

EASTHAMPSTEAD BAPTIST CHURCH

Report of the Trustees and
Financial Statements
for the year ended 31 December 2016

Easthampstead Baptist Church

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for the year ended 31 December 2016**

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Easthampstead Baptist Church

Report of the Trustees for the year ended 31 December 2016

The Trustees present their report with the financial statements of the charity for the year ending 31 December 2016.

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

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

Names of the charity Trustees who manage the charity:

Rev A Littlejohn	
Rev C Porter	Resigned - June 2016
Mr R Lea	Treasurer
Mr P Roe	
Mrs J Roe	
Mrs J Childs	
Mrs E Charlton	
Mr C Barnes	
Mr S Nower	
Mr S Lace	Team Leader
Mr P Jones	Appointed - March 2016
Mrs P Marsh	Appointed - March 2016
Mr O Fawole	Appointed - March 2016
Mr R Moffett	Resigned - January 2017
Mr P Kerslake	Resigned - March 2016
Mr B Temple	Resigned - March 2017

Principal Bankers

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

Independent Examiner

L A Evans BSc ACA
Stewart & Company Chartered Accountants
Knoll House
Knoll Road
Camberley
Surrey
GU15 3SY

Easthampstead Baptist Church

Report of the Trustees for the year ended 31 December 2016

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 six times per year.

At these meetings, major decisions are made and, when required, Trustees, the Church Secretary and the 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(s), Treasurer, and elected individuals from the Church membership.

At the March 2016 Church Meeting, the following Trustees were elected in accordance with the charity constitution: Mrs. Philippa Sherman; Mr. Tosin Fawole; Mr. Peter Jones. Also re-elected were: Mr. Ben Temple; Mr. Stephen Nower; Mrs. Eileen Charlton

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.

In June 2016, Rev. Chris Porter resigned as the trustees and staff team leader. In March 2017, at a "Special Church Meeting", Mr Simon Lace was appointed 'Team Leader'. 94 members were present and 87% voted in favor of the appointment.

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 the 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/Senior Minister 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/Minister and Assistant 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/Senior Minister and Assistant 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/Senior Minister 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. There are currently twelve members of the Trustees Team.

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 Porter, Rev Littlejohn, and Mr Lace were the only remunerated Trustees.

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.

Easthampstead Baptist Church

Report of the Trustees for the year ended 31 December 2016

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 which include the following activities:

Refresh Cafes

Refresh Crown Wood operates in the local Community Centre, Monday – Friday, opening either in the morning and through lunch time or at lunch time and then until mid-afternoon. The menu offers hot and cold drinks, cakes, sandwiches, light snacks and all-day breakfast options.

The café has grown significantly in its clientele, who comprise primarily of a mix of mums with their children or mums waiting for their children to come out of school and older people. Some customers visit every day to meet friends and have a chat. For them it has become an important part of their lives. The café is also used by staff from the adjacent school and for working lunches for community group leaders.

The Church also helps to run the Bingo at the Tuesday Club, which meets in the same building. Many older people from this club use the café and have become a significant proportion of those attending our Songs of Praise services.

The success of the Crown Wood operation has encouraged us to open a second café in the Birch Hill Community Centre next to another school with which we have good relationships (the current Chair of Governors is an EBC member). At present, Refresh at Birch Hill opens on Monday mornings only.

Storehouse

For many years now we have run a ministry to the community that we call "Storehouse". We accept donations of good quality furniture, toys 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.

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.

Night Shelter

A recent inter-denominational project was a pilot Night Shelter scheme, in which provision was made during the winter months to enable homeless people from Bracknell and nearby areas to have shelter overnight, providing meals and space to sleep. Sponsored and co-ordinated by the Pilgrim Hearts, seven different Churches in the town hosted the guests on each night of the week and volunteers from different Churches provided the food, supervision and companionship. Easthampstead Baptist Church took a full part in this, helping with the co-ordination, hosting one night and providing volunteers for other nights.

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.

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 2016

OBJECTIVES AND ACTIVITIES

Objectives and aims

The primary objective for the year was to fulfil the Church's mission 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 2016 we saw many of the objectives completed. These included:

- Sustaining our work across all ages and supporting a variety of congregations across different days and times to cater for all.
- Expanding the work we do to bless our local community including linking strands of our Local Causes ministry, running a Night Shelter for the homeless and encouraging people to support both this and our Storehouse Ministry which helps local people in need.
- Re-structuring our staff team to a financially sustainable model which makes better use of our resources.
- Consulting across our Trustees Team and the Church, together with the Baptist Union to arrive at a preferred solution to replace our outgoing Senior Minister.
- Setting a new budget for 2017 that reflects our mission and vision for the future.
- Hosted a new Polish Church as they sought to establish themselves as a congregation.
- Ran a staff team conference promoting closer working relationships

We held a gift day in the autumn of 2016 and raised £23,913 (including income tax recoverable). This is being held for use as required to best support our Ministries as the needs become apparent. 10% was used to fund the work we are doing in Sierra Leone.

Church Ministries

During 2016, we agreed to conflate our two Sunday morning services into one commencing January 2017. This would better enable us to continue and expand our other congregations and ministries by re-directing volunteer and staff resource. We also agreed to increase our staffing cover at our Refresh café commencing 2017 and to also increase the support staff hours for our children and youth work whilst seeking a new Leader for these areas.

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 partner Churches in Sierra Leone continues and in 2016 we began planning a large-scale visit to Sierra Leone in 2017.

The purpose of the visit being:

- To support the work of the Dorothy Springer Trust, helping and enabling people with disabilities via high level IT education
- To visit the Leonard Cheshire Home in Freetown, in order to encourage the development of better facilities and to spend time encouraging the children there.
- To visit Regent's Road Baptist Church and support and encourage their leaders as they develop new school and Church building plans across neighbouring areas.
- To support Abs Dumbuya who is President of the Freetown Cheshire Home and the Founder and CEO of the Dorothy Springer Trust.
- To investigate the possibilities for other projects we might be involved in in the future.

Easthampstead Baptist Church

Report of the Trustees for the year ended 31 December 2016

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Church continued to develop its community involvement through:

- Refresh Café, which meets at two local community centers; Crown Wood and Birch Hill. Both cafés saw significant increases in revenue, and customers.
- The Tuesday Club for pensioners which runs each Tuesday afternoon at the Crown Wood Community Centre. Numbers increased through the year.
- Messy Church for children and families continued to run during 2016
- "Holliday at Home" for senior citizens one week at the Church in the summer.
- "Turkey and Tinsel" event for seniors at the end of December.
- 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.
- Children's and youth work, including youth clubs, children's social events and school assemblies.
- Work continued with care homes for the elderly in the town.

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.

Other Activities

- We 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.
- We took a group of young people to the 'Soul Survivor' Christian youth festival.

FINANCIAL REVIEW

During the year ended 31 December 2016 the Church had a total income of £364,822 (2015: £399,151). This total included: offerings and gifts - £153,104 (2015: £161,653); income tax recoverable - £37,430 (2015: £34,794); pastoral needs - £5,553 (2015: £12,491); other causes - £9,841 (2015: £18,134); miscellaneous donations - £6,530 (2015: £6,532); charitable activities £46,308 (2015: £57,176); Church lettings - £105,617 (2015: £107,252); bank interest - £439 (2015: £1,119).

Total expenditure for the year was £381,162 (2015: £474,811). Of this total, significant costs were: ministry - £276,865 (2015: £362,668); missionary & charitable giving - £36,079 (2015: £44,376); upkeep of Church premises - £33,876 (2015: £30,745); governance - £3,480 (2015: £3,960).

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.

Easthampstead Baptist Church

Report of the Trustees for the year ended 31 December 2016

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.

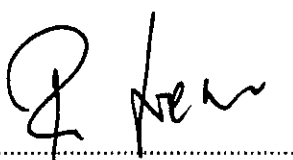
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and the applicable Charities (Accounts and Reports) Regulations. 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



13 July 2017

**Independent Examiner's Report to the Trustees of
Easthampstead Baptist Church
for the year ended 31 December 2016**

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 2016, which are set out on pages eight to twenty.

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.

Basis of Independent Examiner's report

My examination was carried out in accordance with the general Directions given by the charity Commission. 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 seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

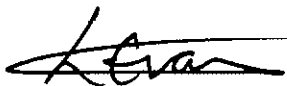
Independent Examiner's statement

In connection with my examination, no matter has come to my attention other than that disclosed below

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and the regulations made thereunderhave 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.

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn. We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

No other matter has come to my attention in connection with my examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



L A Evans BSc ACA
Stewart & Co
Knoll House
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Camberley
Surrey
GU15 3SY

13 July 2017

Easthampstead Baptist Church

**Statement of Financial Activities
for the year ended 31 December 2016**

	Note	Unrestricted £	Designated £	Restricted £	2016 Total funds £	2015 Total funds £
INCOME						
Donations and legacies	2	164,784	23,913	23,761	212,458	233,604
Income from charitable activities	3	45,941	-	367	46,308	57,176
Income from other trading activities	4	105,617	-	-	105,617	107,252
Investment income	5	439	-	-	439	1,119
TOTAL INCOME		316,781	23,913	24,128	364,822	399,151
EXPENDITURE						
Expenditure of charitable activities	6	(311,840)	(2,400)	(36,060)	(350,300)	(441,749)
Expenditure on other trading activities	11	(30,862)	-	-	(30,862)	(33,062)
TOTAL EXPENDITURE		(342,702)	(2,400)	(36,060)	(381,162)	(474,811)
NET EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR	12	(25,921)	21,513	(11,932)	(16,340)	(75,660)
TRANSFERS BETWEEN FUNDS		-	-	-	-	-
RECONCILIATION OF FUNDS						
Total Funds brought forward		474,300	26,286	317,058	817,644	893,304
TOTAL FUNDS CARRIED FORWARD		448,379	47,799	305,126	801,304	817,644

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

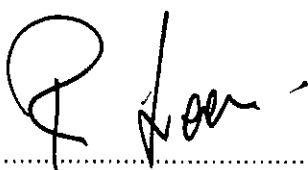
The notes on pages 10 to 20 form part of these financial statements

Easthampstead Baptist Church

Balance Sheet as at 31 December 2016

	Note	2016 Total funds £	2015 Total funds £
FIXED ASSETS			
Tangible assets	14	658,345	676,338
TOTAL FIXED ASSETS		<u>658,345</u>	<u>676,338</u>
CURRENT ASSETS			
Debtors	15	20,670	13,412
Cash at bank and in hand		128,379	133,353
TOTAL CURRENT ASSETS		<u>149,049</u>	<u>146,765</u>
LIABILITIES			
Creditors falling due within one year	16	6,090	5,459
NET CURRENT ASSETS/(LIABILITIES)		<u>142,959</u>	<u>141,306</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>801,304</u>	<u>817,644</u>
NET ASSETS		<u>801,304</u>	<u>817,644</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds	17	449,343	474,300
Designated income funds	17	47,799	26,286
Restricted income funds	17	304,162	317,058
TOTAL CHARITY FUNDS		<u>801,304</u>	<u>817,644</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 13 July 2017 and were signed on its behalf by:



The notes on pages 10 to 20 form part of these financial statements

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

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 2015) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These financial statements are the first annual financial statements of the charity prepared in accordance with FRS 102. The first date at which FRS 102 was applied was 1 January 2015. The accounts prepared for the year ended 31 December 2015 were prepared in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014 and the Financial Reporting Standard for Smaller Entities (FRSSE).

The primary objective for the year was to fulfil the Church's mission which is: "To love God, to love people and to grow together to become more like Jesus"

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 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. There were no changes to the accounting policies of the charity as a result of the adoption of FRS 102.

1.3 Preparation of the accounts on a going concern basis

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements, and they are of the view that the level of reserves will support the charity going forward.

1.4 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.

1.5 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.

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 2016

1. ACCOUNTING POLICIES (*continued*)

1.6 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

There is no apportionment of governance costs due to the fact that the charitable activities are so closely related. The Trustees consider the bulk of the costs relate to charitable objectives, and the cost of separation of the governance costs outweighs the benefit.

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.

1.7 Tangible fixed assets

All assets costing more than £500 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% on cost
Fittings and equipment	-	10% on cost

1.8 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.

1.9 Operating leases

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

1.10 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.

1.11 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.

1.12 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.

1.13 Pension costs

The Church contributed to a final salary defined benefit scheme for its Senior Minister and to a defined contribution scheme for its Assistant Minister. Contributions payable for the year are charged to the SoFA in the period to which they relate.

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

2. DONATIONS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Offerings and gifts	132,598	19,542	964	153,104	161,653
Income tax recoverable	30,206	4,371	2,853	37,430	34,794
Pastoral Need Fund donations/Storehouse	-	-	5,553	5,553	12,491
Toybox	-	-	6	6	381
Tear Fund	-	-	50	50	1,325
Samaritans Purse	-	-	499	499	669
Sierra Leone support	-	-	324	324	985
Sierra Leone trip	-	-	5,850	5,850	3,468
Sierra Leone work	-	-	-	-	1,000
Cheshire Homes, Freetown	-	-	2,897	2,897	4,668
Tombo	-	-	-	-	5,638
General Mission Support	-	-	215	215	-
Miscellaneous donations, gifts & sundries	1,980	-	4,550	6,530	6,532
	<u>164,784</u>	<u>23,913</u>	<u>23,761</u>	<u>212,458</u>	<u>233,604</u>

In 2015, £38,745 of donation income related to restricted funds and £28,420 of donation income related to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Storehouse sale of goods	-	367	367	649
Refresh Cafe	24,199	-	24,199	22,772
Catering	11,148	-	11,148	11,228
Children and youth	5,864	-	5,864	4,324
Older persons work	4,730	-	4,730	4,516
Weekend away	-	-	-	13,688
	<u>45,941</u>	<u>367</u>	<u>46,308</u>	<u>57,176</u>

In 2015, £14,337 of income from charitable activities related to restricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Church lettings	105,617	105,617	107,252
	<u>105,617</u>	<u>105,617</u>	<u>107,252</u>

In 2015 all income from other trading activities related to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Bank Interest	439	439	1,119
	<u>439</u>	<u>439</u>	<u>1,119</u>

In 2015 all of the investment income related to unrestricted funds.

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Missionary and charitable giving	7	23,613	-	12,466	36,079	44,376
Ministry	8	250,871	2,400	23,594	276,865	362,668
Upkeep of Church premises	9	33,876	-	-	33,876	30,745
Governance	10	3,480	-	-	3,480	3,960
		<u>311,840</u>	<u>2,400</u>	<u>36,060</u>	<u>350,300</u>	<u>441,749</u>

In 2015, £74,864 of expenditure on charitable activities related to the restricted fund and £2,134 related to designated funds.

7. MISSIONARY AND CHARITABLE GIVING

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
BU Home Mission	4,500	-	4,500	4,500
Baptist Missionary Society World Mission General	1,000	-	1,000	4,500
Sierra Leone – Tombo Church	-	2,000	2,000	12,477
Sierra Leone – Steve & Laura Cook	-	-	-	1,000
Tear Fund - general	3,000	-	3,000	3,000
Tear Fund - Nepal	-	-	-	1,425
Tear Fund - Syria	-	-	-	350
Tear Fund – Haiti	200	50	250	-
Kat Morling - Uganda	-	-	-	500
Homestart	-	-	-	254
Toybox Charity	1,500	6	1,506	1,581
Samaritan's Purse – Xmas shoeboxes	595	499	1,094	914
Dorothy – Springer Trust	5,800	-	5,800	5,256
Sabbatical costs	-	-	-	710
Storehouse	-	6,182	6,182	6,558
Cheshire homes	639	3,361	4,000	-
Mission direct	558	-	558	-
Mission support – general	3,862	-	3,862	-
Others	1,959	368	2,327	1,381
	<u>23,613</u>	<u>12,466</u>	<u>36,079</u>	<u>44,376</u>

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

8. MINISTRY

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Trustees' remuneration	68,191	-	-	68,191	93,115
Trustees' pension costs	8,453	-	-	8,453	9,747
Wages and salaries	78,415	-	-	78,415	67,743
Social security costs	7,718	-	-	7,718	15,072
Pension costs	420	-	-	420	-
Travel costs	1,089	-	-	1,089	1,457
Assistant Minister housing allowance	5,822	-	-	5,822	5,410
Senior Minister housing	6,885	-	-	6,885	13,764
Telephone costs for Ministers	394	-	-	394	405
Conferences and training	1,950	-	-	1,950	2,062
Evangelism & publicity	4,002	-	-	4,002	7,189
Website costs	896	-	-	896	868
Affiliation fees & worship costs	2,977	-	-	2,977	4,054
Catering	7,640	-	-	7,640	9,015
Youth & Children	10,870	-	-	10,870	8,875
Older Person's work	5,309	-	-	5,309	5,531
Special events	164	-	-	164	214
Refresh café running costs	14,121	-	-	14,121	12,863
Depreciation	-	-	20,028	20,028	19,573
Storehouse	-	-	3,566	3,566	5,900
TV Licence	146	-	-	146	146
Internal work on building	3,880	-	-	3,880	14,659
Mission to and from Sierra Leone	-	-	-	-	16,642
Office & Administration costs	12,270	-	-	12,270	11,388
Replacement equipment	3,752	-	-	3,752	4,010
New equipment	-	-	-	-	2,414
Extension planning and hall refit	430	-	-	430	23,221
Sundries	3,132	-	-	3,312	(63)
HR Consultancy	-	-	-	-	4,174
Ministry materials	367	-	-	367	1,064
Ministry unto Church	507	-	-	507	856
Hall hire	1,071	-	-	1,071	1,300
Gift Day – 2016	-	2,400	-	2,400	-
	<u>250,871</u>	<u>2,400</u>	<u>23,594</u>	<u>276,865</u>	<u>362,668</u>

Easthampstead Baptist Church

**Notes to the Financial Statements
for the year ended 31 December 2016**

9. UPKEEP OF CHURCH PREMISES

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£
Heat, light, power and water	4,829	4,829	4,404
Insurance and maintenance	15,749	15,749	12,873
Caretaker and cleaner salaries	13,298	13,298	13,468
	<u>33,876</u>	<u>33,876</u>	<u>30,745</u>

10. GOVERNANCE

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£
Independent examiner's fee	3,480	3,480	3,960
	<u>3,480</u>	<u>3,480</u>	<u>3,960</u>

11. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£
Salaries	26,795	26,795	26,965
Heat, light, power and water	3,143	3,143	2,867
Consumables & other	924	924	3,230
	<u>30,862</u>	<u>30,862</u>	<u>33,062</u>

12. NET EXPENDITURE FOR THE YEAR

This is stated after charging:

	2016	2015
	£	£
Trustees' remuneration	68,191	93,115
Trustees' pension costs	8,453	9,747
Trustees' housing allowance	12,707	19,174
Depreciation	20,028	19,573
Independent examiner's remuneration:		
Independent examiner's fee	3,480	3,960
	<u> </u>	<u> </u>

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

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

Total staff costs were as follows

	2016 £	2015 £
Wages and salaries	146,606	160,558
Social security costs	7,718	15,072
Pension costs	8,873	9,747
Housing allowance	12,707	19,174
	<u>175,904</u>	<u>204,551</u>

Particulars of employees:

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

	2016 No	2015 No
Ministry	10	10
Upkeep of Church Premises	1	1
	<u>11</u>	<u>1</u>

No employees received employee benefits (excluding employer pension costs) in excess of £60,000 (2015: £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 £89,351 (2015: £122,036).

Rev C. Porter resigned as a trustee on 26 June 2016. He previously received a stipend of £14,581 (2015: £27,927) and housing allowance of £6,885 (2015: £13,764), in respect of his work as Senior Minister.

The Assistant Minister (Rev S. Littlejohn) received a stipend of £14,283 (2015: £14,283) and housing allowance of £5,822 (2015: £5,410).

One Trustee, Mr S. Lace, received £30,000 (2015: £27,768) as Older Persons' Worker. Mr P Kerslake received £2,130 (2015: £11,361) as the Creative Director. The wife of a previous trustee (who resigned during the year), Mrs R. Porter, received £7,197 (2015: £11,776) as Children's Worker.

The Church paid pension contributions for its Senior Minister to the Baptist Ministers Pension Trust Limited, which is a final salary defined benefit scheme which is not contracted out of the State second pension. The Employers' contribution was 21% of Income plus Manse Allowance, and employees pay 8%. The total pension contribution from the Church for the Senior Minister was £5,953 (2015: £7,247). As noted above, the Senior Minister resigned during the year. Further information regarding the defined benefit pension is given in Note 20.

The Church also 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 (2015: £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.

Easthampstead Baptist Church
Notes to the Financial Statements
for the year ended 31 December 2016

14. TANGIBLE FIXED ASSETS

	Church Premises £	Fixtures, fittings and equipment £	Total £
COST			
As at 1 January 2016	761,720	162,769	924,489
Additions	-	2,034	2,034
31 December 2016	761,720	164,803	926,523
DEPRECIATION			
As at 1 January 2016	133,670	114,481	248,151
Charge for the year	10,847	9,180	20,027
As at 31 December 2016	144,517	123,661	268,178
NET BOOK VALUE			
As at 1 January 2016	628,050	48,288	676,338
As at 31 December 2016	617,203	41,142	658,345

15. DEBTORS

	2016 £	2015 £
Income tax recoverable	3,073	3,536
Other debtors & prepayments	17,597	9,876
	20,670	13,412

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other creditors	2,610	1,979
Accruals	3,480	3,480
	6,090	5,459

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

17. ANALYSIS OF MOVEMENT IN FUNDS

	Balance 1 Jan 2016 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 Dec 2016 £
Unrestricted funds					
General fund	474,300	316,781	(341,738)	-	449,343
	<u>474,300</u>	<u>316,781</u>	<u>(341,738)</u>	<u>-</u>	<u>449,343</u>
Restricted funds					
Church Building Fund	280,051	-	(10,847)	-	269,204
Building Phase 1	20,317	-	(9,180)	-	11,137
External Causes	7,406	17,244	(6,285)	-	18,365
Storehouse	5,789	5,920	(9,748)	-	1,961
Future Missions Fund	3,216	-	-	-	3,216
General Assistant	-	964	(964)	-	-
Food hygiene courses	230	-	-	-	230
Youth equipment	49	-	-	-	49
	<u>317,058</u>	<u>24,128</u>	<u>(37,024)</u>	<u>-</u>	<u>304,162</u>
Designated funds					
Gift Day 2015	26,286	-	-	-	26,286
Gift Day 2016	-	23,913	(2,400)	-	21,513
	<u>26,286</u>	<u>23,913</u>	<u>(2,400)</u>	<u>-</u>	<u>47,799</u>
TOTAL FUNDS	<u>817,644</u>	<u>364,822</u>	<u>(381,162)</u>	<u>-</u>	<u>801,304</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 2015 are held for general Ministry purposes.

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Current assets £	Current liabilities £	Total £
Unrestricted funds	378,004	77,429	(6,090)	449,343
Designated funds	-	47,799	-	47,799
Restricted funds	280,341	23,821	-	304,162
Total funds at 31 December 2016	<u>658,345</u>	<u>149,049</u>	<u>(6,090)</u>	<u>801,304</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.

Easthampstead Baptist Church

Notes to the Financial Statements for the year ended 31 December 2016

20. DEFINED BENEFIT PENSION

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Minister(s) are eligible to join the Scheme, which is not contracted out of the State Second Pension.

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 Unum Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2013 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £162 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £84 million (equivalent to a past service funding level of 66%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it has been agreed to increase the standard rate of deficiency contributions from Churches and other employers involved in the DB Plan from 11% of Pensionable Income / Minimum Pensionable Income to be based on a 12% rate from 1 January 2016. The contributions will be based on each Church's or other employer's position at March 2015. Some Churches and other employers that were only involved in the DB Plan for a short period will pay less than 12%. The Recovery Plan envisages deficiency contributions continuing until 30 June 2035.

The key financial assumptions underlying the valuation were as follows:

Type of Assumption	% pa
RPI price inflation assumption	3.60
CPI price inflation assumption	2.85
Minimum Pensionable Income increases (CPI plus 1.0% pa)	3.85
Assumed investment returns	
- Pre-retirement	5.10
- Post retirement	3.95
Deferred pension increases	
- Pre April 2009	3.60
- Post April 2009	2.50
Pension increases	
- Main Scheme pension Pre April 2006	3.40
- Main Scheme pension Post April 2006	2.30

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 defined benefit pension cost for the Church is £5,953 (2015: £7,247).

Easthampstead Baptist Church

**Notes to the Financial Statements
for the year ended 31 December 2016**

20. DEFINED BENEFIT PENSION *(continued)*

Consequent upon the departure of the Minister from the Church in 2016, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. It is not possible to quantify this debt without an actuarial calculation. In order to avoid the cost of such a calculation and because the Church may not be able to continue its charitable activities following payment of the employer debt which arises upon a cessation event, the Pension Scheme Trustee (after consulting the Pensions Regulator) is not currently pursuing the employer debt, but is instead permitting the Church to pay the ongoing deficiency contributions outlined above. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time at its discretion.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2016.