

GILLINGHAM BAPTIST CHURCH [GBC]

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL ACCOUNTS**

FOR THE YEAR ENDING 31 DECEMBER 2022

CHARITABLE INCORPORATED ORGANISATION: 1169112

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

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 2022 comprised:

Stephen Greasley	Minister	
Fred Adams	Elder	Re-elected 15 November 2022
Karen Collins	Elder	Elected 19 November 2019/Resigned 15 November 2022
Simon Collins	Elder	Elected 15 November 2022
Raphael Khelawan	Elder	Elected 15 November 2022
Niki Lownds	Elder	Elected 15 November 2022
Lyn Newlan	Elder	Re-elected 17 November 2020/Died 19 July 2022
Stephen Carr	Deacon	Re-elected 16 November 2021
Hilary Cox	Deacon	Elected 19 November 2019/Resigned 15 November 2022
Rachel Davey	Deacon	Elected 15 November 2022
Sharon Greasley	Deacon	Elected 15 November 2022
Helen Holloway	Deacon	Re-elected 16 November 2021
John Lownds	Deacon	Elected 15 November 2022
Elizabeth Rowland	Deacon	Re-elected 15 November 2022
Penelope Wyatt	Deacon	Elected 15 November 2022

ANNUAL REPORT FOR 2022

1. CONSTITUTION

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

On 9 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. The latest version was updated by Gillingham Baptist Church and approved by the Charity Commission in 2021.

2. 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.

3. ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESSES

The Church employs one Minister full-time, one part-time Administrator, one Debt-Centre Manager, one Family Outreach Worker, one part-time Site Manager and two part-time Cleaners.

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 Church 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 Church Leadership Team and are responsible for the church’s work and witness, and the financial and legal aspects of the CIO. 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 Members’ Meeting by the Trustees for guidance or may be raised by members in the Church Members’ Meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church Meetings by an appropriate majority, the church seeks to work by consensus wherever possible.

Governance of the church has been maintained by monthly in-person meetings of the Trustees.

4. 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 Sunday services with some short series of evening devotions during the year (online). We also provide a full children’s programme during the morning Sunday 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. A lunch club is usually held once a month. There is also an occasional Brunch Club. The Church sponsors a Debt Centre, and we have a family outreach worker in the community. The premises are also rented out to various outside groups, some meeting regularly and others are for single events.

5. 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.

5.1. SERVICES

Post-pandemic the Church is beginning to see growth and revival. Trends from 2021 are continuing with an increase in weekly attendance being reported. A wide variety of nations are represented.

In 2022 there were 2 funeral services, 6 baptisms and 2 weddings.

5.2 CHILDREN’S CHURCH

During our Sunday morning services we have been able to provide a range of opportunities for children and young people. For our younger age groups it has been very encouraging to see numbers grow through the first half of the year. Reaching between 19-24 on a regular basis in the Junior group and between 4-10 in the Infant group. As a result, we reassigned staff so that all children could participate in activities and learning. Sessions for the younger groups included Bible stories, crafts, games and videos. In the latter half of the year we introduced new branding for these groups. These are now called ‘Jesus and Me’ (JAM) for the Infant and ‘Discovering Jesus’ (DJ’s) for the Junior age groups. The first Sunday in the month is also an All Age Family Service.

5.3 BIBLE CLASS

Bible Class is a group for secondary school aged young people. We provide an interactive setting to allow members to explore the Bible’s teachings and how they apply to their everyday lives. Numbers each week fluctuate between 14-22 attendees. Three members have also been baptised in the past year.

5.4 OTHER GROUPS

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

5.4.1 THE BOYS’ BRIGADE AND GIRLS’ ASSOCIATION

The Boys’ Brigade and Girls’ Association 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. 2022 saw the launch of a new badge scheme for Company and Senior sections. From September we also encouraged Year 6 Juniors to stay on for Company if they wished to do so. This was to enable them to access greater stretch and challenge in activities in preparation for starting secondary education the following year. This has been really well received by participants and parents/carers. Numbers have steadily increased throughout the year post-pandemic especially in our Junior section. We now have a waiting list for newcomers for the 8-11 age range.

5.4.2 HOME GROUPS

Home Groups normally meet fortnightly in the homes of some members, to encourage growth in faith and discipleship. **News at 10** is a weekday group that meets fortnightly at church. A fortnightly **Bible Study/Prayer Time** that met regularly pre-pandemic is still on hold. Further details about these groups are usually available from Trustees or in our regular communications to the church fellowship.

5.4.3 'STEPS' (PARENT AND TODDLER GROUP)

'STEPS' meets on a Monday morning and is open to parents and carers of preschool children. Activities include craft, play and singing (where all are encouraged to join in). Refreshments are also provided. Numbers have fluctuated throughout the year with an average of 18 families attending. Later in the year there was a possibility the group might have to close due to under-staffing. However, new volunteers have since been appointed.

5.4.4 FRIENDSHIP MORNING (COFFEE SHOP)

Friendship Morning takes place on Wednesday mornings at the church providing a drop in coffee shop and an opportunity for those seeking social interaction, companionship, practical and prayer support. A Christian talk is given weekly as well as a small time of worship and prayer. Attendance has fluctuated throughout the year with numbers between 15-25 attendees.

5.4.5 THE ALPHA COURSE

The Alpha Course has taken place throughout the year. The course is designed for new Christians; those with a nominal faith; or those exploring faith. 4 courses ran in 2022 with 22 participants attending either on Monday mornings or a Tuesday evening. A follow-up group has also been running all year at church which has helped with discipleship, training and helping people integrate into church life. 2 of those that have attended the course in 2022 have subsequently been baptised. 7 are also regularly attending a church.

5.4.6 CRAFT TIME

Craft Time is a fully inclusive community Christian outreach group that meets fortnightly on a Thursday at church. A regular Christian message is given whilst attendees bring along their own crafts to do which includes knitting, crochet, lace-making, drawing & painting and card making. Opportunities to learn IT skills (for example, how to get the most out of smart-phones) are also provided. During 2022 there were 29 regular attendees. Other activities participants took part in during the year included a Christmas lunch and sale of work. The group regularly supports charitable causes and during 2022 raised £600 for its chosen charity the Teenage Cancer Trust.

5.4.7 LUNCH CLUB

Lunch Club was unable to restart in 2022 due to ill-health.

5.4.8 BRUNCH CLUB

Brunch Club is aimed at the families of primary school age children and resumed in the October half term. It provided a cooked as well as a continental breakfast for attendees alongside a wide range of craft and play activities. At Christmas 2022 the Brunch Club was run in partnership with Medway Adult Education and Medway Go. Medway Go runs clubs for those eligible for free school meals.

6. HELP AND SUPPORT FOR THE LOCAL COMMUNITY

6.1 CHRISTIANS AGAINST POVERTY (CAP DEBT CENTRE)

The **Christians Against Poverty (CAP) Debt Centre** had a busy year due to the cost of living crisis, with many past clients on a stable management budget finding themselves struggling to make ends meet. Thankfully, the centre has not faced financial difficulty and has continued to help those in need. A number of events have taken place during the year, notably: a ‘Green Doctors’ event (‘Green Doctors’ is a charity which helps people with fuel efficiency advice); a ‘Come and Take’ morning to offer donated items to those in need; 86 Christmas hampers from the Kingsway International Christian Centre (KICC) were also delivered to CAP clients and others. Contacts were invited to a number of evangelistic events throughout the year (such as the Churches Together in Medway Christmas Connect) with many also opting to attend the Alpha course.

6.2 FAMILY OUTREACH WORKER (FOW)

Our **Family Outreach Worker (FOW)** works in partnership with St Mary Magdalene Church on Gillingham Green to deliver a number of activities. A ‘Coffee Morning’ has run almost every Tuesday throughout the year with up to 14 people attending. This provides a safe space for families to talk about issues and challenges affecting them. At the last meeting of the year a ‘bring and share lunch’ was held which was a great success.

The Toddler group has continued to meet on a Thursday during term time with 10 families that regularly attend. During the summer holidays a 4 day event was held at St Mary Magdalene where families could take part in games, enjoy lunch and watch a film.

Pre-school coffee on a Friday has seen increased interest during 2022 with up to 12 people now attending. This provides a supportive and caring environment for parents/carers whilst their children attend the pre-school. A safe play area is provided for children and babies too.

6.3 THE CHURCH PREMISES

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).
- **Ballroom & Latin Dancing Classes:** Our 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 in the upper room.
- **Anchor Foster Care:** used the kitchen for three cookery sessions in the Autumn.
- **The Family Trust:** used our Main hall for training one Saturday morning in the Autumn.
- **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 (until July 2022).
- **Therapy Group** run by the NHS SCPT started using the Lighthouse Hall in June on a Monday afternoon (until July 2022).

7. MISSION

During the year, the church financially supported Mission Aviation Fellowship (MAF) and gave personal support to Mark and Sarah Newnham who work for them as well as to the Baptist Missionary Society, 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 Good News for Everyone (formerly the Gideons) and African Pastors Fellowship. 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 SEBA Project Fund
- b) FEBA Radio which broadcasts radio programmes into countries where Christians are persecuted
- c) SAT-7 which produces TV programmes for a similar audience to the above
- d) The SEBA community bakery Bread of Life, in Strood
- e) The Barnabus Fund for Pakistan flood relief.

8. SAFEGUARDING

The Church continues to recognise its responsibilities for safeguarding children and adults at risk. This comprises an agenda item at the monthly Church Leadership Team (Trustees) meetings and, at its annual meeting, the church confirmed this commitment through the reading of the annual safeguarding statement. DBS checks on new and existing volunteers were carried out through 2022 and no incidences were reported. Safeguarding training of all relevant staff is due in 2023.

9. HEALTH AND SAFETY

2022 was a quiet year in Health & Safety terms. We budgeted for 3 or 4 more fire door replacements in order to continue to reach recommendations made in a professional 2017 Fire Safety Survey. However, a roof repair and other bills ruled that out. A break-in during late 2021 led to nearly £3k being spent on a more secure final fire exit door on the Main Hall stage during 2022.

The Fire Marshal & Evac chair course was attended by 23 people. This was followed by 4 training sessions (to accommodate small groups of marshals) in the procedure to be followed in the church. General procedures were shared with the congregation during a Sunday service.

No periodic inspections or servicing were due in 2022. All annual ones took place e.g. PAT tests, fire extinguishers, lift inspections, and gas boiler. Finally, First Aid certificates expired as a result of the Covid pandemic lockdowns. New training has been booked for 2023.

10. GDPR - UK

The church continues to respond to changes required in law with regard to data protection. All policies and documentation are kept under systematic review and updated accordingly.

11. FINANCIAL REVIEW

11.1 INCOME & EXPENDITURE

Increased giving from our members and attendees has continued to help with our expenses during 2022. The rental income decreased as groups with Medway Council connections were transferred to Britten House, a recent acquisition of the council. We continued to have a steady income from the Preschool and 2 other church groups that use our premises.

We were operating again for the complete year, so our running costs are as they were pre-pandemic. We had new energy contracts for gas and electricity before the pandemic and have benefited from lower costs. A new contract for electricity will come into effect during 2023.

There was a final surplus of £9,200 of income against expenditure for the year. This surplus has been carried forward to 2023. We are aware that there will be increases due to inflation in premises costs as well as in staff costs and when the gas and electricity contracts are renewed.

The grant income for CAP which came in during 2021 was sufficient with other regular contributions to cover all CAP expenses. We will now need to cover future expenses from the general fund. Funding was received from the Kent Community Foundation to secure the role of the Family Outreach Worker until May 2023.

11.2 LOAN REPAYMENTS

We still have one loan outstanding: to the Baptist Building Fund. £1,500 a month continues to be transferred from the General Funds to the Project Fund to help cover these repayments. The loan from the Baptist Building Fund will be repaid from these transfers and from pledges by church members. Some pledges have been withdrawn, but other contributions have been made, some significant. If current contributions continue, the church is now on track to repay this loan over 7 years, 3 years early.

11.3 CONFLICTS 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.

11.4 PENSION FUND

The Baptist Pension Fund has made an agreement with Just Group Insurance that takes the pension fund out of a shortfall position. From August 2022 our contributions have been reduced to £1 p.m.

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

GILLINGHAM BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDING 31ST DECEMBER 2022

		<u>2022</u>				<u>2021</u>
	Note	<u>Unrest- Unrestricted</u>	<u>- Designated</u>	<u>- Restricted</u>	<u>- Total</u>	<u>- Total</u>
		£	£	£	£	£
Income & Endowments						
Donations & Legacies	25	126,253	0	60,282	186,535	225,776
Investment Income	26	798	0	0	798	47
Charitable Activities	27	358	0	5,895	6,253	3,501
Other Income	28	477	0	0	477	1,196
Trading Activities	29	19,326	0	0	19,326	19,077
Total Receipts		147,212	0	66,177	213,389	249,597
Expenditure						
Charitable Activities	13,15 18- 22	119,114	382	52,906	172,402	169,734
Total Expenditure		119,114	382	52,906	172,402	169,734
Net Income/Expenditure for the year before gains/losses of Fixed Assets		28,097	-382	13,271	40,987	79,864
Net Gains/Loss on Sale of Fixed Assets		0	0	0	0	0
Net Income before transfer		28,097	-382	13,271	40,987	79,864
Transfer Between Funds		-21,808	19,908	1,900	0	0
Net Income before other recognised losses		6,289	19,526	15,171	40,987	79,864

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Gains/Losses on Deferred Benefit Pension Scheme	5	48,500	0	0	48,500	29,300
Net Movement of Funds		54,789	19,526	15,171	89,487	109,164
Reconciliation of Funds						
Total Funds brought forward		-21,185	12,500	468,210	459,527	350,363
Total Funds carried forward		33,605	32,026	483,381	549,013	459,527

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BALANCE SHEET AT 31st DECEMBER 2022

	<u>Note</u>	<u>2022</u>		<u>2021</u>	
<u>Fixed Assets</u>		£	£	£	£
Tangible Fixed Assets	23		<u>619,018</u>		<u>629,138</u>
<u>Current Assets</u>					
Bank	6	28,595		28,719	
Baptist Union Corporation	7	65,944		35,646	
Cash	8	171		154	
Prepayments	9	5,839		6,032	
Debtors	10	5,958		7,271	
		<u>106,507</u>		<u>77,822</u>	
<u>Current Liabilities</u>					
Accruals & Creditors	11	1,513		1,433	
Loans falling due within one year	12	25,000		25,000	
		<u>26,513</u>		<u>26,433</u>	
<u>Net current Assets</u>			<u>79,994</u>		<u>51,389</u>
Loans falling due after one year	12	150,000		172,500	
			<u>150,000</u>		<u>172,500</u>
<u>Net Assets excluding Pension Liability</u>			<u>549,012</u>		<u>508,027</u>
Defined Benefit Pension liability	5	0		48,500	

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Total Net Assets		549,012	459,527
Charity Funds	14		
Unrestricted		33,605	-21,183
Designated		32,026	12,500
Endowment		0	0
Restricted		483,381	468,210
Total Funds		549,012	459,527

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

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GILLINGHAM BAPTIST CHURCH

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.

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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.

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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 DB 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.

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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%

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

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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>2022</u>	<u>2021</u>
	£	£
Bal b/f	<u>48,500</u>	<u>77,800</u>
Pension Deficit	0	48,500
Movement in Balance Sheet	48,500	29,300

Deficit Payments Due

Balance Sheet Liability at year start	3,746	3,746
Deficiency Contribution Paid	2,217	3,746
Reduction in Deficit Payments by BU re Covid	<u>0</u>	<u>0</u>
Balance sheet liability at year end	0	0

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Notes to the Accounts

	<u>2022</u>	<u>2021</u>
6 Bank	£	£
GBC	18,185	19,803
Steps (held in GBC bank)	245	243
Boys' Brigade	9,428	8,584
Holiday	0	0
Craft	637	89
Lunch (held in GBC bank)	100	
	28,595	28,719
7 Baptist Union		
General Funds	65,944	35,646
	65,944	35,646
8 Cash		
GBC (Petty Cash)	18	41
STEPS – Cash	23	7
Boys' Brigade	13	38
Lunch Club	16	16
Craft Time	66	15
Flowers	35	37
	171	154
9 Prepayments		
Bridge Insurance Brokers	5,540	5,494
Business Stream	26	24
Siemens finance	0	251
Onecom/Plus Net	41	39
Virgin Media	10	10
Medway Council	222	215

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	5,839		6,032	
10 Debtors				
HMRC	5,958		7,271	
West Kent Domiciliary Care/Choice Support	0		0	
	5,958		7,271	
11 Accruals				
Total – Gas	860		716	
SSE	205		452	
Vodafone	0		0	
Co-operative Bank -Visa	243		192	
Kent County Supplies (KCS)	205		73	
	1,513		1,433	
12 Loans Outstanding				
Accounts Repayable	Baptist Building Fund	2022 Total	Baptist Building Fund	2021 Total
Within one year	25,000	25,000	25,000	25,000
After one year	137,500	137,500	162,500	162,500
Thank you Offering (5 years at £2,500 pa)	<u>12,500</u>	<u>12,500</u>	<u>10,000</u>	<u>10,000</u>
	175,000	175,000	197,500	197,500

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Notes to the Accounts

13 Organisations

	2022			2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Brigades				
Opening Balance	0	8,622	8,622	7,367
Income	0	4,253	4,253	2,402
Gift Aid (under GA in SoFA)	0	175	175	225
Expenditure	0	3,383	3,383	1,372
Transfer of Funds	0	0	0	0
Closing Balance	0	9,667	9,667	8,622
Craft Time				
Opening Balance	0	104	104	162
Income	0	922	922	903
Expenditure	0	221	221	911
Transfer of Funds to Gen.	0	100	100	50
Closing Balance	0	704	704	104
STEPS				
Opening Balance	0	251	251	248
Income	0	202	202	75
Expenditure from Cash/bank	0	150	150	73
Expenditure from Bank (under Conf & Mat in SOFA)	0	36	36	0
Closing Balance	0	268	268	251

Lunch Club

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

Opening Balance	0	16	16	100
Income	0	100	100	46
Expenditure	0	0	0	130
Transfer to General	0	0	0	0
Closing Balance	0	116	116	16

Totals

Opening Balance	0	8,992	8,992	7,877
Income	0	5,477	5,477	3,426
Gift Aid (under GA in SoFA)		175	175	225
Expenditure	0	3,790	3,790	2,486
Transfers Out	0	100	100	50
Closing Balance	0	10,755	10,755	8,992

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

14 Restricted, Designated & Unrestricted Funds

	<u>2022</u>			<u>2021</u>
	Unrestricted	Restricted	Total	Total
	General	Designated		
	£	£	£	£
Land & Buildings – GBC	0	0	600,000	600,000
Fixtures & Fittings	0	1,526	17,492	29,138
General	36,512	0	0	27,317
Pension Deficit	0	0	0	-48,500
Project Sensory Room	0	0	240	140
Project 2 (for Loan Repayments)	0	30,500	23,793	21,298
Loans to be Repaid	0	0	-175,000	-197,500
Flowers	0	0	65	37
Mission	0	0	-58	50
Christians Against Poverty(CAP)	0	0	565	12,456
CAP Smile	0	0	2,632	2,484
Family Outreach Worker	0	0	2,378	2,861
Church Family Fund	0	0	339	317
Brunch Club	0	0	179	436
Organisations	0	0	10,755	8,992
	36,512	32,026	483,380	551,918
				459,527

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

15 Salaries and Related Expenses

	<u>2022</u>				<u>2021</u>
	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
Salaries	43,153.14	0	19,319	62,472	59,593
Furlough Rebate	0	0	0	0	-3,079
DBS Check	0	0	0	0	40
Sub Contractor	0	0	0	0	0
Pension Contributions	5,688	0	0	5,688	5,607
Pension Deficit	2,223	0	0	2,223	3,747
Manse Expenses	7,529	0	0	7,529	7,412
	58,593	0	19,319	77,912	73,319

The Church started the year with 7 employees and finished the year with 6 - 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, then one, 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 £31,556

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 dependent on further funding.

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

16 Loans

	<u>2022</u>	<u>2021</u>
	£	£
Baptist Building Fund Balance b/f	197,500	220,000
Thank Offering Gift	2,500	2,500
Repayments	-25,000	-25,000
Balance of Loan	<u>175,000</u>	<u>197,500</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 £12,500.

	<u>2022</u>	<u>2021</u>
Baptist Union: Balance b/f	0	69,927
Interest Accrued (in SOFA exp)	0	527
Repayments	0	-70,453
Balance of Loan	<u>0</u>	<u>0.00</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'

This loan has now been repaid.

GBC – TRUSTEES’ ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

17 Christians Against Poverty Expenditure		<u>2022</u>		<u>2021</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	9,660	16,524	9,752
Fees (shown under finance fees)		119	119	39
	6,864	9,778	16,642	9,791
Expenses shown under CAP				
Contribution to CAP HQ	0	6,300	6,300	6,300
Smile	0	1,742	1,742	1,000
Other CAP Expenditure		1,301	1,301	1,287
	0	9,342	9,342	8,587

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.

Throughout 2022 the centre was funded by a grant from the Kent Community Foundation in addition to donations from members and friends of the church.

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	<u>2022</u>				
	Unrestricted	Designated	Restricted	Total	Total
	£		£	£	£
18 Other Activities					
Children's Church	120	0	0	120	344
Youth Work	0	0	0	0	106
Conferences & Training	965	0	0	965	5
Travel	401	0	461	862	725
Visiting Preachers	325	0	0	325	200
Outreach	887	0	0	887	483
Thank You Gifts	47	0	0	47	78
	2,745	0	461	3,206	1,941
19 Upkeep of Church Premises					
Repairs & Maintenance	12,338	0	0	12,338	19,193
Water Rates	168	0	0	168	158
Heat & Light	7,924	0	0	7,924	7,822
Insurance & Valuation	5,494	0	0	5,494	5,250
	25,924	0	0	25,924	32,423
20 Administration					
Telephone	489	0	0	489	373
Printing	3,630	0	0	3,630	2,786
Office Supplies	809	0	0	809	733
Publicity	0	0	0	0	0
Finance Fees	593	0	237	831	797
Membership Fees	977	0	0	977	1,003
	6,498	0	237	6,735	5,692
21 Supplies and Services					
Materials	2,441	0	36	2,476	1,853
Small Equipment	1,402	0	0	1,402	1,524

GBC – TRUSTEES’ ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

Refreshments	802	0	586	1,388	279
Media & Books	633	0	0	633	701
Music & Organ	1,714	0	0	1,714	1,537
Flowers	0	0	389	389	139
Depreciation (Designated)	0	382	11,646	12,028	11,646
	6,993	382	12,656	20,030	17,679

GBC – TRUSTEES’ ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

22 Grants to Charitable Causes	<u>2022</u>			<u>2021</u>
	Unrestricted £	Restricted £	Total £	Total £
Home Mission	5,200	0	5,200	5,000
Missionary Aviation Fellowship	5,000	0	5,000	4,800
BMS World Mission	4,300	250	4,550	4,800
BMS World Mission (Guinebor)	0	900	900	900
BMS World Mission (Shrubsoles)	0	0	0	625
BMS Ukraine	0	1,504	1,504	0
The Family Trust	1,200	0	1,200	1,200
M & S Newnham (Includes Taxi)	800	300	1,100	1,300
Compassion re Wilkenson	450	0	450	430
Tear Fund	13	681	693	2,683
Medway Good News for Life (Gideons)	250	0	250	200
SEBA (bread of Life)	400	0	400	200
Barnabas Fund	200	0	200	0
FEBA Radio	200	0	200	0
SAT-7 UK	200	0	200	0
Hope Health Action	0	0	0	100
African Pastors Fellowship	150	0	150	120
Leprosy Mission	0	162	162	716
The Children's Society	0	0	0	120
Samaritans Purse	0	0	0	200
AMAT		529	529	0
	18,363	4,326	22,688	23,394
Donations From Church Family Fund	0	250	250	1,012

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

23 Tangible Fixed Assets	Freehold Land & Buildings	<u>2022</u>	Total	<u>2021</u>
		Fixtures & Fittings		Total
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
at 1 January	600,000	29,138	629,138	640,784
Additions	0	1,908	1,908	0
Revaluation Gain		0	0	0
Disposals	0	0	0	0
31 st Dec	600,000	31,046	631,046	640,784
<u>Depreciation</u>				
Change in year	0	12,028	12,028	11,646
Disposals	0	0	0	0
Total	0	12,028	12,028	11,646
<u>Net Book Values</u>				
at 31st December 2020	600,000	19,018	619,018	629,138
Premises Funded by	-	<u>2022</u>	<u>2021</u>	
Church Building – Restricted		600,000	600,000	
Manse – Restricted		0	0	
		600,000	600,000	
			600,000	

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

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.

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

GBC – TRUSTEES' ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

		<u>2022</u>			<u>2021</u>
		<u>Unrestricted</u>	<u>Desig- nated</u>	<u>Restricted</u>	<u>Total</u>
		£	£	£	£
25	Donations & Legacies				
	Offerings	110,399	0	0	110,399
	Donations to Charitable Activities	0	0	4,083	4,919
	Donations for Projects	0	0	33,456	68,560
	Christians Against Poverty	0	0	7,144	17,474
	Family Outreach Worker	0	0	7,398	740
	Donations to Church Family Fund	0	0	254	391
	Income Tax Recovered on Offerings	15,853	0	7,948	32,485
		126,253	0	60,282	186,535
26	Investment Income				
	Bank Interest	798	0	0	798
		798	0	0	798
27	Charitable Activities				
	Flowers	0	0	417	417
	Refreshments	358	0	0	358
	Holiday	0	0	0	0
	Organisations	0	0	5,477	5,477
		358	0	5,895	6,253
28	Other Income				
	Other Income	477	0	0	477
		477	0	0	477

GBC – TRUSTEES’ ANNUAL REPORT & FINANCIAL ACCOUNTS for 2022

29 Trading Activities

Rents	19,326	0	0	19,326	19,077
Fund raising Activities re Project	0	0	0	0	0
	19,326	0	0	19,326	19,077
Total Receipts	147,212	0	66,177	213,389	249,597

**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

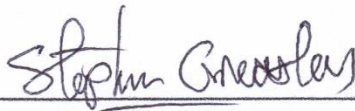
Signed:



Dated:

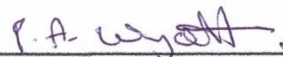
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Signed by



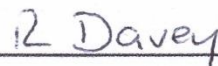
Managing Trustee

Signed by



Managing Trustee

Signed by



Managing Trustee

**GILLINGHAM BAPTIST
CHURCH**

**STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDING 31ST DECEMBER
2022**

		<u>2022</u>				<u>2021</u>
	Not e	Unrest- Unrestric ted £	Designa ted £	Restric ted £	Total £	Total £
Income & Endowments						
Donations & Legacies	25	126,253	0	60,282	186,535	225,776
Investment Income	26	798	0	0	798	47
Charitable Activities	27	358	0	5,895	6,253	3,501
Other Income	28	477	0	0	477	1,196
Trading Activities	29	19,326	0	0	19,326	19,077
Total Receipts		147,212	0	66,177	213,389	249,597
Expenditure						
Charitable Activities	13, 15 18- 22	119,114	382	52,906	172,402	169,734
Total Expenditure		119,114	382	52,906	172,402	169,734
Net Income/Expenditure for the year before gains/losses of Fixed Assets		28,097	-382	13,271	40,987	79,864
Net Gains/Loss on Sale of Fixed Assets		0	0	0	0	0
Net Income before transfer		28,097	-382	13,271	40,987	79,864
Transfer Between Funds		-21,808	19,908	1,900	0	0
Net Income before other recognised losses		6,289	19,526	15,171	40,987	79,864
Gains/Losses on Deferred Benefit Pension Scheme	5	48,500	0	0	48,500	29,300
Net Movement of Funds		54,789	19,526	15,171	89,487	109,164
Reconciliation of Funds						
Total Funds brought forward		-21,185	12,500	468,210	459,527	350,363
Total Funds carried forward		33,605	32,026	483,381	549,013	459,527

GILLINGHAM BAPTIST CHURCH
BALANCE SHEET AT 31st DECEMBER
2022

	Note	2022		2021	
		£	£	£	£
Fixed Assets			619,018		629,138
Tangible Fixed Assets	23				
Current Assets					
Bank	6	28,595		28,719	
Baptist Union Corporation	7	65,944		35,646	
Cash	8	171		154	
Prepayments	9	5,839		6,032	
Debtors	10	5,958		7,271	
		106,507		77,822	
Current Liabilities					
Accruals & Creditors	11	1,513		1,433	
Loans falling due within one year	12	25,000		25,000	
		26,513		26,433	
			79,994		51,389
Net current Assets					
Loans falling due after one year	12	150,000		172,500	
			150,000		172,500
			549,012		508,027
Net Assets excluding Pension Liability					
Defined Benefit Pension liability	5	0		48,500	
			549,012		459,527
Total Net Assets			12		
Charity Funds	14				
Unrestricted		33,605		-21,183	
Designated		32,026		12,500	
Endowment		0		0	
Restricted		483,381		468,210	
			549,012		459,527
Total Funds			12		459,527

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

GILLINGHAM BAPTIST CHURCH

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.

GILLINGHAM BAPTIST CHURCH

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 DB 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%

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

GILLINGHAM BAPTIST CHURCH

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>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Bal b/f	<u>48,50</u>	
	<u>0</u>	<u>77,800</u>
Pension Deficit	0	48,500
Movement in Balance Sheet	<u>48,50</u>	<u>29,300</u>
	<u>0</u>	

Deficit Payments Due

Balance Sheet Liability at year start	3,746	3,746
Deficiency Contribution Paid	2,217	3,746
Reduction in Deficit Payments by BU re Covid	<u>0</u>	<u>0</u>
Balance sheet liability at year end	0	0

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	<u>2022</u>		<u>2021</u>	
6 Bank	£		£	
GBC	18,185		19,803	
Steps (held in GBC bank)	245		243	
Boys' Brigade	9,428		8,584	
Holiday	0		0	
Craft	637		89	
Lunch (held in GBC bank)	100			
	28,595		28,719	
7 Baptist Union				
General Funds	65,944		35,646	
	65,944		35,646	
8 Cash				
GBC (Petty Cash)	18		41	
STEPS - Cash	23		7	
Boys' Brigade	13		38	
Lunch Club	16		16	
Craft Time	66		15	
Flowers	35		37	
	171		154	
9 Prepayments				
Bridge Insurance Brokers	5,540		5,494	
Business Stream	26		24	
Siemens finance	0		251	
Onecom/Plus Net	41		39	
Virgin Media	10		10	
Medway Council	222		215	
	5,839		6,032	
10 Debtors				
HMRC	5,958		7,271	
West Kent Domiciliary Care/Choice Support	0		0	
	5,958		7,271	
11 Accruals				
Total - Gas	860		716	
SSE	205		452	
Vodafone	0		0	
Co-operative Bank -Visa	243		192	
Kent County Supplies (KCS)	205		73	
	1,513		1,433	
12 Loans Outstanding				
Accounts Repayable	Baptist Building Fund	2022 Total	Baptist Building Fund	2021 Total
Within one year	25,000	25,000	25,000	25,000

After one year	137,500	137,500	162,500	162,500
Thank you Offering (5 years at £2,500 pa)	<u>12,500</u>	<u>12,500</u>	<u>10,000</u>	<u>10,000</u>
	175,000	175,000	197,500	197,500

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

1

3 Organisations

	Unrestric ted	2022 Restrict ed	Total	2021 Total
	£	£	£	£
Brigades				
Opening Balance	0	8,622	8,622	7,367
Income	0	4,253	4,253	2,402
Gift Aid (under GA in SoFA)	0	175	175	225
Expenditure	0	3,383	3,383	1,372
Transfer of Funds	0	0	0	0
Closing Balance	0	9,667	9,667	8,622
Craft Time				
Opening Balance	0	104	104	162
Income	0	922	922	903
Expenditure	0	221	221	911
Transfer of Funds to Gen.	0	100	100	50
Closing Balance	0	704	704	104
STEPS				
Opening Balance	0	251	251	248
Income	0	202	202	75
Expenditure from Cash/bank	0	150	150	73
Expenditure from Bank (under Conf & Mat in SOFA)	0	36	36	0
Closing Balance	0	268	268	251
Lunch Club				
Opening Balance	0	16	16	100
Income	0	100	100	46
Expenditure	0	0	0	130
Transfer to General	0	0	0	0
Closing Balance	0	116	116	16
Totals				
Opening Balance	0	8,992	8,992	7,877
Income	0	5,477	5,477	3,426
Gift Aid (under GA in SoFA)		175	175	225
Expenditure	0	3,790	3,790	2,486
Transfers Out	0	100	100	50
Closing Balance	0	10,755	10,755	8,992

**GILLINGHAM BAPTIST
CHURCH**

Notes to the Accounts

1 Restricted, Designated & Unrestricted Funds

4

	<u>2022</u>			<u>2021</u>
	Unrestricted		Restrict ed	Total
	Gener al	Designa ted		
	£	£	£	£
Land & Buildings – GBC	0	0	600,000	600,000
Fixtures & Fittings	0	1,526	17,492	19,018
General	36,512	0	0	36,512
Pension Deficit	0	0	0	0
Project Sensory Room	0	0	240	240
Project 2 (for Loan Repayments)	0	30,500	23,793	54,293
Loans to be Repaid	0	0	-175,000	-
			175,000	197,500
Flowers	0	0	65	65
Mission	0	0	-58	-58
Christians Against Poverty(CAP)	0	0	565	565
CAP Smile	0	0	2,632	2,632
Family Outreach Worker	0	0	2,378	2,378
Church Family Fund	0	0	339	339
Brunch Club	0	0	179	179
Organisations	0	0	10,755	10,755
	36,512	32,026	483,380	551,918
	2			459,527

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

1 Salaries and Related 5 Expenses

	<u>2022</u>				<u>2021</u>
	<u>Unrestrict ed</u>	<u>Designat ed</u>	<u>Restrict ed</u>	<u>Total</u>	<u>Total</u>
Salaries	43,153.14	0	19,319	62,472	59,593
Furlough Rebate	0	0	0	0	-3,079
DBS Check	0	0	0	0	40
Sub Contractor	0	0	0	0	0
Pension Contributions	5,688	0	0	5,688	5,607
Pension Deficit	2,223	0	0	2,223	3,747
Manse Expenses	7,529	0	0	7,529	7,412
	58,593	0	19,319	77,912	73,319

The Church started the year with 7 employees and finished the year with 6 - 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, then one, 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 £31,556

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

1 Loans

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Baptist Building Fund		
Balance b/f	197,500	220,000
Thank Offering Gift	2,500	2,500
Repayments	-25,000	-25,000
Balance of Loan	175,000	197,500

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 £12,500.

	<u>2022</u>	<u>2021</u>
Baptist Union: Balance b/f	0	69,927
Interest Accrued (in SOFA exp)	0	527
Repayments	0	-70,453
Balance of Loan	0	0.00

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'

This loan has now been repaid.

1 Christians Against Poverty **7 Expenditure**

		<u>2022</u>	<u>2021</u>
	<u>Designated</u>	<u>Restricted</u>	<u>Total</u>
		<u>£</u>	<u>£</u>
7 Salary (shown under	6,864		16,524
5 salaries)		9,660	9,752
Fees (shown under finance fees)		119	39
	6,864	9,778	16,642
Expenses shown under CAP			
Contribution to CAP HQ	0	6,300	6,300
Smile	0	1,742	1,000
Other CAP Expenditure		1,301	1,287
	0	9,342	8,587

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.

Throughout 2022 the centre was funded by a grant from the Kent Community Foundation in addition to donations from members and friends of the church.

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

	<u>2022</u>				
	Unrestric ted	Designat ed	Restrict ed	Total	Total
	£		£	£	£
1					
8 Other Activities					
Children's Church	120	0	0	120	344
Youth Work	0	0	0	0	106
Conferences & Training	965	0	0	965	5
Travel	401	0	461	862	725
Visiting Preachers	325	0	0	325	200
Outreach	887	0	0	887	483
Thank You Gifts	47	0	0	47	78
	2,745	0	461	3,206	1,941
1 Upkeep of Church					
9 Premises					
Repairs & Maintenance	12,338	0	0	12,338	19,193
Water Rates	168	0	0	168	158
Heat & Light	7,924	0	0	7,924	7,822
Insurance & Valuation	5,494	0	0	5,494	5,250
	25,924	0	0	25,924	32,423
2					
0 Administration					
Telephone	489	0	0	489	373
Printing	3,630	0	0	3,630	2,786
Office Supplies	809	0	0	809	733
Publicity	0	0	0	0	0
Finance Fees	593	0	237	831	797
Membership Fees	977	0	0	977	1,003
	6,498	0	237	6,735	5,692
2 Supplies and Services					
1					
Materials	2,441	0	36	2,476	1,853
Small Equipment	1,402	0	0	1,402	1,524
Refreshments	802	0	586	1,388	279
Media & Books	633	0	0	633	701
Music & Organ	1,714	0	0	1,714	1,537
Flowers	0	0	389	389	139
Depreciation (Designated)	0	382	11,646	12,028	11,646
	6,993	382	12,656	20,030	17,679

GILLINGHAM BAPTIST CHURCH**Notes to the Accounts**

	Unrestrict ed	2022 Restrict ed	Total	2021 Total
	£	£	£	£
2 Grants to Charitable Causes				
2				
Home Mission	5,200	0	5,200	5,000
Missionary Aviation Fellowship	5,000	0	5,000	4,800
BMS World Mission	4,300	250	4,550	4,800
BMS World Mission (Guinebor)	0	900	900	900
BMS World Mission (Shrubsoles)	0	0	0	625
BMS Ukraine	0	1,504	1,504	0
The Family Trust	1,200	0	1,200	1,200
M & S Newnham (Includes Taxi)	800	300	1,100	1,300
Compassion re Wilkenson	450	0	450	430
Tear Fund	13	681	693	2,683
Medway Good News for Life (Gideons)	250	0	250	200
SEBA (bread of Life)	400	0	400	200
Barnabas Fund	200	0	200	0
FEBA Radio	200	0	200	0
SAT-7 UK	200	0	200	0
Hope Health Action	0	0	0	100
African Pastors Fellowship	150	0	150	120
Leprosy Mission	0	162	162	716
The Children's Society	0	0	0	120
Samaritans Purse	0	0	0	200
AMAT		529	529	0
	18,363	4,326	22,688	23,394
Donations From Church Family Fund	0	250	250	1,012

GILLINGHAM BAPTIST CHURCH

Notes to the Accounts

2

3

	<u>2022</u>			<u>2021</u>
Tangible Fixed Assets	Freehold Land & Buildings	Fixtures & Fittings	Total	Total
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
at 1 January	600,000	29,138	629,138	640,784
Additions	0	1,908	1,908	0
Revaluation Gain		0	0	0
Disposals	0	0	0	0
31 st Dec	600,000	31,046	631,046	640,784
 <u>Depreciation</u>				
Change in year	0	12,028	12,028	11,646
Disposals	0	0	0	0
Total	0	12,028	12,028	11,646
 <u>Net Book Values</u>				
at 31st December 2020	600,000	19,018	619,018	629,138
 Premises Funded by		 2022	 2021	
Church Building – Restricted		600,000	600,000	
Manse – Restricted		0	0	
		600,000	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.

2 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

	2022				2021
	Unrestric ted	Desi g- nate d	Restrict ed	Total	Total
	£	£	£	£	£
2 5 Donations & Legacies					
Offerings	110,399	0	0	110,399	101,206
Donations to Charitable Activities	0	0	4,083	4,083	4,919
Donations for Projects	0	0	33,456	33,456	68,560
Christians Against Poverty	0	0	7,144	7,144	17,474
Family Outreach Worker	0	0	7,398	7,398	740
Donations to Church Family Fund	0	0	254	254	391
Income Tax Recovered on Offerings	15,853	0	7,948	23,801	32,485
	126,253	0	60,282	186,535	225,776
2 6 Investment Income					
Bank Interest	798	0	0	798	47
	798	0	0	798	47
2 7 Charitable Activities					
Flowers	0	0	417	417	30
Refreshments	358	0	0	358	45
Holiday	0	0	0	0	0
Organisations	0	0	5,477	5,477	3,426
	358	0	5,895	6,253	3,501
2 8 Other Income					
Other Income	477	0	0	477	1,196
	477	0	0	477	1,196
2 9 Trading Activities					
Rents	19,326	0	0	19,326	19,077
Fund raising Activities re Project	0	0	0	0	0
	19,326	0	0	19,326	19,077
Total Receipts	147,212	0	66,177	213,389	249,597

**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 Lackfield Avenue
Gillingham
ME7 2LN

Signed:



Dated:

4/5/23