



Kingswood Baptist Church

Trustees' Annual Report and Financial Accounts for year ending 30th September 2021

Charity Number: 1131656

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REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, IT'S TRUSTEES, AND ADVISERS.

Trustees

Paul Adams

Nicholas Braithwaite

Andrew Clark

Rev. Stuart Elmes

Joseph Godwin (resigned 18 December 2020)

Nathan Moore

Catherine Sackey

Peter Willson (resigned 24 February 2021)

Charity registered number

1131656

Address

Codenham Straight, Basildon, Essex SS16 5DH

Independent Examiners

Wilson Adu; Leanne Bott

Bankers

Barclays Bank, 19 Town Square, Basildon, Essex, SS14 1BD

Holding Property Trustees

The Baptist Cooperation Limited (Reg Charity No. 249635) Baptist House, PO Box 44, 129 Broadway, Didcot, Oxfordshire, OX11 8RT.

Kingswood Baptist Church

The Church is known as Kingswood Baptist Church, herein after known as "KBC". It is an unincorporated charitable association that is a Registered Charity with the Charity Commission for England and Wales – registration number 1131656. It was established under a Trust Deed on 2nd October 1959 executed by the Baptist Union Corporation Limited, who is the Holding Trustee for KBC's property assets.

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements of KBC (the Charity) for the year ended 30 September 2021. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and Activities

Kingswood Baptist Church is a fellowship of Christians committed to being and making disciples of Jesus Christ. To achieve this we hold worship services, Christian teaching opportunities and various outreach activities in the Basildon area and support other Christian organisations worldwide.

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance on the advancement of religion for the public benefit.

The Charity's objectives are:

The advancement of 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.

The trust deed states that the Custodian Trustees are required to permit the building to be used as a place of worship for the service of Almighty God, as a place for the instruction of children or adults, as a church hall or as a place for the promotion of other charitable purposes.

The trust deed also states that no person shall be entitled to become or remain a member save such persons as hold the Deity of the Lord Jesus Christ and the authority of the Holy Scriptures and that interpretation of them usually called evangelical and who have made a confession of faith in the Lord Jesus Christ.

b. Activities for achieving objectives

In fulfilling its purpose, KBC engages in a range of activities whether on its own or with others that vary from time to time with activities being initiated, expanded or closed, as appropriate.

We seek to be a friendly and welcoming community and anybody is able to attend our activities. Our aim is to promote the Christian Gospel, and to reach out into the community by showing the love of Jesus Christ in both word and deed, and to bring people into a closer relationship with Him as living Lord.

Details of our activities can be found on the KBC's website: <http://kingswoodbaptistchurch.co.uk>

Having regard for the Charity Commissioner's guidance on public benefit, all our activities are open to anyone who wishes to attend. Through our work we are providing a benefit to the public by:

- the provision of KBC's buildings and worship services, contributing to the spiritual and moral education of children and young people (pre-school up to teenagers).
- carrying out, as a practical expression of religious beliefs, opportunities to support, encourage and walk with varying age groups through friendships and practical help where possible.
- providing comfort to the bereaved and less able.
- providing Christians Against Poverty Money Courses to those facing financial hardship.
- supporting the homeless with meals by working together with local churches, via Project 58:7.
- providing a night shelter and a meal during the cold winter months, with other local churches, to the homeless in our community.

c. Volunteers

KBC relies heavily on volunteers to support our paid staff in the area of ministry, and support to Finance and Administration Trustee. All the other activities in KBC including children and youth work and general upkeep other than cleaning of KBC is undertaken by volunteers.

Achievements and performance

a. Review of activities

KBC does not measure the success of its programme of activities in numerical and/or financial terms, but in less tangible areas like friendship, fellowship and encouragement. The Trustees recognise that these are difficult to measure but we look back on 2020-21 as a year of challenge, new things and great encouragement.

It is hard to look back at the last year and review our activities without recognising the impact coronavirus and the various lockdowns has had. Keeping everyone involved and informed during the various lockdowns was a challenge, especially those without internet access. We continued to maintain contact with regular electronic updates and provided pastoral support for those who were unable to access of services online.

We had started the year with high hopes, as in September 2020 we had opened the building up once more for Sunday morning service, with a view to being able to implement the decision to move to two morning services. However once again we had to learn to be patient, recognising God's timing is perfect in all things.

So, whilst we managed to open for in person services from September 2020, it took until Easter 2021 before we could move to two morning services. In between we found ourselves in another lockdown and the building once again shut from January 2021 until Easter.

September 2020 also saw the launch of our new approach to small groups, following a survey with the fellowship. These encompassed our previous Unpack the Preach Bible studies but introduced some new small groups all focused on our 'purpose' (see 4Ps) of having fellowship, growing and making disciples. Initially with coronavirus restrictions these were held online but gradually as restrictions were lifted the small groups were able to meet in person. Our new approach has enabled more of the fellowship to sign up for a term and attend a group that meets their needs and be supported.

We have seen that during the year some members have moved away or found a new place to worship, but when we reopened our doors from Easter and moved to two morning services, we soon found new people wanting to worship with us. With two others rejoining us in membership and sadly one of our members was called home during the year our membership numbers have decreased by 3. As of 30 September, our membership was 148 with some new comers expressing a wish to put down roots and join us.

Throughout the last year, Zoom remained a constant companion enabling us to continue with our business meetings, fellowship and church services - even those without internet were able to dial in and join us. Even when lockdown was lifted at Easter, due to coronavirus restrictions being in place until August 2021, we had to limit and manage Sunday attendance numbers through Eventbrite, a booking service which remained a 'friend' throughout the pandemic. Although once restrictions began to lift there was great joy when we were able to drop the need to use it and the fellowship were freely able to attend without the need to book and even greater celebration when sung worship could once again take place during the Sunday service.

In February 2021 we took the tough decision to allow our planning application to lapse, as it had become clear that the project had drifted and no longer had clarity of focus or the full support of the current fellowship. Whilst at the church meeting there was a real sense of humility before God there was still, however, a strong vision for growth and from that decision came great things. As we decided to focus on clearing our outstanding mortgage (see finance review section) sufficient to say here that the fellowship were fully united and supported the approach. Then at our church meeting in June 2021 the membership overwhelmingly adopted the 4Ps (Prophecy, Priorities, Purpose and Pursuits) providing the clarity and focus for us as a church.

Below are some of our activities that were impacted by the various lockdowns and what they were able to do during the last year.

During the winter months from November through to March we would normally operate as part of the Basildon Emergency Night Shelter providing those in need with a warm and safe place to sleep. However, with the government restrictions in place this was not possible. Instead, the local authority placed as many homeless, who were willing, into temporary accommodation in the area.

In addition to providing financial support to Project 58:7, a local charity which provides meals/support to those who are homeless or in need, we continued to provide an evening meal on a Saturday evening to around 12 'guests'. Although with coronavirus restrictions, revised arrangements were put in place to provide a takeaway service to ensure that the meal could be provided safely so as to continue providing a service to those in need.

Our Christians Against Poverty (CAP) Money Course has continued to provide free advice to those in debt or who need practical support to help manage their finances. Although with the building closure, due to coronavirus, this meant many of the courses were instead run on online. In addition to the adult course, we ran a course aimed at students who intended to attend university. So, in total 11 adults and five students have attended courses during the year.

Our toddler group provides an excellent facility for local families and we have strong links with one of the local primary schools into which many of our children transfer. The school often comes across to use our hall for assemblies or services, such as Harvest. Sadly, due to coronavirus our toddler group had to remain closed until September 2021. However, when it was able to safely open again, immediately numbers attending reach capacity such is the popularity of the group.

In addition to our toddler group, we provide a wide range of age related activities for the families of the community to attend. Our activities would normally include Sunday morning worship with age related children's work and the following mid-week activities: FABGABS on Friday (kids club for aged 6yrs to year 6) and Encounter (formerly The Hub, youth group for 11yrs to 18yrs). However due to the impact of coronavirus our mid-week activities remained closed until September 2021, but now they are open again they are seeing numbers slowly pick back up. We were able to start our Sunday Flight earlier in May, but due to coronavirus restrictions and the availability of teachers we had to managed with only two classes instead of the usual four.

Tuesday Jubilees has provided fun and fellowship for those aged over fifty. With up to a fifth¹ of all UK adults feeling lonely most or all of the time and with evidence showing loneliness can be as bad for health as obesity or smoking. It is a sad fact that across our communities there are people who can go for days, weeks or even a month without seeing a friend or family member. *Tuesday Jubilees* seeks to redress this. Whilst our building remained closed many of the group took to meeting in gardens, when restrictions allowed. Like many of our activities they have opened again from September 2021 with good numbers attending and looking forward to investing the funding they received from the local Tesco *Bags of Help* scheme (£1,166) just prior to lockdown in March 2020.

Following a period of closure during lockdown and personal reflection the leaders of *Who Let The Dad's Out? (WLTD0?)*, decided not to reopen the group for now.

We have continued to be blessed by the ministry of our Minister, Rev. Stuart Elmes and our minister in training Nicholas Braithwaite who will be ordained in October 2021 as a Baptist minister. As we have reopened our building and activities, we are seeing new people attend and KBC life continues to flourish and grow.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. General, Building and Development and Enlarging our Tent (formerly New Build) Funds

It is hard to look back on this year, as we did last year, without reflecting on the impact the coronavirus has had financially. With our building closed for much of the year and members in various stages of lockdown periods it had a further social, spiritual and financial impact right across our fellowship and community.

To help with our own cash flow members had been encouraged to switch to online donations or arranged a door collection, in the absence of a Sunday offering plate. Through these measures and the generosity of the fellowship, we have been able to give God the glory for His provision, as we ended the year with a small surplus of £3k.

As a result of lockdown last year, we took the bold decision to venture into live streaming our services. Having decided to continue with a hybrid model of in person and online presence we have developed a live stream strategy for the next three years that supports our 4Ps. As a result, we took the decision to invest with a new laptop (£2.2k) to help deliver a smooth and seamless streaming

¹ <https://www.gov.uk/government/news/pm-launches-governments-first-loneliness-strategy>

service and to help improve the experience for those meeting in person or online we agreed to make some adjustments to the hall by building an AV desk area and new stage area at a cost of £3.5k.

Having deferred the implementation last year of the decision to replace the 20 year old church house windows and kitchen door due to the uncertainty of income, this year we decided to proceed with their replacement in July 2021 at a total cost of £5.7k. We were greatly blessed that following an application to FSJ Trust they awarded us a grant of £2,500 towards the costs.

We have seen that when we reopened for Sunday services, we found new people wanting to worship with us and wishing to put down roots. As new worshippers have joined the fellowship and start donating, they are encouraged to sign a gift aid form. We have over 83% of our monthly income gift aided. Which means that for every £100 donated to KBC the government will give us an extra £25 and for the tax year 2020-21, we received £30,754.

With ministry team's expenditure reduced this year due to building closures and lockdowns, we were able to move £10k from general funds to our Enlarging our Tent Fund (formerly New Build). In addition, we were able to pay upfront Nicholas' final year of study for 2021-22, along with his current fifth year of studies, at a total cost of £9.2k. This means that we will have no fees to pay in 2021-22 apart from travel costs. The remaining balance of £5.8k from the designated student funds, that had been previously set aside, were moved back to general funds.

At the end of September 2020, we had just under £50k outstanding on the manse mortgage. Following our decision to allow the building plans to lapse we took the decision to make repaying the outstanding mortgage our priority and held a Gift Day in June 2021. But few were prepared for what God was doing through His people. In human terms our target was very ambitious, yet God is faithful and through the generosity of His people, we not only cleared the debt but also had a surplus of £11.6k which was put to Enlarging our Tent. This meant that we had cleared our 20 year mortgage loan within eight years.

With the clearing of our mortgage debt, we closed down of the Building and Develop Fund and with the new direction for the building project it was agreed to rename the existing New Build Fund to Enlarging our Tent Fund, encompassing a slightly wider scope. The transfer of the surplus from the Building Fund, along with the move of £10k from general funds and donations made during the year means that we now have £88k towards our Enlarging our Tent.

KBC has continued during the year to financially support a number of charities, some of whom are supporting individuals abroad (World Vision, Grace to Heal, Cry in the Dark, EARE ministries, LAMA ministries and Wycliffe Bible Translators) and some individuals closer to home (Project 58:7 and Basildon Emergency Night Shelter) and the Basildon Community Resource Centre which is a small local charity supporting those who are homeless or disadvantaged, to whom we provided donations of food, toiletries etc to pass on to those in need.

We continue to tithe 15% of our general income limiting the grants to our regular charities to a total £1.5k each month. During 2020-21 this meant that £18,145 was granted to those charities we have regular contact with. This approach means that any monthly tithe over £1.5k is set aside in the Mission Fund for the World Mission Team and Leadership Team to decide how best to respond to needs as they arise during the year. During the course of the year £2k has been donated from the fund, supporting STM and Love Purfleet two local Christian charities.

A financial summary is prepared and circulated to all members each month and the Trustees meet monthly, at which time, reports of the financial position are discussed.

c. Reserves policy

The Trustees aim to maintain unrestricted reserves, excluding fixed assets, of three months unrestricted income as a buffer in case KBC suffers from an unexpected lack of income or increase in its level of expenditure. The unrestricted cash reserves in 2021 were £95,139 (2020: £92,118), which is satisfactorily above the target £36,000.

d. Pensions

The church is a participating employer within the Defined Benefit section of the Baptist Pension scheme and has been making ongoing deficit payments to cover the costs of past service of its employees within the scheme under a recovery plan. The church understands that if it had left the scheme at the year-end, it would have to have made a one-off payment estimated to be £61,200 as of 20 September 2021 (£72,300 as at 20 September 2020) to meet its statutory obligations to the scheme. The church has no plan to leave the scheme and expects to continue to make payments to the scheme in line with the recovery plan.

e. Principal funding

The principal funding source of the Charity is the donations received by members of KBC throughout the year.

Structure, governance and management

a. Constitution

The principal object of the Charity is the advancement of the Christian faith according to the principles of the Baptist denomination. The Charity may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected under the terms of the constitution adopted in June 2009.

New Trustees are proposed and seconded by the KBC's members and then appointed if they gain sufficient support from a ballot vote at a Special Church Meeting.

c. Organisational structure and decision making

The governing body of KBC is the board of Trustees, who are legally responsible for the governance and management of KBC.

The Trustees are responsible for setting strategies and policies and for ensuring that these are implemented.

It's been the first full year of our smaller Leadership Team which has met on a monthly basis. Having a smaller team meeting more frequently has been particularly useful allowing us to be agile and able to respond to the ever-changing coronavirus situation. We recognise that not everyone was in agreement with every decision we had to make about how to respond to the coronavirus situation, but we are thankful for the support and encouragement that we received.

The lack of ability of meeting in person has meant all our church business meetings have been held online. There were benefits to this, in that more members were been able to attend who would not otherwise have been able to; whether they were housebound or have childcare responsibilities. The

downside is being able to make sure that everyone has a chance to contribute. This has meant taking a slower approach to some decisions and providing a range of ways of engaging with proposals for example on adopting the 4Ps and our way forward on Enlarging our Tent. To assist with this over a longer period and before decisions were made, we issued summary of proposals supported by FAQs, held open chat evenings via Zoom and generally made space for all our members to engage with the issues before coming to the member's meeting to take a decision. However, some aspects of online meetings worked particularly well for example being able to split off into smaller meeting rooms to discuss questions, which we will look to carry forward to our in person meetings when considering bigger issues.

The KBC members' meeting consists of those in membership of KBC according to its constitution and is responsible for all significant decisions, including appointment of paid members, appointment of Trustees (Elders and Deacons), property transactions, and approval of the annual general budget, allocation of mission fund and significant general fund expenditure.

Subject to certain conditions, such as appointment of the Minister and the calling of meetings, the Trust Deed makes clear that the buildings are to be used under the direction and management of the Church meeting and in accordance with the principles of the Baptist denomination.

KBC employs a part-time cleaner and part-time administration support worker (based in the KBC office) to support the Treasurer, Secretary and Ministry Team Leaders, and is also responsible for taking of the minutes of the Church, Leadership and the Ministry Team meetings.

Members are kept abreast of the financial position with a monthly report.

d. Risk management

All major insurable risks are subject to normal church's and employer's insurance. Contractual risks are reviewed before being entered into to assess that they could not significantly impact upon KBC's ability to fulfil its objectives. An annual review of all areas of risk is undertaken by the Trustees in conjunction with staff and volunteers responsible for the area of activity.

e. Principal activities

KBC is a member of the Baptist Union of Great Britain and Eastern Baptist Association. KBC will normally promote, encourage, support and advance the work of the Baptist Union, the Association and BMS World Mission through prayer, through financial contributions and, where appropriate, by making personnel available from the membership of KBC. When it is able KBC will also support local Baptist and ecumenical gatherings.

Plans for future periods

a. Future developments

The Trustees are responsible for developing and presenting to KBC membership for approval, strategies for the future direction of KBC, and for implementing those strategies, once adopted by KBC's members.

KBC intends to continue with its activities in the coming year embracing possible new ventures as God and our Ministers lead us.

In February 2021 during a church meeting the membership agreed to take the difficult decision to allow our planning permission to lapse. It had become clear that the project had drifted and no longer had clarity of focus and lost the full support of the current membership. However, there was still a strong vision for growth. So, at the same meeting the membership agreed a number of

priorities for this year, two of which were prayer and engaging together. We wanted to make sure that we spent time individually and together seeking the Lord and in a variety of ways to engage with everyone in the church family, so that there is clarity and unity on the purpose and use for any building project.

To assist us in our direction the Leadership Team brought to the June church member's meeting a new clearer focus and vision for the church - our 4Ps. This would also help shape any future building project. The membership overwhelmingly adopted our 4Ps (Prophecy, Priorities, Purpose and Pursuits) identifying that we want to be a place to grow in:

- loving Jesus and encountering the Presence of God
- living for Jesus and as a follower of Jesus
- making space to lead people to Jesus

At our Trustee away day in September 2021, we agreed a draft vision strategy for the building project. Our focus for our enlarging our premises is to help us achieve our 4Ps, so that we have space for worship and growing followers of Jesus; placing a priority on Sunday Gatherings and Small Groups. We want to update and expand our current premises to create flexible and functional spaces for mission and to be able to invest in and equip people, so that 'as they go' to their frontline they live intentionally for Jesus and see the place God has placed them as their primary place of mission. For some this will be making use of our expanded premises and new rooms, inviting members of the community to join our activities.

We have also developed a financial strategy which explains how we aim to make our plans financially affordable.

Over the coming weeks and months these will be shared with the membership to allow the church family to engage with them in a variety of different ways, so that there is clarity and unity on the purpose and use for any building project, before we take any further steps, such as appointing architects etc.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and 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.

This report was approved by the Trustees on 8 November 2021 and signed on their behalf by:

A handwritten signature in dark ink, appearing to be 'S. Elmes', with a stylized, looping initial 'S' and a horizontal line extending to the right.

Rev. Stuart Elmes
Senior Minister

A handwritten signature in dark ink, appearing to be 'P. Adams', with a stylized, cursive 'P' and 'A'.

Paul Adams MBE
Secretary/Treasurer

Report of the Independent Examiners to the Trustees and Members of KBC

Charity number: 1131656.

On accounts for the Year Ended: 30 September 2021. Set out on pages: 15 - 27.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity'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,
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to 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 Charity 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 matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:


8 November 2021

Name:

Leanne Bott

Address:

43 Codenham Straight,
Basildon, Essex, SS16 5DJ



8 November 2021

Wilson Adu

57 Sparrows Herne,
Basildon, Essex, SS16 5HW

Relevant professional qualification(s) or body (if any) : FCCA (Wilson – 1433487)

:

Statement of financial activities for the year ended 30 September 2021

	note:	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2021 £	TOTAL 2020 £
Receipts							
Donations and legacies	2	144,267	24,618	65,893	0	234,778	201,367
Investment income	3	365	0	0	0	365	754
Church activities	4	0	0	0	0	0	698
Other receipts	5	2,508	0	2,500	0	5,008	250
Total		147,140	24,618	68,393	0	240,151	203,069
Payments							
Charitable activities	6-10	(139,275)	(29,462)	(55,099)	0	(223,836)	(187,399)
Total		(139,275)	(29,462)	(55,099)	0	(223,836)	(187,399)
Net Income / (expenditure)		7,865	(4,844)	13,294	0	16,315	15,670
Transfer between funds	11	(4,153)	4,153	0	0	0	(0)
Other recognised gains (loses) net gains (loses) on the revaluation of fixed assets	12	1,199				1,199	1,653
Net movement in funds		4,911	(691)	13,294	0	17,514	17,323
Reconciliation of funds							
Totals funds brought forward	17-19	635,539	40,414	42,382	0	718,335	701,012
Total funds carried forward		640,450	39,723	55,676	0	735,849	718,335

Balance Sheet for Year Ending 30 September 2021

	note:	Total Funds 2021	Total Funds 2020
Fixed Assets:			
Tangible assets	12	585,034	583,835
<i>Total fixed assets</i>		<u>585,034</u>	<u>583,835</u>
Current assets:			
Debtors	13	0	1,400
Cash at bank in hand	14	150,815	134,500
<i>Total current assets</i>		<u>150,815</u>	<u>135,900</u>
Liabilities:			
Creditors: amount falling due within one year	15	0	10,181
<i>Net current assets or liabilities</i>		<u>150,815</u>	<u>125,719</u>
<i>Total assets less current liabilities</i>		735,849	709,554
Creditors: amount falling due after more than one year	16	0	39,804
<i>Net assets or liabilities excluding pension asset or liability</i>		<u>735,849</u>	<u>669,750</u>
<i>Defined benefit pension scheme asset or liability</i>	21	(43,747)	(51,454)
Total net assets or liabilities		<u>692,102</u>	<u>618,296</u>
Charity Funds			
Restricted funds	20	55,676	42,382
Unrestricted funds (inc fixed assets £585,034)	20	640,450	635,539
Designated funds	20	39,723	40,414
<i>Total unrestricted funds</i>		680,173	675,953
Total charity funds		<u>735,849</u>	<u>718,335</u>

The notes on pages 18 to 27 form an integral part of the accounts.

The accounts were approved by the Trustees on 8 November 2021 and signed on their behalf.



Rev. Stuart Elmes
Senior Minister



Mr. Paul Adams MBE
Treasurer & Secretary

Notes to the financial statements for year ending 30 September 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

1.2 Donations and Legacies

Income is accounted for gross when received.

1.3 Investment Income

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

1.4 Fund raising and publicity costs

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

1.5 Grants payable

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

1.6 Governance costs

This represents direct expenditure on the governance of KBC. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their services.

1.7 Fixed Assets

Freehold land and buildings are held at open market value. All other assets in KBC's premises are stated at cost less accumulated depreciation.

1.8 Depreciation

Depreciation has not been charged on the Church or Manse premises, because in the opinion of the managing Trustees, the residual value of the asset is not less than the original cost price.

Depreciation on other fixed assets is calculated as follows:

Fixtures and fittings	25% per annum on a reducing basis
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1.9 Restricted Funds

Restricted funds, for example our Enlarging our Tent Fund, are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.10 Designated Funds

The funds relate to monies set aside to be applied as the Trustees decide, for example providing grants to charities. Although 'designated' they are unrestricted in use. Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

1.11 Transfer between unrestricted, designated and restricted funds during the year

Designated funds – the balance fluctuates during the year as grant payments to the charities are made from the tithe allocation.

Restricted Fund – the balance fluctuates during the year as a result of mortgage repayments, reducing the outstanding liability.

1.12 Pensions

KBC 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 Trust (Baptist Pension Trust Limited).

KBC's contributions to the Baptist Union defined benefit and defined contributions pension arrangements are accounted for in the year in which they are incurred.

1.13 Rounding

All individual figures and totals are rounded to the nearest British Pound.

2. Donations & legacies receipts

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Offering and Gifts	120,515	20,426	63,083		204,024	169,686
Gift Aid Refunds	23,752	4,192	2,810		30,754	31,681
Total	144,267	24,618	65,893	0	234,778	201,367

3. Investments

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Bank Interest	365				365	754
Total	365	0	0	0	365	754

4. Church activities

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Bereavement Training					0	236
Raindrops					0	462
Total	0	0	0	0	0	698

5. Other receipts

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Rental income received	150				150	250
HMRC Furlough payments	2,358				2,358	
Church House windows grant			2,500		2,500	
Total	2,508	0	2,500	0	5,008	250

6. Analysis of grants

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Baptist Missionary Society		6,000			6,000	6,000
Baptist Union (GB)		6,000			6,000	6,000
Home Mission						
Cry in the dark - Romania		1,335	165		1,500	1,364
EARE Ministries - India		1,210	40		1,250	1,577
Grace to Heal (Zimbabwe Pastors)		1,200			1,200	1,200

LAMA Ministries		1,200		1,200	1,420
Wycliffe Bible Translators		1,200		1,200	1,200
Open Doors				0	2,000
Release International			30	30	2,864
Winter Gardens BC				0	4,000
World Vision	274			274	273
St Lukes			50	50	0
Project 58				0	75
BMS Birthday				0	141
School Team Ministry		1,000		1,000	0
Love Purfleet		1,000		1,000	0
Total	<u>274</u>	<u>20,145</u>	<u>285</u>	<u>0</u>	<u>20,704</u>
					<u>28,114</u>

In the opinion of the managing trustees no grant has an expectation of future funding as these commitments are agreed by KBC annually and may be withdrawn at any time.

7. Analysis of support costs

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Administration	420	34			454	527
Legal & Professional					0	1,980
Total	<u>420</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>454</u>	<u>2,507</u>

Administration = ChurchSuite fee and website fee; bank charges for international payments

Legal & Professional = Architect fees

8. Direct costs

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Administration	2,404				2,404	3,144
Children and Youth	1,456				1,456	2,089
Evangelism					0	108
Fabric	4,740				4,740	9,014
Utilities	2,638				2,638	2,979
Insurance	3,545				3,545	0
Manse & Ministry	29,329				29,329	30,901
Hospitality & Catering	158				158	737
Pastoral	355		135		490	1,212
Public Worship	1,322				1,322	2,790
Social Action	273				273	603
Teaching and Training	599				599	606
World Mission					0	626
Student Fees for Minister in Training		9,283			9,283	4,048
Mortgage repayments			52,179		52,179	14,681
Church house windows	3,250		2,500		5,750	0
Live Stream costs	3,560				3,560	0
Total	<u>53,629</u>	<u>9,283</u>	<u>54,814</u>	<u>0</u>	<u>117,726</u>	<u>73,538</u>

9. Staff costs and Trustees' expenses

Staff costs

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Salaries	67,829				67,829	66,090
National Insurance - employer	1,636				1,636	1,999
Pension Costs	14,962				14,962	14,643
Total	84,427	0	0	0	84,427	82,732

Trustee costs

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Expenses					0	0
Total	0	0	0	0	0	0

Average number of employees during the year: 4

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

No payments were made to the Trustees for their work as Trustees (2020 – none). Trustees were reimbursed for purchases, supported by receipts, made on behalf of KBC for KBC activities. These are not considered benefits and are not included here.

KBC is heavily reliant on its membership serving as volunteers in all aspects of leadership and KBC activities, many of which run with minimal impact on KBC's expenditure, but nevertheless contribute substantially to the achievement of KBC's objectives.

Payments to Trustees

Direct payments to employees:-

Rev. Stuart Elmes, Senior Minister £31,171 (excludes employer NIC)

The Minister acts as one of KBC's Trustees and receives remuneration (as shown above) and other benefits in respect of his service as Minister, including the provision of manse accommodation owned by the church.

Nicholas Braithwaite, Minister in Training, £29,915 (excludes employer NIC)

The Minister acts as one of KBC's Trustees and receives remuneration (as shown above) and other benefits in respect of his service as Minister, including the provision of manse accommodation rented by the church from the Minister.

Paul Adams MBE, Office Manager and support to Trustees, £10,835 (excludes employer NIC). The appointment to office manage and support to Trustees was via an open competition and prior to his appointment as Trustee. An employment contract is in place for 16 hours per week and he receives remuneration in accordance with this.

David Barnes, cleaner, £3,429 (excludes employer NIC). An employment contract is in place for 6 hours per week and he receives remuneration in accordance with this.

Payments to individuals / companies / organisations / charities with which a Trustee has an interest.

None.

The Church pays pension contributions for its Minister to the Baptist Ministers Pension Trust Limited, which is a final salary defined benefit scheme, which is not contracted out of the State second pension. The scheme is a multi-employer scheme, and it is not possible to identify the assets and liabilities of the scheme which are attributable to the church. Therefore, in accordance with FRS102 Section 28, the scheme is accounted for as a defined contribution scheme.

10. Governance costs

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Independent Examination Fee	0				0	0
Other financial services - payroll fees	525				525	508
Total	<u>525</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>525</u>	<u>508</u>

11. Gross transfer between funds

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Transfer from Student Loan to General		(5,847)			(5,847)	0
Transfers to General from Student Loan	5,847				5,847	0
Transfers from General to Enlarging our Tent	(10,000)				(10,000)	0
Transfers to Enlarging our Tent		10,000			10,000	0
Transfer from Building Fund to Enlarging our Tent			(11,595)		(11,595)	0
Transfer to Enlarging our Tent from Building Fund			11,595		11,595	0
Total	<u>(4,153)</u>	<u>4,153</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

12. Tangible assets – analysis of opening and closing carrying amounts

	Freehold land and buildings	Fixtures, fittings and equipment	Total 2021	Total 2020
Cost or valuation				
At beginning of year	582,182	1,653	583,835	582,182
Additions		2,150	2,150	2,204
Deposals			0	0
Revaluations			0	0
Transfers			0	0
At end of year	<u>582,182</u>	<u>3,803</u>	<u>585,985</u>	<u>584,386</u>
Depreciation and impairments				
At beginning of year			0	0
Additions		951	951	551
Disposals			0	0
Revaluations			0	0
Transfers			0	0
At end of the year	<u>0</u>	<u>951</u>	<u>951</u>	<u>551</u>
Net book value at beginning of year	<u>582,182</u>	<u>1,653</u>	<u>583,835</u>	<u>582,182</u>
Net book value at end of the year	<u>582,182</u>	<u>2,852</u>	<u>585,034</u>	<u>583,835</u>

All of the fixed assets are used for direct charitable purposes.

The Baptist Union Corporation Limited is the Custodian Trustee and freehold owner (in trust for KBC, who act as Managing Trustees) of the church premises and the two manses.

The value of the KBC premises at Codenham Straight has not been assessed since it was purchased in 1959 for £800. A reinstatement cost assessment was undertaken in January 2013, when it was assessed at £943,000. The insurance value as at September 2021 is £1,515,792.

Manse 1, used as an office and children's meeting center – revalued at £285k as at 31 August 2017, based on local estate agent valuation.

Manse 2, occupied by Senior Minister – purchased on the open market at £210,000 in September 2013 and revalued at £295k as at 31 August 2017, based on local estate agent valuation.

13. Debtors

	2021	2020
Pastoral Loan	0	1,400
Total	<u>0</u>	<u>1,400</u>

14. Cash at bank in hand

	2021	2020
Barclays Bank	20,727	24,500
BU Corporation - 7 day deposit account	50,000	50,000
BU Corporation - 3 month deposit account	80,088	60,000
Total	<u>150,815</u>	<u>134,500</u>

15. Creditors: amounts falling within one year

	2021	2020
Loans and overdrafts	0	10,181
Other creditors	0	0
Total	<u>0</u>	<u>10,181</u>

16. Creditors: amounts falling after more than one year

	2021	2020
Baptist Union Loan	0	39,804
Other creditors	0	0
Total	<u>0</u>	<u>39,804</u>

17. Restricted Funds

	01-Oct-20	Receipts	Payments	Transfers	30-Sep-21
Building and Development fund	6,485	57,289	(52,179)	(11,595)	0
Enlarging our Tent (New Build) Fund	33,856	8,364		11,595	53,815
Cry in the Dark	45	120	(165)		0
Pastoral Support	800	10	(135)		675
Release International	30		(30)		0
Tuesday Jubilees (Tesco bags)	1,166				1,166
St Lukes	0	50	(50)		0

Church House Windows	0	2,500	(2,500)	0
EARE Ministries - India	0	60	(40)	20
Total	42,382	68,393	(55,099)	0
				55,676

KBC has two main restricted funds, our original Building and Development Fund which we closed when our mortgage was fully repaid and our Enlarging our Tent Fund (formerly New Build Fund), but others are created as the need arises if restricted gifts are received.

Building and Development Fund (closed when our mortgage was fully repaid) – Money donated by members of the fellowship to be used specifically towards the repayment of our mortgage loan (phase 1 of the building project was to purchase a new manse in September 2013) and towards the purchase of a new building including planning application (phase 2 of the building project).

Enlarging our Tent Fund (formerly New Build Fund) – having allowed the planning permission to lapse the church membership agreed to create a new fund and transfer the remaining balance from the New Build Fund to Enlarging our Tent recognising that any previous donations would still fall within the new remit of the Enlarging our Tent Fund, which had been agreed as:

'costs associated with developing our current estate (site) as we grow our building footprint to make more physical space to accommodate people', this specifically includes but is not restricted to costs relating to:

- Design, Planning, Building
- Internal fittings eg, decorating and equipping the space

Legacies fund - Whilst occasionally legacies are given for a specific purpose they are usually given for the work of the Church. However, the Church Meeting votes to decide a) that the legacy be kept separate from the normal income until b) a decision is made as to what purpose the legacy will be used for.

18. Unrestricted Funds

	01-Oct-20	Receipts	Payments	Transfers	30-Sep-21
General Fund	51,704	147,140	(139,275)	(4,153)	55,416
Manse Properties and assets	583,835			1,199	585,033
Total	635,539	147,140	(139,274)	(2,955)	640,449

19. Designated Funds

	01-Oct-20	Receipts	Payments	Transfers	30-Sep-21
Enlarging our Tent (New Build) Fund	24,596	0	0	10,000	34,596
Mission fund – Grant paym'ts	688	24,618	(20,179)		5,127
Student Fees	15,130	0	(9,283)	(5,847)	0
Total	40,414	24,618	(29,462)	4,153	39,723

The charity holds a number of designated funds that represent donations for particular areas of charity work or specific projects undertaken. The purposes of the funds held are as follows:

Building and Development Fund (closed when our mortgage was fully repaid) – Funds set aside by the Trustees to be used specifically towards its purpose – see Restricted Funds section.

Enlarging our Tent Fund (formerly New Build Fund) – Funds set aside by the Trustees to be used specifically its purpose – see Restricted Funds section.

Student fees (closed following our final payment of student fees) – these are funds that the Trustees have put to one side to meet the future needs of our Minister in Training college fees for the remainder of his course.

Mission Funds – in addition to some specific and restricted gifts received towards charitable organisations, KBC Trustees set aside 15% of their income (tithe) for the Mission Fund. The individual monthly grant allocations are capped at £1,500pm with any 'excess' tithe to be distributed by the World Mission Team.

This supports the following charities:

- 1/3 (£500pm) to Baptist Missionary Society
- 1/3 (£500pm) to Home Mission (Baptist Union)

The remaining 1/3 is split equally (ie £100pm each) to:

- Cry in the dark – Romania
- EARE Ministries - India
- Grace to Heal (Zimbabwe Pastors)
- LAMA Ministries
- Wycliffe Bible Translators

The World Mission Team will make grant payments to charities on an as and when basis from the remaining funds held in the Mission Fund.

20. Analysis of net assets between funds

	Unrestricted	Designated	Restricted	Endowment	2021	2020
Fixed assets	585,034				585,034	583,835
Current assets	55,416	39,723	55,676		150,815	134,500
Current liabilities	0				0	(10,181)
Long term liabilities	0	0			0	(39,804)
Total	640,450	39,723	55,676	0	735,849	668,350

21. Pensions

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.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

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 contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

The Ministers and some members of the church staff are eligible to join the Scheme.

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 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 plc. Members of the Basic Section pay reduced contributions of 5% of Pensionable

Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

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 2020

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2020 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 Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme pension	2.70

- Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2020 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% 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 dated 30 September 2021, deficiency contributions are payable until 30 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. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2021 and 31 December 2021.

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):	30 September 2021	30 September 2020
Balance sheet liability at year start	£51,454	£83,638
Minus deficiency contributions paid	-£7,443	-£7,287
Interest cost (recognised in SoFA)	£191	£1,200
Remaining change to balance sheet liability* (recognised in SoFA)	-£455	-£26,098
Balance sheet liability at year end	£43,747	£51,454

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

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	30 September 2021	30 September 2020	30 September 2019
Discount rate	1.1%	0.4%	1.5%
Future increases to Minimum Pensionable Income	3.9%	3.1%	3.4%

22. Children and youth clubs' accounts

The following figures (as at 30.9.21) are the balances held by the children and youth clubs and other activities of KBC. However, these accounts are not managed by KBC Trustees and are included for information only.

FABGABS on Friday - £383.50

Encounter - £14

Hub - £1,271.12

Raindrops - £256.81

Tuesday Jubilees - £242.63

