

# **Cambray Baptist Church, Cheltenham**

**Annual Report and Financial Statements  
for the year ended 31 December 2016**

**Registered charity number: 1156858**

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## a. Objectives and activities

### Summary of the objects of the charity set out in its governing document

The charity is governed by an Approved Governing Document which states the principal purpose of the charity is the advancement of the Christian faith according to our Basis of Faith to include the advancement of education and other general charitable purposes in such parts of the United Kingdom and the world as the church shall determine.

### Summary of the main activities in relation to these objects

The church registered as a Charitable Incorporated Organisation with the Charity Commission on 30 April 2014, registered number 1156858.

In order to achieve the principal objective which is set out above, the church provides a variety of activities both to its membership and to the wider Cheltenham community. Cambray Baptist Church encourages all people to become fully committed everyday followers of Jesus Christ. Our aim is to show the sovereignty and love of Jesus Christ in both word and deed, and to bring people into a closer relationship with God.

Cambray Baptist Church building is a Grade 2 listed building built in 1853-1855. It is maintained to the highest standards at the expense of church members. We have wheelchair access, accessible toilets with baby changing facilities and an induction loop for hearing aid users.

Central to the work and witness of the church is the provision of regular public services of Christian worship which take place each Sunday at 10.30 am and 6.30 pm, and on special occasions such as Christmas and Easter as dictated by the church calendar. Other services, such as Weddings and Funerals, are conducted by arrangement. Services and other events are advertised on the church notice board, in a church welcome pack (available from a prominently sited welcome desk), and on our website at [www.cambray.org](http://www.cambray.org). There is a full children's programme during our morning services.



Our church seeks to be a friendly and welcoming community and anyone is free to attend any of our services.

As well as our Sunday services, our premises are used by members and non-members throughout the week for a wide variety of activities. Our church is open to visitors on Friday lunchtimes.

Our church is committed to supporting individuals connected with the church, who are engaged in short-term or long-term work to help poor, needy and vulnerable people. This involves regular prayer, financial support and practical assistance.

The Trustees confirm that they have complied with their duty imposed by section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission in respect of public benefit.

The church operates a Safeguarding Policy which ensures that all who work with, or may have access to children and vulnerable adults, are appropriately vetted by the Disclosure & Barring Service (formerly known as the Criminal Records Bureau). Appropriate training is given to key personnel on safeguarding issues.

## b. Achievement and performance

### Our community

The church does not measure the success of its programme only in numbers, including financial numbers, but also in less tangible areas like fellowship 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, providing a firm base to pursue its mission purposes in 2017 with renewed enthusiasm.

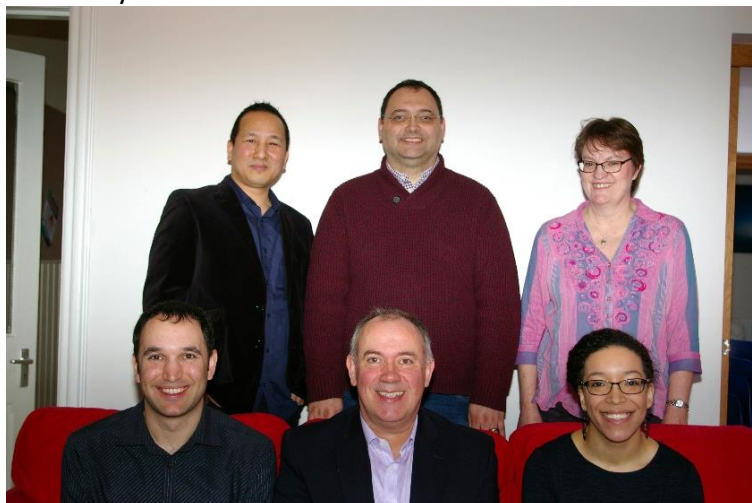
Evidence of our vibrant ministry is seen in the sustained large congregations on Sunday mornings of over 300 people, the increasingly balanced age distribution of the congregation, and in many flourishing smaller group activities. Many of those who attend also generously serve the church and local community in a variety of capacities throughout the week.

Formal membership of our church remains similar to 2015 with several new members welcomed during 2016 and several moving away with current membership now standing at 215. Our church continues to connect with a wide and varied group of local people through services and a broad range of weekly activities (see below), bringing approximately 500 individuals to our church during a typical week.

### Our Pastors and staff

Our church continues to benefit greatly from the leadership of our Associate Pastor, Rev Tim Martin and, until the end of August, our Senior Pastor, Rev Dr Tim Welch. Tim Welch left Cambray to take up a teaching post at the Bristol Baptist College and he is sadly missed by the whole church.

Our Pastors have been ably assisted by our other staff. Naomi Clemo, our Pastoral Assistant, continued to look after developing friendships with internationals. Mark Mulley continued as Administrator – a key role in a large, busy church. James Barratt fulfils a vital role for us as Caretaker. Our Finance Officer, Geraldine Luffrum, provides valuable support to our Treasurer.



### Our activities

As well as our regular weekly programme (see [www.cambray.org](http://www.cambray.org) for details), which helps to deepen our Christian faith, strengthen our community and encourage us as individuals, we also organised some special events during the year. A highlight was the Away Day on 7<sup>th</sup> May held at Gorsley Baptist Church and led by Marcus Honeysett, a church leadership consultant. This was a very enjoyable day during which Marcus challenged us on the subject of “Becoming a disciple-making church”.

We have a lively, committed group of students who worship with us in university term-time. There are several get-togethers organised for the students and other younger members of the congregation.





## Our local partnerships

We are in partnership with one of our nearby churches, Leckhampton Baptist Church. Andy Symons, whom previously we supported as a Youth Pastor in South Africa, has been appointed Pastor at Leckhampton and we continue to provide support both for the continued growth and renewal of the church.

Another partnership with Shurdington Chapel has been formed and several Cambray members led by Steve and Brian Jones are helping with this.

The church continues to partner (both financially and through encouragement of individuals to volunteer) with others in the town in Christian and humanitarian care, where such activities are compatible with the church's own charitable purpose. Endeavours we have supported during the year include Cheltenham Street Pastors, Christians against Poverty (CAP), Cheltenham Food Bank (there is a drop off point at our church), Cheltenham YFC, Cheltenham YMCA and Family Space.

We continue to maintain reciprocal relations with a neighbouring international language school, Inlingua; allowing them to use our premises for a variety of events for international students. The Gloucestershire Chinese Christian Church meets weekly on our premises, as they seek to reach out to the local Cantonese and Mandarin communities. On occasion, we also welcome children from local schools who want to see the inside of our building as part of their RE syllabus; the baptistry being of particular interest. The baptistry was used on several occasions in 2016 and it is lovely when someone decides to acknowledge Jesus as their Lord and Saviour and publicly witness to their salvation in this way.

During September, we once again hosted a 'World's Biggest Coffee Morning' in our church on behalf of Macmillan Cancer Support, raising £1,124.05 for the work of this charity. This gives an excellent opportunity to open our church building to passers-by; so many are pleasantly surprised by our friendliness, décor and facilities.

In September, we opened our building for two days as part of the National Heritage Open Days (English Heritage) scheme, to invite guests for tours. This year we included specialist talks by Alan Pilbeam with historical information about Cheltenham and its various spas.

## Our premises

We are very grateful to those who look after our premises and ensure that they are cleaned and maintained. We are equally grateful to those who look after our equipment and provide technological expertise. We feel that it is important for the sake of the Gospel that we have warm and welcoming premises. Naturally this takes time and costs money. Therefore we have a programme of tasks to be undertaken as time and resources permit. This year we invested in new computer equipment and revised processes to improve support for our ongoing work.

## Our overseas opportunities

As well as our local/UK interests, we actively support a range of overseas opportunities. We continue to support (including financially) a number of our members who are involved in the relief of poverty, education of children and adults, and advancing the Gospel. Naomi Clegg returned from Nepal after providing help in a human resources role. Naomi Coleman continues to serve in Madagascar to provide teaching to the children of medical staff in Mandritsara. We continue to support Suzanne Windsor in Bolivia and Tim Kempton in West Africa.

Our yearly thank-offering at harvest-time raised £14,688.08 for BMS World Mission's 'Syria's forgotten families' appeal.



### Some of our special services

In October we celebrated our 173<sup>rd</sup> church anniversary. We are thankful to God for the sustained witness and blessing that the church has been to its members and to the wider Cheltenham community during this time. Our Gateway group for adults with learning difficulties celebrated its 29<sup>th</sup> anniversary this year. It meets for worship every Sunday at 9am, as well as running activity mornings in a local residential home every Wednesday morning.

We celebrated Christmas and the birth of Jesus with many special events during December. Our Carols by Candlelight service is always well-supported as we reflect on the Christmas story through the singing of Christmas carols and Scripture readings.

### c. Financial review

#### Policy on reserves

The Trustees have agreed a Reserves Policy and we also believe in the words of our Lord Jesus Christ that our resources will be met at the right time.

Our aim is to maintain a working balance in our General Fund of £50,000.

At 31<sup>st</sup> December 2016, the balance in the General Fund is £43,714, due to the 2016 surplus of £4,004.

Whilst there is a shortfall in the required level of reserves in the short-term, the year-end balance is net of the non-current pension liability which is £73,029.

#### Risks

The main financial risks to the church are:

Maintenance of our premises. We have a team who monitor and maintain the premises to a high standard.

The pension liability. In April 2017, we were advised that the cost to settle the employer debt in respect of our share of the pension deficit arising from the defined benefit plan was estimated to be £200,800. This would be the amount required to be paid if the Church decided to settle its obligations under the defined benefit plan or a cessation event occurred whereby the Church no longer had any members of the Baptist Pension scheme and the amount would then fall due. The Church currently has at least one active member of the scheme and plans to maintain this position so that it does not trigger a cessation event, and hence it maintains some control over the timing of any settlement payment.

Although the calculation of the employer debt is based on more conservative assumptions than that required for accounting purposes it is based on a more up to date pension deficit position and a more accurate allocation of that deficit by employer so it is expected that the deficiency contributions and hence the pension liability in the financial statements will be increased significantly in the future.

While we welcome finally having some up to date information, the significant increase in the liability is not so welcome. We are communicating with Baptist Pensions to fully understand the options available to us before we decide our course of action.

#### Governance

The church has assessed all major areas of risk and/or legal responsibility and has policies in place to cover these areas. We have a child protection policy and a team responsible for this area. There is a Trustee responsible for health and safety. We also have a risk policy, a data protection policy and an IT policy.

#### Details of any funds materially in deficit

There are no funds materially in deficit.



### Further financial review details

The church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation.

The church expressed its part in the life of the wider church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The church is heavily dependent on its congregation working as volunteers in all aspects of our church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives and to the public benefit.

The financial results for the year, together with a summary of the accounting policies adopted, are set out in the accompanying financial statements. The church has explored the option of settling its pension liability incurred under the Defined Benefit Scheme with Baptist Pensions. Until a formal calculation is received, a non-current liability has been based on continuing contributions until June 2035.

### d. Future plans

Our weekly ministry will highlight the Person and work of God the Holy Spirit, through teaching and praying for a personal and corporate experience; that He will lead us to become a church that increasingly pleases the Lord Jesus Christ. We will continue the equipping of our congregation (disciples) for their 'frontlines' during the week.

We are planning to appoint a Youth Pastor to help us to further develop our youth work. We also have an excellent team of volunteers helping to formulate strategy and priorities.

Recent new approaches to church structures have led to the appointment of teams with specific responsibilities for aspects of church life. Examples of this are the Global Mission team and the Finance and Governance team, the aim being to spread the load traditionally on the shoulders of one individual (for example, the Church Treasurer) thus reducing the risks associated with reliance on one person.



## e. Structure, governance and management

**Type of governing document:** Constitution (dated 26/06/2013)

**How the charity is constituted:** Charitable Incorporated Organisation

### **Trustee selection methods:**

**Pastors** – voting shall be by secret ballot at a Special Church Members' Meeting; a quorum of 20% of the church members is required before a ballot can take place. The nominee shall be invited to serve as a Pastor only if at least two-thirds of the votes are recorded in favour.

**Deacons** – are elected by the Church members to serve for a three-year term, commencing at the Annual General Meeting normally held in April. If a vacancy arises between Annual General Meetings, the successful candidate will serve until the following Annual General Meeting. One-third of the Deacons shall retire from office each year based on the length of time since last elected. A retiring Deacon may stand for re-election. A quorum of 20% of the Church members is required before a ballot can take place and those elected shall obtain at least a two-thirds majority of the votes cast.

### **Key management personnel**

The key management personnel are as follows:

Rev Dr Tim Welch	Senior pastor	Resigned 28 August 2016
Rev Tim Martin	Associate pastor	

The pay levels for these two members follow the guidance of the Baptist Union of Great Britain and will be set to an amount not less than that guidance.

### **Membership and members:**

Members of the church are accepted in accordance with the Constitution which requires them to be, or to have been, baptised on the profession of faith in Jesus Christ.

A Members' Meeting normally takes place four times per year and has responsibility for the overall policy of the church, in accordance with the Constitution. The Members elect twelve Deacons; two of whom are separately appointed by the Trustees to be the Church Secretary and the Church Treasurer, subject to ratification by the Members, which usually takes place at the Annual General Meeting. The Deacons and Pastors (as Trustees) are responsible for the day-to-day running of the church's work and witness, and the practical and legal aspects of the charity. All church attendees 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 guidance, or may be raised by members in church meetings for further consideration by the Trustees. Though the Constitution permits decisions to be made at church meetings by appropriate majorities, the church seeks to work by consensus wherever possible.



## f. Reference and administrative details of the charity, its Trustees and advisors

**Charity name:** Cambray Baptist Church, Cheltenham**Registered charity number:** 1156858**Other name by which charity is known:** Cambray Baptist Church**Principal address:** Cambray Place, Cheltenham, GL50 1JS

Names of charity Trustees who manage the charity (collectively known as the Pastors and Deacons)			
Trustee Name	Office	Dates acted if not for whole year	Name of person (or body) entitled to appoint Trustee
Mr Colin Barnett	Chair of Deacons		Church members
Mr Mick Brunt	Deacon		Church members
Mrs Kathy Cooper	Deacon (Church Secretary)	Resigned 01/08/2016	Church members
Mr Harry Doel	Deacon	Elected 21/04/2016	Church members
Mr Brian Jones	Deacon	Retired 21/04/2016	Church members
Mr Steve Jones	Deacon	Retired 21/04/2016	Church members
Rev Tim Martin	Associate Pastor		Church members
Mr John Milroy	Deacon		Church members
Mr Paul Montgomery	Deacon		Church members
Mr Steve Pullen	Deacon	Elected 21/04/2016	Church members
Mr Simon Rouse	Deacon		Church members
Mr Iain Sheppard	Deacon (Church Treasurer)		Church members
Miss Carmel Smythe	Deacon	Retired 21/04/2016	Church members
Mr Peter Stojanov	Deacon		Church members
Mr David Waters	Deacon		Church members
Rev Dr Tim Welch	Senior Pastor	Resigned 28/08/2016	Church members



Names and addresses of advisors:		
Type of advisor	Name	Address
<b>Independent Examiner (Church accounts)</b>	Steven Pascoe ACMA	c/o Cambray Baptist Church, Cambray Place, Cheltenham, GL50 1JS
<b>Bankers</b>	CAF Bank Ltd	25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ
<b>Solicitors</b>	Willans LLP	28 Imperial Square, Cheltenham, GL50 1RH

### Trustee induction and training:

New Trustees are reminded of their obligations as Trustees under charity law. They are supplied with up to date financial information and other documents such as the most recent financial statements and a copy of the Constitution. All Trustees are encouraged to attend appropriate external training events which will facilitate their role.

g. Exemption from disclosure

None

h. Funds held as custodian

None

i. Declaration

**The Trustees declare that they have approved the Trustees' Report above.**

**Signed on behalf of the charity's Trustees.**

**Signatures**

**Full Names**

**Position**

**Date**

	Colin Barnett
	Chair of Deacons

## Report of the Independent Examiner

I report on the financial statements of Cambray Baptist Church, Cheltenham for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 19.

### Respective responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the financial statements. The charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

### Basis of Independent Examiner's statement

My examination was carried out in accordance with 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, I do not express an audit opinion on the accounts.

### Independent Examiner's statement

In connection with my examination, no matter has come to my attention 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 Charities Act; and
- to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met.

In order to enable a proper understanding of the accounts to be reached and without qualifying my report in any way, attention is drawn to the pension liability as discussed in notes 14 and 19. Further to recent information received by the charity it is expected that the pension liability will be significantly greater than the year end value shown in note 14 arising from an expected increase in required future pension deficiency contributions.

**Signature**

**Full name**

**Qualification**

**Date**

Steven Pascoe
ACMA
24 April 2017

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £	Total 2015 £
<b>Income from:</b>						
Donations and legacies	2	286,153	19,739	-	305,892	313,411
Charitable activities	3	23,146	-	-	23,146	33,301
Investment income	4	198	-	-	198	248
Total income		309,497	19,739	-	329,236	346,960
<b>Expenditure on:</b>						
Charitable activities	5	305,489	19,743	-	325,232	322,289
Total expenditure	6	305,489	19,743	-	325,232	322,289
<b>Net income/(expenditure)</b>		4,008	(4)	-	4,004	24,671
<b>Reconciliation of funds:</b>						
Total funds brought forward		103,003	4	10,788	113,795	89,124
<b>Total funds carried forward</b>	<b>18</b>	<b>107,011</b>	<b>-</b>	<b>10,788</b>	<b>117,799</b>	<b>113,795</b>

## BALANCE SHEET

### AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Tangible fixed assets	10	49,246	61,091
<b>Current assets</b>			
Debtors	11	15,885	17,498
Cash in hand and at bank	12	137,706	116,344
		153,591	133,842
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	(12,009)	(14,993)
<b>Net current assets</b>		141,582	118,849
<b>Total assets less current liabilities</b>		190,828	179,940
<b>Non-current liabilities</b>			
Creditors: amounts falling due after one year	14	(73,029)	(66,145)
<b>Net assets</b>		117,799	113,795
<b>Charitable funds</b>			
Unrestricted funds	15	107,011	103,003
Restricted funds	16	-	4
Endowment funds	17	10,788	10,788
<b>Total funds</b>	18	117,799	113,795

The notes on pages 15 to 24 form an integral part of these financial statements (notes 1 to 19 inclusive).

These financial statements were approved by the Trustees on **24 April 2017** and signed on their behalf by:

Signature

Full Names

Position

Date

Iain Sheppard
Church Treasurer
24 April 2017



## CASH FLOW STATEMENT

Year ended 31 December 2016

	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Net income for the year as per the statement of financial activities		4,004	24,671
Adjustments for:			
Finance cost		2,118	2,609
Depreciation charges		8,701	8,908
Other non-cash items		9,374	(2,133)
Pension deficiency payments		(4,444)	(4,444)
Decrease in debtors		1,613	2,111
(Decrease)/increase in creditors		(3,148)	6,349
<b>Net cash provided by operating activities</b>		<b>18,218</b>	<b>38,071</b>
<b>Cash flows from investing activities:</b>			
Refund/(purchase) of property, plant and equipment		3,144	(17,760)
<b>Net cash provided by/(used in) investing activities</b>		<b>3,144</b>	<b>(17,760)</b>
<b>Net increase in cash and cash equivalents</b>		<b>21,362</b>	<b>20,311</b>
Cash and cash equivalents at the beginning of the year		116,344	96,033
<b>Cash and cash equivalents at the end of the year</b>	<b>12</b>	<b>137,706</b>	<b>116,344</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 ACCOUNTING POLICIES

#### a. Basis of preparation

The financial statements are prepared in accordance with the Accounting Regulations set out under The Charities Act 2011, and with the Charities Statement of Recommended Practice FRS102 2015.

#### b. Donations

Donations are recognised when received. Income tax recoverable on Gift Aid donations is recognised when the income is recognised.

#### c. Legacies

Legacies are accounted for when their receipt is reasonably certain and can be properly quantified.

#### d. Investment income

Investment income is included in the accounts in the year in which it is receivable.

#### e. Grants payable

The Church makes grants to other organisations, including those involved in the support of Gospel Partners sent by the Church, whose charitable objects complement its work. Grants are accounted for when paid over, or when awarded, if that award creates a binding obligation on the trustees.

#### f. Support costs

Support costs are considered to be wholly attributable to the Establishment activity.

#### g. Fixed assets

The church premises are stated at cost.

The manse built in 1952 is also stated at cost. The manse, until recently used for the accommodation of the senior or associate pastor, was let to another church for part of 2016 and the rent received used to cover the rent paid for alternative accommodation. The trustees do not consider the manse to be an investment property as it is not currently held for its investment potential and therefore the manse is not shown at fair value.

Both properties are held under permanent endowment constituted under the terms of the deed of bargain and sale dated 27 January 1855. The General Vesting Declaration signed on 30 December 2014 confirms that both properties are subject to this property trust.

Depreciation has not been charged on the original cost price of the church premises or manse, because in the opinion of the trustees, the residual value of the asset is not less than cost. Subsequent capitalised buildings expenditure is included at cost less accumulated depreciation.

Furniture and fittings and computer equipment are stated at cost less accumulated depreciation.

All assets where the cost of the item is greater than £1,000 are capitalised.

Depreciation is calculated to write off the cost down to its estimated residual value on a straightline basis over the expected useful life of the asset, at the following rates:

Buildings	10%
Furniture & fittings	10%
Computers & equipment	33%

## **h. Financial instruments**

Financial assets are cash at bank and in hand as shown on the balance sheet. Financial liabilities are trade creditors and accruals for grants payable as shown in the note on current liabilities. All financial instruments are payable or receivable within one year and are therefore measured at the undiscounted amount of the cash or consideration expected to be paid or received. There are no financial instruments measured at fair value through income and expenditure. Investment income in the statement of financial activities shows the interest receivable for financial assets not measured at fair value through income and expenditure. There is no expense related to financial liabilities.

## **i. Pension liability**

The Church participates in a number of defined contribution arrangements and in addition is a participating employer in a multi-employer defined benefit scheme which is also accounted for as a defined contribution scheme because it is not possible to identify the Church's share of the underlying assets and liabilities. Contributions payable are charged to the statement of financial activities in the period to which they relate. The Church is obliged to make further contributions to the defined benefit scheme, which closed to further accrual on 31 December 2011, in respect of employment service before that date and the discounted present value of these contributions is shown as a liability. There is considerable uncertainty about the level of future contributions required which are expected to last until 2035. The discount rate used in calculating the present value is by reference to the yield on high quality corporate bonds. The unwinding of the discount is recognised as a finance cost in the statement of financial activities.

## **j. Funds**

Unrestricted funds consist of the general fund which represent funds that are not subject to any restrictions regarding their use and are available for the general purposes of the Church and designated funds which are funds that have been designated by the trustees for a particular purpose. For certain funds the trustees reflect the non-binding wishes of donors in deciding the specific purposes. Legacies and in memoriam gifts made without restriction on their use are applied to a separate designated fund to be used for one-off expenditure at the trustees' discretion.

Restricted funds are held on specific trusts under charity law. The specific trusts may be declared by the donor when making the gift or may result from an appeal for funds. The specific trusts establish the purpose for which a charity can lawfully use the restricted funds.

The endowment fund is used to record the cost price of the buildings as explained above.

## 2 Donations and legacies

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Offerings and similar donations	242,229	17,063	259,292	267,908
Gift Aid tax refunds	41,116	2,676	43,792	43,933
Donations received for meals, outings and similar	1,286	-	1,286	170
Grants received	-	-	-	1,345
Bequests and legacies	1,522	-	1,522	55
	<u>286,153</u>	<u>19,739</u>	<u>305,892</u>	<u>313,411</u>

## 3 Income from charitable activities

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Income from use of church premises	1,900	-	1,900	1,845
Sale of bible study notes and Christian magazines	701	-	701	474
Subscriptions and general sales	8,348	-	8,348	14,030
Other income	722	-	722	1,652
Rental income from the manse	11,475	-	11,475	15,300
	<u>23,146</u>	<u>-</u>	<u>23,146</u>	<u>33,301</u>

## 4 Investment income

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Bank interest	<u>198</u>	<u>-</u>	<u>198</u>	<u>248</u>

## 5 Expenditure on charitable activities

	Notes	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Ministry	6	130,746	-	130,746	134,897
Mission	6	71,864	19,743	91,607	116,917
Establishment	6	102,879	-	102,879	70,475
		<u>305,489</u>	<u>19,743</u>	<u>325,232</u>	<u>322,289</u>

Ministry costs include a finance cost of £2,118 (2015: £2,609) relating to the pension liability.

**6 Total expenditure**

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2016 £	Total 2015 £
Notes		7	8		
Ministry	130,746	-	-	130,746	134,897
Mission	18,386	73,221	-	91,607	116,917
Establishment	69,337	-	33,542	102,879	70,475
	<u>218,469</u>	<u>73,221</u>	<u>33,542</u>	<u>325,232</u>	<u>322,289</u>

**7 Grant funding (over £1,000 specified)**

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Baptist Home Mission	1,250	-	1,250	1,260
BMS World Mission (General, Medical, Birthday & Relief Funds)	998	-	998	1,803
Christmas Offering 2016 for Family Space & YMCA	-	4,334	4,334	5,261
Cheltenham YMCA	-	-	-	172
Family Space in West Cheltenham	-	-	-	172
Fellowship fund (hardship grants)	3,235	-	3,235	5,193
INF UK - N Clegg	3,700	-	3,700	3,600
BMS - Harvest 2016	-	14,688	14,688	14,102
Latin Link - Suzanne Windsor	16,200	-	16,200	16,300
Leckhampton Baptist Church - Andy Symons	11,204	-	11,204	15,598
3C Church	1,050	-	1,050	-
SIM International - N Coleman	2,500	-	2,500	800
WEBA	1,289	-	1,289	-
Wycliffe UK - Ivor & Sylvia Green	3,366	-	3,366	3,199
Wycliffe UK - Tim Kempton	6,100	-	6,100	6,000
Grants payable - £1,000 and less	<u>2,590</u>	<u>717</u>	<u>3,307</u>	<u>2,811</u>
	<u>53,482</u>	<u>19,739</u>	<u>73,221</u>	<u>76,271</u>



**8 Support costs**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Administrative staff	24,924	-	24,924	18,836
Other administrative costs	7,866	4	7,870	9,039
Governance costs	748	-	748	991
	<u>33,538</u>	<u>4</u>	<u>33,542</u>	<u>28,866</u>

Support costs have been considered and agreed to be fully attributed to Establishment.

**9 Staff costs and trustees' expenses**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Salaries	124,009	124,907
Social security costs	4,211	5,218
Pension costs	9,077	8,994
Increase/(decrease) in pension liability	9,374	(2,133)
Other costs	12,719	12,830
	<u>159,390</u>	<u>149,816</u>

The average number of employees during the year was 6 (2015: 6).

No employee received emoluments in excess of £60,000 during the year (2015: none).

A trustee, the Senior Pastor (resigned August 2016), who was under a contract for service, had entered into a leaseback agreement with the Church on his house.

Two trustees are employed by the Church and their remuneration for 2016 was:

Tim Welch: Salary £20,720, Pension £2,472 - Resigned August 2016

Tim Martin: Salary £26,179, Pension £3,218

They were paid £5,396 in the year for expenses for travel, hospitality and conference costs.

**10 Tangible Fixed Assets**

	Church premises £	Manse £	Furniture & fittings £	Computers & equipment £	Total £
<b>Cost</b>					
At 1 January 2016	59,100	3,688	74,444	70,553	207,785
Additions	-	-	(3,144)	-	(3,144)
At 31 December 2016	59,100	3,688	71,300	70,553	204,641
<b>Depreciation</b>					
At 1 January 2016	20,800	-	57,868	68,026	146,694
Charge for the year	5,200	-	974	2,527	8,701
At 31 December 2016	26,000	-	58,842	70,553	155,395
<b>Net Book Value</b>					
At 1 January 2016	38,300	3,688	16,576	2,527	61,091
At 31 December 2016	<b>33,100</b>	<b>3,688</b>	<b>12,458</b>	-	<b>49,246</b>

**11 Debtors**

	2016 £	2015 £
HM Revenue & Customs (Gift Aid tax reclaim)	6,121	10,053
Prepayments	9,764	7,445
	<u>15,885</u>	<u>17,498</u>

**12 Cash in hand and at bank**

	2016 £	2015 £
Cash	603	493
Current accounts	9,761	15,194
Savings accounts	127,342	100,657
	<u>137,706</u>	<u>116,344</u>

**13 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Pensions liability (deficiency contributions to Baptist Pensions)	4,608	4,444
Accrual for grant payable in respect of Christmas offering	4,333	5,261
Accruals and deferred income	2,375	4,190
Trade creditors	693	1,098
	<u>12,009</u>	<u>14,993</u>

**14 Creditors: amounts falling due after one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Pension liability:		
At 1 January	70,589	74,557
Finance cost of discount unwind	2,118	2,609
Movement in liability - staff costs	(4,444)	(4,444)
Increase/(decrease) in pension liability - staff costs	9,374	(2,133)
At 31 December	<u>77,637</u>	<u>70,589</u>
Amount falling due within one year	4,608	4,444
Amount falling due after one year	<u>73,029</u>	<u>66,145</u>

The liability represents the present value of the deficiency contributions agreed at the accounting date. The discount rate used is 3% (2015: 3.5%).

See note 19 for more information about the pension liability and particularly how following recent information it is expected that future deficiency contributions will be increased with the result that the pension liability will be greater than the year end value shown above.

**15 Unrestricted funds**

	At 1.1.2016	Income	Expenditure	Net income/ (expenditure)	Transfers to/(from)	At 31.12.16
	£	£	£	£	£	£
<b>General fund</b>	29,104	241,970	(204,086)	37,884	(23,274)	43,714
<b>Designated funds:</b>						
Fabric fund	3,050	4,144	(28,983)	(24,839)	21,789	-
Fellowship fund	1,002	4,108	(3,235)	873	-	1,875
Legacy fund	55	1,522	(657)	865	-	920
Organisations' fund	5,717	12,479	(13,015)	(536)	-	5,181
Partnership fund	12,126	45,274	(45,166)	108	4,629	16,863
Partnership fund (Support)	1,647	-	(1,647)	(1,647)	-	-
Tangible fixed assets	50,302		(8,700)	(8,700)	(3,144)	38,458
	103,003	309,497	(305,489)	4,008	-	107,011

**General Fund** - is used for the day-to-day income and expenditure of the church.

**Fabric Fund** - as some building work is expensive, savings need to be built up and carried over to another year. A separate fund is maintained for this purpose. The Fabric fund meets the general expenses of repairs and maintenance to the fabric of the Church buildings and manse. The Fabric Fund is closed from end of 2016, all Fabric costs will go through the General Fund.

**Fellowship Fund** - is available in the case of need within the fellowship on a confidential basis by our Pastors.

**Legacy Fund** - used for legacy and other significant gifts, where no restriction is placed on the use or purpose of the gift, to fund specific items of expenditure.

**Organisations' Fund** - comprise the accounts of Church organisations set up to perform specific activities.

**Partnership Fund** - supports our Gospel Partners, their mission agencies and similar mission activities.

**Partnership Fund (Support)** – this fund was used for donations to external organisations that support Cambray's wider ministry. The Partnership Fund is closed from end of 2016, all future costs to go through the General Fund.

**Tangible Fixed Assets** – the net book value of expenditure on fixed assets other than arising from endowment funds.

**16 Restricted funds**

	At 1.1.2016	Income	Expenditure	Net income/ (expenditure)	At 31.12.16
	£	£	£	£	£
Appeals fund	-	19,739	(19,739)	-	-
Organisations' fund	4	-	(4)	(4)	-
	4	19,739	(19,743)	(4)	-

**Appeals Fund** - is for special offerings taken during the year, for example at Christmas and Harvest.

**Organisations' Fund** - comprise the accounts of Church organisations.

**17 Endowment funds**

	At 1.1.2016	Income	Expenditure	Net income/ (expenditure)	At 31.12.16
	£	£	£	£	£
Church and manse buildings	10,788	-	-	-	10,788

See **Note 1g Fixed Assets** for background details.

**18 Analysis of net assets**

		Fixed assets	Current assets	Current liabilities	Non-current liabilities	Total
		£	£	£	£	£
Unrestricted funds	<b>15</b>	38,458	153,591	(12,009)	(73,029)	107,011
Restricted funds	<b>16</b>	-	-	-	-	-
Endowment funds	<b>17</b>	10,788	-	-	-	10,788
		49,246	153,591	(12,009)	(73,029)	117,799



## 19 Pensions

The Church operates a number of defined contribution pension scheme arrangements. Contributions payable to the schemes are charged to the statement of financial activities in the period to which they relate.

The Church is also a participating employer in a defined benefit pension plan within the Baptist Pension Scheme which is a separate legal entity and administered by the Pension Trustee (Baptist Pension Trust Limited). The defined benefit plan closed to further accrual on 31 December 2011 and was replaced by a defined contribution plan within the Baptist Pension Scheme.

A formal valuation of the defined benefit plan was last performed at 31 December 2013. The market value of the assets at the valuation date was £162 million. The deficit of assets compared to the value of the liabilities was £84 million. A new valuation is currently taking place as at 31 December 2016.

As a result of the deficit participating employers are obliged to pay deficiency contributions. For the Church these increased from 1 January 2016 from 11% to 12% of pensionable salary. It is expected that these deficiency contributions will be required to be made until 2035.

The Church is unable to identify its share of the underlying assets and liabilities of the defined benefit plan and the plan is accounted for as on the same basis as a defined contribution scheme. A liability is therefore recognised for the present value of deficiency contributions payable.

Responsibility for financing the defined benefit plan rests with the participating employers and the Church could be liable if other participating employers are not able to meet their obligations.

In April 2017 the Church was advised that the cost to settle the employer debt in respect of its share of the pension deficit arising from the defined benefit plan was estimated to be £200,800. This would be the amount required to be paid if the Church decided to settle its obligations under the defined benefit plan or a cessation event occurred whereby the Church no longer had any members of the Baptist Pension scheme and the amount would then fall due. The Church currently has at least one active member of the scheme and plans to maintain this position so that it does not trigger a cessation event, and hence it maintains some control over the timing of any settlement payment.

Although the calculation of the employer debt is based on more conservative assumptions than that required for accounting purposes it is based on a more up to date pension deficit position and a more accurate allocation of that deficit by employer so it is expected that the deficiency contributions and hence the pension liability in the financial statements will be increased significantly in the future.

Pension contributions recognised as an expense in 2016 were £9,077 (2015: £8,994).

**End of the Accounts**