

Kendal Road Baptist Church



Trustees Report – 2020

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1) Aim

The church's mission is summarised as "Loving God, and Loving Others, from Longlevens..." and its aim is to provide an environment in which people can, and are encouraged to, express their love for God and others through Christian worship and service. As part of this, the church aims to provide opportunities for people to understand and respond to the Gospel, the Good News of Jesus Christ, as expressed in the Bible.

2) Leadership & Organisation

The overall leadership of the church is the responsibility of a core leadership team of 'Elders', the managing trustees, who meet regularly to discuss and decide on matters relating to the church. The Elders are appointed by election from within the church to serve for a term of four years, after which they are *eligible* for reappointment.

The church is organised into five areas of responsibility:

- Gather
- Grow
- Go
- Support & Enable
- Children & Youth

The leaders and teams responsible for the different functions within these areas meet with the Elders through the year in rotation. The various leaders involved are appointed by election from within the church, at the recommendation of the Eldership, with the key leaders usually serving for a term of three years, after which they are eligible for reappointment.

During the year there are Church Members' meetings and Open Forums, which provide an opportunity for wider consultation within the church and consideration of specific proposals. Whilst decisions at these meetings are usually reached through consensus, a formal voting process is used as appropriate.

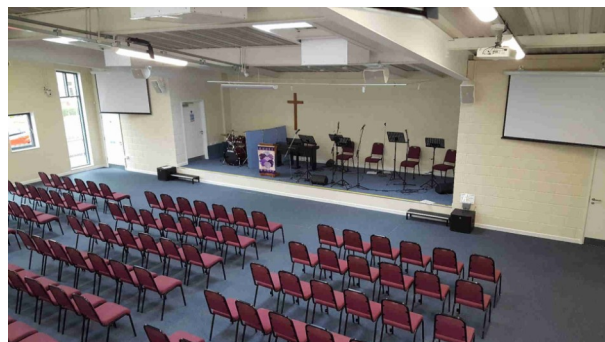
The church has various volunteer staff to perform particular roles each of which fits within this leadership and organisation. The church employs paid staff as Pastor, Children & Families' Worker and a Cleaner, all of whom continued to be paid in full throughout the pandemic.

The unprecedented national social restrictions occasioned by the Covid 19 pandemic from March triggered an urgent review of how best to continue to fulfil the church's aims. Within the first week the Zoom online meeting program was adopted for wide use, from worship services to one-to-one consultation. Other technologies have increased in use to maintain contact and facilitate assistance where necessary. We are blessed by having members with the know-how to set up and operate these new systems, and others have come forward to be trained. Leaders and congregation adapted quickly and persevered through the learning.

3) Activities

a) Gather

Worship – a public service of Christian worship takes place every Sunday morning, including songs, prayers and a sermon, with communion included once a month (normally the third Sunday of the month). Some Sunday evenings there is a public service with worship and prayer, with other Sunday evenings being used for a variety of discussion, 'Open Forums' and 'Church Members' Meetings', as necessary. Under Covid restrictions, it was only possible to hold two in-person Sunday services, one funeral and one wedding in the building.



Ministry – during the second two-thirds of the Sunday morning service there is usually a sermon, which provides biblical teaching applicable to everyday life. As part of this there is opportunity for people to receive particular prayer and advice with life situations. A team of seven members have shared the preaching responsibilities, occasionally supplemented by guests. While many members used Zoom to participate in worship, some do not have internet access, and DVD recordings of sermons were made available. In addition, short "Thought for the Day" YouTube recordings were made to view through the week. These were picked up by people previously unknown to the church.

Prayer – prayer is an important part of all church activities, but specific prayer events are organised, including designated seasons of prayer in which everyone is encouraged to participate. The church followed the international "Thy Kingdom Come" prayer initiative. Daily and weekly prayer prompts were circulated by email and WhatsApp.

b) Grow

Fellowship – making meaningful relationships is important, for it is at the heart of the Christian faith, so emphasis is placed on people sharing together (fellowship) both socially and in practical activities. Whilst this takes place naturally, as people take part in general church activities, the church also runs small groups during the week to encourage people to grow together and in their faith. All of these met virtually after March. An innovation was a WhatsApp group for members to keep in touch.

Pastoral Care – care for individuals within the church takes place at a variety of levels, normally in small groups, natural friendships and fellowship through activities. However, where people have particular needs a network of carers seeks to provide the level of support required, liaising with the 'Pastoral Coordinator' and Elders as appropriate. Due both to the pandemic restrictions and the number of deaths which occurred (all non-Covid) the scope and duration of pastoral care had to be increased. Members willingly rose to the demands imposed, in particular preparing meals for those recently bereaved.

Discipleship – learning about the Christian faith, and putting it into practice, is a vital part of being followers of Jesus, requiring personal responsibility and mutual support. Whilst the Sunday teaching programme plays a significant role, the more informal small-group setting and mutual accountability aims to provide the environment to facilitate growth as a Christian.

c) Go

Outreach – the church runs a number of specific groups (e.g. Take A Break, Out to Lunch), annual activities (e.g. The Light Party, Community Fun Day), as well as one-off events (e.g. Quiz Night, Retro Computing, Holiday Club) to serve the local community and encourage people to get involved in the church. Most of these had to be suspended while restrictions were in effect, but contact was maintained with seniors attending the lunch club by doorstep deliveries of “goody bags” and phone contact. For children, a holiday club called “Breakout” was devised and filmed. We participated in the national TEAR Fund online quiz.



Welcome – the church encourages the community to visit its regular activities, including Sunday worship and has a ‘welcome team’ to provide newcomers with a warm welcome and help them integrate into the church.

Mission – the church supports a number of missions operating in the UK (e.g. Baptist Home Mission, Food Bank) and overseas (e.g. BMS World Mission, Sharp Memorial School for the Blind and Baptist Union in Albania) each with a ‘Mission Champion’ who coordinates the church’s engagement with the mission and encourages people to support them in prayer, relationship and financially. One member was supported to join the crew of the Operation Mobilisation ship involved in education, relief and evangelism.

d) Children & Youth

Junior Church – during the second two-thirds of the Sunday morning service the children up to school year 10 (age 15) have their own age-appropriate activities incorporating worship and teaching. Materials were provided to homes in advance of Sunday Zoom services, although some families had difficulty with online engagement. There is a crèche for pre-school children. The older youth have their own group – Banana Tree - that meets most Sunday evenings.

Kidz Klubz – on Wednesday and Thursday evenings the church runs clubs for school-aged children within the community (i.e. Planit, Quest, Impact, and Focus). These groups are focused around a variety of activities, craft, games and fun, they have some Christian content, usually in the form of Christian teaching. During lockdown suspension some online sessions were provided, but with reduced participation.

Families – the church aims to provide a link with the parents of those attending children’s activities, offering support where possible and encouraging them to come to the outreach activities.

e) Support & Enable

Finance – the church is almost exclusively financed by the individual giving of its members and the finance team supports and enables the various activities by managing the income and expenditure of the church according to an annual budget agreed by the church.

Facilities – the church occupies its own premises, including a large hall and a small hall with catering facilities. While catering was not required, opportunity was taken to upgrade several items of kitchen equipment. The management and upkeep of the buildings is the responsibility of the facilities team. Some of the facilities are available for hire by the local community.

Administration – the organisation and communication required in the church, which is predominantly run by volunteers, is significant and includes such tasks as maintaining the membership roll, managing the diary and rotas, general communication and publicity as well as the official secretarial role of the church.

4) Achievements



At year-end counts showed typical numbers of regular weekly contact occasions as:

- children 99
- young people 19
- adults 309.

There were 58 people who were sufficiently active to be eligible to vote at members meetings.

5) Financial Summary

The comprehensive analysis and notes appended to the Statement of Financial Activities (SOFA) show the details from which this financial summary is drawn. Offering income has increased. £22,139 was spent on improvements to the building (predominately upgrades to the kitchen) of which £11,000 was funded by unrestricted income received during the year and £11,139 from the building redevelopment reserve.

	2019	2020
Voluntary Offerings: (excluding gift aid)	£104,163	£111,400
Unrestricted Expenditure: (excluding building improvements)	£98,378	£100,368

Reserves

The Church only maintains specific reserves where a clearly declared purpose has been agreed by the Church. When a purpose has been achieved, or is no longer felt to be achievable, the agreement of Church will be sought to close a specific reserve and use the money in other ways. Money for specific reserves is normally allocated in the budget, but may be topped-up by transfers to Reserves before any end of year surplus is declared.

	2019	2020
General Reserve:	£36,954	£36,954
Building Redevelopment Reserve:	£14,195	£10,919
Restricted Redevelopment Fund:	£0	£0
Additional Workers Reserve:	£52,045	£52,045
Manse Rental Reserve	£12,000	£12,000
Sabbatical Reserve:	£1,249	£1,699
Pastoral Care Reserve:	£1,000	£1,000
Training Reserve:	£1,000	£1,000
Church Weekend Reserve:	£143	£1,343
Technology Reserve:	£3,000	£3,000

6) Administrative Information**a) Charity Information****Name:**

Kendal Road Baptist Church, Kendal Road, Gloucester, GL2 0NB.

Registration:

The charity (No. 1132818) was registered on 19th November 2009.

Financial Year

January to December.

Bankers:

HSBC plc, The Cross, Gloucester, GL1 2AP.

CAF Bank Limited, Kings Hill, West Malling, Kent, ME19 4TA.

Examiner:

Thomas Payne FCCA,

Abaqus Ltd, 49 Brionne Way, Longlevens, Gloucester, GL2 0TW

b) Governance**i) Governing Documents**

The affairs of the Church are governed by the Trust Deeds (11th December 1940) and by a Constitution (1st July 2009) based on the model provided by the Baptist Union following consultations with the Charity Commission.

ii) Trustees

The Baptist Union Corporation acts as Custodian or Holding Trustee for the church property, whilst the day to day running is entrusted to the following who are the Managing Trustees...

- Rev Steve Ayers (Pastor)
- Mr Brian Bruce (Elder)
- Dr Iain Jarvis (Elder)
- Mr Martin Leckebusch (Elder)

7) Public Benefit

The trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary guidance on the advancement of religion for the public benefit, with these being reflected in the presentation and content of this report.

The church has a "Safeguarding Policy" for children and vulnerable adults; as part of this the church obtains 'Disclosure and Barring Service' checks for all leaders and helpers involved.

8) Declaration of Approval

In our capacity as charity trustees, we declare that we have approved the above report.

Rev. Steve Ayers	Signed:.....	Date:.....
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Mr. Brian Bruce	Signed:.....	Date:.....
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Dr. Iain Jarvis	Signed:.....	Date:.....
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Mr Martin Leckebusch	Signed:.....	Date:.....
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KENDAL ROAD BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted	Designated	Restricted	Endowment	Total 2020	2019
		£	£	£	£	£	£
Income and endowments from							
Donations and legacies	2	£119,506	£11,416	£2,155	£0	£133,076	£129,214
Investment income	3	£299	£0	£5	£0	£304	£751
Other trading activities							
Charitable activities	4	£0	£1,329	£0	£0	£1,329	£5,564
Other	5	£415	£0	£0	£0	£415	£5,471
Total income		£120,220	£12,744	£2,160	£0	£135,124	£141,000
Expenditure							
Raising Funds	6	£0	£0	£0	£0	£0	£0
Charitable Activities	7	£100,368	£13,070	£2,160	£0	£115,598	£125,787
Other Expenditure	8	£0	£0	£0	£0	£0	£0
Total Expenditure	10	£100,368	£13,070	£2,160	£0	£115,598	£125,787
Net income / (expenditure) before Gains and losses on investments							
Net gains/ (losses) on Investments	13	£0	£0	£0	£0	£0	£0
Net Income / (Expenditure) for the year							
Transfers between funds	14	-£20,512	-£1,626	£0	£22,139	£0	£0
Other recognised gains/(losses)							
Net gains/ (losses) on the revaluation of fixed assets							
Actuarial gains/(losses) on defined benefit pensions schemes	28						
Net Movement in Funds		-£661	-£1,952	£0	£22,139	£19,526	£15,214
Reconciliation of Funds:							
Total Funds brought forward		£2,582	£123,206	£1,000	£1,403,338	£1,530,125	£1,514,912
Total Funds carried forward		£1,921	£121,254	£1,000	£1,425,477	£1,549,651	£1,530,125

Comparative figures for each fund are shown in the notes to the accounts

KENDAL ROAD BAPTIST CHURCH

BALANCE SHEET 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	16		£1,427,398		£1,405,947
Investments	17		£0		£0
			<u>£1,427,398</u>		<u>£1,405,947</u>
Current Assets					
Stocks	18	£0		£0	
Debtors	19	£2,139		£12,497	
Investments	20	£0		£0	
Bank and Cash	21	<u>£127,379</u>		<u>£120,828</u>	
		<u>£129,517</u>		<u>£133,326</u>	
Current Liabilities					
Creditors: amounts falling due within one year	22	<u>£7,263</u>		<u>£9,147</u>	
Net Current Assets					
Total assets less current liabilities			<u>£122,254</u>		<u>£124,179</u>
Creditors: amounts falling due after more than one year	23		<u>£0</u>		<u>£0</u>
Net Assets excluding pension liability					
<i>Defined benefit pension scheme</i>					
<i>Asset or liability (-£34,452)</i>					
Total net assets or liabilities			<u>£1,549,651</u>		<u>£1,530,125</u>
Charity Funds					
Endowment	24	£1,425,477		£1,403,338	
Restricted	25	£1,000		£1,000	
Designated	26	£121,254		£123,206	
Unrestricted		£1,921		£2,582	
Total Charity Funds			<u>£1,549,651</u>		<u>£1,530,125</u>

The notes on pages [1-12] form an integral part of these accounts These accounts were approved by the Trustees on xx/xx/20 and signed by:

KENDAL ROAD BAPTIST CHURCH
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

a. Basis of preparation

The accounts are prepared in accordance with the, Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011

Kendal Road Baptist Church is a registered charity, no. 1132818 and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b. Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

c. Donations

Donations are accounted for gross when received. Fixed asset gifts in kind are recognized when receivable and are included at fair value.

d. Legacies

Legacies are accounted for at the earlier of the Estate accounts being finalised and notified and the legacy being received.

e. Investment Income

Investment income is included in the accounts in the year in which it is receivable.

f. Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

g. Costs of raising funds

The Church does not make formal appeals for funds, and expenditure on these items is therefore not material.

h. Grants payable

The Church makes grants to other organisations whose charitable objects complement its work. They are accounted for when the recipient has been notified of the grant and payment is unconditional.

i. Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and include office costs and governance cost. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

j. Fixed Assets

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £1,000. They are initially recognised at cost, or for donated assets, at a reasonable estimate of their value on receipt.

There is no reliable information available for the cost of the church premises and so on first time adoption of FRS102, the insurance value used previously was adopted as deemed cost.

k. Depreciation

Depreciation is provided on all fixed assets, other than freehold land, to write off the cost on a straight-line basis over their expected useful life, at the following rates:

Freehold land	Nil
Buildings	Nil
Furniture and fittings	10%
Computers and equipment	25%

l. Investment Assets

Investments are initially stated at cost. Subsequently they are measured at fair value with changes recognized in the Statement of Financial Activities if the shares are publically traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

m. Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, principally *the church building*. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

n. Employee benefits

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in an independently administered fund.

Prior to 2012 pension provision was made through multi-employer defined benefit pension plans. Where it is not possible for the charity to obtain sufficient information to enable it to account for a plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Where the plan is in deficit and where the charity has agreed, with the plan, to participate in a deficit funding arrangement, the charity recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is shown in Note 28.

2. Donations and Legacies

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Donations and Legacies						
Offerings - Church	£110,790				£110,790	£103,459
Offerings - Sunday School		£16			£16	£142
Directed Gifts			£2,155		£2,155	£3,224
Development Fund Directed Gifts			£0		£0	£1,215
Tax refunds	£8,107	£11,400			£19,507	£20,470
Donations	£610				£610	£704
Grants received					£0	£0
Legacies					£0	£0
Total (to agree with SoFA)	£119,506	£11,416	£2,155	£0	£133,076	£129,214

In 2019 Donations & Legacies income comprised: £113,233 unrestricted, £11,542 designated and £4,439 restricted funds.

3. Investment Income

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Investment Income						
Bank interest	£299		£5		£304	£751
Income from other investments					£0	£0
Total (to agree with SoFA)	£299	£0	£5	£0	£304	£751

In 2019 Investment income was £746 unrestricted and £5 restricted funds.

4 Income from charitable activities

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Income from other trading activities						
Klubz		£334			£334	£1,673
Out to lunch		£688			£688	£2,792
Take-a-Break		£307			£307	£1,099
Total (to agree with SoFA)	£0	£1,329	£0	£0	£1,329	£5,564

In 2019 income from charitable activities was £5,564 designated funds.

5. Other income

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Other income						
Weekend Away accommodation fees			£0		£0	£3,777
Rent received	£415				£415	£1,694
Total (to agree with SoFA)	£415	£0	£0	£0	£415	£5,471

In 2019 rental income was £1,694 unrestricted funds and weekend away fees £3,777 restricted funds.

6. Raising Funds

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Raising Funds						
N/A						
Total (to agree with SoFA)	£0	£0	£0	£0	£0	£0

7. Charitable Activities

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Charitable Activities						
Ministry	£38,873	£11,400			£50,273	£51,664
Mission - Indirect	£20,430	£16	£1,975	£0	£22,420	£22,082
Mission - Direct	£24,052	£0	£180		£24,232	£26,444
Klubz		£462			£462	£1,666
Out to lunch		£714	£5		£719	£2,093
Take-a-Break		£479			£479	£1,399
Establishment	£17,014	£0			£17,014	£20,439
Total (to agree with SoFA)	£100,368	£13,070	£2,160	£0	£115,598	£125,787

Ministry comprises Pastor Stipend, Pension, National Insurance, Travel & Expenses (including Sabbatical), Pulpit supplies, and Manse Utilities and Upkeep costs. The church had a full time pastor in 2019. Ministry includes their stipend and training course fees and expenses.

Mission- Indirect comprises Gifts and Grants to other causes.

Mission - Direct comprises House Groups, Klubz, Out to Lunch, Outreach, Pastoral, Sunday School, Training, Worship and Young People including the salary of the Children's worker.

Establishment comprises Administration, Church Utilities and Upkeep, Cleaning wages, and Depreciation of Fixtures, Fittings and Equipment.

In 2019 Charitable Activities expenditure was £98,378 unrestricted, £20,403 designated and £7,006 restricted funds.

8. Other Expenditure

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Other Expenditure						
Total (to agree with SoFA)	£0	£0	£0	£0	£0	£0

9. Support costs

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Support costs						
Administrative Costs	£71				£71	£35
Finance	£306				£306	£306
IT	£0				£0	£24
Office costs	£461				£461	£1,338
Governance costs:						
Independent Examinations costs	£0				£0	£280
Total (to agree with SoFA)	£838	£0	£0	£0	£838	£1,983

In 2019 support costs were £1,983 unrestricted funds.

10. Expenditure

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Expenditure						
Ministry	£38,873	£11,400			£50,273	£51,664
Mission - Direct	£24,052	£1,654	£185		£25,891	£31,601
Mission - Indirect	£20,430	£16	£1,975	£0	£22,420	£22,082
Establishment	£16,176	£0			£16,176	£18,457
Support costs	£838	£0	£0	£0	£838	£1,703
Governance costs	£0	£0	£0	£0	£0	£280
Total (to agree with SoFA)	£100,368	£13,070	£2,160	£0	£115,598	£125,787

This note reanalyses all of the costs in the previous notes between direct charitable costs, grants and support costs. The grant funding will agree with note 11 and support costs will agree with note 9.

11. Grants payable

	Unrestricted	Designated	Restricted	Endowment	2020	2019
Grants payable						
BUGB Home Mission	£3,300		£0		£3,300	£3,150
BMS World Mission	£7,300		£0		£7,300	£3,269
Op Mobilisation	£4,920		£605		£5,525	£388
Albania church support	£948		£1,370		£2,318	£3,900
Wycliffe Translators	£948		£0		£948	£900
HCJB-UK	£948		£0		£948	£900
ECM	£948		£0		£948	£900
Sharp School	£622	£16	£0		£637	£756
Food Bank	£396		£0		£396	£678
Gloucester City Mission	£0		£0		£0	£833
World Café	£100		£0		£100	£781
Gloucestershire CU	£0		£0		£0	£250
Nottingham CU	£0		£0		£0	£250
Gloucester CAP	£0		£0		£0	£1,000
CM internship support	£0		£0		£0	£3,030
Canterbury Internship (BA)	£0		£0		£0	£250
Costwold Bible Festival	£0		£0		£0	£250
WEBox	£0		£0		£0	£22
Redcliffe College	£0		£0		£0	£571
Miscellaneous costs	£0		£0		£0	£4
Total (to agree with SoFA)	£20,430	£16	£1,975	£0	£22,420	£22,082

In 2019 Grants payable were £18,716 unrestricted, £142 designated and £3,224 restricted funds.

12. Net income for the year

	2020	2019
Net income for the year		
Net income for the year is stated after charitable/creditors' Auditors/independent examiners' remuneration:		
Audit/independent examination	£0	£280

13 Gains and losses on revaluations and disposals of investment assets

Where a church holds stock exchange investments or buildings used for income purposes rather than the furtherance of the church's objectives, gains and losses will be shown here. These assets should be shown at market value on each balance sheet date, and so there will be a gain or loss each year.

14 Transfers between funds

	Unrestricted	Designated	Restricted	Endowment	Total
Fund					
Unrestricted Funds	-£20,512				-£20,512
Development Fund (designated)		-£11,139			-£11,139
Expenditure on Building					
Development Fund (restricted)			£0		£0
Manse Rent Reserve		£0			£0
Sabbatical Reserve		£450			£450
Development Fund (from budget/surplus)	£0	£7,863			£7,863
Weekend Away Reserve	£0	£1,200			£1,200
Transfer To Church Property Fund				£22,139	£22,139
Total	-£20,512	-£1,626	£0	£22,139	£0

Unrestricted Funds - Unallocated money at end of year distributed to Designated and Restricted funds

Church Property Fund- Total capital value added to church building in 2020.

15 Staff costs and Trustees expenses

		2020	2019
Staff costs and Trustees expenses			
Salaries	Gross salary	£51,365	£43,404
Social security costs	Employers national insurance	£199	£50
Pension costs	Employers pension contributions	£7,958	£8,056
Pastor Travel & Expenses		£709	£2,884
Manse rent		£11,400	£11,400
Other costs	Council tax, water, telephone (<i>not motor</i>)	£3,970	£3,883
Total		£75,601	£69,677

The average number of employees during the year was 3

No employee received emoluments in excess of £60,000 during the year.

£0 in total was reimbursed to the Trustees in respect of expenses incurred as Trustees (2019 £0).

The Church pays pension contributions for its Minister to the Baptist Ministers Pension Trust Limited, which is a final salary defined benefit scheme, which is not contracted out of the State second pension. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. Therefore, in accordance with FR5102 Section 28, the liability to the scheme is accounted for on the basis of a discounted cashflow of contributions due under the Schedule of Contributions.

Total aggregate remuneration paid to key management personnel during the year was £0 (2019 £0)

16 Tangible Fixed Assets

		Church Premises	Manses	Furniture and fittings	Computers and equipment	Total
Tangible Fixed Assets						
Cost						
	01-Jan-20	£1,403,338	£0	£45,324	£5,813	£1,454,475
Additions		£22,139	£0	£0	£0	£22,139
Disposal		£0	£0	£0	£0	£0
	31-Dec-20	£1,425,477	£0	£45,324	£5,813	£1,476,614
Depreciation						
	01-Jan-20	£0	£0	£43,085	£5,444	£48,529
Charge for the year		£0	£0	£493	£194	£688
On disposals		£0	£0	£0	£0	£0
	31-Dec-20	£0	£0	£43,578	£5,639	£49,216
Net book value						
	01-Jan-20	£1,403,338	£0	£2,240	£369	£1,405,947
	31-Dec-20	£1,425,477	£0	£1,746	£174	£1,427,398

All of the fixed assets are used for direct charitable purposes.

Additions to Church Premises represents the amount spent improving the church building (kitchen) in 2020

17 Investments

This note refers to properties and stock exchange and other securities deliberately held on a long term basis, not simply the prudent investment of short term surplus funds.

	2020	2019
Investments		
01-Jan	£0	£0
Additions	£0	£0
Disposal	£0	£0
Gains and losses on investments	£0	£0
31-Dec	£0	£0

The fair value of listed investments is determined by reference to the quote bid price on the relevant stock exchange on the balance sheet date.

18 Stocks

Most churches will not have material stocks of goods. There may however be material stocks within a church bookstall, or in a coffee shop or lunch club.

19 Debtors

	2020	2019
Debtors		
Accrued income	£0	£218
Prepayment and other debtors	£300	£295
Outstanding HMRC Gift Aid Tax	£1,839	£11,984
31-Dec	£2,139	£12,497

20 Investments

These represent short-term listed investments and short term deposits.

21 Bank and cash balances

	2020	2019
Bank and cash balances		
HSBC plc	£24,520	£5,943
Caf Bank Ltd	£16,035	£28,018
Baptist Union Deposit Fund	£85,530	£85,248
Klubz	£591	£718
Out to lunch	£677	£703
Take-a-Break	£26	£198
Total	£127,379	£120,828

22 Creditors: amounts falling due within one year

	2020	2019
Creditors: amounts falling due within one year		
Travel & Expenses	£148	£543
Grants Payable	£4,507	£6,119
PAYE Tax & NI	£1,944	£1,373
Gas & Electricity Bills	£626	£1,042
Other Creditors	£38	£69
Total	£7,263.3	£9,147

23 Creditors: amounts falling due after more than one year

	2020	2019
Creditors: amounts falling due after more than one year		
Loans	£0	£0
Bank	£0	£0
Total	£0	£0

24. Endowment Funds

	01-Jan-20	Incoming Resources	Resources expended	Gains and losses	Transfers	31-Dec 2020
Endowment Funds						
Church building fund	£1,403,338				£22,139	£1,425,477
Total	£1,403,338	£0	£0	£0	£22,139	£1,425,477

	Fixed Asset	Investment	Current Asset	Total
Endowment Funds				
Church building fund	£1,425,477			£1,425,477
Total	£1,425,477	£0	£0	£1,425,477

The Church building fund represents the fund value of the church premises. The transfer figure represents the funds spent on improving the building in 2020

25. Restricted Funds

	01-Jan-20	Incoming Resources	Resources expended	Gains and losses	Transfers	31-Dec 2020
Restricted Funds						
Building fund	£0	£0	£0		£0	£0
Jack Ashmead Trust Fund	£1,000	£5	£5			£1,000
Total	£1,000	£5	£5	£0	£0	£1,000

The Jack Ashmead Trust Fund exists to provide an annual income to the Luncheon Club (Out to Lunch). The £1,000 was invested in a UK Government Bond that matured in 2013 and was then converted into a cash fund.

The Development Fund Directed Gifts has been created to account for Restricted income contributing to the redevelopment of the church buildings. During 2020 £0 was spent on the building project.

	Fixed Asset	Investment	Current Asset	Total
Restricted Funds				
Building fund			£0	£0
Jack Ashmead Trust Fund			£1,000	£1,000
Total	£0	£0	£1,000	£1,000

26. Designated Funds

	01-Jan-20	Incoming Resources	Resources expended	Gains and losses	Transfers	31-Dec 2020
Designated Funds						
Training reserve	£1,000					£1,000
Pastoral reserve	£1,000					£1,000
Sabbatical reserve	£1,249		£0		£450	£1,699
Weekend away reserve	£143		£0		£1,200	£1,343
Manse rental	£12,000	£11,400	£11,400			£12,000
Additional workers fund	£52,045					£52,045
General reserve	£36,954				£0	£36,954
Building development fund	£14,195				-£3,276	£10,919
Klubz	£718	£334	£462			£591
Take-a-break	£198	£307	£479			£26
Out to lunch	£703	£688	£714			£677
Technology fund	£3,000				£0	£3,000
Totals	£123,206	£12,729	£13,054	£0	-£1,626	£121,254

The Church has committed to maintaining Designated Reserves as follows:

- two at a fixed level at the start of each financial year to cover unpredictable expenditure: Pastoral Care (£1,000) and Training (£1,000)
- two to spread large costs over a number of years: Sabbatical (£3,150 over 7 Years) and Church Weekend (£3,600 over 3 years)
- two to invest money in large future projects: Building Development and Additional Worker
- one to fund Manse Rental

The Additional Staff Worker Fund is established to partially support the staff workers in addition to a Pastor

The Development Fund contains Church money designated to the redevelopment of the main church building. Restricted funds specifically raised for the redevelopment of the Church buildings are shown under Development Fund Directed Gifts

The General Reserve is maintained at a level to enable the Church to meet its ministerial/staff commitments in the event of a loss of income.

Klubz are the outreach to young people, consisting of four midweek groups and Take-a-Break is the outreach to Parents with Babies and Toddlers.

Technology fund created to facilitate purchase of new Audio Visual equipment

	Fixed Asset	Investment	Current Asset	Total
Designated Funds				
Training reserve			£1,000	£1,000
Pastoral reserve			£1,000	£1,000
Sabbatical reserve			£1,699	£1,699
Weekend away reserve			£1,343	£1,343
Manse rental			£12,000	£12,000
Additional workers fund			£52,045	£52,045
General reserve			£36,954	£36,954
Building development fund			£10,919	£10,919
Klubz			£591	£591
Take-a-break			£26	£26
Out to lunch			£677	£677
Technology fund			£3,000	£3,000
Totals	£0	£0	£121,254	£121,254

27. Analysis of net assets

	Fixed Asset	Investment	Current Asset	Total
Analysis of net assets				
Endowment Funds per note 24	£1,425,477			£1,425,477
Restricted Funds per note 25			£1,000	£1,000
Designated Funds per note 26			£121,254	£121,254
Unrestricted Funds			£1,921	£1,921
Totals	£1,425,477	£0	£124,175	£1,549,651

28. Pensions

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme is a separate legal entity and the assets of the Scheme are held separately from those of the Employer and the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Minister(s) [and some members of the church staff] is / are eligible to join the Scheme.

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 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 plc. [Members of the Basic Section pay reduced contributions of 0% of Pensionable Income, and their employers also pay a total of 10%.] The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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.

Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70
- Main Scheme pension Post April 2006	2.00

§ Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Computed liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2020 £	2019 £
Computed liability at year start	£34,452	£36,683
Minus deficiency contributions paid	-£2,724	-£3,553
Interest cost (recognised in SoFA)	£563	£838
Remaining change to balance sheet liability* (recognised in SoFA)	-£10,765	£484
Computed liability at year end	£21,526	£34,452

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

[This table can be populated using the FRS102 calculator available on the pension scheme website at <http://www.baptistpensions.org.uk/churches-employers/what-the-employer-needs-to-do/guidelines-for-pension-notes-to-accounts/>]

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	31-Dec-20	31-Dec-19	31-Dec-18
Discount rate	0.4%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.0%	3.2%	3.3%

The Church has been advised that the cost for the church to buyout their Pension Scheme liabilities at 31 December 2020 was approximately £66,100.

Cessation Event

Consequent upon the departure of the previous Minister from the Church in 2015, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Ministers who were members of the Scheme. At present the Church is paying the ongoing deficiency contributions outlined above, and the balance sheet liability below is based on those deficiency contributions. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time.

In addition to the above, the Church employs a Children's Worker. The Children's Worker is enrolled in the Basic section of the Baptist Pension Scheme which is a defined contribution scheme. The total cost of the pension contributions for this staff member for the Church was £1,870 (2019 £1,197).

29. Reconciliation of net cash provided by operating activities

	2020	2019
Net income (expenditure)		
Adjustments for:	NA	NA
- Depreciation	NA	NA
- Dividends and interest from investments	NA	NA
- Net gains on sale of fixed assets	NA	NA
- Decrease in stocks	NA	NA
- Increase in debtors	NA	NA
- Increase in creditors	NA	NA
Net cash provided by operating activities	NA	NA

30. Related Charities

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635, and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain, and the West of England Baptist Association.

The church made a donation to the Baptist Union Home Mission Scheme as set out in note 11.



Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name
Kendal Road Baptist Church

On accounts for the year
ended

31 December 2020

Charity no
(if any)

1132818

Set out on pages

(remember to include the page numbers of additional sheets)

Responsibilities and
basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2019.

As the charity's trustees, 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 Trust'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 which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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.

** Please delete the words in the brackets if they do not apply.*

Signed:

Date:

13/10/2021

Name:

Thomas Payne

Relevant professional
qualification(s) or body
(if any):

FCCA

Address:

49 Brionne Way

Longlevens

Gloucester, GL2 0TW

Section B

Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.