

# **EASTHAMPSTEAD BAPTIST CHURCH**

Report of the Trustees and  
Financial Statements  
for the year ended 31 December 2017

**Easthampstead Baptist Church**

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for the year ended 31 December 2017**

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**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2017**

The Trustees present their report with the financial statements of the charity for the year ending 31 December 2017.

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	Assistant Minister
Mr R Lea	Treasurer
Mr P Roe	
Mrs J Roe	
Mrs J Childs	
Mrs E Charlton	Administrator
Mr C Barnes	
Mr S Nower	
Mr R Moffett	Resigned – January 2017
Mr B Temple	Resigned – May 2017
Mr P Jones	
Mrs P Sherman	
Mr O Fawole	

**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 & Co. Chartered Accountants  
Knoll House  
Knoll Road  
Camberley  
Surrey  
GU15 3SY

## **Easthampstead Baptist Church**

### **Report of the Trustees for the year ended 31 December 2017**

#### **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, 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.

At the March 2017 Church Meeting, the following trustee was re-elected in accordance with the charity constitution: Mr. Christopher Barnes. Mr. Robert Moffett resigned in January 2017 and Mr Ben Temple resigned in May 2017.

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 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 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 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 Littlejohn, and Mr Lace are the only remunerated Trustees

**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2017**

**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 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 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 encouraged us to open a second café in the Birch Hill Community Centre next to another school with which we have good relationships. However in 2017 we realised that the season for this had passed and we decided to close at Birch Hill and consolidate at Crown Wood.

**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.

**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.



**Easthampstead Baptist Church**  
**Report of the Trustees**  
**for the year ended 31 December 2017**

**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.

**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 2017 we saw many of the objectives completed. These included:

- All Trustees completed Safeguarding level 3 course
- Large EBC team went to Sierra Leone to support our charitable work in this country
- Freetown Cheshire Home (significant building project funds were raised)
- SHR building refurbishment funds were raised to replace our boiler and enhance our toilet and kitchen areas
- A Team Leader appointed to replace our Senior Minister who left in 2016.
- A new staffing structure was implemented – more flexible and affordable than previous model
- New General Assistant (caretaking) appointed
- Calls to ministry were identified and supported
- Ministries work continued and we managed our finances to budget
- New voluntary Creative Arts Team was formed
- Trustees went on retreat and large team went to "Further, Faster UK" conference on church leadership.
- Volunteer thank you event was held
- We identified need for more focus on Discipling
- We set a new budget 218 that reflects our mission and vision for the future.

**Church Ministries**

During 2017, we continued our Sunday morning and afternoon services, our Thursday service and our "Messy Church" services. We also continued our two luncheon gatherings for senior citizens and our social programme.

**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 April 2017 we undertook a large-scale visit to that country. 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 and encourage 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 2017**

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable activities**

The church continued to develop its community involvement through:

- Refresh Café, which meets at a local community centre in Crown Wood.
- The Tuesday Club for pensioners 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 2017
- "Holiday 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 2017 the church had a total income of £362,502 (£364,822). This total included: offerings and gifts - £169,623 (£153,104); income tax recoverable - £34,261 (£37,430); pastoral needs - £7,220 (£5,553); other causes - £23,391 (£9,841); miscellaneous donations - £3,149 (£6,530); charitable activities £35,866 (£46,308); church lettings - £88,637 (£105,617); bank interest - £355 (£439).

Total Expenditure for the year was £352,351 (£381,162). Of this total, significant costs were: ministry - £214,126 (£276,865); missionary & charitable giving - £60,453 (£36,079); upkeep of church premises - £46,643 (£33,876); governance - £3,690 (£3,480).

**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 2017**

**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

28 June 2018



**Independent Examiner's Report to the Trustees of  
Easthampstead Baptist Church  
for the year ended 31 December 2017**

**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 2017, which are set out on pages seven to seventeen.

**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 to 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  
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Knoll Road  
Camberley  
Surrey  
GU15 3SY

28 June 2018

**Easthampstead Baptist Church**  
**Statement of Financial Activities**  
**for the year ended 31 December 2017**

	<b>Note</b>	<b>Unrestricted £</b>	<b>Designated £</b>	<b>Restricted £</b>	<b>2017 Total funds</b>	<b>2016 Total funds £</b>
<b>INCOME</b>						
Donations and legacies	<b>2</b>	<b>162,091</b>	<b>23,565</b>	<b>51,988</b>	<b>237,644</b>	212,458
Income from charitable activities	<b>3</b>	<b>35,761</b>	<b>-</b>	<b>105</b>	<b>35,866</b>	46,308
Income from other trading activities	<b>4</b>	<b>88,637</b>	<b>-</b>	<b>-</b>	<b>88,637</b>	105,617
Investment income	<b>5</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>355</b>	439
<b>TOTAL INCOME</b>		<b>286,844</b>	<b>23,565</b>	<b>52,093</b>	<b>362,502</b>	<b>364,822</b>
<b>EXPENDITURE</b>						
Expenditure on charitable activities:	<b>6</b>	<b>(258,459)</b>	<b>(6,000)</b>	<b>(60,453)</b>	<b>(324,912)</b>	(350,300)
Expenditure on other trading activities	<b>11</b>	<b>(27,439)</b>	<b>-</b>	<b>-</b>	<b>(27,439)</b>	(30,862)
<b>TOTAL EXPENDITURE</b>		<b>(285,898)</b>	<b>(6,000)</b>	<b>(60,453)</b>	<b>(352,351)</b>	<b>(381,162)</b>
<b>NET EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>19</b>	<b>946</b>	<b>17,565</b>	<b>(8,360)</b>	<b>10,151</b>	<b>(16,340)</b>
<b>TRANSFERS BETWEEN FUNDS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION OF FUNDS</b>						
Total Funds brought forward		<b>449,343</b>	<b>47,799</b>	<b>304,162</b>	<b>801,304</b>	817,644
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>450,289</b>	<b>65,364</b>	<b>295,802</b>	<b>811,455</b>	<b>801,304</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 9 to 18 form part of these financial statements

**Easthampstead Baptist Church**

**Balance Sheet  
as at 31 December 2017**

	Note	Unrestricted £	Designated £	Restricted £	2017 Total funds	2016 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	14	<u>378,009</u>	<u>-</u>	<u>260,561</u>	<u>638,570</u>	<u>658,345</u>
<b>TOTAL FIXED ASSETS</b>		<u>378,009</u>	<u>-</u>	<u>260,561</u>	<u>638,570</u>	<u>658,345</u>
<b>CURRENT ASSETS</b>						
Debtors	15	<u>22,212</u>	<u>-</u>	<u>-</u>	<u>22,212</u>	<u>20,670</u>
Cash at bank and in hand		<u>54,058</u>	<u>65,364</u>	<u>35,241</u>	<u>154,663</u>	<u>128,379</u>
<b>TOTAL CURRENT ASSETS</b>		<u>76,270</u>	<u>65,364</u>	<u>35,241</u>	<u>176,875</u>	<u>149,049</u>
<b>LIABILITIES</b>						
Creditors falling due within one year	16	<u>(3,990)</u>	<u>-</u>	<u>-</u>	<u>(3,990)</u>	<u>(6,090)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>72,280</u>	<u>65,364</u>	<u>35,241</u>	<u>172,885</u>	<u>142,959</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>450,289</u>	<u>65,364</u>	<u>295,802</u>	<u>811,455</u>	<u>801,304</u>
<b>NET ASSETS</b>		<u>450,289</u>	<u>65,364</u>	<u>295,802</u>	<u>811,455</u>	<u>801,304</u>
<b>THE FUNDS OF THE CHARITY</b>						
Unrestricted income funds	17	<u>450,289</u>		<u>-</u>	<u>450,289</u>	<u>449,343</u>
Designated income funds	17		<u>65,364</u>		<u>65,364</u>	<u>47,799</u>
Restricted income funds	17	<u>-</u>		<u>295,802</u>	<u>295,802</u>	<u>304,162</u>
<b>TOTAL CHARITY FUNDS</b>		<u>450,289</u>	<u>65,364</u>	<u>295,802</u>	<u>811,455</u>	<u>801,304</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 28 June 2018 and were signed on its behalf by:

Mr R Lea

The notes on pages 9 to 18 form part of these financial statements

## **Easthampstead Baptist Church**

### **Notes to the Financial Statements for the year ended 31 December 2017**

#### **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.

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 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.

##### **1.3 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.

###### **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 2017

#### 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**

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.

###### **Grants payable without performance conditions**

Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.

###### **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% 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.

# Easthampstead Baptist Church

## Notes to the Financial Statements for the year ended 31 December 2017

2. DONATIONS AND LEGACIES	Unrestricted Funds	Designated Funds	Restricted Funds	Total funds 2017	Total funds 2016
	£	£	£	£	£
Offerings and gifts	129,752	19,871	20,000	169,623	153,104
Income tax recoverable	29,343	3,694	1,224	34,261	37,430
Pastoral Need Fund donations/Storehouse	-	-	7,220	7,220	5,553
Toybox	-	-	-	-	6
Tear Fund	-	-	-	-	50
Samaritans Purse	-	-	577	577	499
Sierra Leone support	-	-	-	-	324
Sierra Leone trip	-	-	22,462	22,462	5,850
Cheshire Homes, Freetown	-	-	-	-	2,897
Mission direct	-	-	204	204	-
Homestart	-	-	148	148	-
General Mission Support	-	-	-	-	215
Miscellaneous donations, gifts & sundries	2,996	-	153	3,149	6,530
	<u>162,091</u>	<u>23,565</u>	<u>51,988</u>	<u>237,644</u>	<u>212,458</u>

In 2016, £23,761 of donation income related to restricted funds and £23,913 to designated funds.

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted Funds	Designated Funds	Restricted Funds	Total funds 2017	Total funds 2016
	£	£	£	£	£
Storehouse sale of goods	-	-	105	105	367
Refresh Cafe	20,488	-	-	20,488	24,199
Catering	7,540	-	-	7,540	11,148
Children and youth	3,054	-	-	3,054	5,864
Older persons work	4,679	-	-	4,679	4,730
	<u>35,761</u>	<u>-</u>	<u>105</u>	<u>35,866</u>	<u>46,308</u>

In 2016, £367 of income from charitable activities related to restricted funds.

4. INCOME FROM OTHER TRADING ACTIVITIES	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	£	£	£
Church lettings	88,637	88,637	105,617
	<u>88,637</u>	<u>88,637</u>	<u>105,617</u>

In 2016 all income from other trading activities related to unrestricted funds.

5. INVESTMENT INCOME	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	£	£	£
Bank Interest	355	355	439
	<u>355</u>	<u>355</u>	<u>439</u>

In 2016 all of the investment income related to unrestricted funds.

6. EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted Funds	Designated Funds	Restricted Funds	Total funds 2017	Total funds 2016
	£	£	£	£	£
Missionary and charitable giving	7 23,804	-	36,649	60,453	36,079
Ministry	8 184,322	6,000	23,804	214,126	276,865
Upkeep	9 46,643	-	-	46,643	33,876
Governance	10 3,690	-	-	3,690	3,480
	<u>258,459</u>	<u>6,000</u>	<u>60,453</u>	<u>324,912</u>	<u>350,300</u>

In 2016, £36,060 of the total expenditure on charitable activities related to restricted funds and £2,400 related to designated.

# Easthampstead Baptist Church

## Notes to the Financial Statements for the year ended 31 December 2017

7. MISSIONARY AND CHARITABLE GIVING	Unrestricted Funds	Restricted Funds	Total Funds 2017	Total Funds 2016
	£	£	£	£
BU Home Mission	4,500	-	4,500	4,500
Baptist Missionary Society World Mission General	1,000	-	1,000	1,000
Sierra Leone – Tombo Church	-	-	-	2,000
Tear Fund - general	3,000	-	3,000	3,000
Tear Fund – Haiti	-	-	-	250
Toybox Charity	1,500	-	1,500	1,506
Samaritan's Purse – Xmas shoeboxes	703	577	1,280	1,094
Dorothy – Springer Trust	5,800	-	5,800	5,800
Homestart	-	148	148	-
Storehouse	-	3,845	3,845	6,182
Cheshire homes	4,353	2,500	6,853	4,000
Mission direct	96	204	300	558
Mission support – general	-	-	-	3,862
Mission support – Sierra Leone	1,015	29,375	30,390	-
Others	1,837	-	1,837	2,327
	<u>23,804</u>	<u>36,649</u>	<u>60,453</u>	<u>36,079</u>

8. MINISTRY	Unrestricted Funds	Designated Funds	Restricted Funds	Total funds 2017	Total funds 2016
	£	£	£	£	£
Trustees' remuneration	50,213	-	-	50,213	68,191
Trustees' pension costs	7,093	-	-	7,093	8,453
Wages and salaries	51,229	-	-	51,229	78,415
Social security costs	11,806	-	-	11,806	7,718
Pension costs	914	-	-	914	420
Travel costs	1,107	-	-	1,107	1,089
Assistant Minister housing allowance	5,680	-	-	5,680	5,822
Senior Minister housing	-	-	-	-	6,885
Telephone costs for Ministers	262	-	-	262	394
Conferences and training	2,932	-	-	2,932	1,950
Evangelism & publicity	3,106	-	-	3,106	4,002
Website costs	882	-	-	882	896
Affiliation fees & worship costs	1,644	-	-	1,644	2,977
Catering	5,543	-	-	5,543	7,640
Youth & Children	6,264	-	-	6,264	10,870
Older Person's work	4,500	-	-	4,500	5,309
Special events	-	-	-	-	164
Refresh café running costs	10,991	-	-	10,991	14,121
Depreciation	-	-	19,780	19,780	20,028
Storehouse	-	-	3,871	3,871	3,566
TV Licence	146	-	-	146	146
Internal work on building	-	-	-	-	3,880
Office & Administration costs	10,717	-	-	10,717	12,270
Replacement equipment	5,295	-	-	5,295	3,752
Extension planning and hall refit	-	-	-	-	430
Sundries	1,455	-	153	1,608	3,132
Ministry materials	281	-	-	281	367
Ministry unto Church	1,310	-	-	1,310	507
Hall hire	952	-	-	952	1,071
Gift Day – 2017	-	6,000	-	6,000	2,400
	<u>184,322</u>	<u>6,000</u>	<u>23,804</u>	<u>214,126</u>	<u>276,865</u>

**Easthampstead Baptist Church**

**Notes to the Financial Statements  
for the year ended 31 December 2017**

<b>9. UPKEEP OF CHURCH PREMISES</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2017</b>	<b>Total Funds 2016</b>
	£	£	£
Heat, light, power and water	4,055	4,055	4,829
Insurance and maintenance	12,558	12,558	15,749
Caretaker and cleaner salaries	30,030	30,030	13,298
	<u>46,643</u>	<u>46,643</u>	<u>33,876</u>
<b>10. GOVERNANCE</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2017</b>	<b>Total Funds 2016</b>
	£	£	£
Independent examiner's fee	3,690	3,690	3,480
	<u>3,690</u>	<u>3,690</u>	<u>3,480</u>
<b>11. OTHER TRADING ACTIVITIES</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2017</b>	<b>Total Funds 2016</b>
	£	£	£
Salaries	22,945	22,945	26,795
Heat, light, power and water	2,704	2,704	3,143
Consumables & other	1,790	1,790	924
	<u>27,439</u>	<u>27,439</u>	<u>30,862</u>
<b>12. NET EXPENDITURE FOR THE YEAR</b>			
This is stated after charging:	<b>2017</b>	<b>2016</b>	
	£	£	
Trustees' remuneration	50,213	68,191	
Trustees' pension costs (defined contribution scheme)	7,093	8,453	
Housing allowance	5,680	12,707	
Depreciation	19,780	20,028	
Independent examiner's remuneration:	<u>3,690</u>	<u>3,480</u>	
<b>13. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL</b>			
<b>Total staff costs were as follows</b>	<b>2017</b>	<b>2016</b>	
	£	£	
Wages and salaries	101,442	146,606	
Social security costs	11,806	7,718	
Pension costs (defined contribution scheme)	8,007	8,873	
Housing allowance	5,680	12,707	
	<u>128,042</u>	<u>175,904</u>	
<b>Particulars of employees:</b>			
The average number of employees during the year was as follows:	<b>2017</b>	<b>2016</b>	
	No	No	
Ministry	7	10	
Upkeep of Church Premises	1	1	
	<u>8</u>	<u>11</u>	

No employees received employee benefits (excluding employer pension costs) in excess of £60,000 (2016: £nil).



# Easthampstead Baptist Church

## Notes to the Financial Statements for the year ended 31 December 2017

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

#### 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 £62,986 (2016: £89,351).

The Assistant Minister (Rev S. Littlejohn) received a stipend of £14,568 (2016: £14,283) and housing allowance of £5,680 (2016: £5,822).

One Trustee, Mr S. Lace, received £35,645 as Team Leader (2016: £30,000 as Older Persons' Worker). Mr P Kerslake received £1,420 (2016: £2,130) as the Creative Director.

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 £4,224 (2016: £5,953). 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 £2,512 (2016: £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.

### 14. TANGIBLE FIXED ASSETS

	£	Church Premises £	Fixtures, fittings and equipment £	Total £
<b>COST</b>				
As at 1 January 2017		761,720	164,803	926,523
Disposals		-	(73,015)	(73,015)
<b>As at 31 December 2017</b>		<b>761,720</b>	<b>91,788</b>	<b>853,508</b>
<b>DEPRECIATION</b>				
As at 1 January 2017		144,517	123,661	268,178
Depreciation eliminated on disposal		-	(73,020)	(73,020)
Charge for the year		10,848	8,932	19,780
<b>As at 31 December 2017</b>		<b>155,365</b>	<b>59,573</b>	<b>214,938</b>
<b>NET BOOK VALUE</b>				
As at 1 January 2017		617,203	41,142	658,345
<b>As at 31 December 2017</b>		<b>606,355</b>	<b>32,215</b>	<b>638,570</b>

### 15. DEBTORS

	2017 £	2016 £
Income tax recoverable	2,648	3,073
Prepayments	5,041	2,478
Other debtors	14,523	15,119
	<b>22,212</b>	<b>20,670</b>

### 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other creditors	300	2,610
Accruals	3,690	3,480
	<b>3,990</b>	<b>6,090</b>

# Easthampstead Baptist Church

## Notes to the Financial Statements for the year ended 31 December 2017

### 17. ANALYSIS OF MOVEMENT IN FUNDS

	Balance 1 Jan 2017 £	Incoming resources £	Resources expended £	Transfers £	Funds 31 Dec 2017 £
<b>Unrestricted funds</b>					
General fund	449,343	286,844	(285,898)	-	450,289
	<u>449,343</u>	<u>286,844</u>	<u>(285,898)</u>	<u>-</u>	<u>450,289</u>
<b>Restricted funds</b>					
Church Building Fund	269,204	-	(10,848)	-	258,356
Building Phase 1	11,137	-	(8,932)	-	2,205
Other donations	-	153	(153)	-	-
Pam Jackson	-	20,000	-	-	20,000
Sierra Leone 2017	6,913	22,462	(29,375)	-	-
External Causes	11,452	929	(3,429)	-	8,952
Storehouse	1,961	8,549	(7,716)	-	2,794
Future Missions Fund	3,216	-	-	-	3,216
Food hygiene courses	230	-	-	-	230
Youth equipment	49	-	-	-	49
	<u>304,162</u>	<u>52,093</u>	<u>(60,453)</u>	<u>-</u>	<u>295,802</u>
<b>Designated funds</b>					
Gift Day 2015	26,286	-	-	-	26,286
Gift Day 2016	21,513	-	-	-	21,513
Gift Day 2017	-	23,565	(6,000)	-	17,565
	<u>47,799</u>	<u>23,565</u>	<u>(6,000)</u>	<u>-</u>	<u>65,364</u>
<b>TOTAL FUNDS</b>	<u>801,304</u>	<u>362,502</u>	<u>(352,351)</u>	<u>-</u>	<u>811,455</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.

The funds from Gift Day 2017 are held for works needed at the church including replacing the boiler.

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Total £
Unrestricted funds	378,009	72,280	450,289
Designated funds	-	65,364	65,364
Restricted funds	260,561	35,241	295,802
	<u>638,570</u>	<u>172,885</u>	<u>811,455</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 2017

#### 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 £4,224 (2016: £5,953).

**Easthampstead Baptist Church**

**Notes to the Financial Statements  
for the year ended 31 December 2017**

**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 showing the position at 31 December 2016 is currently underway.