

Brentwood Baptist Church

Annual Report and Accounts
For the year ending 31st December 2018



Registered Charity No. 1130944

Approved by the Trustees and signed on their behalf by:

B J Dedman

Bryan Dedman – Church Secretary

9/8/2019

Date

Trustees

Christopher Boyland – Secretary (to end June 2018)
Geoffrey Care – (to end 2018)
Nicholas Gaughan - Treasurer
Godfried Williams - (to end June 2018)
Joshua Waldock
Trevor Boyland - (to end May 2018)
Eric Baldwin- (to April 2019)
Christopher Cundy – Secretary (July, August, September 2018)
Jenny Baldwin – (from July 2018)
Ruth McMahon – (from July 2018)
Hazel Olushola – (from July 2018)
Bryan Dedman – Secretary (from October 2018)

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 which, during 2018, were the Trustees as elected by the Church membership in accordance with the Church Constitution. The Deacons hold a monthly Diaconate meeting and a meeting of all Church members is held every two months.

Review of Activities

Central to the work and witness of the Church is the provision of regular public services of Christian worship. In 2018 these took place at 10.30am on Sunday mornings and once a month on Sunday afternoons and at other times. There is a full children's programme during the 10.30am service for ages 0-14 years which runs concurrently with the morning service. In addition some members meet in homes during the week for Bible study and prayer. Activity groups for a range of young people and adults are provided by members and/or outside organisations. A selection of Church events held, are as follows;

Kingfishers Babies & Toddlers has been in existence for over 40 years and acts as a meeting place for anyone who is caring for children under the age of five years. On average, approximately twenty-five adults attend each week who can be accompanied by up to four children each. An interesting feature of those that attend is the age range of adults from teenage parents to grandparents, from teenage nannies to child minders. Most adults are female but it is not unusual to see dads and grandads. The most striking feature of the activity is the cross section that families originate from e.g. Spain, Romania, Poland, Lithuania, Turkey, India, Hong Kong, Malaysia, Laos, Japan, Brazil, Colombia, and other countries. We have had the pleasure of seeing adults and children make friends with someone speaking their own native language whilst complete strangers



have developed friendships with similar speaking people. The activity is supported by three Church volunteers although an extra volunteer is always appreciated. The volunteers befriend and talk to those that attend.



The main youth activities outside of our Family Church, held on Sunday mornings are the Monday night clubs. We run three clubs for three different age groups to cover all children from the ages of 5 through to 18 years of age. The youngest group is called "Connect" and is for children in school years Reception through to Year 4. We normally start with food (as children often arrive straight from school) and the rest of the evening includes games, crafts and a Bible story. The second group is called "The Hub" and caters for those children in school years 5 to 8. We recently changed the age ranges for the clubs, so this is essentially a new group to bridge between Connect and The Club (our oldest group). We run on a child led basis, so the children can choose which activities to do. There is often free time and a tuck shop, and we always have a talk from a bible story. The Club operates for school years 9 to 13. This group is a traditional youth club; activities include pool, table tennis, games consoles, tuck shop and sports activities with a talk during the evening. With this age group there are often special social events organised.

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. Weekly activities are organised for the ladies, which can range from an invited speaker giving a talk on devotional aspects of life, professional talks or hobbies / interests. These talks are always very interesting and give the opportunity to discuss many aspects of the community and country around us. Other events are organised during the year, such as an annual outing to the seaside, spring lunch, garden tea parties, Christmas dinner and many more. Such events are used to raise funds that can be donated to good causes and during 2018 the sum of £575 was used to support specific charitable work.



During February, the Church organised a Saturday morning breakfast for those that were lonely or homeless. The breakfast was supplied for free and included orange juice, egg, bacon, sausage, beans hash browns, mushrooms, toast and marmalade. Tea and coffee were provided to ensure the breakfast was completed in style. Invitations had been issued through the Church membership, the local library and high street distribution. A total of 50 breakfasts were cooked by a team of volunteers from the Church. Where possible any surplus was made into sandwiches and distributed to those in need on the high street. Such actions enhance the social standing of the Church and will encourage others to accept future support provided.

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.

Financial review

The General Fund was in surplus, prior to transfers, by £53,478. This is mainly the consequence of the pastoral vacancy, which both reduces costs and increases receipts as the manse is let. Of this surplus, £35,457 was transferred to a new Building Refurbishment Fund to cover the expected costs of improvements to the Church building (primarily to the front of the building) and manse which had been initiated but not completed. The General Fund benefitted from £20,476 transferred back from the Pension Deficit Fund as the "Family Solution" implemented towards the end of 2018 reduced the period over which payments are expected to be made to deal with the deficit in the defined benefit pension scheme. This recovery is now expected to take until 2028. £4,377 was paid from the Pension Deficit Fund in 2018. Compared to 2017, as well as the impact of the pastoral vacancy, the major change shown in payments is in relation to the Church building. However, not all the work envisaged for 2018 was completed- hence the Building Refurbishment Fund has been created. The major changes in receipts were an increase in legacies received and a decrease in other giving (mainly specific gifts). Contributions to church expenses and rental income were affected by a change in how certain receipts were allocated.

Payments of £1,290 were made from the Communion Fund to assist members of the congregation by helping to meet various financial needs. Most of this comes from the General Fund.

In previous years, the activities of Church organisations which handle receipts and payments have been mentioned in the financial review; in 2018, these were incorporated into the accounts through a new Other Church Activities Fund.

Across all funds, receipts exceeded payments by £48,274. At year end the General Fund was £135,201.

The church also runs a BMS Birthday Scheme. This is run as a separate scheme under guidance from BMS, who recover Gift Aid where appropriate. This money is not part of the church's income and is not included in the church's accounts. In 2018, £1,132 was sent to BMS.

The Trustees are grateful for the generous giving by members of the congregation and for legacies received from the estates of Beryl Chitson and Eileen Ward. The Trustees acknowledge too the considerable contributions of time and effort given on a voluntary basis, the value of which is not shown in these accounts.

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.

Pension Scheme

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme (“the Scheme”). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members’ Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit 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. 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.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer’s contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. In addition, the Baptist Union of Great Britain is expected to make a number of one-off contributions totalling £33.5m by 31 December 2023, including a lump sum of £33m in 2018. The Recovery Plan envisages deficiency contributions continuing until 31 December 2028.

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, due to the nature of the Scheme, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Church in 2018 is £4,377.

The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2019.

Accounts for 2018

(All figures in £)

General Fund Unrestricted

Receipts	2018	2017
Regular giving	88,963	90,500
Tax reclaimed	15,902	16,777
Contributions to church expenses	5,027	11,492
Legacies	6,500	
Rental income – church	12,134	4,235
Rental income (2018), cost contribution (2017) - manse	10,590	1,362
Other income (2)	4,332	11,183
	<u>143,449</u>	<u>135,549</u>
Payments		
Ministry & Mission (3)	34,409	61,361
Church Management, admin etc	45,316	60,431
Donations by the Church (4)	7,949	8,766
Soul Survivor	2,297	2,076
	<u>89,971</u>	<u>132,634</u>
Excess of Receipts over Payments	53,478	2,915
Transfer to Communion Fund	(945)	1,263
Transfer to Building Redevelopment Fund	(35,457)	
Transfer to Pension Deficit fund		77,708
Transfer from Pension Deficit Fund	20,476	
Transfer from Other Activities fund	200	
Balance at start of year	97,450	173,507
Balance at end of year	<u>135,201</u>	<u>97,450</u>

A fuller analysis of the payments from the General fund by activity can be found in note (5).

Pension Deficit Fund Designated

A fund for the costs of meeting the pension deficit payments to be paid to the Baptist Pension Fund under the Recovery Plan, established at the end of 2017. Towards the end of 2018, the “Family Solution” was implemented, which resulted in a decrease in the time period over which pension deficit payments are expected. The amount no longer required has been transferred to the General Fund. Annual increases in line with increases in Minimum Pensionable Income are assumed at 3.5% pa

	2018	2017
Payments		
Deficit payments made	<u>4,377</u>	
Excess of Receipts over Payments	(4,377)	
Transfer from General Fund		77,709
Transfer to General Fund	(20,476)	
Balance at start of year	77,709	
Balance at year end	<u>52,856</u>	<u>77,709</u>

Building Refurbishment fund Designated

A fund established at the end of 2018 to cover the expected costs of building work (to manse and Church building) which has been planned but had not yet taken place.

	2018
Transfer from General Fund	35,457
Balance at start of year	0
Balance at year end	<u>35,457</u>

Other Church Activities Fund Designated

Three Church organisations receive money and make payments. These are now shown in this separate fund; previously these organisations were mentioned in the financial report but not included in the accounts of the Church.

	2018
Receipts	
Kingfisher Babies and Toddlers	379
Women's Own	1,035
Monday night children and youth activities	284
Total receipts	<u>1,698</u>
Payments	
Kingfisher Babies and Toddlers	206
Women's Own	961
Monday night children and youth activities	291
Total payments	<u>1,458</u>
Excess of Receipts over Payments	240
Transfer to General Fund from Kingfisher Babies and Toddlers	(200)
Balance at start of year	<u>1,164</u>
Balance at year end	<u>1,204</u>

Communion Fund Restricted

A restricted fund for use by the minister to support members of the congregation, and others, at his discretion. In the pastoral vacancy, these decisions are currently made by the Church Secretary. At the 31 December 2018 the fund was in deficit to the extent of £1,067. The Trustees have agreed that this deficit be eliminated by a transfer from the General Fund in 2019.

	2018	2017
Receipts		
Giving	223	322
Payments		
Support given	1290	1,852
Excess of Receipts over Payments	(1,067)	(1,520)
Transfer from General Fund	945	1,263
Balance at start of year	(945)	(680)
Balance at year end	(1,067)	(945)

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.

	2018	2017
Baptist Missionary Society – Op Agri	50	100
Baptist Missionary Society	540	663
Baptist Missionary Society – Relief	50	150
Home Mission	247	205
Chris Boyland, a gratuity	390	
Foodbank	10	
Sam Moore, to support his training	80	
India	219	
John Prothero, a gratuity		544
St Francis Hospice		130
Thank offering		517
	1,586	2,309

The balance at the end of each year was £0.

Statement of Assets and Liabilities

	2018	2017
Bank accounts		
Instant Access	53,266	24,428
Notice – 60 day	20,000	
Notice – 1 year	149,182	149,786
Other activities accounts	1,041	n/a
Cash	163	n/a
	<hr/> 223,651 <hr/>	<hr/> 174,213 <hr/>

Represented by

	2018	2017
Unrestricted funds		
General	135,201	97,450
Pension deficit	52,856	77,709
Building refurbishment	35,457	
Other Church activities	1,203	
Restricted funds		
Communion Fund	(1,067)	(946)
Receipts to forward	0	
	<hr/> 223,651 <hr/>	<hr/> 174,213 <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 (insurance amount) £1,957,522
(2017 £1,875,000)

Church manse at 16 Doddinghurst Road, Brentwood, CM15 9EH (insurance amount, change of insurer)
£315,275 (£381,874)

The Church also owns

- fixtures, furniture and equipment in the Church building (insurance amount) £141,249 (£136,363)
- a minibus with an estimated value of £500 (£1,000)

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. Other Income comprises

	2018	2017
Use for Minibus	307	268
Interest	1,517	1,080
Sale of books	103	368
Soul Survivor	1,795	1,888
Donations and grants	610	7,334
Family Church and Youth work		245
	<u>4,332</u>	<u>11,183</u>

3. Payments / Ministry & Mission – Salaries and employer NI and pension costs of Minister, Administrator and Children's and Youth worker.

4. Donations by the Church . Gifts were made to the following:-

	2018	2017
BMS inc Ashleigh Gibb	3,010	2,000
Home Mission inc EBA	2,480	2,520
Brentwood Foodbank	1,000	
Pilgrims Hatch Baptist Church	300	
CAP	450	1,500
Sam Moore	150	
BHR Trust (Queen's Hospital)	200	
On the move	100	
BADEF	100	
BSCWT	59	66
PRS for music licence	99	
Kevin Garratt		1,020
Hammersmith Christian Fellowship		1,000
Clare E Nicholson		500
Other		110
Farewell for Richard Lewis		50
	<u>7,949</u>	<u>8,766</u>

5. Detail of payments by the church

	2018	2017
Minister's salary, pension		26,794
Minister's expenses(6)	1,778	4,684
Children/Youth Worker's salary	23,958	24,201
Children/Youth Worker's expenses	167	319
Cleaning	3,590	4,711
Administrator's salary	10,451	10,366
Utilities	5,544	5,084
Speakers' fees	1,731	1,231
Insurance	1,770	2,530
Church repairs & maintenance	8,055	29,317
Manse repairs & maintenance	6,399	0
Printing & Copying	1,035	1,503
Youth/family church	583	408
Administration costs	3,750	3,686
Minibus	1,188	1,329
Outreach	1,788	2,877
Equipment	5,386	1,140
Moderator	199	
Donations from the Church	7,949	8,766
Sundries	938	190
Sundries gifts	78	56
Training	60	829
Resources/Books	206	540
Redevelopment study	1,022	
Soul Survivor	2,297	2,076
	<hr/> 89,920	<hr/> 132,634

6. In 2018, minister's expenses were costs of the manse when it was not let.

7. Payment to trustees

Direct payments to employees: - Joshua Waldock – Youth Worker £24,037 (Salary and pension contribution). The Youth Worker acts as one of the Church's trustees and receives remuneration in respect of his services as Youth Worker. Apart from normal expenses he receives no other remuneration for his employment.

Payments to individuals and companies with which a Trustee is connected:-

Trevor Boyland – Trustee until May 2018 - and Christopher Boyland – Trustee until June 2018 – are, respectively, Director and Company Secretary of Promega Systems Ltd, which was paid for services and as purchase agent the sum of £2,041 (up to end June 2018).

Nicholas Gaughan is a relative of the Church administrator, who received a salary and pension contribution of £10,284.

Other Trustees were reimbursed for purchases, supported by receipts, made on behalf of the Church for Church activities. These are not included here.

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

I report on the accounts of Brentwood Baptist Church for the year ended the 31st December 2018, which is set out in this report on page numbers 7 to 12.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act.
- To follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5) (b) of the Charities Act) and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the 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 material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

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

Shaun De Boo

Shaun De Boo

Chartered Accountant

Address: 40 Sebastian Avenue,
Shenfield,
Essex,
CM15 8PW

Date: *12 August 2019*