

CIRENCESTER † BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT & ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017



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Cirencester Baptist Church
Annual Report 1st January 2017 to 31st December 2017

Statutory Information

Name of Charity: Cirencester Baptist Church (Sometimes shortened to CBC)

Registered Charity Number: 1127222

Registered Address:

Chesteron Lane
Cirencester
Gloucestershire
GL7 1YE

Trustees

Mr Matthew Frost (Senior Pastor)
Mr Philip Trainer (Assistant Pastor)
Rev. Robert Morris (Youth and Children's Pastor)
Mrs Naomi Shrubsole (Youth and Children's Pastor)
Mr Peter Marrow (Secretary)
Mrs Caroline McKemey (Treasurer)
Mrs Clare Baker
Mr Steve Chandanam
Mr Derek Coldrick
Mr Dorian Ferdinando
Mr Granville Gray
Mr Colin Lawford
Dr Michael McKemey
Mr Martin Rigley
Mr Michael Sharp

Property Trustees

The Baptist Union Corporation Limited, Registered Charity No. 249635
Baptist House
129 Broadway
Didcot
Oxfordshire OX11 8RT

Other Officers

Administrator	Mrs Pat Lee
Pastoral Worker	Miss Ann-Rachel Harwood
Friday Under Fives Worker	Mrs Stephanie Kingsley
Facilities Manager	Mr Steven Chandanam

Bankers

Lloyds TSB Bank plc
14 Castle Street
Cirencester
Gloucestershire
GL7 1QJ

Auditor

MHA Monahans
38-42 Newport Street
Swindon, Wilts
SN1 3DR

Annual Report for 2017

The Trustees present their Annual Report and financial statements for 2017.

(a) Objectives and Activities

The Charity is governed by an Approved Governing Document (Constitution), adopted at a Special Church Members' Meeting on the 9th September 2008. This states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and other parts of the world. The Church occupies premises that are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above objectives.

In order to achieve the charitable objectives which are set out above, the Church provides a variety of activities both to its Membership and to the community generally. The Trustees of the Church have considered and have regard to the Charity Commission guidance on public benefit.

The principal activities of the Church may include, but are not restricted to:

- regular public worship, prayer, Bible study, preaching and teaching;
- baptism, as defined in the Baptist Union's Declaration of Principle;
- the communion of the Lord's Supper which is normally observed at least once a month;
- evangelism and mission, locally, regionally, nationally and internationally;
- the teaching, encouragement, welcome and inclusion of young people;
- nurture and growth of Christian disciples;
- education and training for Christian and community service;
- giving and encouraging pastoral care;
- supporting and encouraging charitable social action in the United Kingdom and abroad;
- encouraging relationships with and supporting Baptist and other Christians.

To undertake activities as a means of achieving the Charitable Objectives, the church works on its own, or with other churches or groups. The aim is to show the love of Jesus Christ in both word and deed; to bring people into a closer relationship with Him as living Lord; to support and encourage charitable social action; and to encourage relationships with other Christians.

Central to the work and witness of the church is the provision of regular public services of Christian worship. These services take place twice on each Sunday morning and again each Sunday evening. There are also occasional services at other times which are advertised within the church and its website at www.cirencester-baptist.org. Services of a special nature are advertised more widely in Cirencester. There is a full programme for children and young people during the 10.30am service on Sundays. A monthly All Age Worship service provides a choice of involvement and activity for all ages. Each of the Sunday services has its own style to suit the differing preferences of the church and community. The church seeks to be a friendly and welcoming community and anybody is free to attend any of these services.

The church runs a series of house groups for friendship, the growth of faith, pastoral care and relationship with the local community. By the end of 2017 there were 21 such groups, comprising some 250 people meeting in various homes throughout the catchment area of the church, namely Cirencester and surrounding villages & towns. The Bible study element of these groups follows the Sunday service teaching. All who consider themselves part of the church are encouraged to integrate into the life of a house group. Details of these groups are advertised in the church news sheet.



The Church is privileged to have contact with many children and young people. On Sunday mornings they are mainly from families who worship with us regularly, and on average about 120 attend each week. We have an established monthly music-based worship event called 'Revive' which is designed to appeal to young people in the church and community. This is in addition to the 3 midweek youth house groups that regularly attract 35 young people each week.



Our weekly Friday-Under-Fives' parent & toddler group continues to run two weekly sessions giving encouragement and support to over 200 pre-school families. The church employs someone for eight hours a week to help run this successful activity 'Messy Church' runs once a quarter and provides 'alternative' church for families who are less keen



on the formality of Sunday worship or who are otherwise occupied on Sunday mornings. Its style is relaxed and activity based and appreciated by those who attend.

Also, the two mid-week youth club events that cater for boys and girls aged 10-16, are attended by about 200 young people who generally have no other church connection, except for the regular school assembly and Bible study input by the church.

There are a large number of other church activities which provide a means of friendship, encouragement, practical support and growth in Christian faith to all in the church. These cater for different ages, genders and interests, and contribute to the ethos and life of the church. They are a means of encouraging new people to come among us and benefit from what we provide.

Numerous special events and regular activities took place during the year to provide opportunities for deepening friendships. Our regular groups and meetings include a monthly curry club, a banner making group, a craft group called Creative Hands and Hearts, a monthly lunch club for those around during the day, a monthly support group for widow(er)s, a monthly book club, Cirencester Pilgrims (2 football teams), a monthly prayer breakfast and a weekly prayer meeting. We also ran a newcomers' house group. The Freedom in Christ course was run, and was very well received. A team from CBC started 'Eat Lunch' – a school holiday initiative offering a warm welcome, games, crafts and a free hot healthy lunch to families who may need some extra support during the holidays.



In November 240 from the church went away for the weekend to Shropshire. Tim and Hils Grew from Trinity Church Cheltenham were our speakers. We were also joined by Matt and Brownwen Coe, CBC's missionaries in Germany.



Children's Ministry at weekend away



Churches Together Good Friday March of Witness

The church is involved in numerous community activities, some Christian and some secular. We work closely with the other churches in Cirencester. A long running joint involvement has been with the Alpha course, which seeks to help those who wish to explore the Christian Faith.

Members of the church are part of the chaplaincy team at Cirencester Hospital, and our senior pastor is chaplain at the Royal Agricultural University.

Several members of the Church are involved with Cirencester Home-Start, which provides support for parents of young children in the community. The Church continues to assist with the Churn Neighbourhood Project, which provides support in the community. The Cirencester, Fairford and Tetbury Foodbank moved its warehouse to the basement of our new church building. Members of the church form part of a team of Christians Against Poverty (CAP) money coaches who run courses to empower people in the church and community to manage their money well and avoid debt. In addition, many individual Church Members have responsibilities and involvement in a whole range of community activities. Examples are the frequent 'Open the Book' Bible drama presentations in primary schools within Cirencester and surrounding villages, taking services in local retirement homes and the Street Pastors scheme in Cirencester. The church helped to host a large public debate around the general election – it was chaired by the senior pastor.



Cirencester Foodbank

Our concern is not only for people in the church and the local community, but further afield too. We partner church members (and former church members) working as missionaries in Germany with Teach Beyond, the UK and South East Asia with Interserve. In each case, they continue to be supported through mission agencies as we consider that provides them with a more secure support base. We also support missionaries in Bangladesh through the Baptist Missionary Society World Mission. Members of the church have been involved in regular short-term missions and several of our young people served communities overseas for short term visits.

In 2017 we sent a team on a week-long mission, working in close contact with the church and its Pastor. They gave practical support to the church and community. This is the final trip to Tolica, and we are now developing a similar relationship with a group of churches in northern Romania.

Again, CBC collected shoeboxes for Operation Christmas Child and decorated and filled over 200 boxes with presents.

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Operation Christmas Child Shoeboxes

The most obvious change in 2017 was the move into our new purpose built church building. Following 3 years of planning, praying, giving and discussion the building was completed in December 2016 and 'opened for business' in January 2017. We had a very successful opening weekend with over 1000 people in attendance. The use of the building has grown and grown over the year with many more people at services, youth club, toddler group and other church activities.



Also, many new outside groups have started to use the building during 2017 including the Fine Arts Society, Blood Donation service, Stronger for Longer, Cirencester Singers, U3A groups, Cirencester Camera Club, National Trust, NHS together 'Let's Talk' groups, Shine (post-natal support group) & Cotswold District Council. From September 2017, the church employed a part time Facilities Manager to help serve our building users.

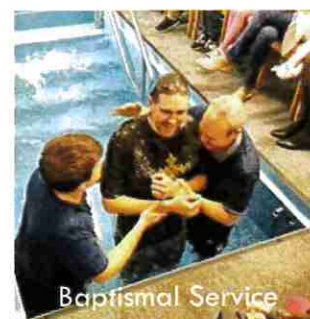
We have been able, through the generosity of many in the church, to continue to pay the mortgage on the new building from the Baptist Building Fund and the Baptist Union Corporation.

The Trustees are satisfied that the activities outlined above demonstrate clearly that the charity is providing a benefit to the public.

(b) Achievements and Performance

The Church does not only measure the success of its programs in numbers, including financial numbers, but also in less tangible areas like fellowship, support and encouragement. The Trustees recognise that these are difficult to measure, but believe that 2017 was a positive year in the life of the church, and that we will be able to pursue our mission purposes in 2018 with faith and enthusiasm.

Four people were baptised following a profession of faith in Jesus Christ. We were pleased to welcome 23 new people into church membership. 9 of our members joined our Friends List or were removed from membership; 2 of our members died during the year. On 31st December 2017 the membership stood at 279, which was a net increase of 12 over the year. We were delighted that 2 babies were born to families in the church and there were two weddings at the church during the year.



The congregation at CBC has continued to grow in numbers during 2017. This is welcome, and is hopefully also allied to a growth in community, spirituality and service.

Towards the end of 2017 those who volunteer within the life of the church numbered at least 250 (and this says nothing of those who are also serving elsewhere in their local communities). This is a measure of the activities and enthusiasm of the congregation.

By the end of 2017 the weekly Sunday services were being regularly attended by over 450 people.

The house groups in the church play an important part in the life of the church. The church leadership has invested in training and encouraging the leaders of these groups who become increasingly important in the pastoral ministry of CBC. Leaders of pastoral ministries meet regularly, as a pastoral forum, to ensure we are serving and caring for everyone in the church. The mainstays of our pastoral care continue to be house groups and personal relationships.

We have continued to support Kings Stanley Baptist Church, and CBC has also taken oversight of Arlington Baptist Church in Bibury (a small village 7 miles from Cirencester), helping the congregation with practical matters and finding a way forward for the church and its mission.



(c) Financial Review

The church continues to raise funds that it needs to carry on its activities from within its own congregation. The church is heavily dependent on its congregation working voluntarily in all aspects of our activities, many of which run with little or no impact on the church's expenditure; but nevertheless contribute substantially to the achievement of our objectives.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. Our total income was £606,612 - £367,973 to the general fund and £238,638 to the restricted fund. Our total expenditure was £551,542. This is made up as follows, £367,620 from the general fund and £54,178 from the restricted and £129,744 from endowment funds. We ended the year with a deficit of £759 and reserves of £54,896 in the general fund; £110,012 in restricted funds; £2,215,142 in the endowment fund and £42,952 in the unrestricted fixed asset fund. Our reserves policy states that there should be reserves of three months of normal church General Fund expenditure. Our move to the new building and employment of extra staff has all contributed to increases in our General Fund expenditure. The Trustees are aware of this and of the need to increase our reserves. We have included in our 2018 budget a provision to set aside funds to increase these reserves yearly until we have reached a satisfactory level. However, the Trustees are satisfied that we have sufficient anticipated ongoing income, to enable the church to function effectively in the coming year.



The most significant expense this year has been the construction of the new church and community centre. This has been funded by selling the church and cottages in Coxwell Street, restricted gifts from the congregation, a grant from a local charity and ongoing loans from the Baptist Building Fund, Baptist Union Corporation

and church members. We are continuing to raise funds until the loans are paid off. Another significant expense is the employment of 3 full-time ministers; a part-time youth minister, Pastoral Worker, Friday-Under-Fives Worker, Administrator and the new appointment of a Facilities Manager; to lead and co-ordinate the church's activities. These

activities include Sunday services, pastoral care for the congregation and other people. They also encourage the congregation in its life, Christian witness and service.

A further significant expense is the support of both overseas and UK mission and outreach. The Church expresses its part in the wider Christian community by making grants to national and international Christian organizations and societies with aims and objectives compatible with the church's own charitable purpose.

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies in place to minimise risk.

(d) Structure, Governance and Management

Those seeking Church membership are accepted into membership in accordance with the Approved Governing Document (Constitution). Church Members' Meetings are held on at least 4 occasions in the year, but it is normal practice to meet bi-monthly which was the case for 2017. At these meetings, the Members seek to discern the mind of God for the overall policy and affairs of the Church.

In accordance with the Constitution, the Members appoint Trustees, both Elders and Deacons. These, together with the Ministers, Church Secretary and Treasurer (who are also appointed by the Members), are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. Trustees, both men and women, must be baptised Church Members securing the support of at least 66% of the Members voting by secret ballot at a Church Members' Meeting. Apart from the Ministers (also Trustees), they are appointed for a period of 3 years, subject to the on-going support of the Church Members' Meeting. Trustees meet at least bi-monthly to consider the affairs of the Church. All Members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objectives. Relevant matters may be submitted to the Church meeting by the Trustees for consideration, or may be raised by Members in Church Meeting for consideration by the Trustees and Members. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

The major risks to which the church is exposed have been identified by the Trustees as follows, and systems have been established to manage these risks:

- Governance risks – Constitution adopted 09/12/08 outlining procedures for membership; members' meetings; appointment, role, responsibility and removal of charity trustees.
- Operational risks – On-going staff and volunteer training; Safeguarding policy and procedures in place (Baptist Union 'Safe to Grow'); Disclosure & Barring Service (DBS) checks of all staff and volunteers working with young people and vulnerable adults; Health, Safety & Fire policy in place (reviewed & updated in 2017); First Aid Courses; Adherence to Baptist Union guidelines and consultation with BU advisors on wide range of issues.
- Financial risks – Financial Procedures Policy in place and reviewed regularly.
- External risks – Regular updates and advice on government policy received from Baptist Union and Evangelical Alliance.
- Compliance with law and regulations - Employer, public and charity trustee indemnity insurance in place and reviewed annually.



(e) Future Plans for 2018

- To continue to develop spirituality, friendship, hospitality and care among our members.
- To welcome new people into the life of the church, and to reach out to our local communities with the good news of Jesus. We expect the church to continue to grow in numbers.
- To maximize the opportunities of our new church building to serve the local community and share the gospel.
- To start new house groups in Cirencester and other local towns and villages.
- To strengthen our supportive relationships with smaller churches in our area - in particular Kings Stanley Baptist Church and Arlington Baptist Church, Bibury.
- To increasingly welcome the local community to make use of the facilities that we have in our building.
- To explore the opportunity for planting a new church.
- To strengthen the role of the local cluster of Baptist churches in the Cotswolds.
- To grow CBC's ministry to young people and schools in the area.
- To seek opportunities to serve those in need in the local area.
- To encourage people from our church to serve and support those who are overseas.

(f) Trustees' responsibilities statement

The 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 & Wales 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 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 2015 (FRS 102);
- 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;
- 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, the Charities (Accounts and Reports) Regulations 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.

(g) Auditors

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

(h) Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signatory		
Full Name	Peter Marrow	Caroline McKemey
Position	Church Secretary	Church Treasurer

Date

**Cirencester Baptist Church
Statement of Financial Activities
Year ended 31 December 2017**

	Notes	Unrestricted £	Restricted £	Endowment £	Total 2017 £	2016 £
Income and endowments from:						
Donations and legacies	2	320,795	236,288	0	557,083	664,571
Investments	3	484	0	0	484	5,518
Income from charitable activities						
Use of premises		17,104	0	0	17,104	3,742
Church Weekend away		20,256	0	0	20,256	0
Other trading activities						
Fundraising activities - New Church Building		0	2,350	0	2,350	10,386
Other		9,335	0	0	9,335	9,254
Total income		367,973	238,638	0	606,612	693,471
Expenditure on:						
Charitable Activities - Church	4 - 5	367,620	54,153	58,945	480,718	442,919
Raising Funds	11	0	25	0	25	1,754
Loss on disposal of Fixed Assets	6	0	0	70,799	70,799	0
Other		0	0	0	0	(1,191)
Total expenditure		367,620	54,178	129,744	551,542	443,482
Net Incoming Resources before other adjustments		352	184,460	(129,744)	55,068	249,989
Transfers Between Funds	11	41,840	(161,629)	119,789	0	0
Net Movement in Funds		42,192	22,831	(9,955)	55,068	249,989
Total Funds Brought Forward		55,655	87,181	2,225,097	2,367,933	2,120,326
Total Funds Carried Forward		97,847	110,012	2,215,142	2,423,001	2,367,933

All income and expenditure derive from continuing operations

**Balance Sheet
31 December 2017**

	Notes	2017 £	2017 £	2016 £	2016 £
Tangible Fixed Assets	10		<u>3,723,797</u>		<u>4,636,433</u>
			3,723,797		4,636,433
Current Assets	7				
Debtors		36,006		34,073	
Bank and Cash		176,245		113,286	
Total Current Assets		<u>212,251</u>		<u>147,359</u>	
Current Liabilities - due within one year					
Creditors - Loans	8	309,267		884,469	
Creditors - New Building	8	36,000		0	
Creditors - General	8	8,343		3,061	
Total Current Liabilities		<u>353,610</u>		<u>887,530</u>	
Net Current Assets			<u>(141,359)</u>		<u>(740,171)</u>
Creditors - due over one year					
Baptist Union Loan	9	939,436		1,276,867	
Baptist Building Fund Loan	9	120,000		150,000	
Mortgage - 4 Sudeley Drive	9	100,000		100,000	
			<u>(1,159,436)</u>		<u>(1,526,867)</u>
Total Net Assets			<u>2,423,002</u>		<u>2,369,395</u>
Funded by:					
Endowment (property fund)	11		2,215,142		2,185,389
Restricted Funds	11		110,012		87,181
Unrestricted Fixed Asset Fund	11		42,952		39,708
General Fund	11		54,896		55,655
Total Funds			<u>2,423,002</u>		<u>2,367,933</u>

Signed on behalf of the Trustees by:

Caroline McKemey - Treasurer

Peter Marrow - Church Secretary

Date:

Cirencester Baptist Church Notes to the Accounts Year ended 31 12 2017

1. Accounting Policies

a Basis of Preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The 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.

The 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 the 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) 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.

The trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. All collections and other donations are accounted for gross when received. Investment income, rent and other income are accounted for when receivable.

c Grants payable

The church makes grants to individuals and also other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

d 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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

e Volunteers

Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since it is not practical to measure the value of the volunteers' time.

f Endowment

The endowment funds represent the value of buildings owned and used by the church. In the opinion of the Trustees the endowments are expendable, but the church may not sell any of its property without the express permission of the holding trustees, Baptist Union Corporation.

g Funds

Unrestricted funds comprise general funds which the church can use for ordinary purposes, and designated funds which the church has allocated to particular purposes.

Restricted funds represent monies received or invited by the church for a specific purpose. The funds may only be expended on the specific purpose for which they were given.

Transfers from the general fund to restricted funds occur when the expenditure on the restricted fund has exceeded the income.

h Pension costs and other post-retirement benefits

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 Ministers and some members of the church staff 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 (or 3% if the employer is in the segregated DC section) 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 was 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 are 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 now 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 pension cost for the Church is £19,060 (2016: £19,113).

The next actuarial valuation of the DB Plan within the Scheme, showing the position at 31 December 2016 is currently underway.

i Current assets

Amounts owing to the charity at 31st December in respect of fees, rents or other income are shown as debtors less provisions for amounts that may prove uncollectable.
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j Current liabilities

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.

k Financial risk management

The charity has minimal exposure to customer credit risk, liquidity risk and market risk. Please refer to the risk section of the trustees' annual report for information on how risks are managed. The charity does not have any non-basic financial instruments.

l Tangible fixed assets

Tangible fixed assets are recorded at cost and depreciation is calculated to write off the cost, less estimated residual value over their expected useful lives. Fixed assets costing more than £250 are capitalised.

Depreciation is provided at the following rates on a straight line basis:

Land	0%
Buildings	2%
Computers and other electronics	25%
Furniture and fittings	10%

2 Donations and legacies

	Unrestricted £	Restricted £	Endowment £	2017 £	2016 £
Offerings & donations	265,233	136,886	0	402,120	462,528
Grants received	0	75,000	0	75,000	110,350
Tax refunds	55,562	24,401	0	79,963	91,693
	<u>320,795</u>	<u>236,288</u>	<u>0</u>	<u>557,082</u>	<u>664,571</u>

2a Donations from Trustees

Total donations of £46,156 were received from trustees. These donations were all given without conditions. Trustees also donate via church plate collections. These amounts are not recorded separately

2b Related Party Transactions

Total donations of £18,607 were received from close family members of trustees. These donations were all given without conditions. They may also donate via church plate collections. These amounts are not recorded separately. There were no other related party transactions.

3 Income from investments

	2017 £	2016 £
Bank interest	484	240
Rent from investment properties	0	5,278
	<u>484</u>	<u>5,518</u>

4 Expenditure on Charitable Activity

	Unrestricted £	Restricted £	Endowment £	2017 £	2016 £
Ministry					
Total employment costs and expenses	170,628	0	0	170,628	167,179
Visiting preachers	2,089	0	0	2,089	841
	<u>172,717</u>	<u>0</u>	<u>0</u>	<u>172,717</u>	<u>168,020</u>
Mission/outreach					
Grants payable (see note 5)	32,976	27,956	0	60,932	85,335
Junior Church	5,969	0	0	5,969	7,275
Leader training/conferences	3,237	0	0	3,237	3,588
Youth Club	0	7,033	0	7,033	6,604
Friday Under 5s	5,179	4,605	0	9,784	7,199
Ciren Pilgrims (football team)	2,256	0	0	2,256	0
Help Fund	1	2,426	0	2,427	6,768
Churn project	0	0	0	0	250
Church away weekend & days	22,492	0	0	22,492	1,466
Halloween (Magicland)	0	0	0	0	394
	<u>72,110</u>	<u>42,020</u>	<u>0</u>	<u>114,130</u>	<u>118,879</u>
Establishment					
<i>Church</i>					
Heat, light, ins. etc	24,242	0	0	24,242	9,627
Repairs/maintenance	3,631	0	0	3,631	961
Depreciation	8,154	0	58,945	67,100	0
Building loan repayments included in revenue expenditure	0	0	0	0	39,137
Interest Payable on Building Loans	0	12,133	0	12,133	28,443
Hire of premises	0	0	0	0	11,348
Other Costs	12,064	0	0	12,064	9,153
<i>Manses/cottages</i>					
Heat, light, ins. etc	9,786	0	0	9,786	9,236
Repairs/maintenance	95	0	0	95	417
Mortgage payments-4 Sudeley Drive	4,435	0	0	4,435	5,183
	<u>62,408</u>	<u>12,133</u>	<u>58,945</u>	<u>133,485</u>	<u>113,505</u>
Support Costs					
Administrator employment costs	26,753	0	0	26,753	22,560
Facilities Manager employment costs	3,920	0	0	3,920	0
Equipment/audio-visual materials	7,144	0	0	7,144	3,478
Printing/Stationery	6,612	0	0	6,612	6,991
Subscriptions etc	3,331	0	0	3,331	2,811
Postage/Telephone	1,820	0	0	1,820	2,297
Miscellaneous	5,343	0	0	5,343	3,260
Governance Costs					
Independent Examination Costs	0	0	0	0	1,119
Audit fee	5,463	0	0	5,463	0
	<u>60,386</u>	<u>0</u>	<u>0</u>	<u>60,386</u>	<u>42,516</u>
Total Charitable Expenditure	367,620	54,153	58,945	480,718	442,919

Notes to the Accounts (continued)

Staff costs and Trustees expenses

	2017	2016
Salaries - Gross salary	171,212	160,006
Social security costs - employers national insurance	12,207	11,122
Pension - employers contributions	19,060	19,113
Other costs - council tax, water, telephone	8,616	8,155
Total	<u>211,095</u>	<u>198,396</u>

The average number of employees during the year was 8 (2016: 7)
No employee received emoluments in excess of £60,000 (2016 none).

Trustees Remuneration

The following trustees are remunerated by the church for their role as Pastors & Facilities Manager.

	2017	2017
	£	£
	gross salary	employers pension contributions
Rev RP Morris	34,575	7456
Mr M Frost	43,615	3646
Ms N Shrubsole	21,837	2557
Mr P Trainer	33,114	3211
Mr S Chandanam	3,467	349

The gross salaries above include amounts paid as rent

One Trustee, who is also an employee, lived in housing partly owned by the church

Two Trustees, who are also employees, live in housing leased by the church from himself and his spouse

No sums were reimbursed to the Trustees for their work as Trustees (2016 none)

No Trustees were reimbursed expenses (2016 none)

Pension costs

The church pays pension contributions for one of its Ministers to the Baptist Ministers Pension Trust Limited. (see note 11)

Pension contributions are paid to defined contribution schemes on behalf of three of the ministers,

the administrator and the facilities manager. The total pension cost for the church to the defined contribution schemes was £11,604 (2016 £11,730)

No contributions were outstanding at the Balance Sheet date.

5 Grants Payable

	Unrestricted	Restricted	Endowment	2017	2016
	£	£	£	£	£
WEBA Home Mission - to aid Christian mission in the UK	12,000	252	0	12,252	12,270
BMS World Mission - to aid Christian mission worldwide	3,996	262	0	4,258	3,996
The Coes - to aid Christian mission in Thailand (Interserve)	12,000	3,760	0	15,760	34,970
D & J Parker - to aid Christian mission in Thailand (Interserve)	2,030	720	0	2,750	4,438
Moldova & Romania - to aid Christian mission in Moldova & Romania	0	6,771	0	6,771	4,548
Duntisbourne Abbots Deanery - to aid Christian mission	0	0	0	0	313
Pastor Malachi - to aid Christian mission in a Burmese Orphanage	0	0	0	0	1,475
Open Doors Syria - to aid Christian mission in Syria	0	0	0	0	13,672
Nepal/Pakistan Aid - to aid Christian mission in Nepal & Pakistan	0	7,550	0	7,550	3,855
Pastor Daniel - to aid Christian mission in Romania & Moldova	1,200	100	0	1,300	2,700
Samaritans Purse - Shoebox Appeal	0	64	0	64	79
Bala Orphanage - to aid Christian mission in Kenya	0	0	0	0	1,162
New Wine - to aid Christian mission in Brazil	0	2,149	0	2,149	0
New Wine - to aid Christian mission in Kenya	0	0	0	0	0
Help Medina - to aid Christian mission in Sierra Leone	0	375	0	375	0
Christian Aid	0	0	0	0	3
Tear Fund - to aid Christian mission and disaster relief	0	2,928	0	2,928	0
Cirencester Foodbank	0	125	0	125	20
Eat Lunch - to aid Christian mission in UK	0	1,252	0	1,252	0
Cirencester Hospital - to give Christian support to those who are ill	0	393	0	393	0
Signpost - to aid Christian mission in Cirencester	0	930	0	930	0
Churn Project - to support vulnerable & marginalised people in Cirencester	250	0	0	250	0
Open the Book - to aid Christian mission in UK primary schools	500	0	0	500	500
Home for Good - to aid Christian mission in adoption & fostering	0	0	0	0	508
Other	1,000	325	0	1,325	100
	<u>32,976</u>	<u>27,956</u>	<u>0</u>	<u>60,932</u>	<u>84,606</u>

6 Loss on disposal of fixed assets

	2017	2016
	£	£
Book value of Coxwell Street properties at 1 January 2017	925,000	0
Proceeds from sale of Coxwell St properties 27 June 2017	(875,000)	0
Legal and professional fees	20,799	0
Loss on disposal	<u>70,799</u>	<u>0</u>

7 Debtors

	2017	2016
	£	£
Accrued income	32,006	34,073
Other debtor	4,000	0
	<u>36,006</u>	<u>34,073</u>

8 Creditors - Due in less than a year

	2017	2016
	£	£
General Accruals	3,543	3,061
Accrual for Carter's Retention	36,000	0
Baptist Union Bridging Loan	0	642,469
BUC main loan	99,267	0
BBF Loan	15,000	0
Member loans	195,000	242,000
Audit / Independent examination fee	4,800	1,462
	<u>353,610</u>	<u>888,992</u>

9 Secured liabilities

The mortgage is secured by a fixed charge over the property 4 Sudeley Drive.
The Baptist Union Corporation acts as custodian trustees for all the buildings, so holds security for the main building loan.

10 Fixed assets

Tangible Fixed assets	Land and	Other Fixed	Total	2016
	Buildings	Assets		
	£	£	£	£
Cost at 1st January 2017	4,596,725	39,708	4,636,433	3,711,433
Additions	71,065	8,398	79,463	925,000
Disposals	(925,000)	0	(925,000)	0
At 31st December 2017	<u>3,742,790</u>	<u>48,106</u>	<u>3,790,896</u>	<u>4,636,433</u>
Accumulated depreciation at 1st January 2017	0	0	0	0
Charge in year	61,945	5,155	67,100	0
Disposals	0	0	0	0
	<u>61,945</u>	<u>5,155</u>	<u>67,100</u>	<u>0</u>
NET BOOK VALUE				
At 1st January 2017	4,596,725	39,708	4,636,433	3,711,433
At 31st December 2017	<u>3,680,845</u>	<u>42,952</u>	<u>3,723,797</u>	<u>4,636,433</u>

Properties

In 2014, the church agreed the sale of the chapel building and the attached cottages, numbers 33 and 37.
In January 2017 the sale fell through so for the 2016 accounts the properties were added back to fixed assets at the previously agreed selling price of £925,000. On 27th June 2017 the properties were sold for £875,000.
In the trustees opinion, the residual value of the Chesterton Lane property will be at least equal to the current original cost.

In addition to the church building in Chesterton Lane, the church owns 50% of a manse at 4 Sudeley Drive, South Cerney the other 50% being owned by Rev Robert Morris and Mrs Hilary Morris.

11 Funds**Movement in funds**

Restricted funds	1.1.2017	Incoming	Resources	Transfers	31.12.2017
	£	Resources	Expended	ln/(out)	
	£	£	£	£	£
New Building Fund - see analysis below	74,203	199,616	12,159	(161,629)	100,032
BMS World Mission - to aid Christian mission worldwide	145	117	262	0	0
The Coes - to aid Christian mission in Thailand (Interserve)	0	4,390	3,760	0	630
D & J Parker - to aid Christian mission worldwide (Interserve)	0	750	720	0	30
Moldova & Romania - to aid Christian mission in Moldova & Romania	3,268	4,977	6,771	75	1,549
Pastor Daniel - to aid Christian mission in Romania & Moldova	0	100	100	0	0
Youth Club	6,570	4,540	7,033	0	4,077
New Wine - to aid Christian mission in Brazil	0	2,224	2,149	(75)	0
New Wine - to aid Christian mission in Kenya	0	38	0	0	38
Friday Under 5s Toddler group	663	4,290	4,605	0	348
Help fund - providing financial support for those in need	1,139	1,286	2,426	0	0
Youth mission - to aid Christian mission worldwide	270	63	81	0	251
Tear Fund - to aid Christian mission and disaster relief	0	4,213	2,928	0	1,285
Samaritans Purse Children's Ministry offering - Shoebox Appeal	31	406	64	0	373
Nepal/Pakistan Aid - to aid Christian mission in Nepal & Pakistan	0	7,525	7,550	0	(25)
Help Medina - to aid Christian mission in Sierra Leone	0	375	375	0	0
WEBA Home Mission - to aid Christian mission in the UK	0	252	252	0	0
Eat Lunch Childrens' Ministry offering - to aid Christian mission in UK	0	371	0	(371)	0
Eat Lunch - to aid Christian mission in UK	0	2,310	1,252	371	1,429
Cirencester Foodbank	0	125	125	0	0
Cirencester Hospital - to give Christian support to those who are ill	0	390	393	0	(3)
Signpost - to aid Christian mission in Cirencester	893	38	930	0	0
Other	0	244	244	0	0
Total Restricted funds	<u>87,181</u>	<u>238,638</u>	<u>54,178</u>	<u>(161,629)</u>	<u>110,013</u>
New Building Fund - detail	74,203				74,203
- Donations and Grants Received		176,094			176,094
- Gift Aid		21,171			21,171
- Balance - sale proceeds of Coxwell St properties held by BUC				114,201	114,201
- Income from Fundraising events etc.		2,350			2,350
- Capital Repayments				(202,635)	(202,635)
- Loan interest			12,133		(12,133)
- Fundraising costs			25		(25)
- Capital Expenditure from building fund- Provision for Carter's Retention				(36,000)	(36,000)
- Capital Expenditure from building fund				(37,195)	(37,195)
	<u>74,203</u>	<u>199,616</u>	<u>12,159</u>	<u>(161,629)</u>	<u>100,032</u>

All restricted fund assets are held in cash at bank or by the Baptist Union Corporation.
The purpose of each restricted fund is described in the name given to the fund as listed above.

Endowment funds

	1.1.2017	Incoming Resources	Resources Expended	Transfers In/(out)	31.12.2017
	£	£	£	£	£
Endowment funds	2,225,097	0	129,744	119,789	2,215,142
	<u>2,225,097</u>	<u>0</u>	<u>129,744</u>	<u>119,789</u>	<u>2,215,142</u>

Unrestricted funds

	1.1.2017	Incoming Resources	Resources Expended	Transfers In/(out)	31.12.2017
	£	£	£	£	£
Fixed Asset Fund	0	0	5,155	48,106	42,951
General Fund	55,655	367,973	362,466	(6,266)	54,896
	<u>55,655</u>	<u>367,973</u>	<u>367,620</u>	<u>41,840</u>	<u>97,847</u>

Transfers between funds

A transfer of £48,106 has been made from the general fund to the designated fixed asset fund to reflect the net book value of fixed assets used by the charity
A transfer of £73,195 has been made from the general fund to the endowment fund to reflect the closing net book value of the building.
The remaining transfers were made to reflect the movement in the loan accounts so that the closing endowment fund is correctly represented.

Analysis of net assets between funds

	Unrestricted Fund	Restricted Fund	Endowment Fund	2017 Total	2016 Total
	£	£	£	£	£
Fixed assets	42,952	0	3,680,845	3,723,797	4,636,433
Current assets	66,238	146,013	0	212,251	147,357
Current liabilities	(8,343)	(36,000)	(309,267)	(353,610)	(888,992)
Long term liabilities	0	0	(1,159,436)	(1,159,436)	(1,526,867)
	<u>100,847</u>	<u>110,013</u>	<u>2,212,142</u>	<u>2,423,002</u>	<u>2,367,933</u>

Analysis of Endowment fund

	2017	2016
	£	£
Coxwell Street Properties (Church, 33, 37)	-	925,000
New Church Building, Chesterton Lane, Cirencester	3,533,845	3,561,433
50% 4 Sudeley Drive	147,000	150,000
Mortgage on 4 Sudeley Drive	(100,000)	(100,000)
BUC main loan	(1,038,703)	(1,276,867)
BUC bridging loan	-	(642,469)
BBF Loan	(135,000)	(150,000)
Members Loans	(195,000)	(242,000)
	<u>2,212,142</u>	<u>2,225,097</u>

Statement of Cashflows
Year ended 31 December 2017

	2017	2016
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	<u>231,833</u>	<u>1,159,291</u>
Cash flows from investing activities:		
Interest income	484	240
Purchase of tangible fixed assets	(79,463)	(3,528,918)
Proceeds from disposal of fixed assets	854,201	-
Net cash provided by (used in) investing activities	<u>775,222</u>	<u>(3,528,678)</u>
Cash flows from financing activities		
Repayments of borrowing	(962,634)	(10,000)
Cash inflows from new borrowing	20,000	2,136,336
Net cash provided by financing activities	<u>(942,634)</u>	<u>2,126,336</u>
Change in cash and cash equivalents in the year	<u>64,421</u>	<u>(243,051)</u>
Cash and cash equivalents at the beginning of the year	113,286	356,337
Total cash and cash equivalents at the end of the year	<u>177,707</u>	<u>113,286</u>

Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net income/(expenditure) for the year	<u>55,069</u>	<u>247,606</u>
Adjustments for:		
Add back depreciation charges	67,100	-
Loss on disposal of fixed assets	70,799	-
(Gains)/losses on investments	-	-
Deduct interest income	(484)	(240)
(Increase)/Decrease in debtors	(1,933)	910,225
Increase/(Decrease) in creditors	41,282	1,699
Net cash used in operating activities	<u>231,833</u>	<u>1,159,291</u>

13. Comparative Statement of Financial Activities**Statement of Financial Activities
Year ended 31 December 2016**

	Unrestricted £	Restricted £	Endowment	Total 2016 £
Income and endowments from:				
Donations and legacies	284,208	380,363	0	664,571
Investments	5,518	0	0	5,518
Income from charitable activities				
Use of premises	3,742	0	0	3,742
Church Weekend away	0	0	0	0
Fundraising Activities - New Church Building	0	10,386	0	10,386
Other	9,254	0	0	9,254
Total Income	<u>302,722</u>	<u>390,749</u>	<u>0</u>	<u>693,471</u>
Expenditure on:				
Charitable Activities	306,848	136,071	0	442,919
Fundraising costs	0	1,754	0	1,754
Other	0	1,191	0	1,191
Total expenditure	<u>306,848</u>	<u>139,016</u>	<u>0</u>	<u>445,864</u>
Net Incoming Resources before transfers	(4,126)	251,733	0	247,606
Transfers Between Funds	(400)	(292,182)	292,582	0
Net Movement in Funds	<u>(4,526)</u>	<u>(40,449)</u>	<u>292,582</u>	<u>247,606</u>
<i>Total Funds Brought Forward</i>	<i>60,181</i>	<i>127,630</i>	<i>1,932,515</i>	<i>2,120,326</i>
Total Funds Carried Forward	55,655	87,181	2,225,097	2,367,933

Independent Auditor's Report to the Trustees of Cirencester Baptist Church

Opinion

We have audited the financial statements of Cirencester Baptist Church (the 'charity') for the year ended 31st December 2017 which comprise Statement of Financial Activities, Balance sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2017, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we

conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Matter

The comparative financial statements are unaudited.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



MHA Monahans
Statutory Auditor
38-42 Newport Street
Swindon
Wiltshire
Sn1 3DR

Date 11 MAY 2018

MHA Monahans is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.