

# **EASTHAMPSTEAD BAPTIST CHURCH**

Report of the Trustees and  
Financial Statements  
for the year ended 31 December 2020

**Easthampstead Baptist Church**

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for the year ended 31 December 2020**

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**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2020**

The Trustees present their report with the financial statements of the charity for the year ending 31 December 2020.

The financial statements comply with the Charities Act 2011 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) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Charity name</b>	Easthampstead Baptist Church
<b>Registered charity number</b>	1129467
<b>Charity's principal address</b>	Easthampstead Baptist Church South Hill Road Easthampstead Bracknell Berkshire RG12 7NS

**Names of the charity Trustees who manage the charity:**

Mr S Lace	Team Leader
Rev A Littlejohn	Minister
Mr R Lea	Treasurer
Mr P Roe	
Mrs J Childs	Resigned
Mrs E Charlton	Administrator
Mr C Barnes	Resigned – March 2020
Mr P Jones	
Mr O Fawole	
Miss P Marsh	Ministry Director
Mr D Emery	

**Principal Bankers**

The Co-operative Bank PLC  
P.O. Box 250  
Delf House  
Southway  
Skelmersdale  
WN8 6WT

**Independent Examiner**

L A Evans BSc FCA  
Stewart & Co. Accountants LLP  
Knoll House  
Knoll Road  
Camberley  
Surrey  
GU15 3SY

**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**The charity**

Easthampstead Baptist Church was registered under a Constitution on 16 October 2008 with the registration number 1129467.

**Recruitment, induction and training of new Trustees**

The charity is controlled by its Constitution, which was agreed at a Church Meeting in October 2008, and put forward to the Charity Commission in mid-April 2009.

The governance of the church is as follows: whole church policy and issues are addressed at church meetings, which happen at least four times per year.

At these, major decisions are made and, when required, Trustees, Church Secretary and Treasurer will be/are appointed. The Church Elders are responsible for spiritual oversight, policy and future direction. The Trustees are responsible for the development and general running of the church and this group consists of the team leader, paid minister, Treasurer, and elected individuals from the church membership.

Induction and training for new trustees includes "on the job" coaching/mentoring and the requirement to read through and understand the Baptist Union Guideline Leaflet C15 which has been specifically written for Church Secretaries, Treasurers, Ministers, Elders and other Charity Trustees.

**Trust Management**

The Elders are responsible for the oversight of the Church's vision. They keep under review the ministries and other activities of the church and consider any new proposals to ensure that they fit within the overall ethos and contribute to fulfilling vision of the church.

The Elders may from time to time make recommendations to the Trustees Team but as a group they have no direct decision making powers. They also provide pastoral support to the Team Leader and assist him or her with matters of serious confidential pastoral concern, in which context only do they act independently of the Trustees Team.

Elders include the Team Leader and Minister; the remainder are appointed by the church meeting (as with appointments to the Trustees Team, the support of at least 2/3 of the members present and voting is required). Elders are nominated by the Trustees Team, usually in response to advice from the serving Elders. Currently there are three Elders in addition to the Team Leader and Minister.

The Trustees are responsible for the overall leading and management of the church. In recent years, the increasing introduction of specific staff roles to lead individual areas of ministry from day-to-day has meant that the Trustees Team is primarily concerned with broader areas of oversight, staffing and financial management.

Trustees Team members are appointed by the Church Meeting at the AGM following a rigorous nomination process, usually for a period of three years. In the period prior to the AGM, members are asked to prayerfully consider whom they might nominate to serve on the Trustees Team. They will be advised of the number of vacancies and the names of any serving trustees who have reached the end of their term but are willing to stand again. Those individuals who receive at least seven nominations are then approached by the Team Leader who will tell them of their nomination and talk to them about the role, and their suitability for it before they prayerfully decide whether or not to allow their names to go forward.

Although there is no limit on the time an individual may serve on this team, they must be actively re-appointed after their three-year term. At the beginning of the period there were eleven members of the Trustees Team, but following the resignation of two members (C. Barnes and J. Childs) during the year there were nine at the end of the period.

The church Treasurer is nominated from the Trustees Team. Currently we do not have a specific role for a Church Secretary; our church Administrator is a member of the Trustees Team and that role covers the work of the traditional Secretary.

From time to time the Trustees will appoint sub-groups to advise them on specific topics, such as building work or staffing reviews.

Rev Littlejohn, Mr Lace and Mrs Marsh are the only remunerated Trustees.

**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2020**

**Risk management**

Three main areas of risk have been identified against the successful functioning of the Church:

- **Loss of premises and facilities;** this is addressed by comprehensive insurance cover for its buildings, contents and liabilities.
- **Financial risk;** this is addressed by regular monitoring of income and expenditure, the requirement for a second signatory on cheques over £1000, and through approval and support of the budget by the membership.
- **Availability of people** to undertake tasks and to lead activities within the Church. This is addressed through a program of teaching, encouragement and courses to help people identify, develop and apply their gifts.

Other risks relate to specific events and activities rather than the overall liability and development of the church and are addressed by monitoring by team leaders and oversight by the trustees.

The trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission in respect of public benefit.

**Public Benefit**

We continue to review the activities of the Church in order to identify ways in which we can provide a greater service to the community in which it is situated.

The Church has continued to provide public benefit in numerous ways, albeit hampered this year due to the coronavirus pandemic. The church's work normally includes the following activities, which this year have been adapted (and in some cases paused) due to the restrictions imposed due to the virus -

**Storehouse**

For many years now we have run a ministry to the community that we call "Storehouse". We accept donations of good quality furniture and household items. Where we know of someone who is in need (through our own contacts or referred to us by local agencies) we either give them needed items directly if we have them in stock or we use the "Storehouse Fund" to buy things such as white goods, clothing or hygiene items. The Storehouse fund comes from two specific Sunday offerings we have each year.

We have a branded van (provided by a grant from the local authority) that is used to collect and deliver items. We have a vision for this ministry to have a dedicated facility of its own that could handle a wider range of goods and be open throughout the week.

**Action Sundays**

These help to foster within the church a wider sense of community involvement than just talking about it. In effect, we are giving up something that we love to do in order to do something practical to help others.

The first of these Sunday mornings usually happens in late Spring when there is a "fifth Sunday" in the month. Rather than hold our usual services we head out in small teams to carry out local community projects. These may include, for example, litter picking, tidying up school gardens or helping redecorate a community facility.

On the second occasion, in November, we hold our "Shoe Box Sunday" when we dedicate our service time to filling shoe boxes for Operation Christmas Child, using items that people have donated.

Due to the virus, we were not able to run an Action Sunday in 2020.

**Night Shelter**

Along with six other churches in the town, we continue to support the Bracknell "Night Shelter" scheme, in which provision is made during the winter months to enable homeless people from Bracknell and some from nearby areas to have shelter overnight, providing meals and space to sleep. Sponsored and co-ordinated by the Pilgrim Hearts charity, seven different churches in the town host the guests on each night of the week and volunteers from different churches provide the food, supervision and companionship. Easthampstead Baptist Church took a full part in this from December 2019 to March 2020, helping with the co-ordination, hosting one night and providing volunteers for other nights. The scheme was paused by Pilgrim Hearts in December 2020, due to the virus.

A member of our staff team is employed as our Social Action Team Leader, with responsibility for spearheading our work in areas like Storehouse, Night Shelter etc.

**Local Agencies and Groups**

Because of our support for community projects and ministries such as Storehouse and the lunch clubs, the church is held in generally good regard by the local authorities and our local councillors. Local agencies frequently refer needy folk to us for help and some hire our buildings for training and conferences.

We have good relationships with the local police and PCSOs who sometimes attend our services.

Easthampstead Baptist Church also plays a full role in the ecumenical Bracknell churches group, which collectively supports the town centre pastoral group named 'One Step Closer'. As well as engaging in the weekly Zoom meetings of the various church leaders in 2020, Easthampstead Baptist Church has also provided admin support for 'One Step Closer' in the form of our paid Social Action Team Leader, some of whose time is given to this scheme.

In these ways, the trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to the guidance issued by the charity Commission in respect of public benefit.



**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2020**

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The charitable objects as defined by the governing document are 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.

The primary objective for the year was to fulfil the church's stated purpose which is:

"To love God, to love people and to grow together to become more like Jesus"

Each ministry in the church contributes towards that goal

**Significant activities**

The income and expenditure budget for the year reflected the desire to achieve the annual objectives, including various strategic and transitional goals.

During 2020 our original objectives had to be adapted due to the impact of the virus. However, the church was still able to press ahead with various activities, including -

- The launch of online church services, in response to the virus.
- A weekly programme of pastoral support was introduced to counter the effects of isolation due to the pandemic. This included offering updates and encouragement to all our regular attenders, via weekly emails, letters and phone calls, supplemented by in-person visits as and when these were possible.
- When lockdowns were lifted we introduced a Covid-safe "soup and sandwich" free event for senior citizens, to provide a meal and company for them.
- We reminded the church membership of our purpose, mission, vision, values and method.
- SHR building refurbishment continued with extensive work to our W.C. areas, together with further works on our kitchen, lobby and main hall.
- Our Team Leader continued formal training as a Baptist Minister at Regent's Park College, Oxford, in 2020, having successfully completed his first year in 2019.
- Ministries work continued and we managed our finances to budget
- We continued to focus on discipling and prayer
- We set a new budget for 2021 that reflects our mission and vision for the future.

**Church Ministries**

During 2020, we continued our Sunday services using a blended approach of pre-recorded online services (on YouTube) and in-person services as and when we were able to do so.

**Mission Support**

The church remains committed to supporting churches and other Christian organisations, both in the UK and overseas. Support is given in terms of finance and leadership support. In the UK support is given primarily through the BU Home Mission Fund. Internationally, a number of Christian organisations are supported.

**Sierra Leone**

Our work with charities and our partner church in Sierra Leone continues and in 2020 we stayed in constant touch with our key contacts, offering financial support and pastoral encouragement as required.

## **Easthampstead Baptist Church**

### **Report of the Trustees for the year ended 31 December 2020**

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Charitable activities**

The church continued to develop its community involvement through:

- The introduction of "soup and sandwich" events (see above), when possible.
- A significant financial gift to Pilgrim Hearts Trust, to support their work with the homeless in Bracknell.
- Martha's Meals that provided support for those needing ready-made meals at a time when they were experiencing particularly difficult circumstances.
- 'Food Boxes' that were given to deserving people throughout the year, including Christmas.
- Lunch Clubs, Toddler Group, Community Action Sundays, until these were paused due to the virus.
- Children's and youth work, until this was paused due to the virus.
- Work continued with care homes for the elderly in the town until these were paused due to the virus.
- We continued our support of the charities we partner with in Sierra Leone.
- We continued working towards being an eco-friendly church, with church briefings, a revised policy document and enhancements to our existing reduce, re-use, recycle approach.
- We set new objectives for 2021 that reflected our continuing desire to invite people, to abide with God, to enhance our physical and digital environments, and to increasingly be a church (people) of "good news" for all, including specifically the poor, the marginalized, the disadvantaged.

Through contact with the local authority and social workers, many people have been given both practical help and financial support. The 'Storehouse Fund' provides financial assistance to those within the church community and others in need in the wider community.

Financial support was also given to local organisations from the "Other Causes" fund. We also completed an 'Action Sunday' making up shoeboxes full of toys and games to go to children in need around the world through Operation Christmas Child.

#### **FINANCIAL REVIEW**

During the year ended 31 December 2020 the church had a total income of £271,934 (2019: £360,699). This total included: offerings and gifts - £148,605 (2019: £149,548); income tax recoverable - £32,770 (2019: £34,414); pastoral needs - £5,375 (2019: £9,761); other causes - £12,900 (2019: £29,236); miscellaneous donations - £654 (2019: £7,610); charitable activities £3,317 (2019: £27,588); church lettings - £57,161 (2019: £101,608); bank interest - £414 (2019: £934).

Total Expenditure for the year was £330,952 (2019: £393,737). Of this total, significant costs were: ministry direct costs - £195,206 (2019: £223,964); missionary & charitable giving direct costs - £33,208 (2019: £66,565); support costs - £64,098 (2019: £63,959); governance costs - £4,242 (2019: £4,044).

#### **RESERVES POLICIES**

The Church aims to keep minimum reserves of approximately 10% of its annual expenditure. This is partly to cover any excess of expenditure over income, provision for cash flow fluctuations, and so that the Church may meet commitments under contract e.g. to employees, for a reasonable notice period, if it is unable to continue to function.

At the year end, the charity held unrestricted reserves of £385,259 (2019: £405,815), designated reserves of £32,144 (2019: £34,097), and restricted reserves of £237,034 (2019: £273,543).

The designated fund balance is held for ministry activities and works needed at the church.

Of the restricted reserves balance, £225,812 (2019: £236,660) represents sums given since 1995 to fund the development of the Church premises, which was completed in 1997, and to pay off the money borrowed at that time to finance the development; £1,276 (2019: £1,376) is for Future Missions Fund, £5,504 (2019: £7,550) is for the refurbishment of the toilets, £1,316 (2019: £1,412) is for costs relating to Storehouse, and £3,026 (2019: £5,485) is held for costs relating to a stair lift at the Church.

**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2020**

**RESPONSIBILITIES OF THE TRUSTEES**

The charity's Trustees are responsible for preparing the Trustees' Annual Report 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 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 these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**COMPLIANCE WITH PREVAILING LAW AND REGULATIONS**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

**BY ORDER OF THE TRUSTEES**



Mr R Lea

Date: 21-09-21



**Independent Examiner's Report to the Trustees of  
Easthampstead Baptist Church  
for the year ended 31 December 2020**

**Independent Examiner's Report**

**Independent Examiner's report to the Trustees of Easthampstead Baptist Church**

I report on the accounts of the charity for the year ended 31 December 2020, which are set out on pages eight to nineteen.

**Respective responsibilities of Trustees and Examiner**

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

1. examine the accounts under section 145 of the 2011 Act,
2. to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
3. to state whether particular matters have come to my attention.

**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 Easthampstead Baptist Church as required by section 120 of the 2011 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.



L A Evans BSc FCA  
Stewart & Co. Accountants LLP  
Knoll House  
Knoll Road  
Camberley  
Surrey  
GU15 3SY

Date: 21.09.2021

**Easthampstead Baptist Church**  
**Statement of Financial Activities**  
**for the year ended 31 December 2020**

**Statement of Financial Activities**

	Note	Unrestricted £	Designated £	Restricted £	2020 Total funds	2019 Total funds £
<b>INCOME</b>						
Donations and legacies	2	160,691	22,176	17,437	200,304	230,569
Grant income	3	10,738	-	-	10,738	-
Income from charitable activities	4	3,317	-	-	3,317	27,588
Income from other trading activities	5	57,161	-	-	57,161	101,608
Investment income	6	414	-	-	414	934
<b>TOTAL INCOME</b>		<b>232,321</b>	<b>22,176</b>	<b>17,437</b>	<b>271,934</b>	<b>360,699</b>
<b>EXPENDITURE</b>						
Expenditure on charitable activities	7	(238,664)	(7,250)	(50,840)	(296,754)	(358,532)
Expenditure on other trading activities	11/12	(34,198)	-	-	(34,198)	(35,205)
<b>TOTAL EXPENDITURE</b>		<b>(272,862)</b>	<b>(7,250)</b>	<b>(50,840)</b>	<b>(330,952)</b>	<b>(393,737)</b>
<b>NET EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>	17	<b>(40,541)</b>	<b>14,926</b>	<b>(33,403)</b>	<b>(59,018)</b>	<b>(33,038)</b>
<b>TRANSFERS BETWEEN FUNDS</b>		<b>19,985</b>	<b>(16,879)</b>	<b>(3,106)</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION OF FUNDS</b>						
Total Funds brought forward		405,815	34,097	273,543	713,455	746,493
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>385,259</b>	<b>32,144</b>	<b>237,034</b>	<b>654,437</b>	<b>713,455</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 10 to 18 form part of these financial statements

# Easthampstead Baptist Church

## Balance Sheet as at 31 December 2020

### Balance Sheet

	Note	Unrestricted £	Designated £	Restricted £	2020 Total funds	2019 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	14	353,447	-	228,838	582,285	602,476
<b>TOTAL FIXED ASSETS</b>		353,447	-	228,838	582,285	602,476
<b>CURRENT ASSETS</b>						
Debtors	15	14,114	-	-	14,114	22,477
Cash at bank and in hand		49,984	32,144	8,196	90,324	140,756
<b>TOTAL CURRENT ASSETS</b>		64,098	32,144	8,196	104,438	163,233
<b>LIABILITIES</b>						
Creditors falling due within one year	16	(32,286)	-	-	(32,286)	(52,254)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		31,812	32,144	8,196	72,152	110,979
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		385,259	32,144	237,034	654,437	713,455
<b>NET ASSETS</b>		385,259	32,144	237,034	654,437	713,455
<b>THE FUNDS OF THE CHARITY</b>						
Unrestricted income funds	17	385,259	-	-	385,259	405,815
Designated income funds	17	-	32,144	-	32,144	34,097
Restricted income funds	17	-	-	237,034	237,034	273,543
<b>TOTAL CHARITY FUNDS</b>		385,259	32,144	237,034	654,437	713,455

The financial statements were approved and authorised for issue by the Board of Trustees on 21-09-21 and were signed on its behalf by:



The notes on pages 10 to 18 form part of these financial statements

**Easthampstead Baptist Church**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2020**

**Notes to the Financial Statements**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation**

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) (effective 1 January 2020) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The objectives of the charity are to advance the Christian Religion, relieve poverty, hardship and distress, and to advance education. The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the entity.

The church is a registered charity in England and Wales. The Trustees are the members of the church named on page 1.

**1.2 Preparation of the accounts on a going concern basis**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

**1.3 Significant judgements and estimates**

In the opinion of the Trustees, no significant judgements or estimates were made during the preparation of the financial statements that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1.4 Income**

**Income recognition**

Income is recognised in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the Trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses.

**Donations**

Donations are only included in the SoFA when the general income recognition criteria are met.

**Grants**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

**Tax reclaims on donations and gifts**

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

**Income from interest**

This is included in the accounts when receipt is probable, and the amount receivable can be measured reliably.

Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.

## Easthampstead Baptist Church

### Notes to the Financial Statements for the year ended 31 December 2020

#### 1. ACCOUNTING POLICIES (*continued*)

##### 1.5 Expenditure and liabilities

###### **Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

###### **Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

###### **Governance and support costs**

Support and governance costs incurred are apportioned across the charitable activities based on the time support staff spend working on each one. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

###### **Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

###### **Basic financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Financial assets held at amortised cost comprise cash at bank and in hand, together with other debtors. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

##### 1.6 Tangible fixed assets

All assets costing more than £1,000 are capitalised and valued at historical cost.

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

Buildings	-	2% and 1% on cost
Fittings and equipment	-	10% on cost

##### 1.7 Taxation

The charity is a registered charity and is exempt under Part 11 of the Corporation Tax Act 2010 on its income and section 256 of the Taxation of Chargeable Gains Act 1992 on its capital gains.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

##### 1.8 Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### 1.9 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Designated funds represent funds earmarked for specific reasons as decided by the Trustees. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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.

##### 1.10 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of one year from the date of acquisition or opening of the deposit or similar account.

##### 1.11 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

##### 1.12 Pension costs

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged to the SoFA in the period to which they relate.



<b>2. DONATIONS AND LEGACIES</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total funds 2020</b>	<b>Total funds 2019</b>
	£	£	£	£	£
Offerings and gifts	130,100	18,505	-	148,605	149,548
Income tax recoverable	28,335	3,671	764	32,770	34,414
Pastoral Need Fund donations/Storehouse	-	-	5,375	5,375	9,761
Samaritans Purse	-	-	320	320	370
Sierra Leone support	-	-	4,528	4,528	-
Sierra Leone trip	20	-	-	20	28,554
Homestart	-	-	-	-	203
General Mission Support	1,582	-	6,450	8,032	109
Miscellaneous donations, gifts & sundries	654	-	-	654	7,610
	<u>160,691</u>	<u>22,176</u>	<u>17,437</u>	<u>200,304</u>	<u>230,569</u>

In 2019, £45,046 of donation income related to restricted funds and £21,499 to designated funds.

<b>3. INCOME FROM GRANTS</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2020</b>	<b>Total Funds 2019</b>
	£	£	£
Government grants	10,738	10,738	-
	<u>10,738</u>	<u>10,738</u>	<u>-</u>

Income from government grants is in respect of the Coronavirus Job Retention Scheme.

<b>4. INCOME FROM CHARITABLE ACTIVITIES</b>	<b>Unrestricted Funds</b>	<b>Total funds 2020</b>	<b>Total funds 2019</b>
	£	£	£
Refresh Cafe	-	-	10,662
Catering	2,163	2,163	7,975
Children and youth	320	320	4,078
Older persons work	834	834	4,873
	<u>3,317</u>	<u>3,317</u>	<u>27,588</u>

In 2019, no income from charitable activities related to restricted funds.

<b>5. INCOME FROM OTHER TRADING ACTIVITIES</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2020</b>	<b>Total Funds 2019</b>
	£	£	£
Church lettings	57,161	57,161	101,608
	<u>57,161</u>	<u>57,161</u>	<u>101,608</u>

In 2019 all income from other trading activities related to unrestricted funds.

<b>6. INVESTMENT INCOME</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2020</b>	<b>Total Funds 2019</b>
	£	£	£
Bank Interest	414	414	934
	<u>414</u>	<u>414</u>	<u>934</u>

In 2019 all of the investment income related to unrestricted funds.

**7. EXPENDITURE ON CHARITABLE ACTIVITIES  
BY FUND**

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2020 £	Total funds 2019 £
Missionary and charitable giving	8	20,212	-	13,802	34,014	66,565
Ministry	9	218,452	7,250	37,038	262,740	291,967
		<u>238,664</u>	<u>7,250</u>	<u>50,840</u>	<u>296,754</u>	<u>358,532</u>

In 2019, £58,501 of the total expenditure on charitable activities related to restricted funds and £4,620 related to designated.

**BY ACTIVITY**

		Activities Undertaken Directly £	Support Costs £	Total funds 2020 £	Total funds 2019 £
Missionary and charitable giving	8	33,208	806	34,014	67,318
Ministry	9	195,206	67,534	262,740	291,214
		<u>228,414</u>	<u>68,340</u>	<u>296,754</u>	<u>358,532</u>

Included in the expenditure analysed above, there are also governance costs of £4,242 (2019: £4,044) which relate directly to charitable activities. See note 10 for further details.

**8. ANALYSIS OF DIRECT EXPENDITURE ON MISSIONARY AND CHARITABLE GIVING**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
BU Home Mission	4,500	-	4,500	4,500
Baptist Missionary Society World Mission General	-	-	-	1,000
Tear Fund - general	1,200	-	1,200	1,200
Samaritan's Purse – Xmas shoeboxes	150	320	470	1,034
Dorothy – Springer Trust	7,200	-	7,200	7,000
Homestart	-	-	-	203
Storehouse	-	2,504	2,504	5,933
Mission support – general	2,016	10,810	12,826	1,862
Mission support – Sierra Leone	4,000	-	4,000	39,424
Others	340	168	508	4,409
	<u>19,406</u>	<u>13,802</u>	<u>33,208</u>	<u>66,565</u>

## 9. ANALYSIS OF EXPENDITURE ON MINISTRY ACTIVITIES UNDERTAKEN DIRECTLY

	Unrestricted Funds	Designated Funds	Restricted Funds	Total funds 2020	Total funds 2019
	£	£	£	£	£
Trustees' remuneration	82,988	-	-	82,988	76,458
Trustees' pension costs	(8,554)	-	-	(8,554)	5,811
Wages and salaries	30,493	-	-	30,493	45,412
Social security costs	9,741	-	-	9,741	6,598
Pension costs	1,405	-	-	1,405	1,455
Travel costs	152	-	-	152	791
Assistant Minister housing allowance	5,749	-	-	5,749	5,768
Telephone costs for Ministers	406	-	-	406	254
Conferences and training	682	7,250	-	7,932	6,625
Evangelism & publicity	925	-	-	925	5,828
Affiliation fees & worship costs	2,018	-	-	2,018	2,458
Catering	1,340	-	-	1,340	5,923
Youth & Children	834	-	-	834	6,617
Older Person's work	875	-	-	875	4,348
Refresh café running costs	-	-	-	-	10,791
Depreciation	8,911	-	11,280	20,191	20,208
Storehouse	-	-	3,731	3,731	4,362
TV Licence	155	-	-	155	151
Replacement equipment	7,684	-	22,027	29,711	5,850
Sundries	2,076	-	-	2,076	2,397
Ministry materials	400	-	-	400	249
Ministry unto Church	1,163	-	-	1,163	1,594
Hall hire	1,475	-	-	1,475	1,811
Gift Day – 2020	-	-	-	-	2,204
	<u>150,918</u>	<u>7,250</u>	<u>37,038</u>	<u>195,206</u>	<u>223,963</u>

## 10. ANALYSIS OF SUPPORT COSTS BY FUND

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
<b>Support Costs</b>			
Heat, light, power and water	4,997	4,997	5,439
Insurance and maintenance	10,472	10,472	11,797
Cleaning	6,494	6,494	9,798
Website costs	1,067	1,067	979
Office & Administration costs	18,869	18,869	13,842
HR Consultancy	975	975	1,066
Wages & Salaries – Caretaker	19,205	19,205	19,066
Social security costs	1,443	1,443	1,448
Pension costs	576	576	524
	<u>64,098</u>	<u>64,098</u>	<u>63,959</u>
<b>Governance costs</b>			
Independent examiner's fee	4,242	4,242	4,044
	<u>4,242</u>	<u>4,242</u>	<u>4,044</u>
	<u>68,340</u>	<u>68,340</u>	<u>68,003</u>

**10. ANALYSIS OF SUPPORT COSTS (continued)  
BY ACTIVITY**

	Missionary & Charitable Giving £	Ministry £	Total Funds 2020 £	Total Funds 2019 £
<b>Support Costs</b>				
Heat, light, power and water	-	4,997	4,997	5,439
Insurance and maintenance	-	10,472	10,472	11,797
Cleaning	-	6,494	6,494	9,798
Website costs	-	1,067	1,067	979
Office & Administration costs	-	18,869	18,869	13,842
HR Consultancy	-	975	975	1,066
Wages & Salaries – Caretaker	-	19,205	19,205	19,066
Social security costs	-	1,443	1,443	1,448
Pension costs	-	576	576	524
	-	<u>64,098</u>	<u>64,098</u>	<u>63,959</u>
<b>Governance costs</b>				
Independent examiner's fee	806	3,436	4,242	4,044
	<u>806</u>	<u>3,436</u>	<u>4,242</u>	<u>4,044</u>
	<u>806</u>	<u>67,534</u>	<u>68,340</u>	<u>68,003</u>

**11. EXPENDITURE ON OTHER TRADING ACTIVITIES**

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Salaries	26,520	26,520	26,000
Social security costs	2,453	2,453	2,404
Pension costs	796	796	715
Heat, light, power and water	3,218	3,218	3,474
Consumables & other	1,211	1,211	2,612
	<u>34,198</u>	<u>34,198</u>	<u>35,205</u>

**12. NET EXPENDITURE FOR THE YEAR**

This is stated after charging:

	2020 £	2019 £
Trustees' remuneration	82,988	76,458
Trustees' pension costs (defined contribution scheme)	(8,554)	5,811
Housing allowance	5,749	5,732
Depreciation	20,191	20,208
Independent examiner's remuneration:	<u>4,242</u>	<u>4,044</u>

**13. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

**Total staff costs were as follows**

	2020 £	2019 £
Wages and salaries	158,923	166,936
Social security costs	13,637	10,450
Pension costs (defined contribution scheme)	(5,777)	8,505
Housing allowance	5,749	5,732
	<u>172,532</u>	<u>191,623</u>

**Particulars of employees:**

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

	2020 No	2019 No
Ministry	7	8
Upkeep of Church Premises	<u>1</u>	<u>1</u>
	<u>8</u>	<u>9</u>

No employees received employee benefits (excluding employer pension costs) in excess of £60,000 (2019: £nil).

### Key management personnel and trustee remuneration

The charity's key management personnel comprise the Trustees. Total employment benefits including employer pension contributions of the key management personnel was £76,664 (2019: £90,816).

The Assistant Minister and Trustee, Rev S. Littlejohn, received a stipend of £16,253 (2019: £15,157) and housing allowance of £5,749 (2019: £5,732).

The Team Leader and Trustee, Mr S. Lace, received £37,673 (2019: £36,934) and the Ministry Director and Trustee, Mrs P Marsh received £29,062 (2019: £24,367).

The Church pays pension contributions for its Assistant Minister under a defined contribution scheme. The total pension contribution from the Church for the Assistant Minister was £2,500 (2019: £2,500).

No pension contributions were outstanding at the balance sheet date.

### Trustees' expenses

During the year, no Trustees were reimbursed expenses incurred in fulfilling their duties (2019: £nil).

14. TANGIBLE FIXED ASSETS	Church	Fixtures,	Total
	Premises	fittings and	
	£	equipment	£
<b>COST</b>			
As at 1 January 2020	761,720	96,110	857,830
Additions	-	-	-
<b>As at 31 December 2020</b>	<b>761,720</b>	<b>96,110</b>	<b>857,830</b>
<b>DEPRECIATION</b>			
As at 1 January 2020	177,061	78,293	255,354
Depreciation eliminated on disposal	-	-	-
Charge for the year	10,848	9,343	20,191
<b>As at 31 December 2020</b>	<b>187,909</b>	<b>87,636</b>	<b>275,545</b>
<b>NET BOOK VALUE</b>			
As at 1 January 2020	584,659	17,817	602,476
<b>As at 31 December 2020</b>	<b>573,811</b>	<b>8,474</b>	<b>582,285</b>

  

15. DEBTORS	2020	2019
	£	£
Income tax recoverable	2,367	2,463
Prepayments	4,833	4,833
Other debtors	6,914	15,181
	<b>14,114</b>	<b>22,477</b>

  

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Other creditors	473	2,762
Defined contribution pension liability	27,571	44,148
Accruals	4,242	5,344
	<b>32,286</b>	<b>52,254</b>



## 17. ANALYSIS OF MOVEMENT IN FUNDS

	Balance 1 Jan 2020 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 Dec 2020 £
<b>Unrestricted funds</b>					
General fund	405,815	232,321	(272,862)	19,985	385,259
	<u>405,815</u>	<u>232,321</u>	<u>(272,862)</u>	<u>19,985</u>	<u>385,259</u>
<b>Restricted funds</b>					
Church Building Fund	236,660	-	(10,848)	-	225,812
Other donations	5,485	-	(432)	(2,027)	3,026
Pam Jackson	20,000	-	(19,981)	(19)	-
Sierra Leone	-	4,528	(4,528)	-	-
External Causes	-	6,770	(6,770)	-	-
Storehouse	1,412	6,139	(6,235)	-	1,316
Toilets	7,550	-	(2,046)	-	5,504
Refresh rent	1,060	-	-	(1,060)	-
Future Missions Fund	1,376	-	-	-	1,376
	<u>273,543</u>	<u>17,437</u>	<u>(50,840)</u>	<u>(3,106)</u>	<u>237,034</u>
<b>Designated funds</b>					
Gift Day 2016	17,218	-	-	-	17,218
Gift Day 2019	16,879	-	-	(16,879)	-
Gift Day 2020	-	22,176	(7,250)	-	14,926
	<u>34,097</u>	<u>22,176</u>	<u>(7,250)</u>	<u>(16,879)</u>	<u>32,144</u>
<b>TOTAL FUNDS</b>	<u>713,455</u>	<u>271,934</u>	<u>(330,952)</u>	<u>-</u>	<u>654,437</u>

### Unrestricted funds

Unrestricted funds are available to be spent for any of the purposes of the charity.

### Restricted Funds

The Church Building Fund represents sums given since 1995 to fund the development of the Church premises, which was completed in 1997, and to pay off the money borrowed at that time to finance the development.

The other small restricted fund balances are held for the purpose of that described in the headings.

### Designated funds

These funds relate to monies raised during the annual Gift Day's which are then set aside for specific purposes depending on the yearly requirements.

The funds from Gift Day 2016 are held for ministry activities e.g. older persons work, children and youth work.

The funds from Gift Day 2019 were held for works needed at the church.

The funds from Gift Day 2020 are held for works needed at the church.

## 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Total £
Unrestricted funds	353,447	31,812	385,259
Designated funds	-	32,144	32,144
Restricted funds	228,838	8,196	237,034
	<u>582,285</u>	<u>72,152</u>	<u>654,437</u>

## 19. RELATED CHARITIES

The custodian Trustee of the Church is the Baptist Union Corporation Limited (charity number 249635), which is controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the Southern Counties Regional Baptist Association.

The Church made donations to the Baptist Union Home Mission Scheme as set out in note 7.

## 20. DEFINED BENEFIT PENSION

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.

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.

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(s) are eligible to join the Scheme.

### 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 financial assumptions underlying the valuation were as follows:

Type of Assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 1.0% pa)	0.50
Assumed investment returns	
- Pre-retirement (gilt yield plus 1.75% pa)	2.95
- Post retirement (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Deferred pension increases	
- 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 is 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 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.

## 20. DEFINED BENEFIT PENSION (continued)

### 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 signed in September 2020, deficiency contributions are payable until 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.

### 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 Dec 2020	31 Dec 2019
	£	£
Balance sheet liability at year start	44,148	47,032
Minus deficiency contributions paid	(3,520)	(4,505)
Interest cost (recognised in SoFA)	721	1,075
Remaining change to balance sheet liability* (recognised in SoFA)	(13,778)	546
Balance sheet liability at year end	27,571	44,148

\* 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 Dec 2020	31 Dec 2019	31 Dec 2018
Discount rate	0.4%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.0%	3.2%	3.3%

