

MILFORD BAPTIST CHURCH CIO
Registered Charity number 1193261

**REPORT OF THE TRUSTEES &
FINANCIAL STATEMENTS**

YEAR ENDED 30 SEPTEMBER 2024

MILFORD BAPTIST CHURCH CIO
REPORT OF THE TRUSTEES & FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

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**MILFORD BAPTIST CHURCH CIO
REPORT OF THE TRUSTEES
YEAR ENDED 30 SEPTEMBER 2024**

1

The trustees present their report and financial statements for the year ended 30 September 2024.

The trustees have adopted the provisions of 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 (FRS102) (effective 01 January 2019).

Objectives and Activities

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

Principal activities during the period ended 30 September 2024 included the following:

- Weekly services including worship, prayer, bible study, preaching and Holy Communion;
- Regular and varied home group meetings for bible study and learning, prayer, fellowship and mutual support;
- Annual Carols by Candlelight community service at Christmas;
- Regular and varied youth group meetings and activities for all age groups from 8 - 18;
- Residential trip to Spring Harvest at Minehead for young teen age group;
- Regular toddler group meetings providing social contact and support for local young mums with their toddlers;
- Regular 'family friendly' events at Easter, Christmas and high summer;
- Family & youth funtime pitches at the annual Milford Village Fete in June;
- Pastoral support as possible for members in need;
- Varied charitable giving, activity and support;
- Varied outreach initiatives and activity;
- Regular prayer group meetings;
- Regular music group meetings and worship;
- Monthly leadership meetings;
- Quarterly meetings of the church membership.

From time to time, some of the above activities were conducted by way of remote, online meeting facilities, subject to necessity or practicality.

Financial and volunteer support from trustees, members and the wider congregation are central and critical to the principal activities, operation and achievements of the Church.

The trustees have complied with their duty under the 2011 Charities Act to have due regard to general guidance published by the Charity Commission with respect to public benefit.

Achievements and performance

The CIO pursued its stated objectives through delivery of its principal activities.

The Trustees are satisfied with the performance of the CIO during the period.

The appointment of a full time minister most suited to the needs of the Church was made, commencing 15 August 2024.

Financial review

During the period under review the CIO generated a total income of £74,658 (2023: £81,863) and realised a surplus of £5,815. (2023: £30,429). The income and surplus for 2024 and 2023 should be considered atypical due to the absence of a resident minister and the consequent letting of the manse through much of the year. The annual cost of a full-time minister and no manse rental income would more likely result in an operating deficit of approximately £35,000, which might ordinarily be anticipated for the year ending 30 September 2025, following the appointment of a full time minister with effect from mid-August 2024.

At 30 September 2024 the CIO had total reserves carried forward of £693,272 (2023: £687,457) representing net assets & liabilities as at that date. Of that total £162,718 (2023: £164,308) represents general unrestricted funds and £530,554 (2023: £523,149) represents funds financing the CIO buildings, £172,491 (2023: £172,491) representing the Church building and £358,063 (2023: £350,658) representing the Church manse.

Full details of all income and expenditure arising during the period and the financial position of the CIO at 30 September 2024 are given by the financial statements following this report which the Trustees have approved.

**MILFORD BAPTIST CHURCH CIO
REPORT OF THE TRUSTEES (continued)
YEAR ENDED 30 SEPTEMBER 2024**

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Reserves policy

The Trustees have determined the minimum level of general reserves (that is funds that are freely available, excluding restricted and designated reserves) which would ideally be held by the CIO and should be sufficient to cover routine expenditure for a period of at least three months together with a provision for unexpected or emergency expenditure. Notionally, this figure is currently set at £35,000.

Unrestricted cash balances at 30 September 2024 were £159,702 (2023: £161,607) which is well in excess of this figure. However, the Church has deliberately accumulated funds in order to fully fund the appointment of a full time minister for the medium term.

Structure, Governance and Management

The Church has operated as a Charitable Incorporated Organisation (CIO) since 10 November 2021. Activities and management are governed by a detailed constitution which is approved by the Baptist Union and filed with the Charity Commission. Management is the responsibility of the Trustees who are elected by the Church membership under the terms of the constitution. All major decisions are voted on by Church members either at quarterly general meetings or special meetings.

The trustees have considered the principal risks to which the CIO is exposed and are satisfied that appropriate systems are in place to mitigate these risks. The principal risks and uncertainties identified are potential liabilities arising from operating the Church buildings, from injury and harm to individuals involved in the various Church activities and financial risk from expenditure exceeding income levels. These risks are mitigated by various policies and procedures in place, insurance policies and the maintenance of financial reserves.

Reference and Administrative Details

Charity name: Milford Baptist Church
Registered charity number: 1193261
Principal address: Baptist Church Hall, 15 New Road, Milford, Godalming, GU8 5BE

Trustees:	D Coombes	Resigned 22 October 2023
	M Dunford	
	P Herring	Resigned 22 October 2023
	A Kelland	Appointed 22 October 2023, resigned 09 May 2024
	L Lewis	Re-appointed 27 October 2024
	I Lewzey	Appointed 22 October 2023
	D R Lucas	Resigned 22 October 2023
	B E Pollard	Secretary Resigned 22 October 2023
	E Stanton	Secretary Re-appointed 27 October 2024

Minister: R Watson Appointed 15 August 2024

Moderator: S Bodington Resigned 27 October 2024

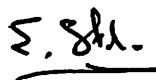
Independent Examiner: Lucas & Co, Chartered Certified Accountants, 11 Church Street, Godalming, GU7 1EQ

Property Trustees: The Baptist Union Corporation Limited, Baptist House, 129 Broadway, Didcot, OX11 8RT

Bankers: CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ

Approved by the Trustees and signed on their behalf by:

E Stanton
Secretary



M Dunford
Trustee



Date: 09 May 2025

**MILFORD BAPTIST CHURCH CIO
REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES
YEAR ENDED 30 SEPTEMBER 2024**

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**Report of the Independent Examiner to the Trustees of Milford Baptist Church CIO
on the accounts for the year ended 30 September 2024**

Respective responsibilities of Trustees and Examiner

The CIO's Trustees are responsible for the preparation of the accounts under the requirements of the Charities Act 2011 (the Charities Act). The CIO's trustees consider that an audit is not required for this year under section 144 of 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 CIO and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that, in any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by or on behalf of the Examiner

PJ L

P J Lucas FCCA
Lucas & Co
Chartered Certified Accountants
11 Church Street, Godalming, Surrey, GU7 1EQ

Date: 27th May 2025

**MILFORD BAPTIST CHURCH CIO
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024**

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STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted funds £	2024 Total funds £	2023 Total funds Unrestricted £
Charitable Income				
Donations and gifts	2	53,886	53,886	57,951
Charitable activities	3	16,714	16,714	21,739
Bank interest receivable		4,058	4,058	2,173
Total		74,658	74,658	81,863
Charitable Expenditure				
Ministry costs	4	22,258	22,258	12,811
Administration costs	5	1,977	1,977	2,503
Establishment costs	6	31,463	31,463	16,194
Manse costs	7	4,494	4,494	1,951
Charitable giving	8	8,651	8,651	17,975
Total		68,843	68,843	51,434
Net surplus/(deficit)		5,815	5,815	30,429
Other fund movements		-	-	-
Net movement in funds		5,815	5,815	30,429
Reconciliation of funds	13			
Total funds brought forward		687,457	687,457	657,028
Net movement in funds		5,815	5,815	30,429
Total funds carried forward		693,272	693,272	687,457

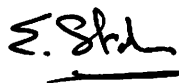
**MILFORD BAPTIST CHURCH CIO
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024**

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BALANCE SHEET

	Notes	2024 £	2023 £
Fixed assets	10	<u>530,554</u>	<u>530,554</u>
Current assets			
Debtors	11	3,976	4,279
Cash at bank		<u>159,702</u>	<u>161,607</u>
		163,678	165,886
Creditors			
Amounts falling due within one year	12	<u>(960)</u>	<u>(8,983)</u>
Net current assets		<u>162,718</u>	<u>156,903</u>
Total assets less current liabilities		693,272	687,457
Creditors			
Amounts falling due after more than one year		-	-
Net Assets		<u>693,272</u>	<u>687,457</u>
Fund balances			
Unrestricted General Fund	13	162,718	164,308
Unrestricted Buildings Fund	13	<u>530,554</u>	<u>523,149</u>
Total funds		<u>693,272</u>	<u>687,457</u>

E Stanton
Secretary



M Dunford
Trustee



Date: 09 MAY. 2025

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) '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 01 January 2019)', 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.

Income

All income is recognised once the charity has entitlement to the funds, their receipt is probable and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure and accounted for on an accruals basis where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable gifts and other general expenditures are accounted for when paid.

Loan interest

Loan interest is accounted for over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount of the debt as it reduces over time.

Pension costs

The Church pays pension contributions for its minister to the Baptist Pension Scheme, which is not contracted out for State Pension purposes. This is a defined contribution scheme and payments are accounted for in the year to which they relate. The Church also pays deficit contributions to the Baptist Pension Scheme in respect of its closed defined benefit plan. This scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Church. In accordance with the SORP (FRS 102) the scheme is therefore accounted for as a defined contribution scheme. Further details are set out in the notes to the financial statements.

Taxation

The charity is exempt from tax on its charitable activities.

Tangible Fixed assets

Tangible fixed assets comprise the church buildings and the manse and are carried at historic cost. Depreciation is not provided as the trustees consider that the current market value of these properties significantly exceeds the cost at which they are held within the financial statements.

Fixtures, fittings and equipment are capitalised where their acquisition cost is considered significant. Depreciation is provided at annual rates to write off assets over their estimated useful life.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

Going Concern

The trustees are satisfied that there is no material uncertainty regarding the Church's ability to continue as a going concern for at least twelve months from the date of approval of these financial statements. Accordingly the financial statements have been prepared on the going concern basis.

**MILFORD BAPTIST CHURCH CIO
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024**

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NOTES TO THE FINANCIAL STATEMENTS

2 Income from donations and gifts	2024	2023
	£	£
Donations and gifts	45,380	48,369
Gift Aid recoverable	8,506	9,582
	<u>53,886</u>	<u>57,951</u>

3 Income from charitable activities	2024	2023
	£	£
Manse rental income	16,714	21,739
Contributions towards premises costs	-	-
	<u>16,714</u>	<u>21,739</u>

The Manse was let to private tenants on commercial terms for 8 months (2023: 12 months) - Note 7
Stepping Stones Nursery makes contributions towards premises costs as funds allow - Note 16

4 Ministry costs	2024	2023
	£	£
Moderator costs and expenses	4,823	3,362
Minister stipend and expenses	6,460	-
General ministry costs and training	3,110	1,590
Outreach and development	2,078	2,138
Youth costs	3,594	3,841
Other groups and resources	2,193	1,880
	<u>22,258</u>	<u>12,811</u>

Note 9

5 Administration costs	2024	2023
	£	£
Postage, printing and stationary	71	371
Telephone and broadband	716	764
General expenses	650	343
Independent Examiner fees	480	960
Bank charges	60	65
	<u>1,977</u>	<u>2,503</u>

NOTES TO THE FINANCIAL STATEMENTS

6 Establishment costs	2024	2023
	£	£
Repairs and maintenance	19,399	5,449
Lighting and heating	9,487	8,362
Insurance	2,332	2,207
Water rates	245	176
	<u>31,463</u>	<u>16,194</u>
7 Manse costs	2024	2023
	£	£
Mortgage interest	710	1,014
Repairs and maintenance	2,125	-
Council tax	638	-
Insurance	1,021	937
	<u>4,494</u>	<u>1,951</u>

The Manse was let to private tenants on commercial terms for 8 months (2023; 12 months) - Note 3
It became fully occupied by the new minister and family from mid August 2024

8 Charitable giving		2024	2023
		£	£
Mechanics for Africa	Note 16	6,200	11,500
Compassion UK		1,576	1,400
Stepping Stones	Note 16	-	2,000
Disasters relief		-	900
Other charitable and pastoral gifts		875	2,175
		<u>8,651</u>	<u>17,975</u>

NOTES TO THE FINANCIAL STATEMENTS

9 Staff costs, Trustees' remuneration and expenses	2024 £	2023 £
Minister stipend and expenses		
Minister stipend	3,690	-
Employers National Insurance	-	-
Employers pension contributions	302	-
Employers payroll compliance costs	68	-
Minister expenses	2,400	-
	<u>6,460</u>	<u>-</u>
Manse running costs	810	-
	<u>7,270</u>	<u>-</u>

Dr Rachel Watson was appointed as the Church's full time minister with effect from 15 August 2024
A non-separable part of the role of the minister is to act as Chair of Trustees of the Church
A significant part of the minister's overall remuneration is the provision of accommodation within the Church manse, the relevant running costs of which are shown above. The attributable pensionable benefit of that accommodation for the relevant period was £952.

There were no other employees of the Church during the year other than the minister

Trustees' remuneration and expenses
During the year L Lewis was paid £1,275 (2023: £360) for cleaning services, provided on a self-employed basis and in full compliance with the requirements of the CIO constitution.
A total of £2,771 (2023: £106) was reimbursed to L Lewis in respect of church fabric & maintenance expenses and youth resource costs.

A total of £1,141 (2023: £776) was reimbursed to three (2023: two) other trustees in respect of software licences, ministry expenses and music group resources.

No other trustees received any remuneration or reimbursed expenses

NOTES TO THE FINANCIAL STATEMENTS

10 Tangible Fixed Assets

	Historic cost £	Insured value £	Estimated market value £
Church premises			
Original sanctuary	38,107		
Extension	134,384		
	<u>172,491</u>	<u>1,879,151</u>	<u>1,500,000</u>
Church Manse	<u>358,063</u>	<u>639,387</u>	<u>750,000</u>
Total at 30 September 2024	<u>530,554</u>	<u>2,518,538</u>	<u>2,250,000</u>
Total at 30 September 2023	<u>530,554</u>	<u>2,455,909</u>	<u>2,250,000</u>

The Church is the beneficial owner (subject to trust) of the Church Premises and the Church Manse, the legal title to which is held by the Church's custodian trustee, the Baptist Union Corporation Limited.

Church fixtures, fittings and equipment are considered to have no realisable value of any significance, but had an insured replacement value at 30 September 2024 of £83,222 (30 September 2023: £81,193).

11 Debtors	2024 £	2023 £
Other debtors	<u>3,976</u>	<u>4,279</u>
	<u>3,976</u>	<u>4,279</u>
12 Creditors	2024 £	2023 £
Amounts falling due within one year		
Mortgage loans	-	7,405
Other creditors and accruals	<u>960</u>	<u>1,578</u>
	<u>960</u>	<u>8,983</u>

The mortgage loans were secured upon the Church Manse and were in the name of the Baptist Union Corporation Limited, held on behalf of Milford Baptist Church CIO.

The loans were repayable by monthly instalments with final repayment made in July 2024.

At July 2024 the interest rate was 8.74% (2023: 8.74%) (3.49% over Bank Base Rate).

NOTES TO THE FINANCIAL STATEMENTS

13 Funds and reserves	Unrestricted General Fund £	Unrestricted Premises Fund £	Restricted funds £	Total funds £
Total funds at 01 October 2022	142,418	514,610	-	657,028
Net movement in funds - 2022/23	30,429	-	-	30,429
Transfer between funds	(8,539)	8,539	-	-
Total funds at 30 September 2023	164,308	523,149	-	687,457
Net movement in funds - 2023/24	5,815	-	-	5,815
Transfer between funds	(7,405)	7,405	-	-
Total funds at 30 September 2024	162,718	530,554	-	693,272

The Unrestricted General Fund represent the majority of the Church income and expenditure and can be used in accordance with the charitable objectives at the discretion of the trustees.

The Unrestricted Premises Fund is a fixed asset reserve, maintained (by transfer to or from general funds) at a level equal to the net book value of the church premises and church manse less the balance of the mortgage loan payable.

14 Analysis of Assets & Liabilities between Funds

	2024 £	2023 £
Unrestricted General Fund		
Gift Aid tax recoverable	3,976	4,279
Bank balances	159,702	161,607
Other creditors and accruals	(960)	(1,578)
Unrestricted General Fund	162,718	164,308
Unrestricted Premises Fund		
Church premises	172,491	172,491
Church manse	358,063	358,063
	530,554	530,554
Mortgage loans	-	(7,405)
	530,554	523,149

NOTES TO THE FINANCIAL STATEMENTS

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 the 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 Minister is eligible to join the Scheme.

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. The next actuarial valuation of the DB Plan within the Scheme was due not later than as at 31 December 2022. However, the DB Plan is to be wound up, and the process to wind it up was started with effect from 31 March 2024 and therefore no formal valuation is now due to take place.

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. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which contributions were payable until 2026.

On 30 June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and, following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022. These contributions ceased in November 2024, as the scheme was no longer in deficit. The outstanding deficiency contributions due under the Recovery Plan up to November 2024 are not considered material and therefore have not been included within the balance sheet.

Contingent liability - Cessation Event

Prior to August 2024, since the Church had no employee members of the Scheme it was subject to a cessation event under section 75 of the Pensions Act 1995 and was potentially liable for its proportion of the Scheme deficit applicable to its previous ministers who were members of the scheme, previously assessed at £47,700. On 04 February 2024 the Church signed a Deferred Debt Agreement with Baptist Pensions which deferred indefinitely payment of any cessation liability. Subsequently, as a consequence of the agreement with Just Group, the elimination of the Scheme deficit and the commencement of the winding-up of the Scheme DB Plan, all member churches were released from any cessation commitment with effect from 31 October 2024. Cessation event complexities have now fallen away and there is no longer any requirement to manage a cessation event should the Church cease to have any active members in the Scheme's DC Plan.

NOTES TO THE FINANCIAL STATEMENTS

16 Related party disclosures

Mechanics for Africa (MFA) is a separate charity which was established by Milford Baptist Church unincorporated charity. Trustee Peter Herring was also a trustee of MFA during the year. Other Church members also serve as trustees of MFA from time to time.

Donations of £6,200 (2023: £11,500) were made to MFA by the Church during the year (Note 8).

Stepping Stones Nursey School Milford (Stepping Stones) is a separate charity which was originally established by Milford Baptist Church unincorporated charity. Church members serve as trustees of Stepping Stones.

Stepping Stones operates from the Church premises and during the year made contributions of £Nil (2023: £Nil) towards premises running costs and overheads (Note 3).

A special donation of £Nil (2023: £2,000) was made to Stepping Stones by the Church during the year (Note 8).

Stepping Stones Nursery closed in December 2024 at the end of the Autumn term and ceased all operations.

The custodian Trustee of the Church is the Baptist Union Corporation Limited (charity number 249635) which is controlled by the Baptist Union Council. The Church is also a member of the Baptist Union of Great Britain, and the South Eastern Baptist Association.

All trustees and members of Milford Baptist Church CIO make significant contributions to the Church throughout the year, be it service, finance or both. The majority of the Church's charitable income from donations and gifts is contributed by Church members.