

Brentwood Baptist Church

Annual Report and Accounts
For the year ending 31st December 2022



Registered Charity No. 1130944

Approved by the Trustees and signed on their behalf by:

Sally McMahon

Sally McMahon – Church Secretary

14 September 2023

Date

Trustees

Mick Bastable (As from June 2023)
Bryan Dedman (until June 2023)
Sean Fountain (As from September 2022)
Brian Garner
Ruth McMahon (until May 2023)
Sally McMahon (As from June 2023)
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.

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, for most of 2022, were the deacons, secretary and treasurer as elected by the Church membership in accordance with the Church Constitution. During 2022 the church came out of its pastoral vacancy, when the new minister, the Rev Sean Fountain, was inducted in September 2022 and who then joined the Trustees.

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. This practice continued throughout 2022.

During the times, both of the pastoral vacancy and after the appointment of the Rev Sean Fountain, the Trustees and others have continued to work together to ensure that the work of Brentwood Baptist Church continues. It would be reasonable to indicate that once the restrictions caused by the legislation relating to Covid-19 pandemic had been lifted some changes occurred. An example being; when the congregation was allowed to meet in person, some chose to remain at home and join the regular Sunday morning worship via zoom.

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 throughout 2022.

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 and since September by the minister with sermons from the

minister or before September by 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. Having celebrated the century last year the ladies had their annual garden party which was another social occasion. Regular weekly meetings have continued and the occasional social functions such as the garden party and a cream tea have continued. These occasions are much enjoyed and appreciated by members and provide opportunities to enjoy each other's company.

The Church has continued its involvement with Churches Together in Brentwood and church members are involved with Brentwood Schools Christian Worker Trust (BSCWT). The Church has continued to collect provisions for Brentwood Foodbank and, from the start of December 2022, has become a second distribution hub in Brentwood, opening on Friday mornings. 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 was a meeting place for all those who had care of a child under 5 - those who attend include mums, dads, grandmas, grandads, childminders and nannies but this activity did not re-start initially due to lack of volunteers. Subsequently, volunteers have come forward and a new group, Little Footsteps, started in September 2022. In the same month, in conjunction with Brentwood Borough Council, the church opens its doors on a Monday morning as part of the established Oasis meeting to provide not only a warm space but also to provide tea and coffee and so those who make use of this have an opportunity to socialise.

The Church has continued 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. He will shortly commence his third and final year but has already been called to become a Newly Accredited Minister (NAM) for a 3 year contract from the end of his training with the church to which he was attached while training.

The new ministry, under Rev Sean Fountain commenced in September 2022. It takes time to adjust not only to a new congregation but also to a new home. It is therefore early days in his ministry and we are looking to the future as he settles in and takes stock.

The Church also welcomed a new administrator, Mel Kerrigan, in April 2022.

Premises

Work on the front of the building started in April 2021 and was completed during 2022 and has met the objective of improved accessibility.

As well as the use of the church building noted above, some external users of the building continued meeting to use the facilities for their clubs/groups.

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.
- Being a distribution hub for Brentwood Foodbank.

Financial review

The welcome arrival of the minister in September significantly affected the church's finances. As well as the costs of stipend etc, the manse was no longer let (from February, as a new ministerial appointment seemed probable) and there was expenditure to redecorate and refurbish the mase.

The General Fund was thus only in a small surplus, pre transfers. Receipts were broadly level at £92,958 but payments were substantially higher than 2021 at £91,789. There was reduced rental income from the church building as, from the summer, Kingfishers Pre-school closed and the other major external user moved most of their activity elsewhere. This will have a greater effect in 2023. As noted in note 2, a Gift Aid claim of £4,570 was made in 2022 but not received until 2023 (and thus will be included in the 2023 accounts). Employment costs also increased with the appointment of a church administrator (also welcome!). Costs were incurred as Little Footsteps and Foodbank activities were initiated. However, less was spent than in 2021 on maintenance and repairs of the church building.

The balance of Building Refurbishment Fund was retained to cover the planned external redecoration of part of the church building, now due in 2023. In 2023, additional work at the manse, on the drive and frontage, have been agreed and will be reflected in this fund in future.

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. This meant that the deficit payments from August 2022 onwards were reduced to £1 per month. (This is subject to certain expectations being met for the transfer of assets. At the time of signing of these accounts, there is no indication this will not be the case). At the end of 2022 the balance of the Pension Deficit Fund was transferred to the General Fund which will bear the £1 per month cost.

The church is supporting the training of a former church member including payment of college fees. £2,946 was paid from the Fees Fund for this purpose in 2022.

Use of the Communion Fund was less than in previous years. As usual, at year end, a transfer from the General Fund ensured the year-end balance is (almost) zero.

The Other Activities Fund now covers the cash received at Little Footsteps and also the activities of Women's Own.

Overall, total receipts were £99,684 and payments were £104,112.

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 £311,822 is substantially 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 now a minister is in place. The Trustees continue to expect to be able to meet payments as they fall due for the foreseeable future.

Accounts for 2022

(All figures in £)

Summary of Receipts and Payments (pre-transfers)

	Receipts	Payments
Unrestricted funds		
General Fund	92,958	91,789
Pension Deficit Fund	0	2,777
Building Refurbishment Fund	0	47
Other Activities Fund	1,079	627
Fees Fund	0	2,946
Restricted funds		
Communion Fund	25	425
Receipts to Forward Fund	5,622	5,501
Total for 2022	<u>99,684</u>	<u>104,112</u>

Details for each fund and comparatives for 2021 are shown below

General Fund Unrestricted

	2022	2021
Receipts		
Regular giving	73,391	74,506
Tax reclaimed (2)	8,398	12,698
Contributions to church expenses	665	95
Legacies or Gifts in memory	350	220
Rental income – church building	5,317	9,674
Rental income – manse (7)	2,196	18,174
Donations and Grant	638	
Other income (3)	2,003	2,831
	<u>92,958</u>	<u>118,197</u>
Payments		
Ministry & Mission (4)	25,127	3,790
Church Management, admin etc	56,417	40,544
Donations by the Church (5)	10,245	11,130
	<u>91,789</u>	<u>55,464</u>
Excess of Receipts over Payments	1,169	62,733
Transfer to Communion Fund	(399)	(1,888)
Transfer to Fees Fund	0	(13,000)
Transfer from Pension Deficit Fund	20,259	0
Transfer from Other Activities fund		579
Balance at start of year	290,793	242,365
Balance at end of year	<u>311,822</u>	<u>290,793</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 were reduced to £1pm – see Report and note 8. At the end 2022 the balance of the Pension Deficit Fund was transferred to the General Fund.

	2022	2021
Payments		
Deficit payments made	2,777	4,686
Excess of Receipts over Payments	(2,777)	(4,686)
Transfer to General Fund	20,259	
Balance at start of year	23,036	27,724
Balance at year end	0	23,036

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.

	2022	2021
Payments		
Expenditure on buildings	47	41,548
Excess of Receipts over Payments	(47)	(41,548)
Transfer from General Fund		
Balance at start of year	5,851	47,399
Balance at year end	5,804	5,851

Other Church Activities Fund Designated

Two Church organisations receive money and make payments and this is shown separately. In addition, there are payments for Little Footsteps equipment and materials within the General Fund

	2022	2021
Receipts		
Women's Own	938	361
Little Footsteps	141	0
Total receipts	1079	361
Payments		
Women's Own	577	611
Little Footsteps	50	0
Total payments	627	611
Excess of Receipts over Payments	452	(250)
Transfer to General Fund from Kingfisher Babies and Toddlers and Monday nights		(579)
Balance at start of year	415	1,244
Balance at year end	867	415

Fees Fund Designated

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

	2022	2021
Payments		
Payment of fees made	2,946	5,922
Excess of Receipts over Payments	(2,946)	(5,922)
Transfer from General Fund		13,000
Balance at start of year	7,078	0
Balance at year end	4,132	7,078

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.

	2022 received	2022 paid	End 2022 balance
Baptist Missionary Society – Ukraine	3,807	3,807	0
Baptist Missionary Society	290	456	(166)
Foodbank	130	230	(100)
Home Mission	176	183	2
Thank offering 2022	1,094	700	394
Josh Waldock training	125	125	0
	<u>5,622</u>	<u>5,501</u>	<u>130</u>

	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
	<u>1,701</u>	<u>1,699</u>	<u>9</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 were made by the Church Secretary.

	2022	2021
Receipts		
Giving (inc Gift Aid)	<u>25</u>	<u>125</u>
	<u>25</u>	<u>125</u>
Payments		
Support given	<u>425</u>	<u>2,011</u>
	<u>425</u>	<u>(2,011)</u>
Excess of Receipts over Payments	<u>(400)</u>	<u>(1886)</u>
Transfer from General Fund	399	1888
Balance at start of year	<u>1</u>	<u>0</u>
Balance at year end	<u>0</u>	<u>1</u>

Statement of Assets and Liabilities

	2022	2021
Bank accounts		
Instant Access	68,077	73,656
Notice – 60 day	83,945	83,521
Notice – 1 year or over	169,866	169,590
Other activities accounts	281	281
Cash	586	134
	<hr/> 322,755 <hr/>	<hr/> 327,183 <hr/>

Represented by

	2022	2021
Unrestricted funds		
General Fund	311,822	290,793
Pension Deficit Fund	0	23,036
Building Refurbishment Fund	5,804	5,851
Fees Fund	4,132	7,078
Other Church Activities Fund	867	415
Restricted funds		
Communion Fund	0	1
Receipts to Forward Fund	130	9
	<hr/> 322,755 <hr/>	<hr/> 327,183 <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 £2,423,608 (insurance amount)
(£2,197,287)

Church manse at 16 Doddington Road, Brentwood, CM15 9EH valued at £390,342 (insurance amount)
(£353,891)

The Church also owns

- fixtures, furniture and equipment in the Church building valued at £188,046 (insurance amount)
(£168,500)
- a minibus with an estimated value of £500 (£500)

At 31 December 2022, a Gift Aid claim of £4,570 had been made but had not been paid by HMRC. It was received on 5 January 2023. £150 is due to other charities.

At 31st December 2022, the Church held £396 which was due to other charities and a liability to make pension scheme deficit payments of £1 per month.

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:** for 2022, £4,570 of Gift Aid that was normally been received was not received until 5 January 2023, and will be included in 2023 accounts.

3. Other Income comprises

	2022	2021
Donations for Minibus	163	91
Interest	1,828	2,675
Sale of books	10	65
Fees	2	
	<hr/> 2,003	<hr/> 2,831

- 4. Payments / Ministry & Mission** – Salaries, employer NI and pension costs of Minister and Administrator and the cost of external Support for Youth activities.

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

	2022	2021
Baptist Missionary Society	1,920	2,700
Home Mission inc Eastern Baptist Association	3,210	4,030
Brentwood Schools Christian Worker Trust	1,800	1,800
Christians Against Poverty (Brentwood)	1,800	1,800
TEAR fund	1,000	450
Compassion Uk	100	350
London City Mission	100	0
Love Purfleet	100	0
Leprosy Mission	100	0
Community Heartbeat	115	0
	<hr/> 10,245	<hr/> 11,130

6. Detail of payments by the church

	2022	2021
Minister's salary, pension (7)	11,244	710
Minister's expenses	6,612	0
Children/Youth Worker's salary		0
Children/Youth Worker's expenses		0
External support for Youth activities	3,355	3,080
Cleaning	5,150	5,664
Administrator's salary	10,528	
Utilities	6,690	6,828
Speakers' fees	2,213	1,768
Insurance	2,737	2,049
Church repairs & maintenance	2,687	8,934
Manse repairs & maintenance (7)	17,060	3,095
Printing & Copying	516	709
Youth/family church	183	256
Administration costs	5,276	6,544
Minibus	1,530	913
Outreach	684	327
Equipment	1,315	1,410
Moderator	847	1,466
Donations from the Church (5)	10,245	11,130
Sundries		0
Sundries gifts	1,991	403
Training	100	0
Resources/Books	35	138
Bible notes purchased	13	38
Little Footsteps	394	
Foodbank	387	
	<hr/> 91,789	<hr/> 55,464

7. In 2021 and until 1 September 2022, minister's salary and pension were the costs of an Interim Member of the pension scheme.

In 2022, manse income and manse repairs both include £90 paid for repairs arranged by the letting agents at the request of the church. This was deducted from the money received by the letting agents before it was paid to the church. Fees and costs of £156 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. In 2021, the corresponding figures were £600 and £3,672.

8. Pension Scheme Liabilities

The Church is a participating employer 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

9. Payment to trustees

Trustees were reimbursed for purchases made on behalf of the Church for Church activities.

The Minister acts as one of the church's trustees and receives remuneration and other benefits in respect of his services as Minister, including the provision of manse accommodation.

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 2022.

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,
CM15 8PW

Date: ***17 September 2023***