

GILLINGHAM BAPTIST CHURCH [GBC]

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL ACCOUNTS**

FOR THE YEAR ENDING 31ST DECEMBER 2021

CHARITABLE INCORPORATED ORGANISATION: 1169112

GBC – TRUSTEES ANNUAL REPORT & FINANCIAL ACCOUNTS for 2021

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 2021 comprised:

Stephen Greasley	Minister	
Fred Adams	Elder	Re-elected 19 November 2019
Stephen Carr	Deacon	Re-elected 16 November 2021
Karen Collins	Elder	Elected 19 November 2019
Hilary Cox	Deacon	Elected 19 November 2019
Joy David	Deacon	Elected 17 November 2020
Helen Holloway	Deacon	Re-elected 16 November 2021
Lyn Newlan	Elder	Re-elected 17 November 2020
Elizabeth Rowland	Deacon	Re-elected 19 November 2019

ANNUAL REPORT FOR 2021

CONSTITUTION

Gillingham Baptist Church was first established in 1879 and moved into its present location in 1882. It was first registered as a 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. We also confirmed the permanent appointment of our part-time Site Manager.

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. The Meeting met online only for the whole of 2021. On 26th October it was agreed that future participation in Church Members' Meetings can be by electronic or hybrid means.

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 normally 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.

SERVICES

The pandemic continued to have a major impact on Sunday services. It was decided to meet solely online for the first few months of the year and did not return to the building for Sunday worship until May 2021. Numbers attending physically during the Summer ranged between 54 and 75 with others watching at the same time online.

There were very few children present because no Children's Church was offered until September at which time numbers markedly picked up. Services were livestreamed twice a month.

GBC - TRUSTEES ANNUAL REPORT & FINANCIAL ACCOUNTS for 2021

From May 2021 a number of new families joined the Sunday congregation, many from an African background. This trend accelerated during the latter part of the year.

Two baptismal services were held in the Autumn and one wedding.

CHILDREN'S CHURCH

We have three age related groups that meet on a Sunday morning. The first is for Pre-school/Reception and School Years 1 and 2, the second is for School Years 3 to 6 (Juniors), and the third for 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 as staff numbers were low and the children's attendance was sporadic and unpredictable.

At Easter 40 Messy Easter bags to children under 11 were delivered. These included age-appropriate crafts, including a baking activity and everything required to make a living Easter garden. A Messy Easter on Zoom was held where children got to show the crafts they had made. The time culminated in making the Easter gardens together and a Hallelujah shout!

As children slowly came back into church services, we provided individual colouring packs and activities relating to the service themes.

We finally restarted Children's Church in September but in a new all-age format with 3-11s together. It was a slow start in terms of numbers and these varied greatly from week to week with anything from 5 to 20, but generally numbers grew. The sessions included Bible stories, crafts, games, singing and videos.

Finally the children took part in telling of the Nativity story at Christmas and singing Away in a Manger in a church service.

Bible Class

This group was able to meet face to face for Bible Class in the latter months of the year, having managed to operate a virtual session each week during lockdown. They numbered between 12 and 16 most weeks, and had 20 different teenagers on the books. These included several new faces, which helped them to retain numbers after some left for university.

They continue to encourage the young people to think for themselves and did a short series comparing Christianity to some of the other main world religions plus looked at some of the key foundations for a fruitful Christian life.

OTHER GROUPS

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

The Boys' Brigade and Girls' Association This meets 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. The continuation of Covid restrictions in 2021 meant the weekly programme was still impacted. January to August - face to face meetings were replaced with BB virtual meetings on Zoom across all sections. However, in September it became possible to resume face to face meetings although still working under national youth work and Boys' Brigade guidelines and Covid restrictions. Gains were made in membership levels after returning to face-to-face meetings although numbers remained low, particularly in the youngest age group.

Home Groups: These normally meet fortnightly in the homes of some members, to encourage growth in faith and discipleship.

Restrictions and high levels of Covid meant that some groups did not meet or met on Zoom during the year. Telephone contact was maintained by the hosts to the members.

A Parents/Carers and Toddlers group (STEPS): This restarted in September 2021 and a social media post advertised this to the community. The number of families and childminders was steady at around 13 and the group ran smoothly. There were a few Covid-related additions to the routine but all the usual elements of singing, craft and zoned areas continued.

Friendship Morning: Until September, a Facebook site was used for attendees to be updated. At that time, Zoom meetings were organized weekly for those wishing to join it. Between 4 and 8 did so.

Due to Covid restrictions normal activities did not re-start until September and continued until mid November with an attendance of between 20 and 35. Sporadic meetings continued for the rest of the year because of high spread of Covid.

Alpha courses: Some courses ran during the year, 2 zoom ones in the Spring, then 3 in the Autumn with around 20 participants, mostly split fairly evenly between new Christians and those exploring the Christian faith. Participants came from the church and Christians Against Poverty contacts. 3 people were trained as leaders during one course and will be leading one of the Alphas next year. There was growth in spiritual understanding and experience, with the joint Holy Spirit Awayday being really impactful. Participants were keen to pray for one another and tell their friends and family about their faith. 7 people came to faith during the courses, and several started to attend church regularly, were keen to meet together to continue to grow and one will become a helper in the next course.

Craft Time: This opened again in September 2021 with an average attendance of 29 in 4 craft classes.

A Christmas lunch was provided in December though low numbers attended.

In the Autumn a financial collection was made for Blythswood charity of over £300 and a donation of £50 for electricity usage was made to the church.

Lunch Club: Due to Covid, the only time of meeting was for a Christmas lunch, which around 40 people attended.

Brunch club: This didn't run due to Covid.

HELP & SUPPORT FOR THE LOCAL COMMUNITY

The **Christians Against Poverty (CAP) Debt Centre** This continued throughout the year, but by phone until the summer. However, from July the service restarted face to face appointments.

From November there was a very steep rise in having to help people from the client aid fund. There was a record number of clients and others getting Christmas hampers.

After the church was burgled in December and the CAP office ransacked this created a lot of extra work. CAP informed the appropriate bodies and no further action was needed.

Around 50 client families booked in during the year and many clients went debt free.

A regular picnic was organized from May, when gatherings outside were allowed, so it was possible to link with clients. In September client events officially restarted. As a result, two Alpha courses started (mentioned separately). A group attended the Churches Together in Medway Christmas Connect.

Family Outreach Worker (FOW): The staff member was furloughed from January till March, when she returned to work Part-time. The work consisted of supporting people and families by telephone or, if possible, outside at playgrounds or for a walk. Tesco and Fareshare were a big part of 2021, collecting and then distributing food to a much bigger diversity of people.

In May outdoor coffee meetings were arranged once a week. In September it was possible to move back into a building, and the parish church was used for this. Numbers for Coffee morning ranged from 4 to 13, small but a great time to listen and support each other. In December the group went out to lunch.

Preschool coffee moved outside too where coffee and outdoor toys were provided. Numbers were really small. In September the group was able to meet indoors.

All through the year the FOW supported families and individuals with access to the Food Bank.

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 (Monday to Friday).

Cookery classes for Adults with Learning Disabilities run by Medway Community Services. This included regular use of the kitchen, servery area and the smaller hall.

Therapy Group, run by the NHS SCPT started using the Lighthouse Hall in June on a Monday.

Ballroom & Latin Dancing Classes: The large hall is used every Saturday for private dancing lessons.

Romanian Church: This growing community gather for a service together on a Saturday evening in the Lighthouse.

African Church: Gather for a service on a Sunday afternoon.

A one-off **pop-up vaccination centre** was held in the Lighthouse in July.

Home Start: A charity supporting families with a Cookery session on a Wednesday and Pop n Play session on a Thursday. This organisation ended both sessions in October, 2021 and moved premises.

West Kent Domiciliary Care Experts finished using the Prayer Room for training sessions in July, 2021, having started using the premises in November 2019.

MISSION

During the year, the church financially supported Mission Aviation Fellowship and gave personal support to Mark and Sarah Newnham who work for them, as well as to the Baptist Missionary Society, Christians Against Poverty, South East Baptist Association (SEBA) and the Family Trust. We also continued our sponsorship of a child in Haiti through Compassion UK. We gave a small donation to the SEBA Project, the Bread of Life bakery project in Strood. In addition, the Mission budget helped cover the employment of a Family Outreach Worker to assist local people. All the above support was agreed by the Church Members' Meeting.

The Mission Team also had £1,000 of unallocated monies to administer and these went to:-

- a) The sponsorship for 1 year of two electronic tablets for the African Pastors' Fellowship
- b) The Children's Society in recognition of Christingle materials supplied
- c) Tear Fund for Covid relief in India
- d) Hope Health Action, with a presence in Haiti and East Africa
- e) Samaritan's Purse as a response to another Haitian earthquake

- f) The Leprosy Mission, whose representative visited us in October.

SAFEGUARDING

The Safeguarding Team met on 6th December. It reviewed the Church's safeguarding policy, examined the relevant Disclosure and Barring Service (DBS) checks, noted that there had been no safeguarding issues in the past 2 years and suggested actions for the coming year.

HEALTH & SAFETY

Following an inspection of all the fire doors in the church it was agreed that several of the doors needed replacing or modifying. It was agreed that this would be addressed over the next few years. Priority given to the most urgent areas. During 2021 several of the fire doors in the downstairs, older areas of the church were replaced. Further work will be undertaken in 2022.

Risk Assessments re Covid continued to be updated and implemented throughout the year, following government rules and recommendations.

FINANCIAL REVIEW

Effects of Pandemic

As with the previous year the church has not been significantly affected financially by the Covid 19 Pandemic.

Income & Expenditure

Increased giving from our members and attendees has continued to help with our expenses during 2021. The rental income increased as groups gradually returned to pre-pandemic meetings. The Preschool kept operating throughout the year and their rental income helped significantly. Although one group discontinued using our premises another group started. Expenses were also reduced with 2 members of staff being furloughed for the first part of the year and there were savings on materials and energy costs. There was a final surplus of £5,500 of income against expenditure for the year. This surplus has been carried forward to 2022 to help meet the staff costs for 2022.

Significant extra giving came in for CAP. Most of this was in the form of a grant from the Kent Community Foundation for £7,500. Sufficient funding had been received in 2000 to secure to role of the FOW until the summer of 2022.

Loan Repayments

A few significant donations to the Project Fund (Fund for the Future for the repayment of loans) enabled the loan from the Baptist Union to be fully repaid early. The original loan was for £150,000 repayable over 10 years. It was repaid in 4 years. £1,500 a month continues to be transferred from the General Funds to the Project Fund to help cover the repayments to the Baptist Building Fund. The loan from the Baptist Building Fund will be

repaid from these transfers and from pledges by church members. The church is on track to repay this loan over 8 years, 2 years early.

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.

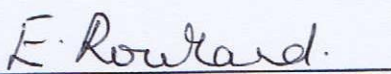
Baptist Ministers Pension Fund

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 2021**

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:



Dated:

17/3/22.

GILLINGHAM BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDING 31ST DECEMBER 2021

		2021			2020	
		Unrest- ricted	Desig- nated	Restricted	Total	Total
		£	£	£	£	£
Income & Endowments						
Donations & Legacies	25	120,942	0	104,834	225,776	182,992
Investment Income	26	47	0	0	47	117
Charitable Activities	27	45	0	3,457	3,502	2,951
Other Income	28	1,196	0	0	1,196	1,619
Trading Activities	29	19,077	0	0	19,077	17,761
Total Receipts		141,307	0	108,291	249,598	205,439
Expenditure						
Charitable Activities	13,15 18-22	120,157	6,864	42,713	169,734	151,850
Total Expenditure		120,157	6,864	42,713	169,734	151,850
Net Income/Expenditure for the year before gains/losses of Fixed Assets		21,150	-6,864	65,578	79,864	53,589
Net Gains/Loss on Sale of Fixed Assets		0	0	0	0	0
Net Income before transfer		21,150	-6,864	65,578	79,864	53,589
Transfer Between Funds		-26,934	9,864	17,070	0	0
Net Income before other recognised losses		-5,784	3,000	82,648	79,864	53,589
Gains/Losses on Deferred Benefit Pension Scheme	5	29,300	0	0	29,300	1,200
Net Movement of Funds		23,516	3,000	82,648	109,164	54,789
Reconciliation of Funds						
Total Funds brought forward		-44,700	9,500	385,562	350,363	295,574
Total Funds carried forward		-21,184	12,500	468,210	459,527	350,363

GILLINGHAM BAPTIST CHURCH**BALANCE SHEET AT 31st DECEMBER 2021**

	<u>Note</u>	<u>2021</u>		<u>2020</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Fixed Assets</u>					
Tangible Fixed Assets	23		<u>629,138</u>		<u>640,784</u>
<u>Current Assets</u>					
Bank	6	28,719		53,761	
Baptist Union Corporation	7	35,646		10,599	
Cash	8	154		580	
Prepayments	9	6,032		5,760	
Debtors	10	7,271		7,782	
		<u>77,822</u>		<u>78,482</u>	
<u>Current Liabilities</u>					
Accruals & Creditors	11	1,433		1,176	
Loans falling due within one year	12	25,000		35,517	
		<u>26,433</u>		<u>36,693</u>	
<u>Net current Assets</u>			<u>51,389</u>		<u>41,789</u>
Loans falling due after one year	12	172,500		254,410	
			<u>172,500</u>		<u>254,410</u>
<u>Net Assets excluding Pension Liability</u>			<u>508,027</u>		<u>428,163</u>
Defined Benefit Pension liability	5	48,500		77,800	
<u>Total Net Assets</u>			<u>459,527</u>		<u>350,363</u>
<u>Charity Funds</u>	14				
Unrestricted		-21,184		-44,699	
Designated		12,500		9,500	
Endowment		0		0	
Restricted		468,210		385,562	
<u>Total Funds</u>			<u>459,526</u>		<u>350,363</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. This was fully depreciated in 2020.

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 Broadstone Corporate Benefits 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
Deferred pension increased (based on RPI	
- Pre April 2009	3.20
- Post April 2009	2.5
Pension increases	
- Based on RPI with an annual floor of 0% and annual cap of 5%	2.70

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%

Notes to the Accounts**5 Pension (continued)**

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

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

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>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Bal b/f	<u>77,800</u>	<u>79,000</u>
Pension Deficit	48,500	77,800
Movement in Balance Sheet	29,300	1,200

Deficit Payments Due

Balance Sheet Liability at year start	3,746	3682
Deficiency Contribution Paid	3,746	2761
Reduction in Deficit Payments by BU re Covid	<u>0</u>	<u>920</u>
Balance sheet liability at year end	0	0

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	2021	2020		
	£	£		
6 Bank				
GBC	19,803	45,967		
Steps (held in GBC bank)	243	243		
Boys' Brigade	8,584	7,148		
Holiday	0	287		
Craft	89	116		
	28,719	53,761		
7 Baptist Union				
General Funds	35,646	10,599		
	35,646	10,599		
8 Cash				
GBC (Petty Cash)	41	184		
STEPS – Cash	7	5		
Boys' Brigade	38	219		
Lunch Club	16	100		
Craft Time	15	46		
Flowers	37	26.25		
	154	580		
9 Prepayments				
Bridge Insurance Brokers	5,494	5,250		
Business Stream	24	23		
Siemens finance	251	251		
Onecom/Plus Net	39	23		
Virgin Media	10	10		
Medway Council	215	204		
	6,032	5,760		
10 Debtors				
HMRC	7,271	7,302		
West Kent Domiciliary Care/Choice Support	0	480		
	7,271	7,782		
11 Accruals				
Total – Gas	716	848		
SSE	452	196		
Vodafone	0	6		
Co-operative Bank -Visa	192	0		
Kent County Supplies (KCS)	73	126		
	1,433	1,176		
12 Loans Outstanding				
Accounts Repayable	Baptist Building Fund	Baptist Union	2021 Total	2020 Total
Within one year	25,000	0	25,000	35,517
After one year	162,500	0	162,500	246,910
Thank you Offering (4 years at £2,500 pa)	<u>10,000</u>	0	<u>10,000</u>	<u>7,500</u>
	197,500	0	197,500	289,927

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts****13 Organisations**

	2021			2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Brigades				
Opening Balance	0	7,367	7,367	6,414
Income	0	2,402	2,402	2,238
Gift Aid (under GA in SoFA)	0	225	225	0
Expenditure	0	1,372	1,372	1,286
Closing Balance	0	8,622	8,622	7,367
Craft Time				
Opening Balance	0	162	162	445
Income	0	903	903	276
Expenditure	0	911	911	559
Transfer of Funds to Gen.	0	50	50	0
Closing Balance	0	104	104	162
STEPS				
Opening Balance	0	248	248	218
Income	0	75	75	67
Expenditure from Cash	0	73	73	37
Closing Balance	0	250	250	248
Lunch Club				
Opening Balance	0	100	100	122
Income	0	46	46	308
Expenditure	0	130	130	210
Transfer to General	0	0	0	120
Closing Balance	0	16	16	100
Totals				
Opening Balance	0	7,877	7,877	7,200
Income	0	3,426	3,426	2,889
Gift Aid (under GA in SoFA)		225	225	0
Expenditure	0	2,486	2,486	2,092
Transfers Out	0	50	50	120
Closing Balance	0	8,992	8,992	7,877

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

14 Restricted, Designated & Unrestricted Funds

	<u>2021</u>		<u>2020</u>	
	Unrestricted	Restricted	Total	Total
	General signated			
	£	£	£	£
Land & Buildings – GBC	0	0	600,000	600,000
Fixtures & Fittings	0	0	29,138	40,784
General	27,317	0	27,317	33,101
Pension Deficit	-48,500	0	-48,500	-77,800
Project Sensory Room	0	0	140	0
Project 2 (for Loan Repayments)	0	12,500	8,798	19,659
Loans to be Repaid	0	0	-197,500	-289,927
Flowers	0	0	37	26
Mission	0	0	50	50
Christians Against Poverty(CAP)	0	0	12,456	5,691
CAP Smile	0	0	2,484	1,860
Family Outreach Worker	0	0	2,861	7,430
Church Family Fund	0	0	317	888
Holiday	0	0	0	287
Brunch Club	0	0	436	436
Organisations	0	0	8,992	7,877
	-21,183	12,500	468,210	459,527
				350,363

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

15 Salaries and Related Expenses

	<u>2021</u>				<u>2020</u>
	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
Salaries	40,689	6,864	12,040	59,593	52,572
Furlough Rebate	-868	0	-2,212	-3,079	-4,455
DBS Check	40	0	0	40	0
Sub Contractor	0	0	0	0	1,966
Pension Contributions	5,607	0	0	5,607	5,512
Pension Deficit	3,747	0	0	3,747	2,761
Manse Expenses	7,412	0	0	7,412	7,473
	56,627	6,864	9,829	73,319	65,829

The Church started the year with 5 employees and finished the year with 7 - A full time Minister, a part time Administrator, a part time Debt Centre Manager, a part time Family Outreach Worker, a part time Site Manager 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 £30,779

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 June 2022. The role is then dependant on further funding.

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

16 Loans

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Baptist Building Fund Balance b/f	220,000	242,500
Thank Offering Gift	2,500	2,500
Repayments	-25,000	-25,000
Balance of Loan	<u>197,500</u>	<u>220,000</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>2021</u>	<u>2020</u>
Baptist Union: Balance b/f	69,927	130,087
Interest Accrued (in SOFA exp)	527	2,784
Repayments	-70,453	-62,944
Balance of Loan	<u>0.00</u>	<u>69,926.74</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>2021</u>			<u>2020</u>
	<u>Designated</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>
75 Salary (shown under salaries)	6,864	2,888	9,752	8,570
Fees (shown under finance fees)	0	39	39	0
	<u>6,864</u>	<u>2,927</u>	<u>9,791</u>	<u>8,570</u>
Expenses shown under CAP				
Contribution to CAP HQ	0	6,300	6,300	6,300
Smile	0	1,000	1,000	2,313
	0	1,287	1,287	9,594
Other CAP Expenditure	<u>0</u>	<u>8,587</u>	<u>8,587</u>	<u>18,207</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.

A large grant was received in 2021. This enabled all costs relating to CAP to be meet by restricted funds from October onwards and hopefully throughout 2022.

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts**

	2021				2020
	Unrestricted	Designated	Restricted	Total	Total
	£		£	£	£
18 Other Activities					
Children's Church	344	0	0	344	20
Youth Work	106	0	0	106	0
Conferences & Training	5	0	0	5	200
Travel	375	0	350	725	1,054
Visiting Preachers	200	0	0	200	175
Outreach	483	0	0	483	28
Thank You Gifts	78	0	0	78	100
	1,591	0	350	1,941	1,577
19 Upkeep of Church Premises					
Repairs & Maintenance	19,193	0	0	19,193	7,526
Water Rates	158	0	0	158	165
Heat & Light	7,822	0	0	7,822	6,186
Insurance & Valuation	5,250	0	0	5,250	6,229
	32,423	0	0	32,423	20,106
20 Administration					
Telephone	373	0	0	373	513
Printing	2,786	0	0	2,786	2,634
Office Supplies	733	0	0	733	756
Publicity	0	0	0	0	324
Finance Fees	729	0	68	797	741
Membership Fees	1,003	0	0	1,003	890
	5,624	0	68	5,692	5,857
21 Supplies and Services					
Materials	1,853	0	0	1,853	1,595
Small Equipment	1,524	0	0	1,524	2,745
Refreshments	279	0	0	279	299
Media & Books	701	0	0	701	505
Music & Organ	1,537	0	0	1,537	1,120
Flowers	0	0	139	139	197
Depreciation (Designated)	0	0	11,646	11,646	11,984
	5,893	0	11,786	17,679	18,445

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts**

	<u>2021</u>		Total	<u>2020</u>
	Unrestricted	Restricted		Total
22 Grants to Charitable Causes	£	£	£	£
Home Mission	5,000	0	5,000	5,000
Missionary Aviation Fellowship	4,800	0	4,800	4,800
BMS World Mission	4,200	600	4,800	4,800
BMS World Mission (Guinebor)	0	900	900	2,075
BMS World Mission (Shrubsoles)	0	625	625	0
The Family Trust	1,200	0	1,200	1,200
M & S Newnham (Includes Taxi)	1,000	300	1,300	1,175
Compassion re Wilkenson	400	30	430	400
Tear Fund	300	2,383	2,683	350
Spurgeon's College	0	0	0	300
Medway Gideons	200	0	200	200
SEBA (bread of Life)	200	0	200	175
Release International	0	0	0	100
Open Doors	0	0	0	100
SAT-7 UK	0	0	0	100
Hope Health Action	100	0	100	0
African Pastors Fellowship	120	0	120	0
Leprosy Mission	180	536	716	0
The Children's Society	100	20	120	0
Samaritans Purse	200	0	200	0
	18,000	5,394	23,394	20,775
Donations From Church Family Fund	0	1,012	1,012	230

Notes to the Accounts

23 Tangible Fixed Assets	Freehold Land & Buildings	2021	Total	2020
		Fixtures & Fittings		Total
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
at 1 January	600,000	40,784	640,784	652,768
Additions	0	0	0	0
Revaluation Gain		0	0	0
Disposals	0	0	0	0
31 st Dec	600,000	40,784	640,784	652,768
<u>Depreciation</u>				
Change in year	0	11,646	11,646	11,984
Disposals	0	0	0	0
Total	0	11,646	11,646	11,984
<u>Net Book Values</u>				
at 31st December 2020	600,000	29,138	629,138	640,784
Premises Funded by		2021	2020	
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