

Brentwood Baptist Church

Annual Report and Accounts
For the year ending 31st December 2021



Registered Charity No. 1130944

Approved by the Trustees and signed on their behalf by:

Bryan Dedman

Bryan Dedman – Church Secretary

29 August 2022
Date

Trustees	Jenny Baldwin (to 31 July 2021) Bryan Dedman Brian Garner (from 25 February 2021) Ruth McMahon David Moore (to 31 December 2021) Nicholas Tavener
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Address	91 Kings Road, Brentwood, Essex, CM14 4DR
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Independent Examiner	Shaun De Boo Chartered Accountant
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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.

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 2021, were the deacons, secretary and treasurer as elected by the Church membership in accordance with the Church Constitution. During 2021 the church was in a pastoral vacancy, although a new minister, the Rev Sean Fountain, will be inducted in September 2022.

The Trustees hold a monthly meeting and usually a meeting of all Church members is held every two months. Since March 2020, the Trustees have mainly met online with occasional in-person meetings, particularly when interviewing prospective ministers. Likewise, in 2021 members meetings have been via Zoom.

During the 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 caused by the Covid-19 pandemic.

Review of Activities

Central to the work and witness of the Church is the provision of regular public services of Christian worship which has continued either on-line and/or in the building through 2021.

Sunday morning services have been held in the building from the time when it was possible to re-open but also we have continued to broadcast them online "live" using Zoom to enable those who are unable, or would prefer not to be in a large congregation, to participate. We are pleased that some new attendees have joined in both formats. Services have usually been led by members of the Church with either visiting preachers or (less frequently) speakers from within the membership. There is now usually a full children's programme during the 10.30am service for ages 0-14 years which runs concurrently with the service.

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. As well as the links arranged through the church, there has been much support provided informally.

The main youth activity outside of our Family Church, which are usually held on Sunday mornings, is the Monday night club. The Hub is for school years 1 to 6 and includes refreshments, games, arts and crafts, and Bible stories and discussion. The Red Balloon Foundation has assisted the church in providing these Monday evening activities for children.

“Women's Own” is a group of ladies who regularly meet on a Tuesday afternoon at 2.30 pm in our Kings Hall for fellowship, worship and mutual encouragement. It has been possible this year to belatedly celebrate the Centenary of this group with tea at a local hotel. Regular weekly meetings have recommenced and Christmas dinner at a local Country Club was enjoyed by members.

The Church has continued its involvement with Churches Together in Brentwood and church members are involved with Brentwood Schools Christian Worker Trust (BSCWT) and Brentwood Foodbank. The church continued its financial support for BSCWT and the Brentwood group of Christians Against Poverty, as well as the Home Mission of the Baptist Union and BMS World Mission. We are linked with two BMS medical missionaries in northern Chad.

Some activities have not recommenced, including Kingfishers Babies & Toddlers. This 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 but this activity has not re-started due to lack of volunteers. Subsequently, volunteers have come forward and a new group, Little Footsteps, is expected to start in September 2022. .

During 2021, the church agreed to support the training of a former church member, now minister in training at Farnborough Baptist Church, including the payment of college fees at Spurgeon's College.

During 2021 the Trustees worked 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. In April 2022, the church called Rev Sean Fountain to be its next minister, by a 100% vote at the relevant meeting. The call was accepted and we look forward to the new ministry starting in September 2022.

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.

As well as the limited use of the church building noted above, some external users of the building continued meeting when possible under the restrictions – notably Kingfisher's Pre-school continued to meet throughout 2021 (although it subsequently closed in July 2022).

Premises

Work on the front of the building started in April 2021 and has been almost totally completed giving improved accessibility. 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. That exit was widened and new doors provide improved exit from the building .

A review of the main church building was undertaken. No immediate work was recommended but proposals made for a programme of review and potential refurbishment over the next 5 years.

Financial review

The financial outcome for the year was dominated by the impact of the building work, by the vacancies for minister and administrator and the impact of covid-19 restrictions on activities. Overall, receipts totalled £120,384 and payments totalled £111,941.

General Fund receipts were £118,197 and payments were £55,464 so there was a surplus before transfers of £62,733. After transfers the General Fund was £290,793 at year end. Standing orders and similar payments have been substantially maintained. Since the church re-opened, attendees have been able to donate on site. There was significant income from rental of the manse but rental income from outside parties using the church building has not returned to pre-pandemic levels. The pandemic has continued to affect activities and costs – mainly reductions across a wide range of headings.

The Building Refurbishment Fund was largely used – the small amount of remaining work should be covered by the remaining balance.

Payments of £4,686 were made from the Pension Deficit Fund. At end 2021, the Trustees expected that these payments would continue until mid-2026 at the same or an increased level and the fund balance was intended to cover such payments. However, at the end of July 2022, the Trustees of the Baptist Pension Scheme advised that they had signed an agreement with an insurance company to secure the DB Plan members pension benefits. Subject to certain expectations being met, the payments from August 2022 onwards will be reduced to £1 pm. The Church Trustees expect that by end 2022 the balance of the Pension Deficit Fund will be transferred to the General Fund which will then bear the £1pm cost.

The church is supporting the training of a former church member including payment of college fees. £13,000 was set aside in a new Fees Fund for this purpose of which £5,922 was spent in 2021.

Use of the Communion Fund was again higher than in previous years. At year end, a transfer from the General Fund ensured the year-end balance is (almost) zero. The Trustees expect that a significant transfer from the General Fund will be needed in 2022.

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

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 £290,793 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, and particularly once a minister is in place.

While there have been impacts on the receipts (and payments) of the church as a result of Covid -19, the Trustees continue to expect to be able to meet payments as they fall due.

Accounts for 2021

(All figures in £)

Summary of Receipts and Payments (pre-transfers)

	Receipts	Payments
Unrestricted funds		
General Fund	118,197	55,464
Pension Deficit Fund	0	4,686
Building Refurbishment Fund	0	41,548
Other Activities Fund	361	611
Fees Fund	0	5,922
Restricted funds		
Communion Fund	125	2,011
Receipts to Forward Fund	1,701	1,699
Total for 2021	<u>120,384</u>	<u>111,941</u>

Details for each fund and comparatives for 2020 are shown below

General Fund Unrestricted

	2021	2020
Receipts		
Regular giving	74,506	71,004
Tax reclaimed (2)	12,698	22,615
Contributions to church expenses	95	722
Legacies or Gifts in memory	220	1,000
Rental income – church building	9,674	8,977
Rental income – manse (7)	18,174	15,456
Other income (3)	2,831	3,242
	<u>118,197</u>	<u>123,016</u>
Payments		
Ministry & Mission (4)	3,790	5,751
Church Management, admin etc	40,544	27,517
Donations by the Church (5)	11,130	13,857
	<u>55,464</u>	<u>47,125</u>
Excess of Receipts over Payments	62,733	75,891
Transfer to Communion Fund	(1,888)	(429)
Transfer to Fees Fund	(13,000)	0
Transfer to Building Redevelopment Fund	0	(15,000)
Transfer from Pension Deficit Fund	0	17,174
Transfer from Other Activities fund	579	0
Balance at start of year	<u>242,365</u>	<u>164,729</u>
Balance at end of year	<u>290,793</u>	<u>242,365</u>

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

Pension Deficit Fund Designated note (8)

A fund for the costs of meeting the pension deficit payments to be paid to the Baptist Pension Scheme under the Recovery Plan, originally established at the end of 2017. At end 2021, the balance was expected to be used for future payments until June 2026. However, from August 2022 the payments are expected to be reduced to £1pm – see Report and note 8. The Trustees expect that by end 2022 the balance of the Pension Deficit Fund will be transferred to the General Fund.

	2021	2020
Payments		
Deficit payments made	4,686	3,453
Excess of Receipts over Payments	(4,686)	(3,453)
Transfer to General Fund		(17,174)
Balance at start of year	27,724	48,351
Balance at year end	23,036	27,724

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.

	2021	2020
Payments		
Expenditure on buildings	41,548	11,601
Excess of Receipts over Payments	(41,548)	(11,601)
Transfer from General Fund		15,000
Balance at start of year	47,399	44,000
Balance at year end	5,851	47,399

Other Church Activities Fund Designated

Three Church organisations receive money and make payments and are shown separately.

	2021	2020
Receipts		
Kingfisher Babies and Toddlers	0	68
Women's Own	361	275
Monday night children and youth activities	0	0
Total receipts	361	343
Payments		
Kingfisher Babies and Toddlers	0	43
Women's Own	611	280
Monday night children and youth activities	0	0
Total payments	611	323
Excess of Receipts over Payments	(250)	20
Transfer to General Fund from Kingfisher Babies and Toddlers and Monday nights	(579)	0
Balance at start of year	1,244	1,224
Balance at year end	415	1,244

Fees Fund Designated

A fund, established in 2021, for payment of college fees of a minister training (a former member).

	2021	2020
Payments		
Payment of fees made	5,922	0
Excess of Receipts over Payments	(5,922)	0
Transfer from General Fund	13,000	0
Balance at start of year	0	0
Balance at year end	7,078	0

Receipts to Forward Fund Restricted

During the year the church receives money identified specifically for other charities or people which the church supports. 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.

	2021 received	2021 paid	End 2021 balance
Baptist Missionary Society – Op Agri	246	246	0
Baptist Missionary Society	315	322	0
Foodbank	320	320	0
Home Mission	320	311	9
Josh Waldock training	500	500	0
	1,701	1,699	9

	2020 received	2020 paid	End 2020 balance
Baptist Missionary Society – Op Agri	1,490	1,490	0
Baptist Missionary Society	191	175	7
Baptist Missionary Society – Relief	214	214	0
Foodbank	119	119	0
Home Mission	254	261	0
Samaritans Purse	10	10	0
Thank offering 2019 (delayed until 2020)*	118	0	0
Floods appeal*	50	0	0
	2,446	2,269	7

*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 that year 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, this included a receipt from Brentwood Borough Council for acting as a Community Hub during the pandemic and repayment of the same.

	2021	2020
Receipts		
Giving (inc Gift Aid)	125	3,036
Grant from Brentwood Council	0	500
	<hr/> 125	<hr/> 3,536
Payments		
Support given	2,011	3,465
Repayment of council grant	0	500
	<hr/> (2,011)	<hr/> 3,965
Excess of Receipts over Payments	<hr/> (1886)	<hr/> (429)
Transfer from General Fund	1888	429
Balance at start of year	0	
Balance at year end	<hr/> 1	<hr/> 0

Statement of Assets and Liabilities

	2021	2020
Bank accounts		
Instant Access	73,656	65,148
Notice – 60 day	83,521	70,362
Notice – 1 year	169,590	181,987
Other activities accounts	281	962
Cash	134	282
	<hr/> 327,183 <hr/>	<hr/> 318,740 <hr/>

Represented by

	2021	2020
Unrestricted funds		
General Fund	290,793	242,365
Pension Deficit Fund	23,036	27,724
Building Refurbishment Fund	5,851	47,399
Fees Fund	7,078	0
Other Church Activities Fund	415	1,244
Restricted funds		
Communion Fund	1	0
Receipts to Forward Fund	9	7
	<hr/> 327,183 <hr/>	<hr/> 318,740 <hr/>

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 £2,197,287 (insurance amount)
(£2,175,532)

Church manse at 16 Doddington Road, Brentwood, CM15 9EH valued at £353,891 (insurance amount)
(£350,387)

The Church also owns

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

At 31st December 2021, the Church had a liability to make pension scheme deficit payments of £21,397, 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. As outlined in the Report and note (8) these payments are now expected to total £2,821. The Trustees expect that by end 2022 the balance of the Pension Deficit Fund will be transferred to the General Fund which will then bear the £1pm cost.

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 2020, £10,000 of Gift Aid was received which would normally have been claimed in 2019.
3. **Other Income comprises**

	2021	2020
Use for Minibus	91	25
Interest	2,675	3,148
Sale of books	65	69
	<u>2,831</u>	<u>3,242</u>

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:-

	2021	2020
Baptist Missionary Society	2,700	2,800
Home Mission inc Eastern Baptist Association	4,030	4,530
Brentwood Schools Christian Worker Trust	1,800	1,800
Christians Against Poverty	1,800	1,800
TEAR fund	450	0
Compassion Uk	350	0
Brentwood Foodbank	0	500
Open doors	0	200
Manna Meals	0	500
Hopetowns	0	500
Samaritans Purse	0	500
Community Heartbeat	0	328
Mission Aviation Fellowship	0	200
Reach Across (UK)	0	200
	<u>11,130</u>	<u>13,858</u>

6. Detail of payments by the church

	2021	2020
Minister's salary, pension (7)	710	360
Minister's expenses	0	0
Children/Youth Worker's salary	0	0
Children/Youth Worker's expenses	0	0
External support for Youth activities	3,080	5,160
Cleaning	5,664	5,454
Administrator's salary		231
Utilities	6,828	6,052
Speakers' fees	1,768	1,509
Insurance	2,049	1,939
Church repairs & maintenance	8,934	2,173
Manse repairs & maintenance (7)	3,095	797
Printing & Copying	709	652
Youth/family church	256	120
Administration costs	6,544	3,966
Minibus	913	1,009
Outreach	327	50
Equipment	1,410	2,210
Moderator	1,466	1,297
Donations from the Church (5)	11,130	13,858
Sundries	0	0
Sundries gifts	403	100
Training	0	0
Resources/Books	138	100
Bible notes purchased	38	83
	<hr/> 55,464	<hr/> 47,125

7. In 2020 and 2021, minister's salary and pension were the costs of an Interim Member of the pension scheme.

In 2021, manse income and manse repairs both include £600 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 (£3,672).

In 2020 the corresponding figures were £569 and £4,731.

8. 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 31 December 2022.

Under the Schedule of Contributions, the church made a monthly payment in respect of the DB scheme deficit, in 2022 before August of £396.25, which was expected to increase in line with increases in Minimum Pensionable Income. The Schedule of Contributions foresaw these contributions continuing until June 2026. The pension scheme liability shown in the Statement of Assets and Liabilities was calculated as the then current rate per month multiplied by the number of months remaining in the current Schedule of Contributions, which amounted to £21,397 as at 31st December 2021.

The Church had been advised that the estimated cost for the church to buyout their Pension Scheme liabilities at 20 December 2021 was £53,900.

However, at the end of July 2022, the Trustees of the Baptist Pension Scheme advised that they had signed an agreement with an insurance company to secure the DB Plan members pension benefits. Subject to certain expectations being met, the payments from August 2022 onwards will be reduced to £1 pm. Thus, the payments after 1 January 2022 are expected to be £2,821.

9. 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 2021.

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 DeBoo

Shaun De Boo
Chartered Accountant

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Date: *30 August 2022*