



**Trustees Annual Report and Financial Statements  
for the year ended 31 December 2021**

**Market Street, Mildenhall, Suffolk IP28 7EF**

Registered Charity No: 1130724

[www.kcm.church](http://www.kcm.church)

# Our Purpose, Governance, Structure and Management

## Our Purpose

The Charity is governed by a Constitution which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

## Our Governance

King's Church Mildenhall is governed by Trustees, which in accordance with the Constitution are appointed by the Members of the Church. The Trustees are collectively known as the Leadership, and their meetings are chaired by the Pastor (or the Associate Pastor) of the Church. The Trustees are responsible for the day to day running of the church's

work and witness, and the financial and legal aspects of the charity.

## Our Structure and Management

Members of the Church are accepted in accordance with the Constitution which requires them to be or to have been baptised on the profession of faith in Jesus Christ.

The members meeting normally takes place four times per year and has responsibility for the overall policy of the church. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable purpose.

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

## Our Objectives and Activities

In order to achieve our principal purpose which is set out above, the Church provides a variety of activities both to its membership and to the community generally. 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.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. We hold our service each Sunday commencing at 10.30am. There is a full children's programme during the service which includes Sunday Youth Ministry and a Crèche. The church seeks to be a friendly and welcoming community and anybody is free to attend any of our services. From time to time we also hold a Sunday evening service entitled 'Oasis'. This is generally a more reflective service with time for quiet worship and prayer.

As 'Churches Together' with the Anglican, Methodist and St John's RC churches in the town we meet once

per month to pray together on Saturday mornings and hold occasional joint evening services.

The Church runs a series of Connect groups for the growth of faith and discipleship in the homes of some members. Further details of the Connect groups as well as details of all the other activities that are held in the church each week are available to view of the church website. Once or twice per year the Church runs free courses for people interested in discovering more about Christianity entitled "Alpha" and/or "Christianity Explored" as well as courses for those who are already Christians entitled "Freedom in Christ".

The Church runs various weekly/monthly groups for Young people including a Toddler Group with the purpose of assisting the community and demonstrating the love of Jesus Christ.

## Our Objectives and Activities (continued)

A weekly Coffee morning is held every Friday during market day when the church is open for the public to come in and have tea, biscuits and a chat.

On Wednesdays we run a weekly Lunch Club with the aim of encouraging people in the town to meet and to enjoy lunch and other activities together, including trips out. Our aim is to reach older lonely people, although the lunch club is open to all.

'King's Project' is a shop in the town that we open on Monday and Friday mornings from 10am to 12 noon. This is a community support facility that provides a free emergency Food Bank (food only available using a

voucher scheme), a Pastoral care team, access to CMA Connect @ King's (a debt support service) and an opportunity to have a chat over a cup of tea or coffee.

In partnership with an organisation called 'Sharing Parenting' and St Mary's Academy, our premises are used to host and help run Parenting courses. These courses help parents face the challenges in raising children and give an opportunity for open discussions on how these might be handled. Also, in partnership with St Mary's Academy we occasionally run a course called 'Rainbows' for children who have suffered loss, either through death or divorce/separation.

## Our Achievements and Performance

### Coronavirus and the global pandemic

The onset of Covid-19 during 2020 continued to affect every activity of the church from the start of 2021 onwards. During the 3<sup>rd</sup> national lockdown that started in January our buildings remained closed and no meetings were permitted on our premises.

The only activities that continued were filming Sunday services to upload to our church website/YouTube and keeping the foodbank open. Some meetings such as leadership meetings, connect groups and prayer meetings continued on the online 'Zoom' platform.

During May after lockdown restrictions were relaxed we re-opened the church building (under government guidelines) for Sunday Worship but only for a limited number of people (using an online booking system). We also continued the online service for those that didn't wish to meet in the church building.

During July after restrictions were completely lifted we stopped running the online booking system and the online service in its 'lockdown' form finished.

We were only able to hold one membership meeting for the year in October. At this meeting we were able to re-elect the trustees that retired by rotation and elect new trustees.

However despite the restrictions the following new ministries were conceived/started during the year:

- CMA Connect @ King's – confidential, impartial and free money advice and debt help to the local community.
- King's Neighbours – offering friendship and a listening ear.
- King's Youth Café – for 11-16 year olds to meet together and make new friends, enjoy milkshakes/hot drinks and play games.

### Our main challenge for 2022

To increase the numbers attending Sunday Services and to build up the ministries that had stopped during the pandemic.

### Public benefit:

Having regard to the Charity Commission's guidance on public benefit, all of our activities are freely open to anyone that would like to attend. We provide a benefit to the public through:

- The provision of worship services and church buildings.
- Provision of a Food Bank and Pastoral care to the community.
- Partnering with the local schools to provide support groups and courses for parents.
- Contributing to the spiritual and moral education of children and young people (pre-school, pre-teen and teen).
- Providing comfort to the bereaved and less able.

## Our Risk Assessment, Child Protection and Vulnerable Adults Policies

The Trustees have assessed the major risks facing the church and are satisfied that there are policies in place to minimise these risks in conjunction with our Health & Safety Policy. The Church operates

systems to ensure that all people working with children and adults at risk are appropriately vetted with regard to the Disclosure and Barring Service (DBS) and have appropriate Safeguarding training.

## Our Finances

### Financial Review

The Church continues to raise all the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church had a deficit for the year of £18,123 (2020 surplus of £18,158). Due to the church being closed for a long period of the year we found that families that moved away from the area were not replaced by new families and therefore offerings reduced by 11% compared to 2020.

The Church expressed its part in the life of the wider church by making regular donations to national and international Christian organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose. During 2021 the Church donated 16% of its annual offerings to other charities (2020 13%).

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives. Indeed, the Church could not operate without these volunteers.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements.

### Reserves Policy

The Trustees have established a Reserves Policy, and are satisfied that they have sufficient reserves at the Statement of Financial Position date, together with on-going income anticipated, to enable the church to function effectively in the coming year.

## Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources of the church for that year. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations 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.

# Statement of Financial Activities

## for the year ended 31 December 2021

	Note	Unrestricted Funds General £	Designated £	Total 2021 £	Total 2020 £
<b>Income and endowments from</b>					
Donations and legacies	2	103,252	4,357	107,609	131,090
Income from investments	3	20,232	0	20,232	20,032
Total income and endowments		123,484	4,357	127,841	151,122
<b>Expenditure on</b>					
Raising funds		0	0	0	0
Charitable activities	4	141,607	4,357	145,964	132,964
Other expenditure		0	0	0	0
<b>Total Resources Expended</b>		141,607	4,357	145,964	132,964
<b>Net income (expenditure)</b>		(18,123)	0	(18,123)	18,158
<b>Transfers between funds</b>		0	0	0	0
<b>Net movement in Funds</b>		(18,123)	0	(18,123)	18,158
<b>Total Funds brought forward</b>		241,667	0	241,667	223,509
<b>Total Funds carried forward</b>		223,544	0	223,544	241,667

# Statement of Financial Position as at 31 December 2021

		2021		2020	
	Note	£	£	£	£
<b>Tangible Fixed Assets</b>	5		2,141,058		2,047,428
<b>Current Assets</b>					
Bank and cash balances	6	223,544		241,667	
<b>Current Liabilities</b>					
Creditors: amounts falling due within one year	7	<u>0</u>		<u>0</u>	
<b>Net Current Assets</b>			223,544		241,667
Creditors: amounts falling due after more than one year	8		0		0
Provisions for liabilities	9		(38,300)		(48,298)
			<u></u>		<u></u>
<b>Net Assets</b>			<u>2,326,302</u>		<u>2,240,797</u>
<b>Charitable Funds</b>					
Unrestricted General Funds			223,544		241,667
Revaluation Reserve	10		2,141,058		2,047,428
Pension Reserve	11		(38,300)		(48,298)
			<u></u>		<u></u>
			<u>2,326,302</u>		<u>2,240,797</u>

The Annual Report and Financial Statements for the year ended 31 December 2021 were approved by the Trustees on 9th February 2022 and signed on their behalf by

Mr G Matthews (Treasurer)

The Notes on pages 7 to 12 form part of these Financial Statements.

# Notes to the Accounts

## 1 Accounting Policies

### a Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) and the Charities Act 2011.

### b Fund Accounting

Unrestricted funds are available for use at the discretion of the church in furtherance of its charitable objectives.

### c Donations

Donations are accounted for gross when received or certain it will be received.

### d Legacies

Legacies are accounted for when their receipt is certain and can be properly quantified.

### e Investment income

Investment income is included in the accounts in the year in which it is receivable.

### f Fund raising and publicity costs

The church does not make formal appeals for funds, and expenditure on these items is therefore not material.

### g Grants payable

The church makes grants to other organisations whose charitable objects complement its work. They are accounted for in the year in which they are paid.

### h Grants receivable

The church receives grants from other organisations. They are accounted for in the year in which they are received.

### i Fixed Assets

Land and buildings are included in the Statement of Financial Position at insurance value because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared with the additional benefit gained by for the user of the accounts.

All other fixed assets are written off to the Statement of Financial Activities in the year of expenditure and no items are depreciated.

## Notes to the Accounts (continued)

	Unrestricted Funds		Total	Total
	General	Designated	2021	2020
	£	£	£	£
<b>2 Donations and legacies</b>				
Amazon Smile	5	0	5	12
Energize subscriptions	0	0	0	45
UEA Free Church Chaplaincy	0	0	0	1,800
Foodbank donations	0	2,438	2,438	3,995
West Suffolk Foodbank grant	0	700	700	0
Gift Aid Tax refunds	12,376	0	12,376	13,152
Vision Fund	140	0	140	1,000
Legacies	1,000	0	1,000	0
Parish Nurse Donations	0	0	0	20
Retail, Hospitality and Leisure Grant	0	0	0	10,000
Coronavirus Job Retention Scheme	1,000	0	1,000	92
West Suffolk Locality Budget	0	0	0	750
Offerings	87,580	0	87,580	98,747
Other gifts/income received	1,151	1,219	2,370	1,477
	103,252	4,357	107,609	131,090

### 3 Income from investments

Bank interest	3	0	3	39
Baptist Union Deposit interest	919	0	919	683
Property rental income	19,310	0	19,310	19,310
	20,232	0	20,232	20,032

### 4 Expenditure on Charitable activities

Ministry	70,633	0	70,633	67,402
Church premises expenses	12,058	0	12,058	11,872
4 King Street expenses	7,297	3,138	10,435	7,309
Manse expenses	22,413	0	22,413	21,571
Grants payable to other charities	12,632	1,219	13,851	13,307
General church administration	6,535	0	6,535	6,529
Other expenses	9,318	0	9,318	4,282
Activities of church groups	721	0	721	692
	141,607	4,357	145,964	132,964

### 5 Tangible fixed assets

Valuation	Church Building & Contents	Manse Building	4 King Street Building & Contents	Total
At 1 January 2021	1,524,007	196,612	326,809	2,047,428
Revaluation	57,741	12,188	23,701	93,630
At 31 December 2021	1,581,748	208,800	350,510	2,141,058



## Notes to the Accounts (continued)

	2021	2020
<b>6 Bank balances</b>		
<b>Unrestricted funds</b>		
Lloyds Current account	3,664	3,709
Lloyds Deposit account	18,278	37,275
Baptist Union Deposit account	201,602	200,683
	<hr/> 223,544	<hr/> 241,667
<b>7 Current liabilities: Amounts falling due within 1 year</b>	0	0
<b>8 Current liabilities: Amounts falling due after more than 1 year</b>	0	0
<b>9 Provisions for liabilities</b>		
Pension deficit recovery payments	38,300	48,298
	<hr/> 38,300	<hr/> 48,298
<b>10 Revaluation reserve</b>		
At 1 January 2021	2,047,428	2,024,579
Revaluation	93,630	22,849
At 31 December 2021	<hr/> 2,141,058	<hr/> 2,047,428
<b>11 Pension reserve</b>		
At 1 January 2021	48,298	77,362
Revaluation	(9,998)	(29,064)
At 31 December 2021	<hr/> 38,300	<hr/> 48,298
<b>12 Staff costs and Trustees expenses</b>		
Wages & Salaries	62,288	61,342
Social security costs	849	1,216
Pension costs	15,148	12,854
Other costs	4,913	4,618
	<hr/> 83,198	<hr/> 80,030

The average number of employees during the year was 5 (2020 5).

No employee received emoluments in excess of £60,000 during the year (2020 none).

## Notes to the Accounts (continued)

### 13 Staff costs and Trustees expenses (continued)

Two Trustees, who are also employees, lived in housing on a leaseback agreement with the church. No sums were reimbursed to the Trustees for their work as Trustees (2020 none).

### 14 Related Charities

The custodian Trustee of the church is the Baptist Union Corporation Limited 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 Eastern Baptist Association.

### 15 Pensions

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 Broadstone Corporate Benefits Ltd. 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 if 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.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

The Ministers are eligible to join the Scheme.

#### **Actuarial valuation as at 31 December 2019**

A formal valuation of the DB Plan as at 31 December 2019 was carried out 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 £316m, giving a deficit of £18m (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.

## Notes to the Accounts (continued)

The key 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 Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases	
Based on CPI 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 2013 in line with the “CMI 2019” projection with a long-term 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 improvement factor A=0.5%.

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

### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan signed in September 2020, deficiency contributions are payable until June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

### Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date (year ending):	31 December 2021	31 December 2020
Balance sheet liability at year start	£48,298	£77,362
Minus deficiency contributions paid	-£8,291	-£6,116
Interest cost	£606	£1,263
Remaining change to balance sheet liability*	-£2,313	-£24,211
Balance sheet liability at year end	£38,300	£48,298

\* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends.

## Notes to the Accounts (continued)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31 December 2021	31 December 2020	31 December 2019
Discount rate	2.0%	1.4%	2.1%
Future increases to Minimum Pensionable Income	4.1%	2.1%	2.8%

The Church has been advised that the cost for the church to buyout their Pension Scheme liabilities at 31 December 2021 was approximately £40,300.

### 16 Trustee and related party donations

Aggregate donations, excluding Gift Aid tax refund, of £25,941 were received by the charity from Trustees and their spouses (2020 - £27,228).

### 17 Summaries of accounts of other church organisations

	Coffee Morning	Communion Fund	Lunch Club
Balance 1 January 2021	744	732	1,717
Receipts	100	0	1,336
Payments	(120)	(300)	(1,651)
Balance 31 December 2021	724	432	1,402

These accounts are not administered by the Church Treasurer and not examined by the Independent Examiner.

# Independent Examiner's Report to the Trustees and Members of King's Church Mildenhall

I report on the Financial Statements of King's Church Mildenhall for the year ended 31 December 2021 which are set out on pages 5 to 9.

## Respective responsibilities

The church is responsible for the preparation of the financial accounts and considers that the audit requirement of Section 144(2) of the Charities Act 2011 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 145 (5)(b) of the Act, whether particular matters have come to my attention.

## Basis of Independent Examiner's report

My examination was carried out in accordance with the General Directions of the Charity Commissioners. 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 financial statements, and seeking explanations concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

## Independent Examiner's statement

In connection with my examination of the church funds, nothing came to my attention which gave me cause to believe otherwise than that the financial statements accord with the accounting records of the church, and that those records satisfied the requirements of the Act. I am not aware of any matter to which attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Mr R Copsey  
12th February 2022

## Reference and Administrative Details

### Charity name

King's Church Mildenhall

### Charity number

1130724

### Registered office

King's Church Mildenhall  
Market Street, Mildenhall  
Suffolk IP28 7EF

### Property Trustees

The Baptist Union Corporation Ltd  
Baptist House, 129 Broadway  
Didcot, Oxfordshire OX11 8RT

### Bankers

Lloyds Bank plc  
High Street, Mildenhall, Suffolk IP28 7DZ

### Trustees

Rev T Bright (Associate Pastor)  
Mr D Chambers  
Rev P Finnis (Lay Pastor)  
Mr P Giddings (resigned 14/10/21)  
Mrs S Giddings  
Mr M Green  
Mr T James (appointed 14/10/21)  
Mr G Matthews (Treasurer)  
Rev C Morehouse (Pastor)  
Mrs A Quin  
Miss E Reeves (resigned 14/10/21)  
Mr G Slack

### Independent examiner

Mr R Copsey