

Brentwood Baptist Church

Annual Report and Accounts
For the year ending 31st December 2020



Registered Charity No. 1130944

Approved by the Trustees and signed on their behalf by:

B J Dedman

Bryan Dedman – Church Secretary

May 7th, 2021

Date

Trustees

Jenny Baldwin
Christopher Cundy (to 31 December 2020)
Bryan Dedman
Brian Garner (from 25 February 2021)
Ruth McMahon
David Moore
Kevin Rayfield (from 1 January 2020 to 23 June 2020)
Nicholas Tavener

Address

91 Kings Road,
Brentwood,
Essex,
CM14 4DR

**Independent
Examiner**

Shaun De Boo
Chartered Accountant

Annual Report

Church Objectives

The Church operates under its own Constitution and is a member of the Baptist Union of Great Britain and the Eastern Baptist Association. It is also a charity registered with the Charity Commission in England and Wales.

The principal purpose of the Church 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/or other parts of the world.

The Church is a member of Churches Together in Brentwood and as a Member of the Baptist Union the Church subscribes to the Union's Declaration of Principle which is: -

1. That our Lord and Saviour Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.
2. That Christian baptism is the immersion in water into the name of the Father, the Son and the Holy Spirit, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures; was buried, and rose again on the third day.
3. That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

Organisational Structure

The Church is administered by the Managing Trustees who, during 2020, were the deacons, secretary and treasurer as elected by the Church membership in accordance with the Church Constitution. The Trustees hold a monthly meeting and usually a meeting of all Church members is held every two months. Since March, the Trustees have met online and members have joined on-line gatherings rather than formal meetings: this was necessary due to Covid-19 and the associated restrictions. An important change to the church's constitution was made in December 2020, whereby meetings held, with appropriate procedures, using "suitable electronic means" such as Zoom are now a valid way of holding meetings of Church members.

At the present time the Church is without a minister and the Trustees are working to identify and, with the Church membership, appoint the person God wants to lead the church. This process was delayed by the restrictions associated with Covid-19 from March to the end the year, with periods when the process has been paused. The change to the Church constitution may make this process easier.

During this time of pastoral vacancy the Trustees and others have continued to work together to ensure that the work of Brentwood Baptist Church continues, albeit with considerable differences under Covid-19 restrictions.

Review of Activities

Central to the work and witness of the Church is the provision of regular public services of Christian worship. Usually and in the early part of 2020, these took place at 10.30am on Sunday mornings, once a month on Sunday afternoons and at other times for Christian Festivals and special events. There is usually a full children's programme during the 10.30am service for ages 0-14 years which runs concurrently with the service.

The restrictions due to Covid 19 in various forms at different times, have had a major impact on the activities that the Church has been able to undertake. Since March, Sunday morning services have been held online “live” using Zoom and we are pleased that some new attendees have joined us during this period. When possible, socially distanced participation at Sunday morning services on Zoom has been arranged at the church building for a limited number, who might otherwise not have been able to participate. These services have been led by members of the Church with either visiting preachers or (less frequently) speakers from within the membership. Sunday morning activities for children were curtailed but materials were provided for use at home.

Weekly prayer meetings have also been maintained with Zoom.

In addition, considerable effort has been made to keep in touch with, and support, all involved in the church as much as is feasible. Where necessary, practical help has been provided (mainly shopping). As well as the links arranged through the church, there has been much support provided informally.

Details of other regular activities are given below.

The main youth activities outside of our Family Church, usually held on Sunday mornings, are the Monday night clubs. The Hub is for years 1 to 6 and the Club for year 7 onwards. Both start with refreshments, followed by a time of games, arts and crafts, and Bible stories and discussion.

Red Balloon Foundation has assisted the church in providing these Monday evening activities for children – initially meetings at the church. Covid 19 restrictions from March inevitably disrupted these activities. When possible, physical meetings were held respecting the guidelines at the time. At other times meetings had to be online. Regrettably, the numbers involved in the Club reduced to the level where it was no longer realistic to meet. We hope to restart this after summer 2021



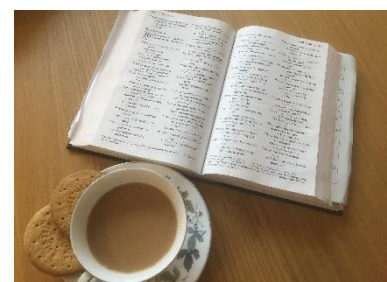
Kingfishers Babies & Toddlers is a meeting place for all those who have care of a child under 5 - those who attend include mums, dads, grandmas, grandads, childminders and nannies. Meetings were held until mid-March.

For much of the morning there are plenty of toys out for the children to play with, while tea and coffee are served for the adults with opportunities to chat and make new friends. Towards the end of the morning the toys are packed away and drinks and breadsticks offered to the children, and then there is a little sing song to finish with.

Aside from Children’s and Youth Activities Brentwood Baptist Church has midweek groups which cater for adults.

There are several groups that meet in homes during the week for Bible study and prayer. Informal contact amongst these groups has been maintained but in general the meetings were discontinued.

Oasis is an opportunity for our church to open its doors to all who wish to come from our local community on a Friday between 12 noon and 1.30p.m. for coffee, tea, biscuits or to bring their own lunch, and share the company of others. Some people have joined in various activities at Church including the Carols by Candlelight Service. It has not been possible for Oasis to meet since mid-March although contact has been maintained with some who come.





The “Women's Own” is a group of ladies who regularly meet on a Tuesday afternoon at 2.30pm in our Kings Hall for fellowship and mutual encouragement. Regular meetings at the start of the year were possible but, due to Covid 19 and associated restrictions, the other regular events such as an annual outing to the seaside, spring lunch, garden tea parties, Christmas dinner were not possible and unfortunately, it has not been feasible to continue by Zoom. It was very disappointing that events to celebrate the 100-year anniversary of Women’s Own could not be held, although the event was marked with a

focused Sunday morning service and a celebratory meal is intended when the present situation is resolved.

We were able to hold informal services at Douglas Matthew House, a sheltered housing complex, once a month, on 2 occasions at the start of the year. Douglas Matthew House is one of our Church's close neighbours in Kings Road. The services comprise a time of praise, a short 'thought for the day' and time to share prayer needs and are followed by tea and cakes. We value the privilege of having this facility which gives another opportunity of sharing God's love in our Community and giving spiritual encouragement to people who would not otherwise be able to attend a church service.

Public Benefit

Having regard for the Charity Commission's guidance on public benefit, all our activities are open to anyone who wishes to attend. Through our work we are providing a benefit to the public through: -

- The provision of church buildings and worship services.
- Contributing to the spiritual and moral education of children and young people (pre-school, pre-teen and teen).
- Carrying out, as a practical expression of religious beliefs, opportunities to support, encourage and walk with varying age groups through friendship and practical help where possible.
- Providing open community events.
- Providing comfort to the bereaved and less able.

Within the limitations of the Covid-19 restrictions, these activities have been continued, as described above.

As well as the limited use of the church building noted above, some external users of the building have continued meetings when possible under the restrictions – notably Kingfisher’s Pre-school have continued to meet since Easter.

The church has been one of Brentwood Council’s community hubs and has provided help in the early part of the restrictions to a small number of local residents whose needs have been notified to the church.

Financial review

The financial outcome for the year was dominated by the impact of Covid 19 restrictions and (again) by the ministerial vacancy. Although presenting challenges, the vacancy has a positive financial effect as the manse is let as well as the costs of a minister being absent. During the year, there was a change in tenants in the manse; this change (including a gap in occupation) reduced receipts from letting the manse.

Standing orders and similar payments have been substantially maintained. Since March, it has not been possible to receive money through collections at services – some of this has been contributed by cheque but it has not been possible to claim Smaller Donations Gift aid. Gift aid received was abnormally high as it included £10,000 that would normally have been received in 2019. Restrictions on use of the building reduced rental income.

The Covid-19 restrictions affected costs – mainly reductions across a wide range of headings. We increased donations to Baptist causes and those addressing the impact of Covid 19. In addition, we were without an Administrator during the year.

General Fund receipts were £123,016 and payments were £47,125 so there was a surplus before transfers of £75,891. After transfers the General Fund was £242,365 at year end.

The Building Refurbishment Fund was partially used. A new projector and new screens in the sanctuary were installed in February 2020. They have been much appreciated by those present in the building for Zoom services. Progress with the improvement to the frontage of the church building on Kings Road, in particular access, was slowed by the impact of Covid-19 restrictions. Planning and building permission for the preferred option have been obtained and a preferred contractor instructed. Work started in April 2021. During review of the plans by Fire Service staff, it was noted that we should enhance the fire escape at the other end of the main meeting area. Consequently £15,000 was transferred to the fund from the General Fund for this work.

Payments of £3,453 were made from the Pension Deficit Fund. There has been a reduction in the period of time over which these payments are expected, following the latest actuarial valuation. Consequently £17,174 was transferred to the General Fund. Payments were halved in the second half of the year, as a general measure for all contributing churches, to reflect the financial pressure on some churches.

Use of the Communion Fund was much higher than previous years. A substantial part of this was the result of payments from the fund for purchases of shopping for those isolating, when these were arranged by the church. Almost all was reimbursed, increasing receipts. At year end, a transfer from the General Fund ensured the year end balance is zero. The Trustees expect that greater transfers from the General Fund may be needed in 2021.

There were reduced receipts and payments for the Other Activities Fund as there was reduced activity by the relevant organisations.

Overall, receipts totalled £129,341 and payments totalled £68,736. The Trustees are grateful for the financial support of the church members and attendees as well as their significant contributions in many other ways.

Reserves Policy

The Trustees have a policy to maintain a reserve of £30,000 in unrestricted funds in case of an unexpected significant expenditure or a significant reduction in receipts. This policy objective has been met.

The General Fund balance of £242,365 is sustainably in excess of this. This has arisen primarily during the ministerial vacancy with its cost savings and receipts from renting the manse. The Trustees expect that this excess will be utilised in the work of the church in coming years, in particular once a minister is in place.

While there have been impacts on the receipts (and payments) of the church through the impact of Covid restrictions, the Trustees continue to expect to be able to meet payments as they fall due.

Accounts for 2020

(All figures in £)

Summary of Receipts and Payments (pre-transfers)

	Receipts	Payments
Unrestricted funds		
General Fund	123,016	47,125
Pension Deficit Fund		3,453
Building Refurbishment Fund		11,601
Other Activities Fund	343	323
Restricted funds		
Communion Fund	3,536	3,965
Receipts to Forward Fund	2,446	2,269
Total for 2020	129,341	68,736

Details for each fund and comparatives for 2019 are shown below

General Fund Unrestricted

Receipts	2020	2019
Regular giving	71,004	82,702
Tax reclaimed (2)	22,615	5,990
Contributions to church expenses	722	2,914
Legacies or Gifts in memory	1,000	
Rental income – church building	8,977	13,401
Rental income – manse (8)	15,456	19,590
Other income (3)	3,242	2,820
	123,016	127,420
Payments		
Ministry & Mission (4)	5,751	28,081
Church Management, admin etc	27,517	39,379
Donations by the Church (5)	13,857	12,872
Soul Survivor (6)	0	816
	47,125	81,156
Excess of Receipts over Payments	75,891	46,264
Transfer to Communion Fund	(429)	(1,457)
Transfer to Building Redevelopment Fund	(15,000)	(15,429)
Transfer from Pension Deficit Fund	17,174	
Transfer from Other Activities fund		150
Balance at start of year	164,729	135,201
Balance at end of year	242,365	164,729

A fuller analysis of the payments from the General Fund by activity can be found in note (7).

Pension Deficit Fund Designated note (9)

A fund for the costs of meeting the pension deficit payments to be paid to the Baptist Pension Fund under the Recovery Plan, originally established at the end of 2017. The latest actuarial valuation has resulted in a decrease in the time period over which pension deficit payments are expected. The amount no longer required was transferred to the General Fund. Annual increases in line with increases in Minimum Pensionable Income are assumed at 3.2% pa from the start of 2021.

	2020	2019
Payments		
Deficit payments made	3,453	4,505
Excess of Receipts over Payments	(3,453)	(4,505)
Transfer to General Fund	(17,174)	
Balance at start of year	48,351	52,856
Balance at year end	27,724	48,351

Building Refurbishment Fund Designated

A fund to cover the expected costs of building work (to manse and Church building) which has been planned but had not yet taken place.

	2020	2019
Payments		
Expenditure on buildings	11,601	6,886
Excess of Receipts over Payments	(11,601)	(6,886)
Transfer from General Fund	15,000	15,429
Balance at start of year	44,000	35,457
Balance at year end	47,399	44,000

Other Church Activities Fund Designated

Two (three in 2019) Church organisations receive money and make payments and are shown separately.

	2020	2019
Receipts		
Kingfisher Babies and Toddlers	68	281
Women's Own	275	1,111
Monday night children and youth activities		270
Total receipts	343	1,662
Payments		
Kingfisher Babies and Toddlers	43	136
Women's Own	280	1,098
Monday night children and youth activities		257
Total payments	323	1,491
Excess of Receipts over Payments	20	171
Transfer to General Fund from Kingfisher Babies and Toddlers		(150)
Balance at start of year	1,224	1,204
Balance at year end	1,244	1,224

Receipts to Forward Fund Restricted

During the year the church receives money identified specifically for other charities or people which the church supports and for gratuities given by the members of the congregation. These are recorded separately and passed directly to the identified charity or person. The following amounts were received and passed on in this way. Previously this was called the Agency Fund.

	2020 received	2020 paid	End 2020 balance
Baptist Missionary Society – Op Agri	1,490	1,490	
Baptist Missionary Society	191	175	7
Baptist Missionary Society – Beirut Appeal	214	214	
Foodbank	119	119	
Home Mission	254	261	
Samaritans Purse	10	10	
Thank offering 2019	118		
Floods appeal	50		
	<u>2,446</u>	<u>2,269</u>	<u>7</u>

	2019 received	2019 paid	End 2019 balance
Baptist Missionary Society – Op Agri	50	50	
Baptist Missionary Society	379	388	(9)
Baptist Missionary Society – Relief	50	50	
Home Mission	197	190	7
Soul Survivor	1,733	1,733	
Thank offering 2018	1,171	1,171	
Thank offering 2019	968	1,086	(118)
Floods appeal	1,485	1,535	(50)
	<u>6,033</u>	<u>6,203</u>	<u>(170)</u>

The Thank Offering which would normally have been held in the last quarter of 2018 was held in the first quarter of 2019.

The delay in making the Gift Aid claims, described in note 2, means that Gift Aid for some payments was not available before 2019 year end. Nonetheless the payments made included the amounts of this Gift Aid, so there were negative balances in relation to the causes shown. These were covered when the Gift Aid was received in 2020.

Communion Fund Restricted

A restricted fund for use by the minister to support members of the congregation, and others, at their discretion. In the pastoral vacancy, these decisions are currently made by the Church Secretary. In 2020, includes receipt from Brentwood Borough Council for acting as a Community Hub during the pandemic and repayment of the same.

	2020	2019
Receipts		
Giving	3,036	306
Grant from Brentwood Council	500	
	<hr/> 3,536	<hr/> 306
Payments		
Support given	3,465	696
Repayment of council grant	500	
	<hr/> 3,965	<hr/> 696
Excess of Receipts over Payments	(429)	(390)
Transfer from General Fund	429	1,457
Balance at start of year		(1,067)
Balance at year end	<hr/> 0	<hr/> 0

Statement of Assets and Liabilities

	2020	2019
Bank accounts		
Instant Access	65,148	53,175
Notice – 60 day	70,362	52,630
Notice – 1 year	181,987	151,105
Other activities accounts	962	922
Cash	282	302
	<hr/>	<hr/>
	318,740	258,134

Represented by

	2020	2019
Unrestricted funds		
General Fund	242,365	164,729
Pension Deficit Fund	27,724	48,351
Building Refurbishment Fund	47,399	44,000
Other Church Activities Fund	1,244	1,224
Restricted funds		
Communion Fund	0	0
Receipts to Forward Fund	7	(170)
	<hr/>	<hr/>
	318,740	258,134

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 London Baptist Property Board Limited)

Church premises at Kings Road, Brentwood, CM14 4DR valued at £2,175,532 (insurance amount)
(£2,016,248)

Church manse at 16 Doddinghurst Road, Brentwood, CM15 9EH valued at £350,387 (insurance amount)
(£324,733)

The Church also owns

- fixtures, furniture and equipment in the Church building valued at £168,500 (insurance amount)
(£143,933)
- a minibus with an estimated value of £500 (£500)

The Church has a liability to make pension scheme deficit payments of £25,773 as at 31st December 2020, calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions. The Pension Deficit Fund is higher than this as it includes an allowance for the assumed increase in payments. Please see note (9).

NOTES TO THE ACCOUNTS

- 1. Basis of the accounts:** These accounts have been prepared on a 'receipts and payments' basis in accordance with section 133 of the Charities Act 2011.
- 2. Gift Aid:** in 2019, only one of the usual three claims in a year for Gift Aid refunds from HMRC were made. Approximately £10,000 of Gift Aid relating to gifts received up to 30 November 2019 had not been claimed at 31 December 2019, which would usually have been claimed within the year. It has been claimed, was received in April 2020 and is included in the accounts for 2020.

3. Other Income comprises

	2020	2019
Use for Minibus	25	221
Interest	3,148	2,533
Sale of books	69	66
	3,242	2,820

- 4. Payments / Ministry & Mission** – Salaries and employer NI and pension costs of Minister, Administrator and Children's and Youth worker and the cost of external Support for Youth activities.
- 5. Donations by the Church** . Gifts were made to the following:-

	2020	2019
Baptist Missionary Society	2,800	2,700
Home Mission inc Eastern Baptist Association	4,530	2,630
Brentwood Schools Christian Worker Trust	1,800	2,743
Christians Against Poverty	1,800	1,800
Brentwood Foodbank	500	500
Open doors	200	375
TEAR fund		750
Kaniki Trust		500
Bentley Baptist Church		500
Barnabas Fund		375
Manna Meals	500	
Hopetowns	500	
Samaritans Purse	500	
Community Heartbeat	328	
Mission Aviation Fellowship	200	
Reach Across (UK)	200	
	13,858	13,102

- 6.** The amount shown in General Fund payments in 2019 is for subsidies given to attend Soul Survivor and Warrior Camp.

7. Detail of payments by the church

	2020	2019
Minister's salary, pension (8)	360	0
Minister's expenses		0
Children/Youth Worker's salary		17,214
Children/Youth Worker's expenses		2,275
External support for Youth activities	5,160	210
Cleaning	5,454	3,770
Administrator's salary	231	10,657
Utilities	6,052	3,936
Speakers' fees	1,509	1,843
Insurance	1,939	1,962
Church repairs & maintenance	2,173	4,347
Manse repairs & maintenance (8)	797	225
Printing & Copying	652	1,447
Youth/family church	120	526
Administration costs	3,966	5,546
Minibus	1,009	3,314
Outreach	50	3,427
Equipment	2,210	5,078
Moderator	1,297	1,175
Donations from the Church (5)	13,858	12,872
Sundries		123
Sundries gifts	100	129
Training		14
Resources/Books	100	91
Bible notes purchased	83	151
Soul Survivor (6)		816
	<u>47,125</u>	<u>81,156</u>

8. In 2020, minister's salary and pension were the costs of an Interim Member of the pension scheme.

In 2020, manse income and manse repairs both include £569 paid for repairs arranged by the letting agents at the request of the church. This was deducted from the rent received by the letting agents before the rent was paid to the church. Fees and costs contractually due to the letting agents for their services were also deducted from the rent before it was paid to the church but are not included in these accounts (£4,731).

9. Pension Scheme Liabilities

The Church is a participating employer in 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 was carried out 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.

Under the Schedule of Contributions, the church makes a monthly payment in respect of the DB scheme deficit, currently £390, which will increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresees these contributions continuing until June 2026. The pension scheme liability shown in the Statement of Assets and liabilities is calculated as the current rate per month multiplied by the number of months remaining in the current Schedule of Contributions, which amounted to £25,774 as at 31st December 2020.

The Church has been advised that the estimated cost for the church to buyout their Pension Scheme liabilities at 31 December 2020 was £84,300.

10. Payment to trustees

Trustees were reimbursed for purchases made on behalf of the Church for Church activities. No other payments were made to the Trustees.

Independent examiner's report to the trustees of Brentwood Baptist Church

I report to the trustees on my examination of the accounts of the Brentwood Baptist Church (the Church) for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Church you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Church as required by section 130 of the Act; or
2. the accounts do not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S V De Boo

Shaun De Boo
Chartered Accountant

Address: 40 Sebastian Avenue,
Shenfield,
Essex,
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Date: *11 May 2021*