

**GILLINGHAM BAPTIST CHURCH [GBC]
TRUSTEES' ANNUAL REPORT
AND FINANCIAL ACCOUNTS
FOR THE YEAR ENDING 31ST DECEMBER 2020**

CHARITABLE INCORPORATED ORGANISATION 1169112

NAME OF CHARITY	Gillingham Baptist Church
CHARITY NUMBER	1169112
ADDRESS	Green Street, Gillingham, Kent, ME7 5TJ
INDEPENDENT EXAMINER	Lorraine Wilson, FCCA, 24 Larkfield Avenue, Gillingham, Kent, ME7 2LN.
BANKERS	Co-operative Bank, PO Box 250, Skelmersdale, WN8 6WT
CUSTODIAN TRUSTEES OF PREMISES	The Baptist Union Corporation Baptist House, 129 Broadway, Didcot, Oxfordshire OX11 8RT

MANAGING TRUSTEES

All Managing Trustees must be members of the church.

The Leadership Team during 2020 comprised:

Stephen Greasley	Minister	
Fred Adams	Elder	Re-elected 19 November 2019
Stephen Carr	Deacon	Re-elected 23 May 2018
Karen Collins	Elder	Elected 19 November 2019
Hilary Cox	Deacon	Elected 19 November 2019
Joy David	Deacon	Elected 17 th November 2020
Helen Holloway	Deacon	Elected 20 November 2018
Lyn Newlan	Elder	Re-elected 17 th November 2020
Stephen Powell	Deacon	Elected 23 May 2017 Term ended: November 2020
Elizabeth Rowland	Deacon	Re-elected 19 November 2019

ANNUAL REPORT FOR 2020

CONSTITUTION

Gillingham Baptist Church was first established in 1879 and moved into its present location in 1882. It became first registered as charity on 18th April 1965.

On 9th September 2016 Gillingham Baptist Church was registered as a Charitable Incorporated Organisation (CIO) with the Charity Commission (*with all the Assets and Liabilities of the previous charity (Reg. No: 233942) being transferred to the CIO on the 31st December 2016*).

The governing document is 'The Charitable Incorporated Organisation Constitution' as produced by Anthony Collins Solicitors and the Baptist Union Corporation and approved by the Charity Commission.

CHARITABLE OBJECT

The principal purposes of the Church are:

- 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.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESSES

The Church employed one Minister full-time, one administrator, one debt-centre manager, one Family Outreach Worker and two cleaners on part-time hours (one of whom left during the year and was not replaced)

Members of the Church are accepted as such in accordance with the Constitution which normally requires them to have been baptised by immersion upon personal profession of faith. Persons who have not been baptised in this manner may at the discretion of the Church Members' Meeting be accepted for full membership based on their own public profession of faith.

The Members' Meeting normally takes place six times per year and has overall responsibility for the church. In accordance with the Constitution, the members appoint a maximum of twelve Trustees, in addition to the minister, who collectively are known as the Leadership Team and are responsible for the church's work and witness, and the financial and legal aspects of the charity. All church members and attendees are encouraged to take an active part in the spiritual and practical tasks involved in the furtherance of the charitable objectives.

Relevant matters may be submitted to the Church Meeting by the Trustees for guidance or may be raised by members in the Church Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Meetings by appropriate majority, the church seeks to work by consensus wherever possible.

The governance of the charity continued with the Trustees meeting twice monthly until March and then once a month over Zoom from June to August and October to December.

OBJECTIVES AND ACTIVITIES

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined below clearly demonstrate that the charity is providing a benefit to the public. In order to achieve the principal objectives set out above, the Church provides a variety of activities both to its membership and to the community generally and all activities are open to the public. The aim is to show the love of Jesus Christ in both word and deed, and to bring people into a closer relationship with him as living Lord.

The Church operates systems to ensure that all trustees, employees and volunteers in eligible positions (including all those working with children and adults at risk) are appropriately vetted with regard to the Disclosure and Barring Service.

Central to the work of the Church is the provision of regular public services of Christian worship. These are mainly morning services with some short series of evening services during the year. We also provide a full children's programme during the morning services. There are regular weekly activities, including a mums' and toddlers' group, Boys' Brigade and Girls' Association, home groups, a coffee morning, and a craft club. Once a month there is a lunch club and an occasional

Brunch Club. The Church sponsors a debt relief centre, and we have a family outreach worker in the community.

The premises are rented out to various outside groups, some meeting regularly and others are for single events.

ACHIEVEMENTS AND PERFORMANCE

Whilst numbers are important, the church measures its success in less tangible characteristics such as personal and corporate spiritual growth, friendship, care and encouragement.

RESPONSE TO PANDEMIC

When the church had to shut down due to the Pandemic, every effort was made to keep in touch with as many members as possible via phone calls and the internet. As time went on the church invested in a Zoom license and other licenses in order to allow church services and other meetings to be held on Zoom and, if appropriate, shared via Facebook or Youtube. Many individual groups also used Zoom and other methods (see below) to offer support and friendship to their members.

The congregation was divided into lists so that each Trustee or group leader could contact individuals and families on a regular basis. A weekly news sheet continued to be produced and distributed by email or post as appropriate.

When the church was allowed to open again, Risk Assessments (RA) were carried out and all attendees required to conform to these Risk Assessments. Any group allowed to return under Covid restrictions was also required to provide its own Risk Assessment and comply with the RA provided by the Church. Extra supplies were purchased and cleaning regimes put in place. Lists were kept of all those entering the premises.

SERVICES

There were services on every Sunday morning starting at 10.30am. Until the end of March services were held in the building but when the Covid pandemic started, this moved online for the majority of the year, although some services were held in the building during the autumn and were live-streamed on the internet. The church seeks to be a friendly and welcoming community, and anyone is free to attend or watch services. Everyone coming to the building was asked to give their contact details in order to assist with track and trace should a Covid outbreak occur.

CHILDREN'S CHURCH

We have four age related groups that meet on a Sunday morning. They are for Pre-school/Reception, School Years 1 and 2, School Years 3 to 6 (Juniors), and School Years 7 to 11 (Bible Class). The children leave the Sunday morning service after about 30 minutes for their own age-related activities.

Due to the pandemic, there were some variations to this pattern.

The following gives a short summary of what happened during the year:

Pre School/Reception: This group met from January until mid-March. An average of five children attended.

Bible stories were enjoyed with accompanying craft activities and games. Parents were informed about the theme of the morning and of the relevant Bible reference.

Covid restrictions meant that Children's Church did not meet for the remainder of 2020. A number of Bible stories (some with craft activities) particularly for younger children, were recorded for the Church Facebook page and web-site, which were well received.

Years 1 & 2:

At the start of January there were 10 children on roll. On the first Sunday 8 attended but there were generally between 3 and 6 in attendance in the 8 weeks that we were open. It was felt unwise to reopen even when restrictions were temporarily lifted because of safety concerns.

Some Bible Stories and linked craft activities were therefore recorded and posted on Facebook.

The Juniors group (Years 3 to 6)

This group is made up of more boys than girls. The group started 2020 meeting in the upper room, which gave ample space for games, activities and crafts, as well as quiet space to read the Bible, pray together and listen to stories.

Initially during the first lock-down, activity and colouring sheets linked to service themes were distributed to all children under 11. Following on from this, two series of Bible stories were recorded and went out weekly on Facebook between the end of April and July. Other activities suitable for younger and older children were prepared and distributed.

Between October and December, fortnightly zoom meetings were held. For Christmas a zoom version of the Nativity story was recorded.

Finally, 35 Christingle bags to children went to all under 11s and a Messy Christingle was also held on Zoom.

Bible Class

This moved online in the first week of the first lockdown in March and met weekly thereafter, apart from brief summer and Christmas breaks. The aim continues to be to equip young people of secondary school age to grow in their faith and to work out how belief in Jesus relates to everyday life.

Switching to Zoom had some distinct advantages such as lengthening the meetings and discussions and being able to keep in touch with students at university and overseas participants. Thus, 22 young people joined in at various times but the average was between 10 and 16 per session.

One development was the young people supporting each other between the Sunday sessions by means of a dedicated WhatsApp chat group which they found beneficial.

Two group members became church members.

OTHER GROUPS

The church also provides other groups and activities for children, young people and adults.

The **Boys' Brigade and Girls' Association** usually meet on Friday evenings during school term time throughout the year offering a lively programme of educational and games activities, and seeking to develop the children's faith and citizenship. However, in 2020 the global pandemic meant substantial changes to the weekly programme offered. March to August - face to face meetings were replaced with BB at Home activities. This included a virtual camp and a range of fun activities promoted in weekly newsletters. September to December – virtual sessions took place on Zoom for all sections each Friday evening. As a result of no face to face activities, membership

levels for all sections dropped significantly for the year. During the pandemic all activities were provided free of charge.

Home Groups: These normally meet fortnightly in the homes of some members, to encourage growth in faith and discipleship. Due to the pandemic, most of the year people were unable to meet each other but leaders supported their groups on the phone and some were able to meet over Zoom for socials and Bible studies.

A Parents/Carers and Toddlers group (STEPS): This group was able to meet as normal until 16 March. The average attendance was 30 children plus their carers/parents.

For Christmas 21 craft packages were given to attendees to create a Christmas angel, but sadly it was not possible to have much more interaction than that.

Friendship Morning:

Meetings were held as usual until 11th March. During the morning there is a short talk on the Bible or Christian issues by a volunteer staff member, and every 2 months or so a piano recital. One attendee was due to be baptised at Easter. Several regulars had started coming to church services.

A dedicated Facebook site was set up in 2018. This proved vital during the year to enable contact to be maintained and its use and scope was widened.

Later a Zoom live coffee morning was set up for a once a week meeting. This was attended by 6 - 8 households, mainly people living alone.

Alpha courses

There were various Alpha Courses running during the year, with around 16 participants, split fairly evenly between new Christians and those exploring the Christian faith. There were referrals from Alpha direct, as well as church and Christians Against Poverty contacts. The first two courses started in person, but changed to zoom courses in March.

It was especially good to see the zoom Alphas really taking off, with a real depth of sharing and allowing those who cannot easily access the church to join. It really helped those people on the fringe to be supported though this difficult year. There was growth in faith, prayer and fellowship, and a lady who started in December came to faith early in 2021. However, the downside to using zoom was that several people had to drop out because of lack of access to smartphones or computers. Others had to pause their access when children were off due to child-care or children using the computer, but were all keen to come back when circumstances allowed.

Craft Time:

This group had approx. 35 people on its roll this year, excluding the leaders, and an average attendance of 33 at each session. There were three craft classes running, two led by a church member and the other led by a non-church member.

Under normal circumstances 6 or 7 meetings per term are provided during the 3 term year. However, this year only 5 sessions in total took place because of the pandemic. Letters were sent to all members to keep them informed as to when we would open again. Consequently, no summer day trip, craft fair or Christmas lunch were provided.

Charity shoe boxes were cancelled due to difficulty with the collections of items, but instead £100 from craft funds was sent to Blythswood charity.

Letters continue to be sent to members with our latest decisions regard opening, but it is not anticipated that we will restart any time soon.

Lunch Club: This managed 2 lunches in January and February. A 2 course freshly cooked meal is offered and tea or coffee after the meal when “Thought of the Day” is given. There are regular attenders, but also a few who join in occasionally. It is a friendly atmosphere, and everyone is welcome, even if a monetary donation cannot be made.

Brunch club is a partnership between 4 different agencies, Gillingham Baptist Church, Foodbank, Homestart and Medway Council Adult Education. It is aimed at primary schools mainly but no one is turned away.

A hot breakfast is provided and a selection of cereals and fruit, with toast too.

There are craft activities with supervision, and a small play area for younger children. There is also help with FB vouchers and other things.

During February half term the club opened for two days in which 30 families took part.

In July the Family Outreach worker recorded eight short videos teaching families how to cook simple recipes on a budget, working in partnership with Homestart, sharing the videos on Facebook and taking round packages of the ingredients to families who wanted to try them out. Around 15 families took up this offer on each occasion plus those who were contacted by Homestart. A local supermarket provided the ingredients.

HELP & SUPPORT FOR THE LOCAL COMMUNITY

The **Christians Against Poverty (CAP) Debt Centre** continued throughout the year, however Head Office had paused new referrals until February 2020, reopening gradually with only 2 (normally 4) per month - but then the coronavirus struck and client appointments were paused for April to allow time to restructure for telephone appointments. In May the appointments restarted with no face to face contact (except where necessary to collect paperwork) and initially reduced numbers to allow for head office working remotely, this increased to full capacity by November. Clients without phones could not be seen and clients who had access to the internet were encouraged to submit documents to Head Office electronically. These changes meant that new clients were not supported by a befriender.

Coronavirus changes meant a lot of phone encouragement, as the Manager was supporting over 180 current and past clients and other contacts. Quite a lot of practical help for food, electricity, gas and furniture and kitchenware was delivered, as well as travel and work associated costs to support people with new jobs.

Coronavirus obviously affected both CAP and other services from which and to which we would usually get referrals. Nationally, referrals dropped dramatically, although due to reduced capacity this only affected us in December. Other than that CAP Gillingham remained fully booked, seeing 31 new families in 2020, resulting in many clients becoming debt-free. 2 client events were run and 11 persons connected with CAP made Christian professions (including 2 children). 1 child made a recommitment during 2020, and several started attending a church while it was still open. The bulk of these were at the client events/connections prior to lockdown. Some clients were referred to Alpha (in person and then online courses being run by Gillingham Baptist). Clients were referred to a limited number of other organisations, such as Foodbank, Street Angels and Imago.

Family Outreach Worker (FOW): From January to March the FOW ran three groups – a coffee morning at a local church, a toddler group at the same place and a pre-school coffee morning at Gillingham Baptist Church. When Covid arrived, the FOW was furloughed until 1st July.

The Thursday coffee morning resumed and met outdoors from July to October. It continued to be a vital contact link for those attending who were all feeling isolated. This then resumed at the church premises in the format of a support group for those who were struggling with the return of lockdown.

The Pre-school coffee group moved to a local open space for the Summer period to allow social distancing, with four regular families taking part.

Support continued for 14 families with the FareShare food from Tesco every Sunday afternoon, as well as taking people to hospital/doctors appointments, phone calls or chatting in a park.

The Church premises were also used by various organisations/groups and individuals from the local community. These included:

A Pre-school, run by the Salvation Army (Gillingham), continued to operate and flourish in our main hall during the week (Monday to Friday). This stopped in March 2020 but was re-started in June and continued through the rest of the year.

Cookery classes for Adults with Learning Disabilities run by Medway Community Services. This included regular use of our kitchen, servery area and the smaller hall. This stopped in March 2020 but restarted in September one morning per week.

Home Start: A charity supporting families with a Cookery session for one day and Pop n Play session on another day in the smaller hall. They also held a few weeks of training in the conversation area/worship space prayer room at the end of February one day per week before lockdown in March.

Table Talk is on one evening per week and provides a venue for a social and cultural gathering for international students from the local universities.

From March – August 2020 the organizer worked from home, reaching out to students pastorally both by phone and online. In addition a weekly Virtual World Café drop-in was held, the intention of which was to help students with the sudden changes to life. Donated food was also provided for those students who remained in university accommodation.

On October 1st 2020 TABLEtalk went online via Zoom and proved quite successful. There was a good core of students almost every week and in total contact was made with 49 students from 27 different nationalities. One of the positives of online was been that students and alumni were able to join in from other parts of the UK and the world such as Spain, Cyprus and Colombia!

Ballroom & Latin Dancing Classes: The large hall is used every Saturday for private dancing lessons. This stopped in March but restarted in September, stopping again in November and didn't restart for the rest of the year.

Romanian Church: This growing community gather for a service together on a Saturday evening, and a social time on a Wednesday evening. This came to an end in March. They used one room on occasional days thereafter to do recordings or live stream. They also held the occasional meeting when permitted in the summer/early Autumn

African Church: This group gathers for a service together on a Sunday afternoon but stopped in March. As with the Romanian Church they meet a few times when Covid legislation permitted

Mencap used the Lighthouse on a Monday evening to socialize, chat over any issues and provide support until March.

West Kent Domiciliary Care Experts used the Prayer Room for training sessions every weekday. This continued through the year.

Seasons Art Classes: A small group started in February using the upper room all day one day per week. This closed in March.

REDEVELOPMENT OF THE CHURCH BUILDINGS

The building work was completed in 2019 and we were looking forward to a full year of activities in the new premises. However, the lockdown and restrictions from March 2020 curtailed nearly every activity and organisation in the building.

MISSION

During the year, GBC financially supported Mission Aviation Fellowship and gave personal support to Mark and Sarah Newnham who work for them, as well as the Baptist Missionary Society (BMS), Christians Against Poverty, the South East Baptist Association (SEBA) and the Family Trust. We also continued our sponsorship of a child in Haiti through Compassion UK. We gave small donations to Spurgeon's Theological College and the Gideons. In addition, we continued our employment of a Family Outreach Worker to help local people and our Debt Centre Manager. All the above were agreed by the Church Members' Meeting. The Mission Team had £1,000 of unallocated monies to administer and these were sent to SAT-7, Christian broadcasters to North Africa, Tear Fund for disaster relief in Lebanon, and BMS for a special appeal for the hospital in Chad, two workers of which we are linked with. We also donated to SEBA's project 'Bread for Life', a new bakery/coffee shop in Strood, Kent.

Mark and Sarah Newnham (see above) left Liberia and came to the UK for some months before leaving for a promotion in Kenya. They were unable to be with us in Gillingham because of the pandemic, but they joined meetings and services on Zoom.

We had a visit from a Release International representative in October. Release supports the persecuted church.

FINANCIAL REVIEW

Effects of Pandemic

Unlike many other charities the church has not been significantly affected financially by the Covid 19 Pandemic.

Income & Expenditure

Many of our members increased their giving to help with our expenses. There was a drop in our rental income but as a good percentage comes to us from the Preschool who kept operating for most of the year this was not significant. Our premises also received a regular income from the Domiciliary Care Training Group who started using the premises part way through the year. Expenses were also reduced with 2 members of staff being furloughed and savings on materials and energy costs. The final income to our general funds was £4,000 above Budget.

Significant extra giving came in for CAP and the second half of a grant from the Henry Smith Foundation for the FOW. This helped to boost both of these funds. Funding for the FOW is now in place until the summer of 2021.

Loan Repayments

£1,500 a month continues to be transferred from the General Funds to the Project Fund (2) to cover the repayments to the Baptist Union (BU). The loan from the Baptist Building Fund will be repaid from pledges by church members. Over 40 members of the church made pledges ranging from a few pounds to several hundred pounds a month making a total of nearly £300,000 which will be donated to the church over the next eight years to cover the loan repayments. There is a surplus expected during the first five years and this will enable the church to have sufficient reserves to continue repaying the loan during the last five years, when the pledges drop a little. Further details of the loans can be found in page 21 of the following report. The committed giving to the repayment of our loans and the increasing balance in this fund enabled us to repay an extra £40,000 to the BU without adversely affecting the funds needed to make the repayments over the next eight years. The interest and the term of the loan have been reduced.

Building Project

The final payment relating to the Building Project was made in 2020.

Conflict of Interest

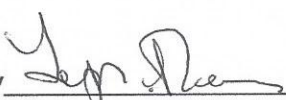
No payments were made to 'Connected People'.

The trustees ensure that if there is ever a conflict of interest regarding any matter, then this is declared, and the person with the conflict of interest takes no part in any discussion or decision regarding the matter being considered.

Baptist Ministers Pension Fund

Details of the shortfall of the Baptist Ministers Pension fund are in the notes on pages 15 to 16.

The financial results for the year are set out in the accompanying financial statements.

Signed by  _____

L. Newlan Managing Trustee

Signed by  _____

E. Rowland Managing Trustee

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF GILLINGHAM
BAPTIST CHURCH ON THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2020**

Respective responsibilities of Trustees and Examiner

The Church's Trustees are responsible for the preparation of the accounts. The church'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,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 church 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.

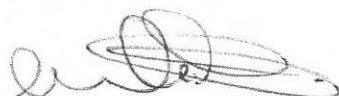
Independent examiner's statement

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
- the accounts do not accord with the accounting records
- the accounts do 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 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.

Lorraine Wilson FCCA
24 Larkfield Avenue
Gillingham
ME7 2LN



Signed: L. WILSON

Dated: 21/2/21.

GILLINGHAM BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDING 31ST DECEMBER 2020

		2020					2019
		Unrest- ricted £	Desig- nated £	Endow- ment	Rest- ricted £	Total £	Total £
Income & Endowments							
Donations & Legacies	25	116,731	0	0	66,261	182,992	177,139
Investment Income	26	117	0	0	0	117	626
Charitable Activities	27	84	0	0	2,867	2,951	12,825
Other Income	28	1,219	0	0	400	1,619	4,074
Rents		17,486	0	0	0	17,486	24,169
Fund raising Activities re Project	24	0	0	0	275	275	555
Trading Activities	29	17,486	0	0	275	17,761	24,724
Total Receipts		135,637	0	0	69,803	205,439	219,387
Expenditure							
Charitable Activities	13,15 18-22	99,607	8,907	0	43,336	151,850	387,287
Total Expenditure		99,607	8,907	0	43,336	151,850	387,287
Net Income/Expenditure for the year before gains/losses of Fixed Assets		36,030	-8,907	0	26,466	53,589	-167,900
Net Gains/Loss on Sale of Fixed Assets		0	0	0	0	0	0
Net Income before transfer		36,030	-8,907	0	26,466	53,589	-167,900
Transfer Between Funds		-31,648	-13,430	0	45,078	0	0
Net Income before other recognised losses		4,382	-22,338	0	71,545	53,589	-167,900
Gains/Losses on Deferred Benefit Pension Scheme	5	1,200	0	0	0	1,200	41,300
Net Movement of Funds		5,582	-22,338	0	71,545	54,789	-126,600
Reconciliation of Funds							
Total Funds brought forward		-50,282	31,838	0	314,017	295,574	1,447,174
Revaluation of Church Premises	23	0	0	0	0	0	-1,025,000
Total Funds carried forward		-44,700	9,500	0	385,562	350,363	295,574

GILLINGHAM BAPTIST CHURCH

BALANCE SHEET AT 31st DECEMBER 2020

	<u>Note</u>	<u>2020</u>		<u>2019</u>	
<u>Fixed Assets</u>		£	£	£	£
Tangible Fixed Assets	23		<u>640,784</u>		<u>652,768</u>
<u>Current Assets</u>					
Bank	6	53,761		48,247	
Baptist Union Corporation	7	10,599		58,482	
Cash	8	580		317	
Prepayments	9	5,760		5,682	
Debtors	10	7,782		7,247	
			<u>78,482</u>		<u>119,974</u>
<u>Current Liabilities</u>					
Accruals & Creditors	11	1,176		25,583	
Loans falling due within one year	12	35,517		20,299	
			<u>36,693</u>		<u>45,882</u>
<u>Net current Assets</u>			<u>41,789</u>		<u>74,092</u>
Loans falling due after one year	12	254,410		352,288	
			<u>254,410</u>		<u>352,288</u>
<u>Net Assets excluding Pension Liability</u>			<u>428,163</u>		<u>374,572</u>
Defined Benefit Pension liability	5	77,800		79,000	
Total Net Assets			<u>350,363</u>		<u>295,572</u>
<u>Charity Funds</u>	14				
Unrestricted		-44,699		-50,282	
Designated		9,500		31,838	
Endowment		0		0	
Restricted		385,562		314,017	
Total Funds			<u>350,363</u>		<u>295,574</u>

The Notes on Pages (14-25) form an integral part of the accounts.

Notes to the Accounts

1 Accounting Policies

- a) The accounts are prepared in accordance with the, Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011.
- b) The church is a registered charity, no.1169112 and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.
- c) Tangible Fixed Assets comprise of the Church premises. Residential accommodation having been sold in 2018. Other tangible fixed assets are capitalised if they can be used for more than one year and cost at least £1,000
- d) Restricted Funds relate to funds where the use of income has been specified for the particular purpose.
- e) Designated Funds relate to funds set up by the Church for a particular purpose using monies from the Church's General Funds.
- f) All figures in the accounts are rounded to the nearest pound. Therefore, some totals may appear to be slightly different from the sum of the figures they relate too.

2 Depreciation

A new depreciation policy was agreed by the Trustees in 2019 it is as follows:

Only items with a value exceeding £1,000 will be included as Capital Expenditure and therefore depreciated. The following rates of depreciation were agreed:

Keyboard (purchased in 2016)	5 years
Chairs in Worship Area	10 years
Stacking Chairs	5 years
PA & Audio equipment	5 years

The Trustees agreed to depreciate the Yamaha electric Keyboard purchased in 2016 at the rate of 20% of cost price per year. All other Fixture and Fittings were fully depreciated in 2013.

3 Reserves

The Trustees consider that the current assets shown on the balance sheet are sufficient reserves to maintain current operational activities.

4 Related Charities

The custodian Trustee of the church is the Baptist Union Corporation Limited (BUC) 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 South Eastern Baptist Association.

Notes to the Accounts

5 Pension

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

The Scheme previously known as the Baptist Ministers' Pension Fund started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable income in excess of Minimum Pensionable Income.

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 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 Limited. [Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%].

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 the scheme is accounted for as if the Scheme were defined contribution scheme

The Minister is a member of the Scheme

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plans at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the BD Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316 million, giving a deficit of £18 million (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 key financial assumptions underlying the valuation were as follows

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gift yield plus 1.75%)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gift yield plus 0.5%)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Pension increases	
- Based on RPI with an annual floor of 0% and annual cap of 5%	2.70
Deferred pension increased (based on RPI	3.20
- Pre April 2009	2.50
- Post April 2009	

Mortality is assumed in accordance with 80% of the S3NA Standard mortality table. Future improvements projected from 2013n in line with the 'CMI 2019' projection, with a long term annual rate of improvement of 1.75%p.a. for males and 1.5% p.a for females with the core smoothing parameter and with additional initial mortality improvements fact 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

Notes to the Accounts

5 Pension (continued)

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 signed in September 2020, deficiency contributions are payable until 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.

Movement in Balance Sheet liability

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Bal b/f	<u>79,000</u>	<u>120,300</u>
Pension Deficit	77,800	79,000
Movement in Balance Sheet	1,200	41,300

Deficit Payments Due

Balance Sheet Liability at year start	3681.84	3,602
Deficiency Contribution Paid	2761.38	-3,602
Reduction in Deficit Payments by BU re Covid	<u>920.46</u>	<u>0</u>
Balance sheet liability at year end	0	0

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

		<u>2020</u>	<u>2019</u>	
		£	£	
6 Bank				
GBC		45,967	41,180	
Steps (held in GBC bank)		243	0	
Boys' Brigade		7,148	6,374	
Holiday		287	287	
Craft		116	406	
		<u>53,761</u>	<u>48,247</u>	
7 Baptist Union				
General Funds		10,599	58,482	
		<u>10,599</u>	<u>58,482</u>	
8 Cash				
GBC (Petty Cash)		184	66	
STEPS – Cash		5	5	
Boys' Brigade		219	41	
Lunch Club		100	122	
Craft Time		46	39	
Flowers		26.25	43	
		<u>580</u>	<u>317</u>	
9 Prepayments				
Bridge Insurance Brokers		5,250	5,089	
Business Stream		23	28	
Siemens finance		251	251	
Net Box Digital		0	36	
Plus Net		23	23	
Virgin Media		10	10	
Southern Water		0	49	
Medway Council		204	197	
		<u>5,760</u>	<u>5,682</u>	
10 Debtors				
HMRC		7,302	7,003	
West Kent Domiciliary Care/Choice Support		480	244	
		<u>7,782</u>	<u>7,247</u>	
11 Accruals				
Total – Gas		848	631	
SSE/Gazprom		196	212	
Vodafone		6	7	
Co-operative Bank -Visa		0	196	
Kent County Supplies (KCS)		126	357	
Astral		0	24,180	
		<u>1,176</u>	<u>25,583</u>	
12 Loans Outstanding				
Accounts Repayable	Baptist Union	Baptist Building Fund	2020 Total	2019 Total
Within one year	10,517	25,000	35,517	20,299
After one year	59,410	187,500	246,910	347,288
Thank you Offering (3 years at £2,500 pa)	<u>0</u>	<u>7,500</u>	7,500	5,000
	59,410	195,000	254,410	352,288

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

13 Organisations

	2020			2019
	Unrest	Restricted	Total	Total
	-ricted			
	£	£	£	£
Brigades				
Opening Balance	0	6,414	6,414	4,112
Income	0	2,238	2,238	8,574
Expenditure	0	1,286	1,286	6,202
Transfer of Funds	0	1	1	70
Closing Balance	0	7,368	7,367	6,414
Craft Time				
Opening Balance	0	445	445	112
Income	0	276	276	1,612
Expenditure	0	559	559	1,158
Transfer of Funds to Gen.	0	0	0	120
Closing Balance	0	162	162	445
STEPS				
Opening Balance		218	218	206
Income	0	67	67	229
Expenditure from Cash	0	37	37	173
Expenditure from Bank (under Conf & Mat in SOFA)	0		0	43
Closing Balance	0	248	248	218
Lunch Club				
Opening Balance	0	122	122	67
Income	0	308	308	1,434
Income to Bank	0		0	0
Expenditure	0	210	210	1,288
Expenditure from Bank (Buildings in SOFA)	0		0	50
Transfer to General	0	120	120	40
Closing Balance	0	220	100	122
Totals				
Opening Balance	0	7,200	7,200	4,497
Income	0	2,889	2,889	11,848
Expenditure	0	2,092	2,092	8,915
Transfers Out	0	121	121	230
Closing Balance	0	7,876	7,876	7,200

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts****14 Restricted, Designated & Unrestricted Funds**

	2020			2019
	Unrestricted	Restricted	Total	Total
	General	Designated		
	£	£	£	£
Land & Buildings – GBC	0	0	600,000	600,000
Land & Buildings – Manse	0	0	0	0
Fixtures & Fittings	0	0	40,784	52,768
Manse Proceeds	0	0	0	0
General	33,101	0	33,101	28,718
Pension Deficit	-77,800	0	-77,800	-79,000
Project Lighthouse	0	0	0	138
Project	0	0	0	-3,212
Project 2 (for Loan Repayments)	0	9,500	10,159	53,161
Loans to be Repaid	0	0	-289,927	-372,587
Flowers	0	0	26	43
Mission	0	0	50	50
Christians Against Poverty(CAP)	0	0	5,691	2,507
CAP Smile	0	0	1,860	1,022
Family Outreach Worker	0	0	7,430	1,272
Church Family Fund	0	0	888	166
Holiday	0	0	287	287
Social Media Fund	0	0	0	2,753
Brunch Club	0	0	436	285
Organisations	0	0	7,877	7,200
	-44,699	9,500	385,562	295,573

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

15 Salaries and Related Expenses

		<u>2020</u>			<u>2019</u>
Salaries	35,433	8,570	8,570	52,572	53,614
Furlough Rebate	-1,920	0	-2,535	-4,455	0
Sub Contractor	0	0	1,966	1,966	247
Pension Contributions	5,512	0	0	5,512	2,989
Pension Deficit	2,761	0	0	2,761	3,602
Manse Expenses	7,473	0	0	7,473	7,157
	49,259	8,570	8,001	65,829	67,609

The Church averaged 6 employees during the year, a full time Minister, a part time Administrator, a part time Debt Centre Manager, a part time Family Outreach Worker and two part time Cleaners. No employee was paid more than £60,000. The Minister is, by the nature of his employment, also a Trustee of the Church. His total remuneration, including Housing Allowance was £30,248

In December 2019 the church made an agreement with St. Mark's C of E to subcontract one of their employees for 5 hours a week. The person involved performed the duties of Social Media Officer. The post has been funded by the the South Eastern Baptist Association and will run for 9 months. At the end of the contract the balance of funding was used for continuing Media work. The fund was closed at the end of the year.

The Minister's employment entitles the minister to free accommodation in a house either owned or rented by the Church and for which the Church pay the council tax, water bills, and 25% of the gas & electricity bills. The church also provide phone & Internet. (shown under Manse Expenses). The Church pay rent to the Minister, who owns his own property. This is also shown under Manse Expenses.

Further funding has allowed the Family Outreach Worker (FOW) role to continue and it is anticipated that it will continue till the end of July 2021. The role is then dependant on further funding.

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

16 Loans

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Baptist Building Fund Balance b/f	242,500	252,500
Thank Offering Gift	2,500	2,500
Repayments	-25,000	-12,500
Balance of Loan	<u>220,000</u>	<u>242,500</u>

Loan is repayable over 10 years with 20 six monthly payments of £12,500. The loan was paid directly into the church account in August 2018 and repayments started in August 2019. As per the request of the Baptist Building Fund two extra payments will be made after the loan has been repaid. The trustees agreed to reflect this as a liability of £2,500 a year for 10 years. This is currently totalling £7,500.

	<u>2020</u>	<u>2019</u>
Baptist Union: Balance b/f	130,087	142,782
Interest Accrued (in SOFA exp)	2,784	5,105
Repayments	-62,944	-17,799
Balance of Loan	<u>69,927</u>	<u>130,087</u>

Loan is repayable over 10 years. Interest is accrued on a daily basis. Interest rate is variable but it is lower than commercial rates. The current rate is 3.5%. Repayments are made on a monthly basis and started one month after the loan was drawn down. Loan repayments are shown under 'Projects 2 Loan Repayments'

17 Christians Against Poverty Expenditure

	<u>2020</u>			<u>2019</u>
	<u>Designated</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Salary			0	
Contribution to CAP HQ	8,570	6,300	14,870	6,300
Smile	0	2,313	2,313	607
Other CAP Expenditure (£40 under travel in SOFA)	0	1,025	1,025	2,089
	<u>8,570</u>	<u>9,638</u>	<u>18,207</u>	<u>8,996</u>

The Church Members' meeting of July 2016 agreed to continue hosting the CAP Debt Centre. As part of this commitment it was agreed to make an annual contribution to CAP HQ, employ a Debt Centre Manager and meet other designated costs.

Until the end of 2019 the CAP Debt Centre Manager's Salary was paid from General Funds. From 2020 it was agreed to transfer the Salary from the General Funds to CAP designated and pay it from there so that the actual costs of running the Debt Centre could more easily identified.

In 2017 a 'one-off' gift was given to CAP which was set aside and referenced as 'Smile'. This Money was separated in the accounts at the end of 2018 and is now shown as a separate fund.

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	<u>2020</u>			<u>2019</u>
	Unrestricted	Restricted	Total	Total
	£	£	£	£
18 Other Activities				
Children's Church	20	0	20	318
Youth Work	0	0	0	23
Conferences & Training	200	0	200	1,038
Travel	440	614	1,054	860
Visiting Preachers	175	0	175	400
Outreach	28	0	28	248
Thank You Gifts	100	0	100	75
	963	614	1,577	2,962
19 Upkeep of Church Premises				
Repairs & Maintenance	7,526	0	7,526	12,984
Water Rates	165	0	165	165
Heat & Light	6,186	0	6,186	8,151
Insurance & Valuation	6,229	0	6,229	5,429
	20,106	0	20,106	26,728
20 Administration				
Telephone	513	0	513	509
Printing	2,634	0	2,634	2,703
Office Supplies	756	0	756	332
Publicity	324	0	324	184
Finance Fees	741	0	741	783
Membership Fees	890	0	890	1,085
	5,857	0	5,857	5,596
21 Supplies and Services				
Materials	1,557	38	1,595	1,906
Small Equipment	2,507	238	2,745	911
Refreshments	162	137	299	744
Media & Books	0	505	505	0
Music & Organ	1,120	0	1,120	1,619
Flowers	0	197	197	583
Depreciation (Designated)	338	11,646	11,984	11,984
	5,683	12,762	18,445	17,747

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts**

	<u>2020</u>			<u>2019</u>
22 Grants to Charitable Causes	Unrestricted	Restricted	Total	Total
	£	£	£	£
Home Mission	5,000	0	5,000	5,000
Missionary Aviation Fellowship	4,800	0	4,800	6,825
BMS World Mission	4,200	600	4,800	4,600
BMS World Mission (Guinebor)	240	1,835	2,075	0
The Family Trust	1,200	0	1,200	1,000
M & S Newnham (Includes Taxi)	1,000	175	1,175	600
Compassion re Wilkenson	400	0	400	464
Tear Fund	350	0	350	829
Spurgeon's College	300	0	300	200
Medway Gideons	200	0	200	200
SEBA (bread of Life)	175	0	175	0
Release International	100	0	100	0
Open Doors	13	88	100	0
SAT-7 UK	100	0	100	0
Hope Health Action	0	0	0	250
Medway Volunteers	0	0	0	200
SAT-7 UK	0	0	0	100
Samaritans Purse	0	0	0	100
A Rocha	0	0	0	100
Emmaus Centre	0	0	0	100
Medway Street Pastors	0	0	0	100
Ashleigh Gibb	0	0	0	12
	18,077	2,698	20,775	20,679
Donations From Church Family Fund	0	230	230	1,001

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

23 Tangible Fixed Assets	2020			2019
	Freehold Land & Buildings	Fixtures & Fittings	Total	Total
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
at 1 January	600,000	52,768	652,768	1,646,084
Additions	0	0	0	43,668
Revaluation Gain	0	0	0	-1,025,000
Disposals	0	0	0	0
31 st Dec	600,000	52,768	652,768	664,752
<u>Depreciation</u>				
Change in year	0	11,984	11,984	11,984
Disposals	0	0	0	0
Total	0	11,984	11,984	11,984
<u>Net Book Values</u>				
at 31st December 2020	600,000	40,784	640,784	652,768
Premises Funded by	2020			2019
Church Building – Restricted	600,000			600,000
Manse – Restricted	0			0
	600,000			600,000

Mr. Julian Scannell FRICS IRRV MCI Arb MEWI of Watson Day, chartered surveyors, valued the church building in December 2014 and put a value of £1,625,000 on the premises. This valuation was done on the basis of the building being a Specialist Property and on the basis of depreciated replacement cost. A new valuation was carried out in March 2020 giving the value on 31st December 2019. The basis of the valuation is now 'Fair Value' defined as "the price that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date" This value has been set as £600,000, as at 31/12/2019

The Manse, 5 Seaton Road, was purchased in December 2010 at a cost of £181,000. The trustees revalued the Manse at the end of 2016 and agreed to value it at £250,000, in line with similar properties in the area. It was sold for £250,000 in August 2018.

² Fixtures and Fittings had all been fully depreciated in 2013 A new keyboard was purchased in 2016. The trustees agreed to depreciate it at 20% of its cost price per year. This is now fully depreciated. A new depreciation policy was agreed by the Trustees in 2019.

24 Building Project (Fund for Future)

Project relates to money raised to refurbish the Lighthouse room. This project was completed in 2020. The fund was then closed.

Project 1 relates to the money raised for, or contributed to, the Building Project. This project was completed in 2020 and the fund was then closed

Project 2 relates specifically to money raised for Loan repayments. Together with the money that has been pledged to repay these loans the church will need to transfer £1,500 a month from its General funds into this fund to ensure there are sufficient funds available to repay all loans over the next ten years. If the income given specifically to Project 2 varies then this figure may change accordingly. This fund is currently on track.

Project 3 relates to money retained from payments to the Builder. This payment was made in 2020 and the fund was then closed

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	2020				2019	
	Unrest- ricted £	Desig- nated £	Endow- ment £	Rest- ricted £	Total £	Total £
25 Donations & Legacies						
Offerings	98,009	0	0	0	98,009	93,803
Donations for Charitable Causes	0	0	0	2,334	2,334	1,690
Donations for Projects	0	0	0	30,538	30,538	37,183
Christians Against Poverty	0	0	0	12,484	12,484	9,862
Family Outreach Worker	0	0	0	10,940	10,940	6,695
Donations to Church Family Fund	0	0	0	852	852	851
Income Tax Recovered on Offerings	18,722	0	0	9,112	27,835	27,055
	116,731	0	0	66,261	182,992	177,139
26 Investment Income						
Bank Interest	117	0	0		117	626
	117	0	0	0	117	626
27 Charitable Activities						
Flowers	0	0	0	130	130	633
Refreshments	84	0	0	0	84	343
Holiday	0	0	0	0	0	0
Organisations	0	0	0	2,737	2,737	11,848
Friendship Morning					0	0
	84	0	0	2,867	2,951	12,825
28 Other Income						
Other Income	1,219	0	0	400	1,619	4,074
	1,219	0	0	400	1,619	4,074
29 Trading Activities						
Rents	17,486	0	0	0	17,486	24,169
Fund raising Activities re Project	0	0	0	275	275	555
	17,486	0	0	275	17,761	24,724
Total Receipts	135,637	0	0	69,803	205,439	219,387