**Template for Receipt and Payment Accounts**

This document provides a template for churches who are preparing receipt and payment accounts. It should be read in conjunction with the guidance in [Leaflet F02](https://www.baptist.org.uk/Articles/368816/Leaflet_F02_Guidelines.aspx): Guidelines on Church Accounts with Income under £250,000

## ANYTOWN BAPTIST CHURCH

**FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 20xx**

**GENERAL RECEIPTS & PAYMENT ACCOUNT**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **20xx** | **20yy** |
| **Receipts** |  |  |  |
| Weekly offerings |  |  |  |
| Donations and other income | 2 |  |  |
| Income tax recovered on gifts |  |  |  |
| Investment income | 3 |  |  |
| Rents and contributions for use of premises |  |  |  |
| Raised for other causes | 4 |  |  |
| Home Mission grant |  |  |  |
| **Total Receipts** |  |  |  |
|  |  |  |  |
| **Payments** |  |  |  |
| Ministry | 5 |  |  |
| Mission | 6 |  |  |
| Upkeep of church premises | 7 |  |  |
| Administration | 8 |  |  |
| Amounts passed on to other causes |  |  |  |
| **Total Payments** |  |  |  |
|  |  |  |  |
| **Net receipts / (payments) for the year** |  |  |  |
|  |  |  |  |
| **Transfers (to) / from general fund** |  |  |  |
| **Cash balance at previous year end** |  |  |  |
| **Cash balance at current year end** |  |  |  |

**FABRIC FUND RECEIPTS AND PAYMENTS ACCOUNT**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **20xx** | **20yy** |
| **Receipts** |  |  |  |
| Donations and other income |  |  |  |
| Income tax recovered on gifts |  |  |  |
| Bank Interest |  |  |  |
| **Total Receipts** |  |  |  |
|  |  |  |  |
| **Payments** |  |  |  |
| Repairs |  |  |  |
| Improvements |  |  |  |
| **Total Payments** |  |  |  |
|  |  |  |  |
| **Net receipts / (payments) for the year** |  |  |  |
|  |  |  |  |
| **Transfers (to) / from fabric fund** |  |  |  |
| **Cash balance at previous year end** |  |  |  |
| **Cash balance at current year end** |  |  |  |

## NEW CHURCH BUILDING FUND RECEIPTS & PAYMENTS ACCOUNT

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **20xx** | **20yy** |
| **Receipts** |  |  |  |
| Donations and other income |  |  |  |
| Income tax recovered on gifts |  |  |  |
| Bank Interest |  |  |  |
| **Total Receipts** |  |  |  |
|  |  |  |  |
| **Payments** |  |  |  |
| Architects and other Fees |  |  |  |
| Building works |  |  |  |
| **Total Payments** |  |  |  |
|  |  |  |  |
| **Net receipts / (payments) for the year** |  |  |  |
|  |  |  |  |
| **Transfers (to) / from New church building fund** |  |  |  |
| **Cash balance at previous year end** |  |  |  |
| **Cash balance at current year end** |  |  |  |

## STATEMENT OF ASSETS AND LIABILITES AT 31 DECEMBER 20xx

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Note** | **20xx** | **20yy** |
| **Assets** |  |  |  |
| Bank and other cash balances |  |  |  |
| Petty Cash |  |  |  |
| Lloyds Bank Account |  |  |  |
| BUC deposit account |  |  |  |
| Other monetary assets: |  |  |  |
| Debtors |  |  |  |
| Loans made |  |  |  |
| Gift aid claimed but not received |  |  |  |
| Investment Assets | 9 |  |  |
| Assets Held for Church’s own use | 10 |  |  |
| **Total Assets** |  |  |  |
|  |  |  |  |
| **Liabilities** |  |  |  |
| Current Liabilities | 11 |  |  |
| Long Term Loans | 12 |  |  |
| Pension Scheme liability | 13 |  |  |
| Other liabilities | 14 |  |  |
| **Total Liabilities** |  |  |  |

The accounts and statement of assets and liabilities set out on pages [1 & 2] relating to the year ending 31 December 20xx are as approved by the deacons.

Signed: (Treasurer or other Deacon/Leadership Team/Minister authorised to sign on behalf of all the deacons)

[Date]

## NOTES TO THE ACCOUNTS

1. **Basis of accounts**

These accounts have been prepared on a ‘receipts and payments’ basis and in accordance with Section 133 Charities Act 2011.

1. **Donations and other income**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Donations |  |  |
| Legacies |  |  |
| Memorial gifts |  |  |
| Coffee morning proceeds |  |  |
| Other income [*detail if material*] |  |  |
| **Total Donations and Other Income** |  |  |

1. **Investment income**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Bank interest |  |  |
| Trust income |  |  |
| Other investment income [*detail if material*] |  |  |
| **Total Investment Income** |  |  |

1. **Raised for Other causes**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Home Mission |  |  |
| BMS World Mission |  |  |
| Homeless Shelter |  |  |
| **Total Raised for Other causes** |  |  |

[*amounts disclosed in this section should only include amounts explicitly raised in an appeal on behalf other charities. The amount passed on to the other charity should be disclosed under “Amounts passed on to other causes” in the payments section. Where the full amount has not been passed to the recipient charity, those funds belong to that charity and should be recorded as a current liability in note 11. Where a church has made a gift from its general fundraising this would appear only in the payments section under note 6]*

1. **Ministry**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Minister’s stipend |  |  |
| Pension contribution |  |  |
| National insurance |  |  |
| Minister’s travel |  |  |
| Pulpit supplies |  |  |
| Manse costs |  |  |
| Other ministry [*detail if material*] |  |  |
| **Total Ministry** |  |  |

The Minister acts as one of the church's trustees and receives remuneration and other benefits in respect of his/her services as Minister, including the provision of manse accommodation [owned by the church/rented by the church/rented by the church from the Minister (and his/her spouse)/part owned by the church and rented in part from the Minister (and his/her spouse)] [delete as applicable. The wording will need to be adapted if there is more than one minister trustee]

1. **Mission**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Home Mission |  |  |
| BMS World Mission |  |  |
| Sunday school Youth Work |  |  |
| Mums’ & Toddlers’ group |  |  |
| Other mission [*detail if material*] |  |  |
| **Total Mission** |  |  |

1. **Upkeep of church premises**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Lighting and heating |  |  |
| Cleaning |  |  |
| Insurance |  |  |
| Repairs and maintenance |  |  |
| Other premises [*detail if material*] |  |  |
| **Total Upkeep of church premises** |  |  |

1. **Administration**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Printing and stationery |  |  |
| Telephone and postage |  |  |
| Advertising |  |  |
| Subscriptions |  |  |
| Other administration [*detail if material*] |  |  |
| **Total Administration** |  |  |

1. **Investment Assets**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Stocks and Shares |  |  |
| Corporate bonds |  |  |
| Gilts |  |  |
| Investment property |  |  |
| Other investment assets [*detail if material*] |  |  |
| **Total Investment Assets** |  |  |

[*Note: Any such assets should be detailed as necessary, be stated at approximate values (cost, market or insured) and an indication given as to the fund to which they relate*]

1. **Assets Held for the Church’s own use**

The church 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 [the Baptist Union Corporation Ltd]:

* Church premises at [address] valued in the accounts at £xxxx based on [cost / insured value / market value]
* Church manse at [address] valued in the accounts at £xxxx based on [cost / insured value / market value]
* A burial ground at [address]. No meaningful value is available so it has not been included In the Statement Of Assets And Liabilities
* The church also owns fixtures, furniture and equipment with an insured value of £xxx

[*It is acceptable to not include a value for an asset where no meaningful value is available (e.g. a burial ground), however such assets should be described in the text of this note where material*]

1. **Current Liabilities**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Electricity billed but not yet paid |  |  |
| Cheques written but not cashed |  |  |
| Other current liabilities [detail if material] |  |  |
| **Total Current Liabilities** |  |  |

[*Sundry creditors should be detailed where material, together with an indication of the fund to which they relate*]

1. **Long-Term Liabilities**

|  |  |  |
| --- | --- | --- |
|  | **20xx** | **20yy** |
| Baptist Building Fund Loan |  |  |
| Baptist Union Loan Fund Loan |  |  |
| Loans from Church Members’ |  |  |
| Other [*detail if material*] |  |  |
| **Total Long-Term Liabilities** |  |  |

1. **Pension Scheme Liabilities**

The Church is a participating employer with the Baptist Pension Scheme (“the Scheme”), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers.

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. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a 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. Since 1 January 2012, benefits have been provided through a Defined Contribution (DC) Plan.

A formal valuation of the DB Plan as at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit. The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group (“Just”) to secure DB Plan members’ pension benefits. Just are now providing financial backing for all pensions provided through the Scheme’s DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

1. **Other Liabilities [if applicable]**

[Any other material liabilities should be disclosed with an explanation of their circumstances and the fund to which they relate]

## EXPLANATORY NOTES RELATING TO THE SPECIMEN FORM OF ACCOUNTS:

1. It is emphasised that the format is simply a suggestion (based on best charity accounting practice) and it may be adapted to meet the church’s circumstances. If some of the accounts, headings or notes are inapplicable they should be deleted and the numbers of notes amended accordingly. Equally if the church has other significant categories of expenditure, they should be added into the appropriate section to aid the readers understanding of the accounts.
2. It should also be understood that the Statement of Assets and Liabilities is not meant to balance. It is merely meant to be a summary of the church’s material assets and liabilities.
3. Amounts may be shown in pounds and pence or in ‘rounded’ pounds.
4. The amounts shown in note 5 in respect of the minister’s stipend etc may, if desired, be aggregated under the sub-headings ‘Minister’s stipend and expenses’ and ‘Manse upkeep’.
5. The ‘Fabric Fund’ is an example of a ‘designated’ account and is used by many churches as a means of equalising repairs and maintenance costs over the years. Mission or Outreach accounts are further examples of ‘designated’ accounts.
6. The ‘New Church Building Fund’ is an example of a ‘capital’ (restricted) fund which is available only for a defined capital purpose.
7. It is good practice to indicate the value of the various assets held by the church. In the absence of recent valuations any property assets could be shown at their insured value. If the insured value is significantly different to the likely market value, (either above it because of planning restrictions reducing the value, or below it because of development opportunities increasing the value) some indication of this should be given. The value of church fittings, furniture and equipment could also be included (en bloc) at their insured value. Stocks and shares should be shown at market value, whilst a church-owned vehicle might be included at cost or its estimated market value. Values, however, are not essential.
8. If any amounts are due to the church at the year-end (e.g. loans made by the church or any tax recovery claim made but not yet received) these should be included under the heading of ‘Debtors’ in note 8.

Payments made in advance (e.g. telephone rental, council tax, water charges etc) should not be apportioned.

1. To ensure that all expenditure relating to a year is included in the accounts for that year, some church treasurers treat certain payments (e.g. PAYE and national insurance etc) made early in the next financial period as though the cheques had been drawn on the last day of the old financial period.

This would avoid having to treat them as outstanding creditors, but if this practice is not followed any such creditors will need to be disclosed under the heading of ‘Current Liabilities’ (note 10(a)). Liabilities which are accruing but have not yet been invoiced (e.g. gas, electricity telephone, etc.) should not be included.

Where a church has any outstanding loan obligations these will need to be disclosed under the heading ‘Long-term loans’ (Note 10(b)). The loans should be detailed in the note together with an indication of the date (s) when due (or the period over which repayable) and, if applicable, the property upon which they are charged.

Where the church has been a member of the Baptist Ministers’ Pension Fund and it has been agreed that payments will be made under a repayment plan, it should include the total of the outstanding repayments at the balance sheet date (monthly contributions multiplied by the remaining months in the contribution plan). Where the Church has been provided with the cost of buying out the pension scheme’s liabilities, it is recommended that this is also disclosed in the notes to the accounts or the trustee report. This figure, described as “Estimated Employer Debt” is available for most ongoing employers in the Baptist Pension Scheme on the Employer Hub ( [www.4mystaff.co.uk/](https://www.4mystaff.co.uk/) ) under the Monthly Debt Estimate section.

This is one of a series of Guidelinesthat are offered as a resource for Baptist ministers and churches. They have been prepared by the Baptist Union of Great Britain and are, of necessity, intended only to give very general advice in relation to the topics covered. These guidelines should not be relied upon as a substitute for obtaining specific and more detailed advice in relation to a particular matter.

The staff at the Baptist Union of Great Britain at Baptist House will be very pleased to answer your queries and help in any way possible.

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