

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT

AND

ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

SOUTH MOLTON BAPTIST CHURCH

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SOUTH MOLTON BAPTIST CHURCH

ADMINISTRATION

The following Trustees were serving when these accounts were approved:

Andy Jarvis - *Minister*
Marilyn Bedford - *Secretary*
Stephen Bedford - *Elder*
Stephen Bones - *Treasurer*
Martin Kingdon – *Youth*
Tony Powell - *Elder*
Blake Smith – *Mission*

Church Address:

New Road
South Molton
Devon
EX36 4BH

Church website:

www.southmoltonbaptistchurch.co.uk

Bankers:

National Westminster Bank Plc
26 Broad Street
South Molton
Devon
EX36 3AJ

Independent Examiner:

Davisons Limited
Chartered Accountants
Lime Court
Pathfields Business Park
South Molton
Devon
EX36 3LH

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT

The Trustees presents their report and the accounts for the year ended 31st December 2009.

Structure, Governance and Management

On 1st October 2009 the South Molton Baptist Church (SMBC) adopted a new constitution, based on the model constitution produced by the Baptist Union of Great Britain and approved by the Charity Commission. This constitution replaced the previous constitution dated 1st December 1997.

In addition to the desire to comply with the latest charity law (in preparation for the eventual registration of the SMBC with the Charity Commission), the further aims of the reorganisation were:

- To link all ministries to the church leadership for the purpose of improved communication and understanding between those serving and those with the responsibility of overseeing them; and
- To minimise leaders involvement in aspects of ministry to which they have minimal interest and do not see as their gifting.

The Constitution sets out the purpose/charitable objectives of SMBC and governs the appointment of the Minister, Elders, Ministry Leaders, Secretary and Treasurer, and how members and trustees meetings should be run.

As at 31st December 2009, there were 40 members (2008: 34), and seven trustees (including the Minister).

Trustees and Professional Advisors

As a result of the new constitution, the following changes occurred on 12th November 2009 when the previous six Deacons resigned following the appointment of a new leadership team. As well as four of the six Deacons being reappointed as Trustees under the new constitution, the following changes were approved:

Ruth Hackman (Deacon) – resigned
John Tricker (Deacon) – resigned
Blake Smith – appointed
Marilyn Bedford – appointed

A list of the current trustees, banker and independent examiner are listed on page 3.

Objectives and Activities

1) The advancement of the Christian Faith according to the principles of the Baptist denomination, including the worship of God in South Molton and the surrounding villages through preaching, teaching, proclamation of the gospel, the distribution of Christian literature and pastoral care

- *Worship services are held weekly including a monthly all-age service and a youth event. The youth and all-age events are led by teams from the congregation.*
- *Members of the congregation participate in the monthly hospital service, which the minister takes every three months.*

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT (continued)

Objectives and Activities (continued)

- *The minister also takes a monthly service at Eastleigh Care Home and occasional services at a local day centre.*
- *The church took part in a number of ecumenical events with the other churches in South Molton. These included; a Good Friday March of Witness, a Week of Prayer for the town and a number of family craft events, which are becoming a form of Messy Church*
- *A family from the congregation help run a monthly family service called 'Knowstone Unturned' in their village, Knowstone, which has an attendance of about 40. Another couple host an ecumenical village house group in Romansleigh. One family from the church has been called to support the Parish Church in their own village and are pioneering a Sunday School there.*
- *Evangelistic booklets and DVDs were distributed at Easter, Christmas and during the holiday club as well as being available and used all year round.*
- *The minister visits one resident of Eastleigh Care Home, and three elderly and or infirm local Christians, unable to attend church, for pastoral care.*
- *Ministry to men ('Boys will be Boys') has continued to evolve with the arrangement of bi-monthly meetings in 2009, three social events and three speaking events.*

2) Carry out other charitable purposes in the UK and/or other parts of the world, including the relief of persons who are in conditions of need, hardship or distress

- *Food parcels were sent to Barnstaple Poverty Action Group and Holy Trinity Soup Kitchen from our Harvest produce.*
- *25 shoeboxes were filled with gifts for children and adults in Bulgaria through Blythswood Care.*
- *£78 was donated for the church Christmas card. This was given to South Molton Football Club to help support their building of new facilities.*
- *The youth group sponsor two young people in Tanzania through Grassroots Trust.*
- *Approximately 55 children are registered with the parents and toddler group, providing social interaction and play opportunities for parents and children alike.*
- *Church House is used by a church member to provide counselling and during the school holidays for childcare provision for the over 8s. The Royal British Legion also uses a room to store its poppies and collecting tins.*
- *One member is a trustee of Street Pastors Barnstaple, and two others attended a presentation by Christian Police Association concerning the setting up of street pastors associations.*

3) The advancement of education on the basis of Christian principles

- *There is a weekly Junior Church for pre-school and primary school children catering for approximately 15 children and a youth group ('BnB') for 11-16s with up to 9 young people.*
- *A midweek Bible-fun club meets from Sept-Apr with 14-20 children aged 5-10, most of whom are unchurched. We also ran a holiday bible club over three days in the summer, which was attended by 70 different children with a daily average of 62, 5-10 year olds.*
- *There is a twice monthly Sunday Night group, called Youth Plus, for 16-30s attended by approximately 10 young people for food, fun and Bible-based discussion.*
- *Three people from the congregation are school governors.*
- *Andy takes regular (monthly) school assemblies at the town's Junior School.*
- *At Easter, Harvest and Christmas we participated with other local churches in craft mornings which were attended by over a hundred local people, reminding them of the reason for the season. At Christmas we adapted the format to a kind of Messy Church and hope to continue to develop this format.*
- *Last year's discipleship course has become a house group ('BFG') for new Christians.*
- *Four other small house groups meet regularly for study, prayer and fellowship.*
- *A significant number attended a Safe to Grow Course on issues of child protection held at the church in November and four attended a Big Time training event for Sunday School workers in Torquay in October.*
- *A number of men attended conferences run by Christian Vision for Men during 2009.*

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT (continued)

Achievements and Performance in 2009

Churches Together in South Molton: *A number of events took place during the year. In March, Easter Family Craft activities were held in the Assembly Rooms. In September and December we ran further family craft activities for Harvest and Christmas with 100-200 people attending. On Christmas Eve in the town Square we gave out 200 glow sticks proclaiming 'Jesus: Light of the World'.*

New people: *There have been fewer newcomers this year, but we have been thrilled to see many of last year's newcomers becoming disciples.*

Baptism: *There were seven baptisms at Easter this year.*

Holiday Club: *The church ran a children's holiday club for 5-10 year olds. 70 different children attended, the great majority of which were unchurched. It was also great to have several of our new Christians on the team this year.*

Truth Trekkers: *Numbers have increased with 15-20 attending each week and there are new children attending as a result of contact through holiday club. The leadership has changed and the team of leaders has grown.*

Mini-Trekkers Parent & Toddler Group: *This is a really well attended group with over 50 children on the roll and an average of 25 attending each week. Only one of the children attends a church so there remains a huge opportunity here. Andy is now telling a Bible story each week. The team of helpers has grown and the craft is usually related to the Bible story.*

The Church refurbishment: *There has been a lot of work completed this year. In January the wooden floor and panelling was removed so that supports for the floor could be replaced with concrete and brick ones. A new floor was installed. The old carpet has been replaced with new carpet tiles. The entrance foyer and a storage space have been removed to open up more space at the back of the building. An area has been built for the PA system. New panelling has been installed and all internal walls have been redecorated. One wall was also dry-lined. Water meters have been installed for the church and house and water pipes have been sunk lower into the ground between the properties under a concrete trench. The wooden church front doors were replaced by glass doors made by a carpenter who is a member of the church. The new floor and supports were installed by contractors, but a huge amount of labour and materials have been supplied by members of the congregation.*

House Groups: *There are 5 groups. Four meet weekly and one fortnightly. Three are small with 4-7 attending, while the others vary from 8-12.*

Sunday Services: *Congregations of 50-75 attended morning worship. Patterns of attendance are unpredictable. Evening congregations dwindled to the extent that evening services ceased in August 2009. Numbers attending the monthly youth event, which has adopted a new format with a younger age group, has been about 8-10 with 4-5 adults. A youth group for 16-30s meets twice a month in a local home with 8-10 attending.*

Membership: *We welcomed six new members, of whom two were new Christians and two moved into South Molton from another denomination in Manchester, and end the year with 40 members (2008: 34).*

Church Weekend Away: *52 adults and children from the church spent a weekend away at Buckfast Abbey in October. Fraser & Polly Nute of Totnes United Free Church spoke to the adults on 'If anyone is in Christ, he is a new creation 2Cor 5:17' and a team from Teignmouth ran activities for children and young people. We were again thrilled that so many came, especially some new Christians and we were blessed, not only by the Holy Spirit ministering through our speakers, but through each other in new ways. We have booked to go back in September 2010.*

Men's Ministry: *During 2008 a review of the need and effectiveness of men's ministry ('Boys will be Boys') was performed, resulting in a new-style of annual programme of events for 2009, with the emphasis on reaching men for Jesus Christ. Attendance was mixed, though the regular skittles and clay pigeon shoot were as always well attended.*

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT (continued)

Financial Review

2009 has been a good year for SMBC, especially given the economic recession. Total income grew by 15.2% to £62,702, some £7,333 more than budgeted. Regular offerings increased by £1,623 or 4.9% from last year, and slightly more than budgeted. The weekly average for such giving was £704, compared to £648 for last year, above the required 'target' of £669. The Gift Day for the Church House loan raised £5,103, more than in 2008 and slightly over budget, which was encouraging given 2009 was the second year that the Gift Day was to be used for this purpose. When added to the gift aid claimed on the 2008 Gift Day of £795, a total of £5,898 has been raised towards the minimum loan repayments of £7,600. Finally, a further £4,218 was given for the refurbishment of the Church, £282 of which was raised from the Christmas market stall.

Total expenditure of £69,450 was, with the exception of the upkeep of church premises, largely on budget. Ministry costs (Andy) and administration were on budget, and mission costs of £7,985 (12.7% of total income; 2008: 11.4%) were £1,010 over budget due to mainly the Chapel case raising £525 compared to the budget of £175, and the BMS receiving £287 more than budgeted (see note 6).

Significant expenditure was made on the church refurbishments, largely extinguishing the funds raised over the previous three years (the 2007 Gift Day and one-off donations in 2008 and 2009). In addition to budgeted expenditure on premises, a further £2,666 was spent on the upkeep of church premises, including £14,847 on the church refurbishment (see note 7). Consequently restricted funds fell from £10,409 at the beginning of the year, £10,022 being the Refurbishment Fund, to only £602 at the year end, with only £382 remaining in the Refurbishment Fund for the new internal doors (see note 10). However, there is Gift Aid of £409 due in 2010 for the Refurbishment Fund, and a grant of £1,500 has been approved in November 2009 to be spent within two years on replacing the church windows.

The trustees would like to take this opportunity to thank the many individuals for their contributions to the church, for which no claim is made. For example, the supply of Sunday morning drinks and biscuits, flowers and the communion bread and wine. If such items were claimed, administration expenses would be much higher than £1,395.

The loan from The Baptist Union Corporation (BUC) requires some comment, being the second largest item of expenditure after Minister's costs. This loan was previously with the South West Baptist Association, but was transferred at the end of 2008 to the BUC. An option of an interest-free loan was considered, but the monthly payments would have increased significantly which the Deacons believed was not achievable at the time. The interest for 2009 fell to £2,638, compared to £5,406 in 2008, due to the general fall in interest rates. With only the minimum repayments being made in 2009 of £7,200, the capital balance fell by £4,562 to £80,621 at 31st December 2009.

Finally, in January 2009 a balanced budget was approved for 2009 for the second year running i.e. for General Funds, total income to equal total expenditure. Last year we ended with only a £35 net expenditure, whereas this year we have ended with a surplus of £3,059, increasing our general funds, for the first time since before 2005, to £11,156. However, this only equates to about two month's expenditure, which is considered low. Nevertheless, thanks be to God that general funds have finally increased, and that during a recession!

SOUTH MOLTON BAPTIST CHURCH

TRUSTEES' REPORT (continued)

Future Developments

- **Leadership Structure** Having changed the structure, we will need to establish it and make changes, where appropriate. The principles behind the changes are that specific areas of responsibility are given, according to gifting, that teams will be built and tasks delegated so that the work is shared and leadership succession is encouraged. We may need to appoint additional Elders and Ministry Leaders as needs arise and co-ordination of the building work may be the first of these.
- **Mission** It has become increasingly evident that people will not attend services or events organized in churches, but that they will attend good events on their own territories. Therefore, we will consider how we may reach out, both individually, at home or in the workplace, and collectively through church/ecumenical activities. We will look to develop a Messy Church model with Churches Together, to run a Marriage Enrichment course and to establish fruitful activities for our Men's Ministry. In addition we look to our Mission Ministry Leader to encourage us.
- **Sunday Mornings** We are encouraging and enabling more sharing of testimonies and participation in the services. In particular, the minister needs to encourage those gifted in teaching and leading worship or prayer by inviting them to lead services. We want to become more receptive to the leading of the Holy Spirit and not to be held by the established monthly pattern of services.
- **Refurbishing the Church Building** We would like to replace the windows and have applied for and received a grant of £1,500 from Devon Historic Churches Trust. The cost of each window, and we have eight, will be in excess of £1,000 so this will be a gradual task. We have storage heaters which will be fitted in 2010 and a carpet for the foyer which will also be redecorated. We hope to replace the wooden internal entrance doors. We will also review our toilets with the aim of providing a disabled facility and updating the present facilities.
- **Young people.** The need for a youth worker and for people to work with young people remains significant. We will investigate streams of funding to finance a youth worker.

Declaration

The Trustees declare that they have approved this report.

Signed on behalf of the Trustees:

Andy Jarvis
Minister

26th January 2010

SOUTH MOLTON BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT

Year Ended 31st December 2009

I report on the accounts of the South Molton Baptist Church for the year ended 31st December 2009, which are set out on pages 10 – 14.

Respective responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commissioners under section 43(7)(b) of the Act; and
- 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 Commissioners. 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 the 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 proper accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 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.

Davisons Limited
Chartered Accountants
Lime Court
Pathfields Business Park
South Molton
Devon

Date

SOUTH MOLTON BAPTIST CHURCH

RECEIPTS AND PAYMENTS ACCOUNTS For the Year Ended 31st December 2009

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	2008 £
INCOME					
Regular Offerings		34,558	-	34,558	32,935
Rental income		1,037	-	1,037	556
Donations and other income	2	126	12,126	12,252	8,410
Income tax recovered on gifts		7,707	795	8,502	7,279
Investment Income	3	3	-	3	395
Raised for other causes/missions	4	-	1,002	1,002	251
SWBA Home Mission Grant		-	5,348	5,348	4,600
TOTAL INCOME		43,431	19,271	62,702	54,426
EXPENDITURE					
Direct Charitable Expenditure:					
Ministry	5	28,054	5,348	33,402	31,592
Mission	6	4,011	3,974	7,985	6,180
Upkeep of Church premises	7	5,210	13,858	19,068	7,998
Loan repayments	8	1,702	5,898	7,600	7,600
		38,977	29,078	68,055	53,370
Management and Administration:					
Administration	9	1,395	-	1,395	1,143
TOTAL EXPENDITURE		40,372	29,078	69,450	54,513
NET INCOME/(EXPENDITURE)		3,059	(9,807)	(6,748)	(87)
TOTAL FUNDS @ 1 January 2009		8,097	10,409	18,506	18,593
TOTAL FUNDS @ 31 December 2009		£11,156	£602	£11,758	£18,506

SOUTH MOLTON BAPTIST CHURCH

STATEMENT OF ASSETS & LIABILITIES As at 31st December 2009

	Notes	2009 £	2008 £
CURRENT ASSETS			
Cash at Bank:			
Nat West Current Account		1,218	10,968
Nat West Savings Account		10,540	7,538
		-----	-----
BANK & CASH ASSETS		£11,758	£18,506
		=====	=====
<i>REPRESENTED BY:</i>			
FUNDS			
Restricted funds	10	602	10,409
General Fund		11,156	8,097
		-----	-----
TOTAL FUNDS		£11,758	£18,506
		=====	=====

In addition, SMBC is the beneficial owner (subject to the relevant trusts) of the following assets, the legal title to which is held by the church's custodian trustee (South West Baptist Trust Corporation):

Church - building	655,000	572,219
Church House - building	450,000	194,522
Contents of Church & Church House	45,000	38,691
	-----	-----
TOTAL INSURANCE VALUE	£1,150,000	£805,432
	=====	=====

Amounts receivable:		
Grant from Devon Historic Churches Trust	1,500	-
EDF Energy overpayment	360	-
	-----	-----
TOTAL DEBTORS	£1,860	£-
	=====	=====

SMBC has the following loans outstanding with Baptist organisations:

Memorial Loan Fund	8	800	1,200
Mortgage on Church House	8	80,621	85,183
		-----	-----
TOTAL LIABILITIES		£81,421	£86,383
		=====	=====

Approved by the Trustees on 26th January 2010 and signed on its behalf by

Stephen Bones
Treasurer

Stephen Bedford
Elder

The notes on pages 11 – 13 form part of these accounts.

SOUTH MOLTON BAPTIST CHURCH

NOTES TO THE ACCOUNTS Year Ended 31st December 2009

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts have been prepared under the historical cost convention and on the receipts and payments basis, and include the results of SMBC's operations which are described in the Trustees' report and all of which are continuing.

1.2 Income

Voluntary income, legacies, Gift Aid and donations are accounted for as received by the charity.

1.3 Value added tax

Value added tax (VAT) is not recoverable by SMBC and as such is included in the relevant costs in the Receipts & Payments Accounts.

2. DONATIONS AND OTHER INCOME

Description	Unrestricted Funds	Restricted Funds	TOTAL INCOME	2008
Toddlers Group donations	126	-	126	181
** The Church Refurbishment Fund	-	3,936	3,936	136
Children's Outing	-	580	580	629
Church Weekend Away	-	2,225	2,225	1,797
Christmas stall – The Church Refurbishment Fund	-	282	282	577
Safe to Grow course	-	-	-	180
** Church House Building Fund	-	5,103	5,103	4,910
Total	£126	£12,126	£12,252	£8,410

** Of total donations to the Church House Building Fund from the Gift Day in June, a further £1,323 will be claimed in 2010 for Gift Aid donations. In addition, a further £409 will be claimed in 2010 for donations in 2009 to the Church Refurbishment Fund.

3. INVESTMENT INCOME

	2009	2008
	£	£
Interest from Portman Building Society	-	357
Interest from Nat West Savings	3	38
	-----	-----
	£3	£395
	=====	=====

The Portman Building Society account was closed on 20th August 2008 and, to ease administration, a new savings account opened with Nat West.

SOUTH MOLTON BAPTIST CHURCH

NOTES TO THE ACCOUNTS (Continued) Year Ended 31st December 2009

4. RAISED FOR OTHER CAUSES/MISSIONS

Fund	TOTAL RESTRICTED INCOME	2008
Home Mission	23	11
BMS	376	19
Chapel Case	525	168
Christmas Card collection	78	53
Total	£1,002	£251

5. MINISTRY

Description	Unrestricted Funds	Restricted Funds	TOTAL EXPENDITURE	2008
Minister's Stipend	13,673	5,348	19,021	18,515
Pension contribution by SMBC	3,976	-	3,976	2,873
Employers National Insurance	1,607	-	1,607	1,653
Minister's travel	571	-	571	349
Minister's telephone	319	-	319	262
Minister's other expenses	236	-	236	220
Visiting speakers/Pulpit supplies	188	-	188	446
Housing Allowance	5,750	-	5,750	5,540
Minister's council tax, water and insurance	1,734	-	1,734	1,734
Total	£28,054	£5,348	£33,402	£31,592

During 2008 the Minister took a three-month sabbatical under the terms of his employment contract, which increased visiting speakers' costs accordingly.

6. MISSION

Description	Unrestricted Funds	Restricted Funds	TOTAL EXPENDITURE	2008
*Home Mission	1,522	23	1,545	1,463
*BMS	1,488	376	1,864	1,507
Children & Youth work	655	580	1,235	960
Safe to Grow course	-	-	-	180
Church Weekend Away	-	2,224	2,224	1,778
Recording Tapes/books/ notes	190	-	190	200
Gifts to those in need	100	-	100	-
Food/Flowers	51	-	51	39
*Christmas Card collection	-	78	78	53
*Chapel case	5	693	698	-
Total	£4,011	£3,974	£7,985	£6,180

*Unrestricted gifts to organisations outside the SMBC £3,015 (2008: £2,940)

SOUTH MOLTON BAPTIST CHURCH

NOTES TO THE ACCOUNTS (Continued) Year Ended 31st December 2009

7. UPKEEP OF CHURCH PREMISES

Cost	Unrestricted Funds	Restricted Funds	TOTAL EXPENDITURE	2008
Council Tax Church House	512	-	512	488
Lighting and heating	1,905	-	1,905	3,465
Repairs & maintenance – The Church	989	13,858	14,847	2,101
Repairs & maintenance – Church House	-	-	-	86
Hire of church during the church refurbishment	160	-	160	-
Equipment – Phone Church House	214	-	214	181
Insurances	1,156	-	1,156	1,096
Water charges	274	-	274	581
Total	£5,210	£13,858	£19,068	£7,998

8. LOANS WITH BAPTIST ORGANISATIONS

	SWBA Memorial Loan Fund	BUC Church House Loan Fund	TOTAL FUNDS	2008
Balance at 1 st January 2009	1,200	85,183	86,383	88,577
Interest	-	2,638	2,638	5,406
Repayments	(400)	(7,200)	(7,600)	(7,600)
Balance at 31st December 2009	£800	£80,621	£81,421	£86,383

9. ADMINISTRATION EXPENSES

	2009	2008
	£	£
Printing and stationery	566	459
Copyright Licence	319	314
Subscriptions	126	124
Conferences/courses	78	-
Accountancy charges	270	242
Miscellaneous	36	4
	-----	-----
	£1,395	£1,143
	=====	=====

10. RESTRICTED FUNDS ANALYSIS

Fund	Balance 1/1/09	Restricted Income	Total Expenditure	Balance 31/12/09
Church House Building Fund	200	5,898	(5,898)	200
The Church Refurbishment Fund	10,022	4,218	(13,858)	382
Church Weekend Away	19	2,225	(2,224)	20
Missions Fund – Chapel Case	168	525	(693)	-
Children's ministry	-	580	(580)	-
SWBA Home Mission Grant	-	5,348	(5,348)	-
BMS/Home Mission	-	399	(399)	-
Christmas Card collection	-	78	(78)	-
Total	£10,409	£19,271	(£29,078)	£602