanned copy of a receipt or invoice with a description of what the costs are in relation to and email this information to; payments@hamiltonbaptist.org.uk.
2. [REDACTED] will pick this information up and will reimburse the individual with an electronic payment to their account.

Note: If you haven't previously provided your bank account details, (Account Name, Account Number, Sort Code), then you will want to provide this information in the email as well.

Amazon Smile:

AmazonSmile is a simple way for individuals to support their favourite charitable organization every time they choose to shop on Amazon, at no cost to them. When individual shop via AmazonSmile, the Amazon Smile foundation will donate 0.5% of the cost of all eligible products to the individual's chosen charity.

Hamilton Baptist Church is now an available organisation listed on the AmazonSmile UK website. All members need to do is click the following link:

<https://smile.amazon.co.uk/ch/SC015461>

Please note, your purchase information will NOT be visible or shared with any individual or HBC.