

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**  
**FOR**  
**SCUNTHORPE BAPTIST CHURCH**

**SCUNTHORPE BAPTIST CHURCH**  
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**FOR THE YEAR ENDED 31 MARCH 2019**

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**SCUNTHORPE BAPTIST CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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The trustees present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1131049

**Principal address**

Ashby Road  
Scunthorpe  
DN16 1NR

**Trustees**

T W Macdonald  
P Clark  
A Sturman  
B Berry - resigned 3.9.19  
M Roberts  
P D Johnson - resigned 2.7.19

**Independent examiner**

Helen Spauls  
F.C.A  
Smethurst & Co LLP  
12 Abbey Road  
GRIMSBY  
DN32 0HL

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

**Organisational structure**

Scunthorpe Baptist Church was established over 70 years ago but was not required to be registered as a charity. It registered with the Charity Commission on 10 August 2009 and operates as an unincorporated association in accordance with its constitution, which was adopted on 2 June 2009. The Trustees are appointed through an open and public process by the church members' meeting to be responsible for the governance of the church. Trustees, except for the Lead Pastor, are appointed for an initial three-year term and serve so long as they have the support of the church members' meeting. They have the opportunity to be nominated for re-appointment at the end of each three-year term. The Trustees control, manage and administer the church, subject to any specific or general directions from the church members' meeting. The Lead Pastor, who is also a Trustee, takes responsibility for the implementation of direction set by the Trustees and works through the staff and Leadership Team. In addition, each member of the Leadership Team has responsibility for a particular area of the church's work.

Volunteers are involved in the management, administration and activities of the church, and they play a vital role in ensuring that all of our efforts are carried out to a high standard, are effective to our objectives, and are done so in line with our vision and values as a charity. The trustees would like to place on record their sincere gratitude to all our volunteers.

The trustees during the year were those listed above.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The principal purpose is to advance the Christian faith as well as to advance education and to carry out other charitable activities. The church's vision is 'Here as in Heaven'.

Grants are made as directed by the donor or where the Trustees considers the payment would further the objectives of the church.

**SCUNTHORPE BAPTIST CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

During 2018/19 the church worked hard to fully implement the vision previously adopted. The vision is 'Here as in Heaven', with a mission of 'Raising spirit filled, kingdom minded disciples'. Alongside this we have a set of values which govern how we operate and help us determine our priorities and inform our decision making.

The values are as follows:

We build His kingdom, not our empire  
We are family where everyone is welcome because nobody is perfect  
We give God our first and our best  
We always say yes to the Holy Spirit  
We don't maintain, we multiply  
We consider it a joy to be generous  
We would rather take risks than miss opportunities

In the context of the objectives, the following achievements show how the vision 'Here as in Heaven' has increasingly come to life.

**Communities**

Our work with young adults with additional needs continues to flourish, with a well established group now meeting on a monthly basis for worship, learning, and social activities. The investment of our time and resource in Crosby also continues to be fruitful, with particularly growth within our kids and youth provisions. This has also been supported by the introduction of Holiday Clubs, providing meals and activities for children during the school breaks at Easter and in the Summer.

**Coaching**

We continue to offer Connect Groups throughout the week at different times and locations, making it easier for people to engage on a regular basis. These groups have also provided the best setting in which we can serve the needs of our community, helping us connect with people in a more personal way. We have continued to provide various learning opportunities through events and our weekly gatherings. We have also been encouraged by the teaching and support of various invited individuals and organisations.

**Celebrations**

The SBC family continue to meet each Sunday morning; with many of our church members volunteering in various teams to ensure that this expression of our church life is inclusive and welcoming as well as providing an environment for spiritual growth and Christian worship. We continue to meet as a church for corporate prayer at least once a month.

**Care**

This expresses itself in three distinct areas; pastoral care and prayer ministry which are in the main concerned with care for those in our church community and Pastoral Services, a ministry which offers pastoral visiting and monthly worship services in five local care homes. This year we were able to offer additional Christmas events and activities within the care homes.

**Compassion**

Our foodbank continues to support around 4,000 people annually, and in addition leads a project in the town which gives extra support to families facing difficult situations at Christmas time. Our overseas mission work includes supporting Big Life (via BMS) in both financial giving and prayer, on-going prayer support and fund raising for partners The Way of Hope who operate in Eastern Europe and prayer support for those working in Nepal where one of our members served on a mission trip several years ago. We continue to partner with the charity Compassion, with a significant number of the children sponsored being in a partner project, Awash Sebat Kilo Meserete Kristos Child development centre.

**Children and Young People**

Our Sunday morning activities for children have continued to provide a safe environment for them to explore their faith and to learn about various issues to help them throughout their life. This work has been aided by a network of support for parents and families, led by our Childrens and Families Worker. Our youth gatherings have continued to grow and now meet regularly, with plans to become weekly in the future.

Full details of our activities are given on our website: [www.scunthorpebaptist.co.uk](http://www.scunthorpebaptist.co.uk).

**SCUNTHORPE BAPTIST CHURCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**FINANCIAL REVIEW**

**Reserves policy**

In accordance with the Charities Commission guidance, the Trustees meet regularly during the year to review the level of reserves and consider that at the balance sheet date there were adequate reserves for the church's future plans of £575,119 (2018 - £567,665). The church has a reserves policy of 3 months wages and 3 months utilities and building commitment costs, we have set this amount for the year 2018/19 as £35,000.

Budgets are prepared on an annual basis by the staff and Leadership Team and approved by the trustees and subsequently by the church meeting. Reviews of income and expenditure are carried out quarterly by the Leadership Team and trustees prior to being presented to the church meeting. Those responsible for procurement of goods and services are required to ensure that best value is achieved, and that preferred suppliers are reviewed on a regular basis.

**FUTURE DEVELOPMENTS**

Looking ahead, it is our expectation, following agreement from the membership via a special church meeting vote, that Scunthorpe Baptist Church will complete the transition to become a CIO (Charitable Incorporated Organisation) in this coming year, closely following the recommended guidelines of the Baptist Union throughout this process.

As part of this transition it is our intention that we will also be re-branding as 'Connect Church', and will begin to operation in two locations; Ashby Road and Crosby. It is our hope that this will facilitate new growth and fresh opportunities for us to outwork our objectives.

We continue to see significant growth in our Foodbank project, and moving forward we will be required to seek new ways to strengthen this work and increase its operational and financial sustainability, which will be a priority for the charity trustees.

**PUBLIC BENEFIT**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and complied with section 17 (5) of the 2011 Charities Act when reviewing the aims and objectives prior to planning and developing activities.

**TRUSTEES RESPONSIBILITY STATEMENT**

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 28 January 2020 and signed on its behalf by:

P Clark - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**SCUNTHORPE BAPTIST CHURCH**

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I report on the accounts for the year ended 31 March 2019, which are set out on pages five to twelve.

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

**Independent examiner's statement**

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

Helen Spauls  
F.C.A  
Smethurst & Co LLP  
12 Abbey Road  
GRIMSBY  
DN32 0HL

28 January 2020

**SCUNTHORPE BAPTIST CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2019**

	Unrestricted fund	Restricted fund	31.3.19 Total funds	31.3.18 Total funds
Not es	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income	134,946	15,758	150,704	142,886
Investment income	2 10,650	-	10,650	9,286
<b>Incoming resources from charitable activities</b>				
Core	-	-	-	550
<b>Other incoming resources</b>	<u>2,738</u>	<u>1,000</u>	<u>3,738</u>	<u>4,372</u>
<b>Total incoming resources</b>	148,334	16,758	165,092	157,094
<b>RESOURCES EXPENDED</b>				
<b>Charitable activities</b>				
Ministry	11,238	-	11,238	41,363
Mission	27,681	14,267	41,948	44,743
Establishment	45,111	1,887	46,998	42,811
Administration	51,550	-	51,550	40,673
Grants	<u>5,904</u>	<u>-</u>	<u>5,904</u>	<u>13,008</u>
<b>Total resources expended</b>	<u>141,484</u>	<u>16,154</u>	<u>157,638</u>	<u>182,598</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	6,850	604	7,454	(25,504)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>547,387</u>	<u>20,278</u>	<u>567,665</u>	<u>593,169</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>554,237</u></u>	<u><u>20,882</u></u>	<u><u>575,119</u></u>	<u><u>567,665</u></u>

The notes form part of these financial statements

**SCUNTHORPE BAPTIST CHURCH**

**BALANCE SHEET**  
**AT 31 MARCH 2019**

	Not es	Unrestricted fund £	Restricted fund £	31.3.19 Total funds £	31.3.18 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	461,869	-	461,869	478,849
<b>CURRENT ASSETS</b>					
Debtors	7	6,690	-	6,690	6,498
Cash at bank		<u>139,748</u>	<u>20,882</u>	<u>160,630</u>	<u>211,036</u>
		146,438	20,882	167,320	217,534
<b>CREDITORS</b>					
Amounts falling due within one year	8	(4,388)	-	(4,388)	(12,183)
		<u>142,050</u>	<u>20,882</u>	<u>162,932</u>	<u>205,351</u>
<b>NET CURRENT ASSETS</b>					
		603,919	20,882	624,801	684,200
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
<b>CREDITORS</b>					
Amounts falling due after more than one year	9	(49,682)	-	(49,682)	(116,535)
		<u>554,237</u>	<u>20,882</u>	<u>575,119</u>	<u>567,665</u>
<b>NET ASSETS</b>					
<b>FUNDS</b>	10				
Unrestricted funds				554,237	547,387
Restricted funds				<u>20,882</u>	<u>20,278</u>
<b>TOTAL FUNDS</b>				<u>575,119</u>	<u>567,665</u>

The financial statements were approved by the Board of Trustees on 28 January 2020 and were signed on its behalf by:

P Clark -Trustee

T W Macdonald -Trustee

The notes form part of these financial statements



## SCUNTHORPE BAPTIST CHURCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

##### **Donations**

Donations are accounted for gross when received.

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income is deferred only when the charity has to fulfil conditions before it becomes entitled to it.

##### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Charitable activities in furtherance of the charity's objectives**

Actual costs are included in the accounts in the year in which they are incurred, inclusive of any irrecoverable VAT.

##### **Tangible fixed assets**

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

Freehold property	- 5% Straight Line and 2% Straight Line
Fixtures and fittings	- 25% Straight Line, 20% Straight Line and 15% Straight Line

Freehold land is not depreciated. Depreciation on fixed assets costing over £250 is calculated to write off the cost on a straight line basis over their expected useful lives.

The church premises owned prior to 2002 are considered to be inalienable and historic fixed assets. They are excluded from the balance sheet because reliable cost information is not available and valuation would incur significant costs, which would be onerous compared to the additional benefit gained by the user of the accounts. Expenditure since 2002 on premises is included in the balance sheet at cost. Furniture and equipment acquired since 2002 for the church premises is included at cost where the expected useful life exceeds 5 years. Fixed assets are reviewed annually for impairment where a market value can be reasonably assessed.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

##### **Pension costs**

Employer's contributions to the defined contribution pension schemes of eligible employees are included in the Statement of financial activity in the year in which they become payable. Obligations under a defined benefit multi-employer plan are recognised as though they were a defined contribution plan. A liability is included for the present value of contributions payable that result from the terms of the agreement with the multi-employer plan and the impact of deficiency contributions are included in the Statement of financial activity.

**SCUNTHORPE BAPTIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

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**1. ACCOUNTING POLICIES - continued**

**Grants payable**

The Church makes grants to other organisations whose charitable objects complement its work. They are accounted for in the year in which they are paid.

**Management and administration**

This represents direct expenditure on the management of the Church. Most of the management is carried out without charge by volunteers. The intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

**Investment income**

Investment income is accounted for in the year in which it is received.

**2. INVESTMENT INCOME**

	31.3.19	31.3.18
	£	£
Rents received	8,700	8,475
Bank interest	<u>1,950</u>	<u>811</u>
	<u>10,650</u>	<u>9,286</u>

**3. GRANTS PAYABLE**

	31.3.19	31.3.18
	£	£
Grants	<u>5,904</u>	<u>13,008</u>

The total grants paid to institutions during the year was as follows:

	31.3.19	31.3.18
	£	£
Home Mission	2,952	6,504
BMS World Mission	<u>2,952</u>	<u>6,504</u>
	<u>5,904</u>	<u>13,008</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

	31.3.19	31.3.18
	£	£
Trustees' salaries	27,451	25,947
Trustees' social security	1,385	1,513
Trustees' pension contributions	<u>4,237</u>	<u>3,304</u>
	<u>33,073</u>	<u>30,764</u>

The above Trustees remuneration relates to pastor, Rev T W MacDonald in respect of his services as Lead Pastor. In addition to the above T W Macdonald, lived rent-free in housing owned or leased by the church, as is customary for clergy. For pension purposes this benefit has been valued at £6,000 (2018 - £6,000).

£4,803 has been paid to the Baptist Pension Trust Limited as Scunthorpe Baptist Church's share of the deficit (2018 - £4,698).

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**SCUNTHORPE BAPTIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

**5. STAFF COSTS**

	31.3.19	31.3.18
	£	£
Wages and salaries	101,084	87,400
Social security costs	3,430	4,193
Other pension costs	<u>6,694</u>	<u>6,549</u>
	<u>111,208</u>	<u>98,142</u>

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

	31.3.19	31.3.18
Church	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 April 2018 and 31 March 2019	<u>667,539</u>	<u>78,072</u>	<u>745,611</u>
<b>DEPRECIATION</b>			
At 1 April 2018	203,552	63,210	266,762
Charge for year	<u>14,172</u>	<u>2,808</u>	<u>16,980</u>
At 31 March 2019	<u>217,724</u>	<u>66,018</u>	<u>283,742</u>
<b>NET BOOK VALUE</b>			
At 31 March 2019	<u>449,815</u>	<u>12,054</u>	<u>461,869</u>
At 31 March 2018	<u>463,987</u>	<u>14,862</u>	<u>478,849</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19	31.3.18
	£	£
Other debtors	<u>6,690</u>	<u>6,498</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19	31.3.18
	£	£
Other creditors	<u>4,388</u>	<u>12,183</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.19	31.3.18
	£	£
Other creditors	<u>49,682</u>	<u>116,535</u>

**10. MOVEMENT IN FUNDS**

**Foodbank**

These funds are given specifically to support our Foodbank project, offering emergency food parcels to people in crisis.

**SCUNTHORPE BAPTIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**10. MOVEMENT IN FUNDS - continued**

**Change for Change**

These funds are loose change donations that are given to allow us to support vulnerable people with one-off support, for example, purchasing a microwave, buying a train ticket etc.

**Crosby**

These funds are given to support our project in Crosby, a particularly challenge area of Scunthorpe. These funds are used to enable our kids and youth provisions in the area.

**Holiday Club**

These funds finance the holiday clubs we provide in conjunction with the local schools and local authority, particularly during the Easter and summer breaks.

**Next Generation**

This is a one-off legacy donation that was given with the express purpose of being used to develop future leaders for service within the charity.

**Media**

This is a one-off gift to allow the purchase of some improved media equipment.

**Big Give**

These funds are used to resource our Christmas 'Big Give' drive, in particular the production of Christmas Hampers, which are donated to needy families in partnership with the local Children's Services.

**Dishwasher**

This is a one-off gift to allow the charity to purchase a new working dishwasher for the kitchen.

**11. RELATED CHARITIES**

The custodian trustee of the church is the Baptist Union Corporation Limited (Charity no. 249635) which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the East Midlands Baptist Association.

The church is in receipt of loans from the Baptist Union Corporation Limited of £Nil (2018- £35,943)

The church has made donations to the Baptist Union Home Mission Scheme and BMS World Mission as set out in note 3.

**SCUNTHORPE BAPTIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

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**12. PENSIONS**

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

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year £6,694 (2018-£6,549).

The Minister and some members of the church staff are eligible to join the Scheme. 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%.] The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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.

**Actuarial Valuation as at 31 December 2016**

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

<b>Type of financial assumption</b>	<b>% pa</b>
RPI price inflation assumption	3.50
CPI price inflation assumption	2.75
Minimum Pensionable Income increases (CPI plus 0.75% pa)	3.50
Assumed investment returns- Pre-retirement	3.50
- Post retirement	2.25
Deferred pension increases	
- Pre April 2009	3.50
- Post April 2009	2.50
Pension increases	
- Main Scheme pension Pre April 2006	2.70
- Main Scheme pension Post April 2006	2.00

Post retirement mortality in accordance with 75% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2007 in line with the CMI 2016 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2019.

**SCUNTHORPE BAPTIST CHURCH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**12. PENSIONS**

**Recovery Plan**

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 16 December 2018, deficiency contributions are payable until 31 December 2028. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

**Movement in Balance Sheet liability**

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

<b>Accounting date (year ending):</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Balance sheet liability at year start	£88,692	£93,230
Minus deficiency contributions paid	-£4,803	-£4,698
Interest cost (recognised in SoFA)	£1,985	£2,000
Remaining change to balance sheet liability *(recognised in SoFA)	-£36,192	-£1,840
Balance sheet liability at year end	£49,682	£88,692

\*Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

<b>Accounting Date</b>	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
Discount rate	2.4%	2.3%	2.2%
Further increases to Minimum Pensionable Income	3.3%	3.2%	3.2%

**13. RELATED PARTY TRANSACTIONS**

During the year the elected Trustees donated £10,240 (2018 - £16,200) to the church.