

# Brockley Baptist Church

(registered as Trust Property Administered in  
connexion with Brockley Baptist Chapel)

Report and Accounts

Year ended 31 December 2021

Stewardship   
*Active generosity*

1 Lamb's Passage, London EC1Y 8AB  
[www.stewardship.org.uk](http://www.stewardship.org.uk)

# **BROCKLEY BAPTIST CHURCH TRUST**

## **TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 TRUST INFORMATION**

### **STATUS**

**Current Legal Name:** Trust Property Administered in Connexion with  
Brockley Baptist Chapel

**Charity Number** 256810

### **TRUSTEES**

<b>Interim Minister</b>	<b>Malcolm Martin</b>
<b>Elder</b>	<b>Mrs Muriel Atkinson</b>
<b>Deacon</b>	<b>Semasa Ayihongbe</b>
<b>Deacon</b>	<b>Janet Barrett</b>
<b>Deacon</b>	<b>Comfort Neburagho</b>
<b>Deacon</b>	<b>Marcia Walker-Smith</b>

<b>CHURCH OFFICES</b>	<b>Secretary</b>	<b>Marcia Walker-Smith</b>
	<b>Treasurer</b>	<b>Malcolm Martin (Temporary Treasurer)</b>

**REGISTERED OFFICE** 60 Upper Brockley Road,  
London SE4 1ST

**INDEPENDENT EXAMINER** Stephen Mathews FCA  
Stewardship  
1 Lamb's Passage  
London EC1 8AB

**BANKERS** National Westminster Bank plc  
80 Lewisham High Street  
London SE13 5JJ

# **TRUSTEE REPORT FOR THE YEAR ENDING DECEMBER 2021**

## **OBJECTIVES**

The primary aims of the Trust are to fulfil the role of a Christian Church in the Brockley Area and to provide help to others in promoting the Christian Union faith in Brockley, Lewisham Borough and far afield where permitted.

## **THE CHURCH: ITS AIMS AND OBJECTIVES**

The Church is not a building, but a gathering of ordinary people of different ages and backgrounds, whose lives have been changed by Jesus Christ, the Son of God. The New Testament reveals the Church as a community of people, properly taught and cared for, whom by loving and serving Jesus Christ, were also committed to love and care for each other and to bring a blessing to the area in which we reside.

Brockley Baptist Church its trustees, elders and members are committed to the restoration of those of the Baptist Union principles. It is not alone in this, it is one of many Churches in the Brockley area, country and over the world that is re-discovering the excitement of knowing Jesus Christ. The vision is to see the people of Brockley come to know the Lord as their Saviour and friend.

Brockley Baptist Church is a member of the Baptist Union and has a long standing relationship with the Union; a Christian organisation that pursues similar objectives in the UK and overseas. The church works with Union in assisting other churches and receives voluntary help itself where needed. Financial supporting the Baptist Missionary Society, Baptist Home Mission and Operational Agri on a regular basis together with other missionary organisations.

We are a small church with a membership consisting of a range of age groups. In common with other Baptist Churches we hold worship every Sunday with Communion every first Sunday. During times when the Church Building was closed due to the pandemic we continued to worship and have weekly Bible Studies and Prayer Meetings using the Zoom platform. We continued with the weekly Zoom Bible Studies and Prayer Meetings after the Church Building reopened in 2021. We have some representation of overseas missionary work which was sponsored voluntarily by members of our church.

## **TRUSTEES REPORT FOR THE YEAR ENDING DECEMBER 2021**

### **THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS**

During the year ending December 2021: We have four special additional services each year. They are Maundy Thursday Good Friday (a joint service of the Brockley Community of Churches, Christmas Day and New Year's Eve (Watch Night). Other particular services such as Remembrance Sunday, Sunday School & Young People Prizegiving are held within our normal Sunday Morning Services.

- Fulfilling the objects in teaching, preaching and showing practical care in the community. This was both in the normal teaching in the church on Sundays, which are open to all, and midweek meeting for church members;
- Supporting churches through the Baptist Union working elsewhere both in the United Kingdom and overseas.

The Trustees have complied with the duty under the Charities Acts in their planning and monitoring to ensure due regard to the public benefit guidance published by the Charity Commission.

### **PLANS FOR THE FUTURE**

The key issues looking forward are the appointment of a new permanent part-time minister in 2023 and continued recovery from the effects of pandemic as the church activities are not completely back to normal.

### **FINANCIAL REVIEW AND RESERVES**

The financial reserves of the Church have been strengthened during the year as members have continued to give plus the money coming in from the rental of the Manse due to the Interim Minister not living as at the Manse as he had his own accommodation. Outgoings have remained steady no great demand on the Church purse. However, the Trustees agreed to look at splitting the Manse into two flats with a new minister and family occupying the larger flat and the other flat being rented out to secure a steady income for the church.

During 2019 difficulties arose with the mandate for bank payments with the consequence that for a period, which continued in 2020, the church was not able to accomplish payments for expenditure. As a result, payments were made by the Minister on behalf of the church. These amounts are still owed to the Minister and as a consequence have not been included in the 'Receipts and payments account'. Details of the expenditure paid by the Minister on behalf of the church are detailed in Note 4 to the accounts and the total amount owed to the Minister is shown in the 'Statement of assets and liabilities' in Note C. The amounts owed are expected to be repaid in 2023.

Whilst there are no set levels of reserves the Trustees seek to keep one year's expenditure in reserve when needed. This is kept under review, having regard for the maintenance and repairs that may be needed to the main Church Building. Within that, expenditure is made as and when.

As explained above, there are plans to repay the minister the amounts owed to him of £21,906 as detailed in Note 4 to the accounts. Excluding this indebtedness, the reserves held at the end of 2021 amounted to approximately £50,000 which is in line with the reserves policy.

## **GRANT MAKING POLICY**

Gifts to external organisations are considered by the Trustees on the basis of need such as the Flood Appeal for Jamaica through the Baptist Union. Amounts are discussed among the Trustee how much to give.

## **RISK MANAGEMENT**

All major insurable risks are subject to normal policies building premises. Contractual risks are reviewed on a one to one basis before being entered into. Annual review of areas of risk is undertaken by the Trustees in conjunction with what is taken place, activities, and external trips taking the Sunday school out in the Minibus.

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity to enable them to ensure that the accounts comply with the Charities Acts. 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. The trustees confirm that the accounts comply with current statutory requirements and those of the Charity's trust deed.

Approved by the Trustees and signed on their behalf by:

*Malcolm Martin*

.....  
Malcolm Martin - Minister

Date: 30 April 2023

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**BROCKLEY BAPTIST CHURCH**

I report to the trustees on my examination of the accounts of Brockley Baptist Church ('the charity') for the year ended 31 December 2021 on pages 6 to 9 following.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 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:

1. accounting records were not kept in accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

I have no concerns and have come across no matters, other than that mentioned above, in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Stephen Mathews*

Stephen Mathews

Stewardship  
1 Lamb's Passage  
LONDON  
EC1Y 8AB

Date: 9 May 2023

**BROCKLEY BAPTIST CHURCH**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

		Unrestricted Funds				
		General Funds	Designated Funds	Restricted Funds	2021	2020
Notes		£	£	£	£	£
<b>Income receipts</b>						
Church supporter offerings		17,746	-	-	17,746	11,244
Gift aid receipts		-	-	-	-	-
Other gifts received		1,318	-	-	1,318	126
Income from courses and events		-	-	-	-	1,675
Income from letting of facilities and Manse		39,795	-	-	39,795	34,441
Investment income		30	-	-	30	29
Other		-	-	-	-	700
		<u>58,889</u>	<u>-</u>	<u>-</u>	<u>58,889</u>	<u>48,215</u>
					-	-
<b>Capital and similar receipts</b>						
Sale of fixed assets		-	-	-	-	-
Sale of investments		-	-	-	-	-
Loan repayments		-	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
					-	-
		<u>58,889</u>	<u>-</u>	<u>-</u>	<u>58,889</u>	<u>48,215</u>
<b>Total receipts</b>						
		<u>58,889</u>	<u>-</u>	<u>-</u>	<u>58,889</u>	<u>48,215</u>
<b>Payments</b>						
Payments in relation to charitable activities undertaken directly	2	44,204	-	-	44,204	51,674
Grants paid in relation to charitable activities undertaken by others	3	783	-	-	783	1,430
		<u>44,987</u>	<u>-</u>	<u>-</u>	<u>44,987</u>	<u>53,104</u>
<b>Total payments</b>						
Net of receipts / (payments) before		13,901	-	-	13,901	(4,889)
Transfers between funds	6	-	-	-	-	-
<b>Net movement in funds</b>		<u>13,901</u>	<u>-</u>	<u>-</u>	<u>13,901</u>	<u>(4,889)</u>
Cash funds as at last year end		63,649	-	-	63,649	68,538
<b>Cash funds at this year end</b>	A	<u>77,551</u>	<u>-</u>	<u>-</u>	<u>77,551</u>	<u>63,649</u>

During the course of the year difficulties arose with the mandate for bank payments with the consequence that for a period the church was not able to accomplish payments for expenditure. As a consequence payments were made by the Minister on behalf of the church. These amounts are still owed to the Minister and as a consequence have not been included in the receipts and above payments. Note 4 sets out the details of these transactions.

The notes on pages 8 - 9 form part of these accounts.

**BROCKLEY BAPTIST CHURCH**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted Funds		Restricted funds	2021	2020
		General funds	Designated funds			
		£	£	£	£	£
<b>A Cash funds</b>						
Cash at bank with immediate access		77,551	-	-	77,551	63,649
		<u>77,551</u>	<u>-</u>	<u>-</u>	<u>77,551</u>	<u>63,649</u>
<b>B Other monetary assets</b>						
Gift aid due to charity		-	-	-	-	-
(Is due to be claimed for the tax years ended 5 April 2019, 2020 and 2021)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>C Liabilities</b>						
<b>Falling due within one year</b>						
Amounts owed to the Minister	Note 4	21,906	-	-	21,906	21,906
Trade creditors		3,190	-	-	3,190	320
Fee for Accounts and Examination (3 years)		2,600	-	-	2,600	1,900
		<u>27,697</u>	<u>-</u>	<u>-</u>	<u>27,697</u>	<u>23,826</u>
<b>Falling due after one year:</b>						
BU Pension obligations		2,187	-	-	2,187	5,882
		<u>2,187</u>	<u>-</u>	<u>-</u>	<u>2,187</u>	<u>5,882</u>
<b>Total</b>		<u>29,884</u>	<u>-</u>	<u>-</u>	<u>29,884</u>	<u>29,708</u>

**D Assets retained for charity's own use**

	Fund to which asset belongs	Insurance Value £	2021 value £
Church, land, buildings and fixtures (at insurance value)	Endowment	5,800,000	n/a
Manse (at approximate open market value)	Endowment	<u>550,000</u>	<u>900,000</u>
Music and PA equipment	General	n/a	1,000
Computers and IT	General	n/a	1,000
Furniture	General	n/a	500
Minibus (purchased 2019)	General	<u>n/a</u>	<u>4,500</u>
		<u>-</u>	<u>7,000</u>

Current values have been estimated by the trustees.

**E Investment assets**

	Fund to which asset belongs	Cost £	Current value £
Investment: COIF shares -- approximate estimated value	General	-	800
		<u>-</u>	<u>800</u>

The accounts were approved by the trustees and signed on their behalf by:

*Malcolm Martin*

Malcolm Martin - Minister

Date: 30 April 2023

The notes on pages 7 - 8 form part of these accounts.



# BROCKLEY BAPTIST CHURCH

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

		<u>Unrestricted Funds</u>		Restricted Funds	Total 2021	Total 2020
		General funds	Designated funds			
		£	£	£	£	£
<b>2 Payments in relation to charitable activities undertaken directly</b>						
Ministers employment costs	Note 5	15,159	-	-	15,159	14,178
Ministry and events expenses		1,670	-	-	1,670	869
Other outreach activities		406	-	-	406	160
Minibus expenses		1,360	-	-	1,360	1,247
Insurance		2,444	-	-	2,444	2,186
Maintenance of church buildings		6,456	-	-	6,456	4,226
Light, heat and water		7,685	-	-	7,685	7,294
Capital expenditure on church buildings		-	-	-	-	-
Capital expenditure on minibus		-	-	-	-	-
Manse management and maintenance		7,108	-	-	7,108	20,542
Minor equipment		27	-	-	27	-
Independent examination		-	-	-	-	-
Office and telephone costs		872	-	-	872	479
Other costs		1,016	-	-	1,016	495
		<u>44,204</u>	<u>-</u>	<u>-</u>	<u>44,204</u>	<u>51,674</u>

Please also see Note 4 for details of payments made on behalf of the church by the Minister.

### 3 Grants paid in relation to charitable activities undertaken by others

Grants for:

Open Doors		-	1,000
Subscriptions and small grants to organisations	651	651	250
Grants to individuals	132	132	180
	<u>783</u>	<u>-</u>	<u>1,430</u>

### 4 Transactions made on behalf of the church and owed by the church

During the course of the year difficulties arose with the mandate for bank payments with the consequence that for a period the church was not able to accomplish payments for expenditure. As a consequence payments were made by the Minister on behalf of the church. These amounts are still owed to the Minister and as a consequence have not been included in the above payments detailed in Note 2.

	2020	2,019
	£	£
Ministry and events expenses	1,036	274
Other outreach activities	-	533
Grants, gifts and subscriptions	228	1,215
Minibus expenses	161	2,802
Maintenance of church buildings	207	7,182
Manse management and maintenance	-	299
Minor equipment	2,160	4,756
Office and telephone costs	-	240
Other costs	298	517
	<u>4,089</u>	<u>17,817</u>

### 5 Transactions with Trustees and related parties

Other than normal Baptist Union Ministers salary and pension (see Note 2) there were no payments to Trustees for services provided and no expenses incurred in their roles as Trustees.

## The Baptist Pension Scheme

### Background to the disclosure

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

The pension cost shown in the Receipts and Payments Statement comprises contributions to the Defined Contribution Plan and deficiency contributions to the Defined Benefit Plan (see below).

The Minister is eligible to join the Scheme.

### The Defined Contribution Plan

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

### The Defined Benefit Plan

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

### Actuarial valuation as at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The next actuarial valuation of the DB Plan is due as at 31 December 2022.

### Recovery plan

A recovery plan dated 30 September 2020 has been agreed to make good the above deficit in assets. Therefore, in addition to the contributions to the DC Plan set out above, the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

It has been agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction in all deficiency contributions payable between 1 July 2020 and 31 December 2020. The Recovery Plan envisages deficiency contributions continuing until June 2026.

In addition, the Baptist Union of Great Britain contributed a lump sum of £0.5m in 2020.

### Payments made in the year

	2021	2020
	£	£
Employer's contributions to Defined Contribution Plan	1,000	1,000
Employer's deficiency contributions to Defined Benefit Plan	3,695	2,724
	<u>4,695</u>	<u>3,724</u>

### Basis for determining the DB plan pension liability

The pension liability disclosed in the Statement of Assets and Liabilities in respect of the DB Plan is based on an estimate of the amount that the charity would be required to pay should the charity decide to settle the debt immediately; the Baptist Pension Scheme (the 'BPS') have provided this estimate. The BPS is collecting deficit contributions monthly however these deficit contributions have not been calculated by reference to the charity's share of the pension deficit and, based on the current schedule of contributions, it is possible that the sum of all future annual deficit contributions will be significantly less than the liability disclosed in the Statement of Assets and Liabilities. The charity does not foresee any circumstances that could result in immediate payment of the whole debt however the trustees believe that the BPS may ask the church to increase its contributions towards the deficit and therefore, to be prudent, they have chosen to disclose a liability for the employer debt in the Statement of Assets and Liabilities.