

CIRENCESTER

BAPTIST CHURCH

TRUSTEES' ANNUAL REPORT & ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016



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Cirencester Baptist Church
Annual Report 1st January 2016 to 31st December 2016

Statutory Information

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

Registered Charity Number: 1127222

Registered Address:	from January 2017
Coxwell Street	Chesterton Lane
Cirencester	Cirencester
Gloucestershire	Gloucestershire
GL7 2BQ	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

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

Bankers

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

Independent Examiner

S G Fraser FCA
Monahans
38-42 Newport Street
Swindon, Wilts
SN1 3DR

Annual Report for 2016

The Trustees present their Annual Report and financial statements for 2016.

(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.



Final Service at Coxwell Street 11th December 2016

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 2016 there were 23 such groups, comprising some 200 people meeting in various homes throughout the catchment area of the church,

namely Cirencester and surrounding villages. 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 100 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 4 midweek youth house groups that regularly attract 40 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 one Saturday afternoon each 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 230 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 support group for widow(er)s, a monthly book club, Cirencester Pilgrims (football team), a monthly prayer breakfast and a weekly prayer meeting. We also ran a course studying the foundations and principles of Christian discipleship. The Freedom in Christ course was run in the autumn, and was very well received.



Cirencester Pilgrims



Away Day at Gorsley

In July about 115 of us enjoyed a day away at Gorsley Baptist Church with guest speaker Ben Davies. In August, about 90 from the church enjoyed fellowship and spiritual input for a week at the New Wine Conference.



Viney Hill Youth Weekend

In November about 40 young people enjoyed a weekend of fun, teaching & activities at the Viney Hill Adventure Centre. These events and activities were significant in deepening friendships and providing encouragement and support for those involved in the life of the church.

Again, we were delighted to note the high percentage of people among us who are involved practically in the life of the church and community.



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, taking part in united-church special events and taking the local Hospital Service from time to time. A long running joint involvement has been with the Alpha course, which seeks to help those who wish to explore the Christian Faith.



Carol Singing at Cirencester Hospital

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 and also the Cirencester and Tetbury Foodbank. 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 issues of the EU referendum – it was chaired by the senior pastor.



The Coe Family in Germany

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, the UK and South East Asia. 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 periods.

The Church continued its relationship of support with a church and village in Tolica, South West Moldova. In 2016 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.

Again, CBC collected shoeboxes for Operation Christmas Child and decorated and filled over 100 boxes with presents.

We continued to hire a school for our largest Sunday morning service; our Church premises are still well used throughout the week by the church and community. We are very willing to respond to requests for use by outside agencies and groups. In 2016, we were able to accommodate 8 different groups, many of them on a weekly basis. Apart from providing accommodation, we feel this also helps to integrate church and local community.

One of the most important areas of church life during 2016 related to our church premises and the construction and development of a new church and community centre. Our new church on Chesterton Lane was constructed by EG Carter Ltd during 2016, with completion in the week before Christmas. With support from the architects (Roberts Limbrick), our employer's agent (Andy Morton of Ascribe Management) and the building team comprising many church members – construction has been swift and on time. We are planning our first services in this new building for Sunday 8th January 2017.



The new building is situated nearer to residential areas of Cirencester and is significantly larger than our existing church premises. The Trustees are confident it will provide the space and facilities we need as a growing church wishing to play an active part in and



serve our community. The cost of development is substantial but the necessary funds have been raised to enable the new building to be completed. The funding has come primarily from the generous giving of church members along with the sale of our manse. We anticipated the sale of our old buildings in Coxwell Street in the next financial year.

We have also been grateful for loans from the Baptist Building Fund and the Baptist Union Corporation along with grants from a number of trust funds.

During the year, the church was approached by the Cirencester and Tetbury Foodbank, who asked if they could move their food warehouse into the basement of the new building. Working with the builder, the church was able to change the plans and they will be moving in during early 2017. Home Start Cotswolds are also planning to move with us into our new building.

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 programmes 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 2016 was a positive year in the life of the church, and that we will be able to pursue our mission purposes in 2017 with faith and enthusiasm.

Seven people were baptised following a profession of faith in Jesus Christ. We were pleased to welcome 20 new people into church membership. 13 of our members joined our Friends List or were removed from membership; one of our members died during the year. On 31st December 2016 the membership stood at 267, which was a net increase of 6 over the year. We were delighted that 10 babies were born to families in the church and there were three weddings at the church during the year.



The congregation at CBC has continued to grow in numbers during 2016. This is welcome, and is hopefully also allied to a growth in community, spirituality and service.

Towards the end of 2016 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.

Last Baptism at Coxwell Street

By the end of 2016 the weekly Sunday service at Deer Park School was being regularly attended by over 270 people, and on occasions up to 350. The other two services at Coxwell Street have about 40 and 60 people at them respectively.

The house groups in the church play an important part in the life of the church. The church leadership have 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 looking to find a way forward for the church and its mission.



Arlington Baptist Church Bibury Baptism

(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 £693,471 - £302,722 is from the general fund and £390,749 is from the restricted fund. Our total expenditure was £444,673. This is made up as follows, £306,848 is general and £137,825 is restricted. We ended the year with a deficit of £4,526 and reserves of £55,655 in unrestricted funds, in line with our reserves policy. The Trustees are satisfied that they have sufficient reserves at the Balance Sheet date, together with 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 unused manse, the church and cottages in Coxwell Street, restricted gifts from the congregation, fund raising and grants from national and local bodies and loans from the Baptist Building Fund and Baptist Union Corporation. 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 and Administrator; 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 risks.

(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 2016. 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 objective. 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; 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 2017

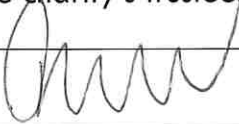
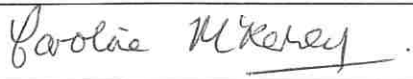
- To continue to develop spirituality, friendship, hospitality and care among our members.
- To welcome new people into the life of the church, and to reach out to our local communities with the good news of Jesus. We expect the church to continue to grow in numbers.
- To maximize the opportunities of 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 new our building.
- 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.

(g) Declaration

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

Signed on behalf of the charity's trustees

Signatory

	
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Full Name

Peter Marrow

Caroline McKemey

Position

Church Secretary

Church Treasurer

Date

1st May 2017

Cirencester Baptist Church
Statement of Financial Activities
Year ended 31 December 2016

	Notes	Unrestricted £	Restricted £	Endowment £	Total 2016 £	2015 £
Income and endowments from:						
Donations and legacies	2	284,208	380,363	0	664,571	578,533
Investments	3	5,518	0	0	5,518	12,880
<u>Income from charitable activities</u>						
Use of premises		3,742	0	0	3,742	3,485
Church Weekend away		0	0	0	0	380
Fundraising activities - New Church Building		0	10,386	0	10,386	6,111
Other		9,254	0	0	9,254	8,160
Total income		302,722	390,749	0	693,471	609,548
Expenditure on:						
Charitable Activities	4 - 5	306,848	68,491	0	375,339	376,164
Fundraising costs	11	0	1,754	0	1,754	0
Interest payable etc	11	0	67,580	0	67,580	0
Loss on disposal of Fixed Assets	6	0	0	0	0	16,233
Total expenditure		306,848	137,825	0	444,673	392,397
Net Incoming Resources before transfers		(4,126)	252,924	0	248,797	217,151
Transfers Between Funds	11	(400)	(293,373)	292,582	(1,191)	0
Movement in value of property	10	0	0	0	0	0
Net Movement in Funds		(4,526)	(40,449)	292,582	247,606	217,151
<i>Total Funds Brought Forward</i>		<i>60,181</i>	<i>127,630</i>	<i>1,932,515</i>	<i>2,120,326</i>	<i>1,903,175</i>
Total Funds Carried Forward		55,655	87,181	2,225,097	2,367,932	2,120,326

Balance Sheet
31 December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Tangible Fixed Assets	10		4,636,433		1,107,515
Investment Property	10		<u>0</u>		<u>0</u>
			4,636,433		1,107,515
Current Assets					
Debtors	7	34,073		944,298	
Bank and Cash		<u>113,286</u>		<u>356,337</u>	
Total Current Assets		147,359		1,300,636	
Current Liabilities					
Creditors - due within one year	8	4,523		2,824	
Baptist Union Bridging Loan		642,469		0	
Church Members' loans		<u>242,000</u>		<u>185,000</u>	
			-741,633		1,112,811
Creditors - over one year					
Baptist Union Loan			1,276,867		
Baptist Building Fund Loan			150,000		
Mortgage - 4 Sudeley Drive	9		100,000		100,000
Net Assets			<u>2,367,933</u>		<u>2,120,326</u>
Funded by:					
Endowment (property fund)	11		2,225,097		1,932,515
Restricted Funds	11		87,181		127,630
General Fund	11		55,655		60,181
Total Funds			<u>2,367,933</u>		<u>2,120,326</u>

Signed on behalf of the Trustees by:

Caroline McKemey - Treasurer

Caroline McKemey

Peter Marrow - Church Secretary

Peter Marrow

Date:

15th May 2017

Cirencester Baptist Church Notes to the Accounts Year ended 31 12 2016

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.

Transition to FRS102 and Reconciliation with previous Generally Accepted Accounting Practice

These financial statements are the entity's first under FRS102. The transition date was 1 January 2015. In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP (FRS102) the statement of comparative items was required. No restatements of items have been required in making the transition to FRS102.

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 Fixed Assets including investment property
All premises are restated annually in the balance sheet at insurance value since in most cases no reliable costs figures are available and a formal valuation would incur significant costs, which would be onerous, compared with the additional benefit gained by any user of the accounts.
The new church building is held at cost until refurbishment work is completed.
50% of Sudeley Drive is owned by the church and has been valued at the trustees' estimate, based on the cost price in 2006.
Other capital expenditure of £5,000 or above is written off in 3 equal instalments. Capital expenditure under £5,000 is written off in the year of acquisition.

g 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.

h 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.

i Pension costs and other post-retirement benefits
The Charity is a member of The Baptists Ministers Pension Trust Limited. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. In accordance with FRSSE therefore, the scheme is accounted for as a defined contribution scheme.
The charity also operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the Statement of Financial Activities in the period to which they relate.

Baptist Pension Scheme

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

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

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited.

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

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

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

The key financial assumptions underlying the valuation were as follows:

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

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church is £7,383 (2014 £6,957).

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 March 2017.

j 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.

k 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.

l 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.

2 Donations and legacies

	Unrestricted £	Restricted £	2016 £	2015 £
Offerings & donations	233,514	229,015	462,528	411,241
Grants received	0	110,350	110,350	81,050
Tax refunds	50,694	40,999	91,693	86,242
	<u>284,208</u>	<u>380,363</u>	<u>664,571</u>	<u>578,533</u>

2a Donations from Trustees

Total donations of £60,062 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 £20,815 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

3 Income from investments

	2016 £	2015 £
Bank interest	240	1638
Rent from investment properties	5,278	11,242
	<u>5,518</u>	<u>12,880</u>

4 Expenditure on Charitable Activity

	Unrestricted £	Restricted £	2016 £	2015 £
Ministry				
Total employment costs and expenses	167,179	0	167,179	166,998
Visiting preachers	841	0	841	1,698
	<u>168,020</u>	<u>0</u>	<u>168,020</u>	<u>168,696</u>
Mission/outreach				
Grants payable (see note 5)	33,234	52,101	85,335	87,492
Junior Church	7,275	0	7,275	7,118
Leader training/conferences	3,588	0	3,588	2,319
Youth Club	0	6,604	6,604	5,927
Friday Under 5s	4,181	3,018	7,199	7,658
Help Fund	0	6,768	6,768	4,854
Churn project	250	0	250	250
Church away days	1,466	0	1,466	50
Halloween (Magickland)	394	0	394	490
	<u>50,388</u>	<u>68,491</u>	<u>118,879</u>	<u>116,158</u>
Establishment				
<i>Church</i>				
Heat, light, ins. etc	9,627	0	9,627	11,265
Repairs/maintenance	961	0	961	1,282
Hire of premises	11,348	0	11,348	11,895
Other Costs	9,153	0	9,153	8,727
<i>Manses/cottages</i>				
Heat, light, ins. etc	9,236	0	9,236	9,420
Repairs/maintenance	417	0	417	3,266
Mortgage payments-4 Sudeley Drive	5,183	0	5,183	5,183
	<u>45,925</u>	<u>0</u>	<u>45,925</u>	<u>51,037</u>
Support Costs				
Administrator employment costs	22,560	0	22,560	21,917
Equipment/audio-visual materials	3,478	0	3,478	3,615
Printing/Stationery	6,991	0	6,991	5,648
Subscriptions etc	2,811	0	2,811	2,758
Postage/Telephone	2,297	0	2,297	1,506
Miscellaneous	3,260	0	3,260	3,254
Governance Costs				
Auditor's remuneration	0	0	0	1,075
Independent Examination Costs	1,119	0	1,119	500
	<u>42,516</u>	<u>0</u>	<u>42,516</u>	<u>40,272</u>
Total Charitable Expenditure	306,848	68,491	375,339	376,163

Notes to the Accounts (continued)

Staff costs and Trustees expenses

	2016	2015
Salaries - Gross salary	160,006	159,904
Social security costs - employers national insurance	11,122	10,734
Pension - employers contributions	19,113	18,433
Other costs - council tax, water, telephone	8,155	7,930
Total	198,396	197,001

The average number of employees during the year was 7 (2015: 7)
No employee received emoluments in excess of £60,000 (2015 none).

Trustees Remuneration

The following trustees are remunerated by the church for their role as Pastor's.

	2016	2016
	£	£
	gross salary	employers pension contributions
Rev RP Morris	34,200	7383
Mr M Frost	42,015	3601
Ms N Shrubsole	20,398	2448
Mr P Trainer	32,439	4097

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 (2015 none)

No Trustees were reimbursed expenses (2015 none)

Pension costs

The church pays pension contributions for one of its Ministers to the Baptist Ministers Pension Trust Limited. (see note 1i)

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

and the administrator. The total pension cost for the church to the defined contribution schemes was £11,730 (2015 £11,476)

No contributions were outstanding at the Balance Sheet date.

5 Grants Payable

	Unrestricted	Restricted	2016	2015
	£	£	£	£
WEBA Home Mission - to aid Christian mission in the UK	12,000	270	12,270	11,600
BMS World Mission - to aid Christian mission worldwide	3,996	0	3,996	5,236
The Coes - to aid Christian mission in Thailand (Interserve)	12,000	22,970	34,970	47,891
Kate Randle - to aid Christian Sports mission (Crosslinks)	0	0	0	2,960
D & J Parker - to aid Christian mission in Thailand (Interserve)	2,000	2,438	4,438	3,000
Youth Mission - to aid Christian mission worldwide	0	730	730	0
Moldova - to aid Christian mission in Moldova	1,438	3,110	4,548	6,414
Duntisbourne Abbots Deanery - to aid Christian mission	0	313	313	0
Hope for Lungi - to aid Christian mission in Sierra Leone	0	0	0	381
Pastor Malachi - to aid Christian mission in a Burmese Orphanage	0	1,475	1,475	2,480
Open Doors Syria - to aid Christian mission in Syria	0	13,672	13,672	235
Nepal/Pakistan Aid - to aid Christian mission in Nepal & Pakistan	0	3,855	3,855	1,600
Pastor Daniel - to aid Christian mission in Romania & Moldova	1,200	1,500	2,700	1,720
Spurgeons Childcare - to aid Christian mission to families in need	0	0	0	1,382
Samaritans Purse - Shoebox Appeal	0	79	79	0
Bala Orphanage - to aid Christian mission in Kenya	0	1,162	1,162	0
Ukraine - to aid Christian mission in Ukraine	0	0	0	500
Paul Griffiths Ministries - to aid Christian mission in UK	0	0	0	500
Christian Aid	0	3	3	0
Nexus Trust - to aid Christian mission in music & worship	0	0	0	874
Cirencester Foodbank	0	20	20	20
Open the Book - to aid Christian mission in UK primary schools	500	0	500	500
Home for Good - to aid Christian mission in adoption & fostering	0	508	508	0
Other	100	0	100	200
	33,234	52,101	85,335	87,492

Notes to the Accounts (continued)

6 Loss on disposal of fixed assets

Properties

	2016	2015
£	£	£
	0	16,233
	<u>0</u>	<u>16,233</u>

On 25 June 2015 the manse at 239 Alexander Drive was sold for £342,500 less costs of sale of £12,789. It had been held in the financial statements at insurance value of £345,944. Hence a loss on disposal was incurred.

7 Debtors

Accrued Income
Other debtor

	2016	2015
£	£	£
	34,073	19,298
	0	925,000
	<u>34,073</u>	<u>944,298</u>

The other debtor in 2015 was for the purchase of the church and cottages in Coxwell Street. The purchasers withdrew on 12th January 2017. In 2016 the properties were transferred back to Fixed Assets as there was no other potential buyer.

8 Creditors

Accruals
Baptist Union Bridging Loan
Member loans

	2016	2015
£	£	£
	4,523	2,824
	641,277	0
	242,000	185,000
	<u>887,800</u>	<u>187,824</u>

9 Secured liabilities

The mortgage is secured by a fixed charge over the property 4 Sudeley Drive

10 Fixed assets

		Tangible Fixed assets	Investment Properties
		£	£
Cost or Valuation	At 1st January 2016	1,107,515	0
	Additions	3,528,918	
	Disposals	0	0
	Revaluation	0	0
	At 31st December 2016	<u>4,636,433</u>	<u>0</u>
NET BOOK VALUE	At 1st January 2016	1,107,515	0
	At 31st December 2016	<u>4,636,433</u>	<u>0</u>

Properties

Until December 2016, the church occupied the church building in Coxwell Street and 33 Coxwell Street that were both used in the performance of its work. 37 Coxwell Street had been listed as an investment property but is now unoccupied

The Church Building in Coxwell Street, 33 Coxwell Street & 37 Coxwell Street entered into a sales contract and were removed from Fixed Assets/Investment Properties in 2014. Subsequently, the sale fell through in January 2017. Thus the properties have been entered back into the accounts at the revalued cost. This amount added back into assets was the amount in debtors expected from the sale (£925,000)

The church owns 4 Sudeley Drive 50:50 with Rev Robert & Mrs Hilary Morris.

The replacement church building was purchased in 2014. At 31 December 2016, the builders had handed over the keys and the move from Coxwell Street was in progress. Services in the new church building commenced on 8th January 2017.

11 Funds**Movement in funds****Restricted funds**

	1.1.2016	Incoming Resources	Resources Expended	Transfers In/(out)	31.12.2016
	£	£	£	£	£
New Building Fund - see analysis below	112,538	324,773	363,106	0	74,205
BMS World Mission - to aid Christian mission worldwide	10	134	0	0	144
The Coes - to aid Christian mission in Thailand (Interserve)	0	22,970	22,970	0	0
D & J Parker - to aid Christian mission worldwide (Interserve)	0	2,438	2,438	0	0
Nepal Aid - to aid Christian mission in Nepal (Sunday School Coll)	0	200	0	(200)	0
Pastor Malachi - to aid Christian mission in a Burmese Orphanage	675	800	1,475	0	(0)
Moldova - to aid Christian mission in Moldova	2,820	3,158	3,110	400	3,268
Pastor Daniel - to aid Christian mission in Romania & Moldova	1,500	0	1,500	0	0
Youth Club	2,548	10,626	6,604	0	6,570
Friday Under 5s Toddler group	509	3,172	3,018	0	663
Help fund - providing financial support for those in need	4,787	3,120	6,768	0	1,139
Youth mission - to aid Christian mission worldwide	1,000	0	730	0	270
Christian Aid	3	0	3	0	0
Open Doors Syria - to aid Christian mission in Syria	0	13,672	13,672	0	0
Samaritans Purse - Shoebox Appeal	79	31	79	0	31
Bala Orphanage - to aid Christian mission in Kenya	1,162	0	1,162	0	0
Nepal/Pakistan Aid - to aid Christian mission in Nepal & Pakistan	0	3,655	3,855	200	(0)
WEBA Home Mission - to aid Christian mission in the UK	0	270	270	0	0
Cirencester Foodbank	0	20	20	0	0
Duntisbourne Abbots Deanery - to aid Christian mission	0	313	313	0	0
Signpost - to aid Christian mission in Cirencester	0	893	0	0	893
Home for Good - to aid Christian mission in fostering and adoption	0	508	508	0	0
Total Restricted funds	127,630	390,754	431,601	400	87,183
New Building Fund - detail	112,538				112,538
- Donations and Grants Received		281,939			281,939
- Gift Aid		32,448			32,448
- Income from Fundraising events etc.		10,386			10,386
- Capital Repayments			39,137		(39,137)
- Loan interest and fees			28,443		(28,443)
- Fundraising costs			1,754		(1,754)
- Capital Expenditure			293,772		(293,772)
	112,538	324,773	363,106	0	74,205

All restricted fund assets are held in cash at bank

The purpose of each restricted fund is described in the name given to the fund as listed above.

Endowment funds

	1.1.2016	Transfers In	Transfers Out	Gains / (losses)	31.12.2016
	£	£	£	£	£
Endowment funds	1,932,515	292,582	0	0	2,225,097
	1,932,515	292,582	0	0	2,225,097

Unrestricted funds

	1.1.2016	Incoming Resources	Resources Expended	Transfers In/(out)	31.12.2016
	£	£	£	£	£
Unrestricted funds	60,181	302,722	306,848	(400)	55,655
	60,181	302,722	306,848	(400)	55,655

Analysis of net assets between funds

	Unrestricted Fund	Restricted Fund	Endowment Fund	2016 Total	2015 Total
	£	£	£	£	£
Fixed assets	0	0	4,636,433	4,636,433	1,107,515
Current assets	60,178	87,181	0	1,072,359	1,300,635
Current liabilities	(4,523)		(884,469)	(888,992)	(2,824)
Long term liabilities			(1,526,867)	(1,526,867)	(285,000)
	55,655	87,181	2,225,097	2,367,933	2,120,326

Analysis of Endowment fund

	2016	2015
	£	£
Coxwell Street Properties (Church, 33, 37)	925,000	0
New Church, Chesterton Lane, Cirencester	3,561,433	957,515
50% 4 Sudeley Drive	150,000	150,000
Mortgage on 4 Sudeley Drive	(100,000)	(100,000)
Other debtor (Coxwell Street properties)	0	925,000
BUC main loan	(1,276,867)	0
BUC bridging loan	(642,469)	0
BBF Loan	(150,000)	0
Members Loans	(242,000)	0
	2,225,097	1,932,515

Cirencester Baptist Church
Statement of Cashflows
Year ended 31 December 2016

	2016 £	2015 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	<u>3,285,627</u>	<u>241,775</u>
Cash flows from investing activities:		
Interest Income	240	1,638
Purchase of tangible fixed assets	(3,528,918)	(445,181)
Proceeds from sale of Investments	-	329,712
Net cash provided by (used in) investing activities	<u>(3,528,678)</u>	<u>(113,831)</u>
Cash flows from financing activities		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year	<u>(243,051)</u>	<u>127,944</u>
Cash and cash equivalents at the beginning of the year	356,337	228,393
Total cash and cash equivalents at the end of the year	<u>113,286</u>	<u>356,337</u>

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

	2016 £	2015 £
Net income/(expenditure) for the year	<u>247,606</u>	217,151
Adjustments for:		
Add back depreciation charges	-	-
(Gains)/losses on investments	-	16,233
Deduct interest income	(240)	(1,638)
(Increase)/Decrease in debtors	910,225	11,645
Increase/(Decrease) in creditors	2,128,035	(1,616)
Net cash used in operating activities	<u>3,285,627</u>	<u>241,775</u>

13 Comparative Statement of Financial Activities

Statement of Financial Activities
Year ended 31 December 2015

	Unrestricted £	Restricted £	Endowment	Total 2015 £
Income and endowments from:				
Donations and legacies	283,665	294,868	0	0
Investments	12,880	0	0	12,880
Income from charitable activities				
Use of premises	3,485	0	0	3,485
Church Weekend away	380	0	0	380
Other Trading Activities	0	6,111	0	6,111
Other	8,160	0	0	8,160
Total income	<u>308,570</u>	<u>300,979</u>	0	<u>609,549</u>
Expenditure on:				
Charitable Activities	309,498	66,666	0	376,164
Loss on disposal of Investment Properties	0	0	16,233	16,233
Total expenditure	<u>309,498</u>	<u>66,666</u>	<u>16,233</u>	<u>392,397</u>
Net Incoming Resources before transfers	(928)	234,313	(16,234)	217,151
Transfers Between Funds	0	(115,470)	115,470	0
Movement in value of property	0	0	0	0
Net Movement in Funds	<u>(928)</u>	<u>118,843</u>	<u>99,236</u>	<u>217,151</u>
<i>Total Funds Brought Forward</i>	<i>61,109</i>	<i>8,787</i>	<i>1,833,278</i>	<i>1,903,174</i>
Total Funds Carried Forward	60,181	127,630	1,932,515	2,120,326

**INDEPENDENT EXAMINER'S REPORT TO THE COMMITTEE
OF THE CIRENCESTER BAPTIST CHURCH
ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2016**

I report on the accounts of the church for the year ended 31st December 2016 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

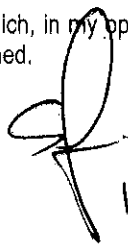
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

16th May 2017

Name:

S G Fraser FCA

Address:

Monahans
38/42 Newport Street
Swindon
Wilts SN1 3DR