

Registered number  
07605036

## STOPSLEY BAPTIST CHURCH

Filleted Accounts

31 December 2018

**STOPSLEY BAPTIST CHURCH****Registered number:** 07605036**Balance Sheet****as at 31 December 2018**

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	1,777,668	1,778,653
<b>Current assets</b>			
Debtors	5	31,677	36,360
Cash at bank and in hand		130,105	123,387
		<u>161,782</u>	<u>159,747</u>
<b>Creditors: amounts falling due within one year</b>	6	(25,856)	(59,284)
<b>Net current assets</b>		<u>135,926</u>	<u>100,463</u>
<b>Total assets less current liabilities</b>		<u>1,913,594</u>	<u>1,879,116</u>
<b>Pension liability</b>	7	(51,013)	(90,774)
<b>Net assets</b>		<u>1,862,581</u>	<u>1,788,342</u>
<b>Capital and reserves</b>			
Unrestricted funds		1,818,621	1,764,602
Restricted funds		43,960	23,740
<b>Shareholders' funds</b>		<u>1,862,581</u>	<u>1,788,342</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Mr J Hylton

Director

Approved by the board on 8 July 2019

# STOPSLEY BAPTIST CHURCH

## Notes to the Accounts

for the year ended 31 December 2018

### 1 Accounting policies

#### ***Basis of preparation***

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### ***Income***

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### ***Expenditure***

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to strategic management.

#### ***Allocation and apportionment of costs***

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. time spent or estimated usage as set out in Notes 5 to 8 of the full financial statements.

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

The custodian trustee for the church land and buildings is the Baptist Union of Great Britain Trust. The Trust holds the deeds for the following:

Church	premises	-	main	1,304,000
Old	Chapel	-	GreenHouse	373,774
Land	-next	to	GreenHouse	99,894
Total	Land	&	Buildings	£1,777,668

The current church premises were built in 1994. The property is shown at historic cost within the financial statements. The Old Chapel Building was built in 1869 and was converted for use as a youth centre in 2002. There is no cost included for the original chapel but the refurbishment is included at cost. The land next to it was purchased in 2002 and is included at cost.

The trustees have had the above professionally valued in July 2017, and the open market value of land and buildings exceeds their historic cost for the "current use" of the assets. No depreciation has been charged for buildings due to this valuation.

Equipment costing below £5,000 is not capitalised. Items costing over £5,000 purchased since 1 January 2009 are capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected life. Office equipment depreciation is 20% per year.

### ***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

### ***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

### ***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

### ***Taxation***

The charity is exempt from corporation 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.

Further explanation of the nature and purpose of each fund is included in the notes to the full financial statements.

### ***Pension costs and other post-retirement benefits***

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The charity also makes payments into the The Peoples Pension and Royal London. Contributions payable to these are charged to the Statement of Financial Activities in the period to which they relate.

## 2 Audit information

The audit report is unqualified.

Senior statutory auditor: Mr D M Brown FCA  
Firm: Higginson & Co UK Ltd  
Date of audit report: 08 July 2019

## 3 Employees

	2018 Number	2017 Number
Average number of persons employed by the company	11	10

## 4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 31 December 2018	1,777,668	7,511	1,785,179
<b>Depreciation</b>			
At 1 January 2018	-	6,526	6,526
Charge for the year	-	985	985
At 31 December 2018	-	7,511	7,511
<b>Net book value</b>			
At 31 December 2018	1,777,668	-	1,777,668
At 31 December 2017	1,777,668	985	1,778,653

## 5 Debtors

	2018 £	2017 £
Other debtors	31,677	36,360

## 6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	14,459
Other taxes and social security costs	3,703	4,362
Other creditors	22,153	40,463
	25,856	59,284

## 7 Pension commitments

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, plus any impact of deficiency contributions (see below).

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:

Type	of	financial	assumption	%	pa
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.

## Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan revealed 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.

Accounting date (the year ending):	2018	and	2017
Balance sheet liability at year start	£90,774		£94,370
Minus deficiency contributions paid	-£4,844		-£4,749
Interest cost (recognised in SoFA)	£1,944		£2,208
Remaining change to balance sheet liability* recognised in SoFA	-£36,861	£	1,056

Balance sheet liability as at year end £51,013 £90,774

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

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

Accounting date	2018	2017	2016
Discounted rate	2.4%	2.2%	2.4%
Future increases to Pensionable Income	3.3%	3.1%	3.3%
		Minimum	

The profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church paid to the Baptist Pension Scheme is £8,776 (201 £8,605).

Contributions were also made to The Peoples Pension of £1,460 (2017 £721) and Royal London of £1,969 (2017 £1,730) within the financial year.

## **8 Related party disclosure**

Hullabaloo and the Lounge are part of The Stopsley Project, in which one of the trustees is also a trustee of Stopsley Baptist Church.

During the year, Stopsley Baptist Church was charged £12,157 (2017 £10,528) by the Lounge for refreshments for Sunday services and other events. In addition, donations of £5,318 (2017 £4,791) were made to The Stopsley Project.

## **9 Other information**

Stopsley Baptist Church is a Private Company Limited by Guarantee and incorporated in England. Its registered office is:

Stopsley Baptist Church

St Thomas' Road

Luton

Beds

LU2 7XP

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