

Report of the Trustees and
Financial Statements
for the year ended 31 December 2021
for
Brownhill Road Baptist Church

Contents	Page
Charity Information	1
Report of the Trustees	2-3
Independent Examiner's Report	4
Receipts and Payments Account	5
Statement of Assets and Liabilities	6
Notes to the Financial Statements	7-9

Legal and Administrative Information

Registered Charity Address

292 Brownhill Road
Catford
London
SE6 1AU

Registered Charity Number

1185320

Charity Trustees

Revd Armend Qehaja (Chair)
Peter Blundell
Andrew Grimwade (Treasurer)
Herma Lewis
Claudette McClue
Noel Pinnock

Custodian Trustee (Property)

London Baptist Property Board Limited
Unit C2, 15 Dock Street
London
E1 8JN

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling, Kent
ME19 4JQ

Independent Examiner

A J Bennewith FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

Report of the Trustees
for the year ended 31 December 2021

The Trustees present their report with the financial statements for the year ended 31 December 2021

Reference & Administration

All general information relating to Brownhill Road Baptist Church can be found on page 1.

Financial Review

The results for the year are as set out in the annexed Receipts and Payments Account. Comparative figures cover a shortened period owing to the transfer of the charity's assets and activities as reported below.

Structure, Governance, & Management

-The charity is controlled by the Trustees. The present Charitable Incorporated Organisation (CIO) was registered by The Charity Commission in September 2019, with Charity number 1185320. The assets, liabilities and activities of the Church were transferred from the former unincorporated charity with effect from 26 June 2020.

-The Trustees consider that there are sufficient reserves to maintain our regular activities. Refurbishment work is being funded from reserves, together with a loan facility from the custodian trustee. Potential risks have been considered and taken into account in planning for the future.

- Trustees serve for a term of not more than three years (and may be re-elected) and are given training on appointment.

Objectives & Activities

The aims of the charity are summed up in the church's mission statement: to practise and promote the worship of God, to be a loving Christian community and to spread the Christian gospel in the locality and, through our support of others, the wider world. All our activities follow from these three aims.

Achievements & Performance

During the year the church received regular income sufficient to maintain its ministry and activities in the community, and to fulfil our responsibilities for the upkeep of our premises. We also received further significant donations towards improving our buildings.

This report covers a period when activities inside our premises were initially severely restricted under Covid-19 regulations. Bible studies, prayer and other meetings have continued online throughout the year. Sunday worship services resumed in a refurbished church hall during May, and have continued there apart from a few weeks after Christmas. It has not yet been possible to resume activities with children and young people. We have endeavoured to support our church 'family' in a variety of ways, and pastor Armend has continued to be tireless in his ministry to those suffering from the virus, other illnesses and to those visiting the local foodbank.

Growing Patch, the nursery that uses one of our halls, has been able to maintain its work throughout the year.

Refurbishment works to the interior of our buildings have continued in 2021, and completed areas were restored to use around the date of this report.

We contributed to a variety of outside causes (listed in note 7 to the financial statements).

Plans for Future

In the future the church plans to continue, under God's guidance, to seek to further its aims, especially the spiritual and numerical growth of our Christian community. We are looking forward to resuming services and other activities in our refurbished building, being open to new ways of ministry in our local community in the light of the experience of the past two years.

We also aim to complete the refurbishment of the interior of our buildings and its external access; a loan facility has been agreed with our custodian trustee, London Baptist Property Board, which will be used as needed along with our own resources.

Report of the Trustees (continued)

Statement of Trustees' Responsibilities for the year ended 31 December 2021

Charity law requires the Trustees to prepare in respect of each accounting period of the charity a statement of accounts complying with such requirements as to its form and content as may be prescribed by regulations made by the Secretary of State. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On Behalf of the Managing Trustees:



Andrew Grimwade
Trustee

Dated: May 12, 2022

Independent Examiners Report to the Trustees of
Brownhill Road Baptist Church

I report to the trustees on my examination of the accounts of Brownhill Road Baptist Church (the Charity) for the year ended 31 December 2021, which are set out on pages five to nine.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act.

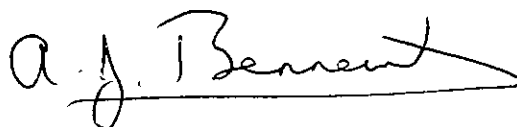
Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- * accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- * the accounts do not accord with those records; or
- * 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 no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

AJ Bennet with FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU



Date : 30 May 2022

Receipts and Payments Account
for the year ended 31 December 2021

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 26.6.20-31.12.20
Receipts						
<u>Notes</u>						
Voluntary resources:						
Gift Aid receipts		42,836	60	12,235	55,131	27,767
Small donations		5,683	-	2,830	8,513	2,969
Other donations and sundry receipts		2,210	1,650	16,262	20,122	7,187
Legacies		500	-	-	500	4,000
Tax refunds		13,641	140	3,468	17,249	15,512
Giving specified for other causes	7	-	-	8,473	8,473	6,544
		<u>64,870</u>	<u>1,850</u>	<u>43,268</u>	<u>109,988</u>	<u>63,979</u>
Activities for generating funds:						
Licences/donations for use of church premises		9,120	-	-	9,120	2,930
Rents from letting church property		-	26,930	-	26,930	8,020
		<u>9,120</u>	<u>26,930</u>	<u>-</u>	<u>36,050</u>	<u>10,950</u>
Investment income:						
Deposit interest		170	-	-	170	789
		<u>170</u>	<u>-</u>	<u>-</u>	<u>170</u>	<u>789</u>
Total receipts		<u>74,160</u>	<u>28,780</u>	<u>43,268</u>	<u>146,208</u>	<u>75,718</u>
Payments						
Donations for other causes	7	1,997	-	8,473	10,470	7,793
Other grants		1,492	-	-	1,492	1,333
Ministry		35,402	-	75	35,477	17,997
Upkeep of church premises and contents		13,059	40,803	186,501	240,363	77,042
Maintenance of church properties		-	7,373	-	7,373	3,114
General church expenses	8	4,539	-	-	4,539	2,772
		<u>56,489</u>	<u>48,176</u>	<u>195,049</u>	<u>299,714</u>	<u>110,051</u>
Total payments		<u>56,489</u>	<u>48,176</u>	<u>195,049</u>	<u>299,714</u>	<u>110,051</u>
Net receipts/(payments)		17,671	(19,396)	(151,781)	(153,506)	(34,333)
Transfers between funds		(50,000)	(22,434)	72,434	-	-
Balances brought forward		114,212	78,904	85,125	278,241	312,574
Balances carried forward	2	<u>£ 81,883</u>	<u>£ 37,074</u>	<u>£5,778</u>	<u>£ 124,735</u>	<u>£ 278,241</u>

Statement of Assets and Liabilities
as at 31 December 2021

	Unrestricted Funds £	Restricted Funds £	Total 31-Dec-21 £	Total 31-Dec-20 £
Monetary assets:				
London Baptist Property Board deposits	53,507	-	53,507	
CAF Bank accounts	65,703	9,486	75,189	
	119,210	9,486	128,696	280,635
Other assets				
Stock of Traidcraft products, and cash takings	39	-	39	90
Liabilities				
Specified donations to be paid away	-	3,707	3,707	2,191
Held for Thursday Afternoon Fellowship	293	-	293	293
Net assets	<u>£118,956</u>	<u>£5,779</u>	<u>£124,735</u>	<u>£278,241</u>
Funds:				
Unrestricted funds			81,883	114,212
Designated funds			37,074	78,904
Restricted funds			5,778	85,125
			<u>£124,735</u>	<u>£278,241</u>

Approved by the Managing Trustees on 12 May 2022
and signed on their behalf by:



Andrew Grimwade
Treasurer

Notes forming part of the Financial Statements
for the year ended 31 December 2021

1 Accounting policies

Accounting convention

The financial statements of the charity have been prepared in accordance with the Charities Act 2011. The accounts have been prepared under the historical cost convention using the Receipts and Payments basis applicable to small charities.

Income and expenditure recognition

Voluntary income is received in cash by way of donations and is included when received. Tax reclaimed is included on receipt. Items of expenditure are included when paid.

Funds

Restricted funds: represent a) income from trusts which may be expended only on those restricted objects provided in the terms of the trust or bequest, and b) donations received or requested for a specific purpose. The funds may only be spent on the specific purpose for which they were given, and balances unspent each year must be carried forward.

Unrestricted funds: are general funds which can be used for the ordinary purposes of the church.

Designated funds: are sums set aside out of general funds for specific designated purposes. They can be transferred back to unrestricted funds at any time.

Fixed assets

The church building and other trust properties are vested in the London Baptist Property Board, and form no part of the assets of the church charity. Moveable church contents have value only in the context of church life and are not valued. Expenditure incurred on the church premises, the manse and their contents is written off when incurred.

Value Added Tax

The charity is not registered for VAT and all costs are inclusive of VAT.

2 **Funds**

	Balance brought forward £	Receipts £	Payments £	Transfers £	Balance carried forward £
Unrestricted funds					
General account	35,200	73,540	56,489	(20,000)	32,251
Legacy account	79,012	620	-	(30,000)	49,632
Total	114,212	74,160	56,489	(50,000)	81,883
Designated funds					
Benevolent	1,750	700	-	-	2,450
Fabric	77,154	28,080	48,176	(22,434)	34,624
Total	78,904	28,780	48,176	(22,434)	37,074
Restricted funds					
Building upgrade	79,692	34,375	186,501	72,434	-
Garden project	1,910	420	-	-	2,330
Giving specified for other causes	-	8,473	8,473	-	-
Pastorate	2,944	-	75	-	2,869
Students	471	-	-	-	471
Sunday School	108	-	-	-	108
Total	85,125	43,268	195,049	72,434	5,778
Total funds	£ 278,241	£ 146,208	£ 299,714	£ -	£ 124,735

Designated funds: the Benevolent fund represents money available for the needs of individuals at the minister's discretion.

The Fabric fund represents money set aside for maintenance of the church buildings and other properties.

Restricted funds: the Building upgrade fund holds specific donations for planned work to improve the church buildings, which commenced in 2020 and continues. Certain specific costs have been covered from legacies, and a transfer from Fabric fund has eliminated the outstanding deficit at the reporting date.

The Garden project has developed the church frontage as a community garden, part funded by local community funds. It will be used to renew the garden after building works are complete.

The Pastorate fund is a gift set aside for special pastorate costs, now being used for Revd Armend Qehaja's continuing ministerial development. The Students fund represents gifts to help our young people with their studies. The Sunday School fund represents funds formerly administered by a Sunday School committee and now being used for children's work.

3 **Buildings used by the charity**

As stated in note 1, legal ownership of the church buildings and other properties rests with the London Baptist Property Board Limited as custodian trustee. The charity is responsible for insurance and maintenance, and the properties are insured with Congregational & General Insurance plc. The church buildings and contents are insured for £6,167,000. The two houses at 65 Callander Road SE6 and 44 Broadfield Road SE6, which are respectively used as a manse and tenanted as trust property, are insured for £293,000 and £329,000.

4 **Trustees' expenses and remuneration**

No expense payments were made to trustees for their services during the year, nor was any remuneration paid to any of the trustees. A stipend was paid to Revd Armend Qehaja in respect of his role as a Baptist minister. Four trustees or their related parties were reimbursed for amounts paid on behalf of the Church.

5 **Related parties**

The charity is controlled by the trustees.

6 **Pensions**

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited). The Minister is a member of the Scheme.

Since January 2012, pension provision has been made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover

6 Pensions (continued)

Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This policy has been insured by the Baptist Union of Great Britain with Aviva.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension in respect of each year of Pensionable Service. The Scheme was closed to future accrual of defined benefits on 31 December 2011. It makes pension payments to a retired minister of the Church and to the widow of a former minister.

A formal valuation of the DB Plan was performed on 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 £300 million, whilst the level of assets needed to pay benefits was £318m, 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.

Under the Schedule of Contributions, the Church makes a monthly payment in respect of the DB scheme deficit of £308, which amounts to 12% of Minimum Pensionable Income (MPI), and will increase in line with MPI. These payments were temporarily reduced by 50% from July to December 2020 to help participating employers with the Covid-19 emergency. The Recovery Plan envisages deficiency contributions continuing until 30 June 2026.

As there is a large number of contributing employers participating in the Scheme, the Church is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the charge included in ministry costs for the period represents the employer contributions payable; the total pension cost for the Church in 2021 was £6,873 (2020:£5,844).

7 Donations for other causes (raised and donated)

	Specified £	From funds £	Total 2021 £	Total 26.6.20-31.12.20 £
BMS World Mission	3,284	91	3,375	2,164
Home Mission	1,662	1,069	2,731	1,708
Spurgeon's College	63	337	400	338
Tearfund	1,154	-	1,154	815
London City Mission	-	400	400	400
St Christopher's Hospice	-	-	-	328
Burma Compassion	1,071	-	1,071	695
Kosova support	622	-	622	328
Refuge (Lewisham)	455	-	455	524
Evangelical Alliance	-	100	100	100
Lewisham Foodbank	127	-	127	393
Royal British Legion	35	-	35	-
	<u>£ 8,473</u>	<u>£ 1,997</u>	<u>£ 10,470</u>	<u>£ 7,793</u>

8 General church expenses

	2021 £	26.6.20-31.12.20 £
Teaching materials	120	150
Printing, postage and stationery	37	184
Telephone and internet	1,350	608
Worship resources & music	473	35
Equipment	948	85
Publicity and website	185	-
Banking, accountancy and Independent examination fee	1,077	870
Subscriptions	266	-
Legal services (C.I.O)	-	840
Events and refreshments	83	-
	<u>£ 4,539</u>	<u>£ 2,772</u>