

Sound Church

England & Wales · Charity number 1072196

Details

Other names	CCC BATH & BRISTOL, CHRISTIAN CITY CHURCH BATH AND BRISTOL, FREEDOM-BATH, Sound Church Ltd, VINEYARD CHRISTIAN FELLOWSHIP OF BATH, FREEDOM BATH, Freedom Centre UK, Sound Church
Status	Registered
Legal form	Charitable company
Company number	03642766
Registered	1998-10-29
Register	View on the Charity Commission register

Contact

Address	Freedom House Lower Bristol Road Bath BA2 1EP
Phone	01225445577
Email	admin@soundchurch.co.uk
Website	www.soundchurch.co.uk

Activities

Objects: THE FURTHERANCE OF RELIGIOUS OR SECULAR PUBLIC EDUCATION;THE ADVANCEMENT OF THE CHRISTIAN FAITH INCLUDING MISSIONARY ACTIVITIES IN THE UNITED KINGDOM AND OVERSEAS AND ALSO INCLUDING BUT NOT LIMITED TO THE PLANTING OF NEW CHURCHES AND ORGANISATIONS OF CONGREGATIONS;THE RELIEF OF THE POOR AND NEEDY;THE RELIEF OF THE SICK AND ELDERLY;SUCH OTHER CHARITABLE OBJECTS AND FOR THE BENEFIT OF SUCH OTHER CHARITABLE BODIES AND INSTITUTIONS AS THE COMMITTEE SHALL IN THEIR ABSOLUTE DISCRETION SEE FIT;

Activities: The furtherance of religious or secular educationThe advancement of the Christian faith including missionary activities in the UK and abroad, including but not limited to planting other churches and organisation of congregations.The relief of the poor and needyThe relief of the sick and the elderlySuch other charitable objects for the benefits of such other charitable bodies as seen fit.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Arts/culture/heritage/science, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE IN BATH
- Bath And North East Somerset
- Bristol City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£908,748	£899,857	£2,234,288	14
2023-08-31	£893,620	£880,875	£2,225,397	15
2022-08-31	£791,884	£747,836	£2,212,652	14
2021-08-31	£769,439	£627,176	£2,168,604	15
2020-08-31	£560,432	£498,127	£2,026,341	15

Trustees

Name	Role	Appointed
Elizabeth de Thierry	Chair	2021-07-04
Alan McWilliam		2023-08-31
JONTY NEEDHAM		2012-02-01
Kirsten Renate Ottley		2022-04-11

Sound Church

England & Wales - Charity number 1072196

Accounts

Charity number: 1072196
Company number: 03642766
(England and Wales)

Sound Church Ltd
Report of the Trustees and Audited Financial Statements
For the year ended 31 August 2024

Sound Church Ltd
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Sound Church Ltd
Report of the Trustees including Directors report
For the year ended 31 August 2024

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 August 2024. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

OBJECTIVES AND ACTIVITIES

Objectives and aims

As Trustees we seek to ensure as a church we have considered the Commissions guidance on Public Benefit when planning our activities. Specifically with respect to the guidance on the advancement of religion. With this in mind the charities objects and principal activities are:

- The furtherance of religious education.
- The advancement of the Christian faith including missionary activities in the United Kingdom and overseas and also including but not limited to the planning of new churches and organisations of congregations.
- The relief of the poor and needy.
- The relief of the sick and elderly.
- Such other charitable objects for the benefit of such other charitable bodies and institutions as the committee shall in their absolute discretion see fit.

These objectives enable us to provide public benefit in various ways through the various activities of the charity.

Events are hosted and attended throughout the year to further the charities objects, including Sunday services, midweek meetings, social events and the Church Weekend Away in which the majority of the church go away to be strengthened and encouraged in their faith. These events are strategic in enabling people to connect with each other and with Jesus.

Missions are those activities where by the charity seeks to reach out to others helping to advance the Christian faith and or relieve poverty. A significant amount of our missions activities are through the provision of grants to individuals and charities who are undertaking work that contribute toward the objects of the charity as listed above. As well as giving to others we also run our own activities which also serve to reach out to the local and international community. These varied activities act to see the relief of poverty and the advancement of the Christian faith. Many of our small groups in church get involved in helping the communities they live in practical ways. With this in mind we work with social services to help some of the people most in need in our cities.

Activities seek to care for, support and help people to move on in their lives both practically and spiritually. These activities are carried out to bring relief to the poor and needy and the sick and elderly, those requiring emotional and spiritual support. The provision of pastoral support has been continued throughout the year by the Senior Pastor, assisted by members of the pastoral team. This has enabled us to help both people inside and outside of the church as they seek to move forward in their lives.

The core of the church's activities are found in its meetings, which are usually held on Sundays and many midweek evenings. These meetings are specifically aimed at teaching and growing people in their faith. Enabling them to help and encourage others in their daily life with Jesus and each other.

Our measures of success are as follows:

A) The local church:

- Have we grown numerically this year?
- Have we baptised people this year?
- How many children and YP come to the events that we put on for them.
- How many people have benefitted from our £1.50 lunch each week?
- How many people have attended our main 6 events?
- How many people have decided to follow Jesus?
- How many people are in groups and being disciplined?
- Are there testimonies of healing, transformation and breakthrough in people's lives?
- Has there been financial testimonies of super natural financial provision for the congregation members personally?

B) How much are we impacting the community in a positive way:

- How many uniform stalls have we run?
- How much uniform has been given away?
- How much food from the food bank have we given away?
- How many events have we run for the local community in a crisis such as a critical incident or training for local crisis teams?
- How many prom dresses or suits have we given away?

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Grant making

Mission is the generic term we give to gifts that we make to other organisations and individuals that furthers our charitable objects. When gifts are given the following criteria are always looked at before the gift is given:

- When giving to the organisation, the trustees decide which organisations and the amount to be given & whether this aligns with the mission and vision of Sound Church.

- As stated in the Trustees report, we aim to give at least 10% of our unrestricted income away in mission gifts and grants

Volunteers

We have approximately 145 volunteers who are a part of teams to enable to smooth running of events & services. Members volunteer in teams such as welcome teams, hosting, car parking, café, lunch teams, audio team, AV team, band, kids & youth clubs as well as the Uniform Cupboard, Grief Café and other social action response teams. The teams have meals and social times together, as well as training and meetings to enable the volunteer work to abide by all governance and policies.

We are intentional about providing volunteering opportunities as volunteering not only helps foster a sense of belonging in the community, it has been evidenced by researchers to be beneficial for mental health and well-being.

ACHIEVEMENTS AND PERFORMANCE

Significant activities

Throughout 2023-2024, Sound Church continue in the same vision to advance the Christian faith, provide relief to those in need in the church & community, and are working to support church leaders, missionaries, and frontline workers in the UK and around the world. In 2023 we self-published a book titled 'Jesus Heals', which was a collection of some of the 141 stories and significant testimonies of how Jesus had changed people's life during services & times of prayer in the previous few months.

In November we released our first worship song 'You are Worthy' from Sound Church Worship, and parallel instrumental version 'Breath' from Beyond Words MSC. The release of these songs was significant for us as a Church as they publicly reflected one aspect of how creativity is crucial to the character of God and specifically as a part of our mandate as a Church. The songs collectively received more than 56,000 streams across DSPs.

In addition to this, we had 800 people attend our Carol Service & Light shows throughout the weeks leading up to Christmas. 300 of these were Children from 3 different primary school around Bath, who attended our Kids Carol services where we were able to help them fulfil both the creative, and religious education curriculum requirement & advance the Christian faith by telling the story of the birth of Jesus at Christmas.

Over 1,000 items were given in our Christmas hampers campaign, with a total of 2,303 items given away across the Uniform Cupboard, and Hampers and The Wardrobe (prom dresses and suits). We have supported 11 schools, and specifically helped 231 families through our Community Impact projects this year,

Amongst other significant moments for Sound Church, we continued we held our annual conferences 'The Weekend Away' and our Men's & Women's conferences where there was opportunity for connection, prayer and teaching. Summer Socials in 2024 were also worthy of note, as we held multiple large gatherings in the park for games amongst well attended weekly prayer meetings, which provided great opportunity for connection during a holiday period.

Achievements against objectives

The Church has 470 people who are active members, with a regular Sunday attendance of 240 people in the morning service, with up to 110 people engaged in lunch and activities after church, and 60 people in the evening prayer meeting. Sound Church engaged with 64 Youth on Fridays, with around 200 people attending groups and other functions throughout the week. Whilst our active members reflected in the address book shows a decrease from the previous year, our regular Sunday attendance, those engaged with youth and people in groups has grown year on year. As discipleship is a crucial to our mission, numbers alone do not reflect the measure of this and the extent that we see transformation of individuals, and the impact on community.

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

FINANCIAL REVIEW

There was a net surplus on general funds for the year of £12,240, leaving unrestricted funds of £2,234,288 at 31st August 2024 (all unrestricted).

We run several significant events, such as our weekend away, as a main way to integrate people into the organization so that they feel a sense of belonging and feel known by others. Whilst it can be a financial risk to run larger events, the impact is positive, both for those who attend and the sense of stability of the organization and those who attend feeling that they know more people and are known by more people.

Significant events

Most significantly the charity saw a significant increase in interest paid on the mortgage during the reporting period with an increase of £34,577 on the previous year in line with the Bank of England interest rates. The trustees have monitored the increased costs and ensured financial planning has reflected the rises. The church continues to have regular mortgage reviews with Stewardship.

There have been no significant incidents that required reporting to the Charity Commission in the reporting period.

Principal funding sources

Funding is generated predominantly through tithes and offerings given to the church from its members and other organisations. As such a significant source of income is the Gift Aid claimed on peoples' gifts. In addition, the car park at Freedom House is let to a Trust who use it for their employees during the week and parts of Freedom House are let to another registered charity to carry out their work supporting the local community. The lease between Sound Church and the trust will end and be subject to review in advance of July 2025.

Reserves

It was decided by the Trustees of the church to hold in savings, non-restricted funds equivalent to at least one month's staff salaries as well as other outgoings in order to cover any unexpected shortfall in the giving to the Charity. Therefore, the Charity seeks to hold a minimum of £65,000 in reserve.

The Trustees realise the Church is short of this figure. Whilst the trustees seek to increase the church's reserves, they are also aware that the Leaders of the church may choose to call for a special offering to raise additional funds. A practice that has been used in the past (and by other churches) which is regarded as an offering in addition to normal tithes.

PLANS FOR FUTURE PERIODS

The future of the charity is to continue the morning services and evening prayer and healing nights, alongside continuing the excellent kids and youth programme and young adults and 40+ programmes. We have seen these take place successfully this year, and momentum is increasing both with numbers and enthusiasm.

Sound Church's plans to launch a Pastoral & Creative College in 2024 has been fruitful and received an encouraging number of applications with 9 students being accepted onto the programme, which begins in October 2024.

We will continue to provide support to pastors and their families as a Church, and Betsy de Thierry is working to create an evidence-based programme with the support of an educational institution to support such Senior Leaders and their families.

The social action arm of the church's projects are continuing to grow in momentum as many people in the city are beginning to come to the church when they are in need. This team has enabled many others to be a part of a positive team with a sense of purpose in helping others.

We have a 2 day training day for the Prayer & Ministry Team at Sound Church, where we expect to see 60+ people further equipped with more training.

In September 2024 we also plan to host an Alpha Course, which the church has been praying for & inviting friends to. Alongside this, we plan for our Christmas Carol & Light Show to be a significant focus for outreach by inviting friends and family to church who don't have a faith to come along.

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs E de Thierry
Mr JM Needham
Ms K Ottley
Mr A McWilliam
Mr J Inkster (appointed 11/9/23; resigned 4/5/24)

The Chair of Trustees appoints trustees with relevant business and/or church experience to serve as trustees for a period of normally at least 2 years. Trustees are active members or supporters of Sound Church.

Most Trustees are already familiar with the activities undertaken by the charity as commonly active members of or long term supporters of the church are selected for the role. Copies of the Memorandum and Articles of Association are made available and an overview of recent activities, obligations and plans are given to them at a meeting with the Chairman of the Trustees.

The charity is led by the lead pastor, Mrs E deThierry, with the support of the pastoral team. The church is part of wider church networks such as the Evangelical Alliance and Wave Church Network.

The board meet four or five times a year to administer the charity. They are not a board of elders and have no pastoral function, their role is to oversee the legal and financial aspects (governance) of the charity and to ensure compliance with statutory reporting requirements and that risks to which the charity is exposed are reviewed, minimised and managed accordingly. Mrs E de Thierry will present those plans which have a financial cost to the trustees who will advise and make recommendations on the best method of implementation or compliance.

Induction and training of trustees

Trustees are recruited to the Board with relevant experience to create a balance skillset across all the trustees. All new trustees are supplied with Charity Commission guidance on being an effective trustee and are provided training as needed.

Related parties

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium.

The charity also supports the Trauma Recovery Centre financially. Mrs E de Thierry is the founder and a Trustee of Trauma Recovery Centre.

Trauma Recovery Global Ltd is a limited company that provides professional support to members of the church. Mrs E de Thierry is director/shareholder of the company.

Pay policy for senior staff

Following the work that the trustees undertook in regards to assess and create an appropriate pay scale for Bath which has similarities to London pay, due to rising cost of house prices and cost of living in the area, the trustees increased pay for the majority of staff where appropriate, and created open dialogue with the staff who have been strongly encouraged to ask for help if they need it.

Risk management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The auditor, Caladine Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Sound Church Ltd
Charity registration number	1072196
Company registration number	03642766
Principal address	Freedom House Lower Bristol Road Bath BA2 1EP

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr JM Needham
Mrs E de Thierry
Ms K Ottley
Mr A McWilliam
J Inkster
(Appointed: 11 September 2023)
(Resigned: 04 May 2024)

Secretary

Mrs H Sell

Auditors

Caladine Ltd
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Accountants

Chippendale and Clark
7/8 Avon Reach
Chippenham
SN15 1EE

Bankers

HSBC
45 Milsom Street
Bath
BA1 1DU
Stewardship Services (UKET) Limited
1 Lambs Passage
London
EC1Y 8AB

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

RESPONSIBILITIES OF THE TRUSTEES

The Trustees, who are also directors of Sound Church Ltd for the purposes of Company Law are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommend practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees and signed on its behalf by

Betsy de Thierry

Mrs. E. de Thierry.....

12 May 2025

Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

Year Review

Sept 2023 – August 2024

2023

September

Heart & Soul
Marriage Course
Women's Breakfast
Youth Weekend Away
Freshers Lunches
Betsy spoke at Doorbreakers
Diamonds Conf.



October

Freshers Lunches cont.
Glow Party
Sound Church Worship Recording
Fuel Night
Uniform Cupboard
All Church International Bring & Share Lunch
Encounter Evening



November

Church Bonfire Night
Singles Released & Listening Party:
1. You Are Worthy (Sound Church
Worship)
2. Breath (Beyond Words MSC)
Men's Conference
Young Adults Thanksgiving
Wine & Cheese evenings
Encounter Evening



Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

December

Sound Church on Ice
Uniform Cupboard
Kids Carol Service
Carol Service
Nativity
Christingle
Made hampers for Children around Bath
in need



2024

January

Group Hub
YA Welcome Drinks
Heart & Soul
Baptisms
Alan McWilliam with us
Encounter Evening



February

Women's Conf
Kids Conference
Youth Day Away
Encounter evening
What Now Groups Started



Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

March

Kingdom Builders Evening
Rise & Build
Hosted the TRG Conference in the Sound Auditorium
Hosted a TRG Critical Response Meeting in the Sound Auditorium
Evening Service for Bath Half
Betsy spoke at Europoort Church International
Celebrating Women



April

Easter Sunday!
Uniform Cupboard & Community Afternoon
Sound Tots
Men's Overnight Trip
Care Team Training
Betsy spoke at CLC (City Life Church)



May

Young Families Soft Play
Youth Alpha Started
Group Leaders Hub
Weekend Away (24th- 26th)
Health & Safety Audit of Sound Church Buildings



Sound Church Ltd
Report of the Trustees including Directors report Continued
For the year ended 31 August 2024

June

First Wedding in the Auditorium
Uniform Cupboard
Celebrating Men
Encounter Afternoon



July

John Greenow with us
Summer Midweek Prayer Meetings
Youth went to 'The Send – UK' at Wembley
Summer of Fun begins!
Summer Socials:
Rounders in the Park & Youth Socials



August

Summer of Fun (incl. Thomas Trilby & Clare's Circus)
Summer of Speakers
BBQ After Church & Sunday Picnics in the Park
Summer Midweek Prayer Meetings
Uniform Cupboard
Rounders in the park with 60+ people, Golf, Family Bike Rides & Youth Socials



Independent auditors' report to the members of Sound Church Ltd

Opinion

We have audited the financial statements of Sound Church Ltd (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Sound Church Ltd Continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Independent auditors' report to the members of Sound Church Ltd Continued

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.



15 May 2025

John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)

For and on behalf of Caladine Limited

Chartered Certified Accountants

Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Sound Church Ltd
Statement of Financial Activities (including Income and Expenditure Account) Continued
For the year ended 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 £	2023 £
Income and endowments from:					
Donations and legacies	2	820,665	-	820,665	807,250
Charitable activities	3	57,098	-	57,098	55,646
Other trading activities	4	30,000	-	30,000	30,000
Investments	5	376	-	376	178
Other income	6	609	-	609	546
Total		908,748	-	908,748	893,620
Expenditure on:					
Charitable activities	7/8	(896,508)	(3,349)	(899,857)	(880,875)
Total		(896,508)	(3,349)	(899,857)	(880,875)
Net income/expenditure		12,240	(3,349)	8,891	12,745
Reconciliation of funds					
Total funds brought forward		2,222,048	3,349	2,225,397	2,212,652
Total funds carried forward		2,234,288	-	2,234,288	2,225,397

Sound Church Ltd
Statement of Financial Position
As at 31 August 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	14	4,126,790	4,202,285
		4,126,790	4,202,285
Current assets			
Debtors	15	19,070	22,601
Cash at bank and in hand		30,534	17,976
		49,604	40,577
Creditors: amounts falling due within one year	16	(109,737)	(101,325)
Net current assets		(60,133)	(60,748)
Total assets less current liabilities		4,066,657	4,141,537
Creditors: amounts falling due after more than one year	17	(1,832,369)	(1,916,140)
Net assets		2,234,288	2,225,397
The funds of the charity			
Restricted income funds	18	-	3,349
Unrestricted income funds		2,234,288	2,222,048
Total funds		2,234,288	2,225,397

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Betsy de Thierry

.....
Mrs E de Thierry
Trustee

12 May 2025

Sound Church Ltd
Statement of Cash Flows
For the year ended 31 August 2024

Cash flows from operating activities	2024	2023
Surplus for the year	8,891	12,745
<u>Adjustments for:</u>		
Investment income recognised in the statement of financial activities	(376)	(178)
Loss/(gain) on disposal of property, plant & equipment	(609)	(546)
Depreciation and impairment of property, plant & equipment	78,398	81,703
<u>Movements in working capital</u>		
Decrease / (increase) in trade & other receivables	3,531	(6,916)
(Decrease) / increase in Creditors & other payables	(2,966)	10,189
(Decrease) / increase in deferred income	(30,000)	(30,000)
Cash (absorbed by) / generated from operations	<u>56,869</u>	<u>66,997</u>
Investing activities		
Purchase of property, plant & equipment	(3,594)	(16,110)
Proceeds on disposal of property, plant & equipment	1,300	1,000
Investment income received	376	178
Net cash used in investing activities	<u>(1,918)</u>	<u>(14,932)</u>
Financing activities		
Proceeds of new bank loans	-	-
Repayment of bank loans	(42,394)	(70,218)
Net cash generated from financing activities	<u>(42,394)</u>	<u>(70,218)</u>
Net decrease in cash and cash equivalents	12,558	(18,153)
Cash and cash equivalents at beginning of year	17,977	36,130
Cash and cash equivalents at end of year	<u><u>30,535</u></u>	<u><u>17,977</u></u>

Sound Church Ltd
Notes to the Financial Statements
For the year ended 31 August 2024

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Sound Church Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Sound Church Ltd is a charitable company limited by guarantee incorporated in England and Wales.

These financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The Church is dependent upon the continued support of its congregation and its bankers to meet its on-going needs. The Trustees are confident that funding will continue to be forthcoming from the congregation members. Therefore, it is the opinion of the Trustees that the Church has adequate resources to continue its operational existence for the foreseeable future and the Trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation as unrestricted income.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities when received.

In July 2019 the charity received the sum of £180,000 from a local housing association as an advance payment for use of the charity's car park. The remaining amount is shown as deferred income on the balance sheet, with the income being recognised at a rate of £30,000 per year over the 6 year lease period to July 2025.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Taxation

The Trustees consider that none of the income of the charity is subject to UK taxation.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Fixed assets that cost over £500 are capitalised in the accounts.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property - 2% on a straight line basis
Fixtures, fittings and equipment - 25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

2. Income from donations and legacies

	2024	2023
	£	£
Unrestricted funds		
Donations received	820,665	807,250
	820,665	807,250

Comparative for Income from donations and legacies

	Unrestricted funds	Restricted funds	2023
	£	£	£
Donations received	791,237	16,013	807,250

3. Income from charitable activities

	2024	2023
	£	£
Unrestricted funds		
<i>Advancement of Christian faith</i>		
Sales of Christian Resources	1,161	1,365
Cafe income	5,934	4,181
Youth & Student work income	5,231	7,618
Rental Income (Freedom House)	19,201	19,200
Other income	25,571	23,282
	57,098	55,646
	57,098	55,646

The rental income (Freedom House) received of £19,201 includes £14,400 that were gifts in kind (2023: £3,200)

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

4. Income earned from other activities

	2024	2023
	£	£
Unrestricted funds		
Letting of Car Park	30,000	30,000
	30,000	30,000
	30,000	30,000

5. Investment income

	2024	2023
	£	£
Unrestricted funds		
Bank interest receivable	376	178
	376	178
	376	178

6. Other income

	2024	2023
	£	£
Unrestricted funds		
Gain / loss on disposal of assets	609	546
	609	546
	609	546

7. Costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2024	2023
	£	£	£	£
Advancement of Christian faith	471,155	-	471,155	459,294
Support costs	425,353	3,349	428,702	421,581
	896,508	3,349	899,857	880,875
	896,508	3,349	899,857	880,875

Comparison for costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2023
	£	£	£
Advancement of Christian faith	459,294	-	459,294
Support costs	408,917	12,664	421,581
	868,211	12,664	880,875
	868,211	12,664	880,875

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

8. Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	2024	2023
	£	£	£	£
Support costs				
Advancement of Christian faith	471,155	428,702	899,857	880,875

Comparison for costs of charitable activities by activity type

	Activities directly undertaken	Support costs	2023
	£	£	£
Advancement of Christian faith	459,294	421,581	880,875

9. Analysis of Grants

	2024	2023
Community Action Team	5,237	136
Gilead	-	3,000
Hillsong	-	5,840
Rebuild Leaders	8,673	8,267
Trauma Recovery Centre	43,075	10,059
Other	5,454	14,926
	<u>62,440</u>	<u>42,228</u>
Individuals	5,413	13,571

10. Analysis of Support costs

	2024	2023
	£	£
Advancement of Christian faith		
Management	380,464	372,803
Governance costs	48,238	48,778
	<u>428,702</u>	<u>421,581</u>

Governance costs include auditors remuneration of £8,723 (2023: £8,315)

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

11. Staff costs and emoluments

Total staff costs for the year ended 31 August 2024 were:

	2024	2023
	£	£
Salaries and wages	324,868	324,898
Social security costs	25,323	21,377
Pension costs	9,535	8,165
	359,726	354,439

	2024	2023
Activities in furtherance of organisations objects	11	12
Management and administration	3	3
	14	15

A portion of the salary cost totalling £8,673 (2023: £8,266) is for the Church's Mission work. The wages are considered part of the grant allocation under the Rebuild Leaders category and are therefore not included in the above figures.

There were no employees whose annual remuneration was more than £60,000.

The church is also wonderfully served by many unpaid volunteers acting in a variety of ways.

12. Trustee remuneration and related party transactions

Mrs E deThierry (trustee & key management personnel) received a salary of £59,500 (2023: £59,500) as the Lead Pastor and pension contributions of £2,800 (2023: £2,800). This payment is permitted within the constitution of the charitable company.

Family members of Mrs E deThierry received salaries & pension contributions as follows:

- Mr A deThierry (Men's Pastor, Buildings, Financial & Legal support) £42,500 & £1,983 (2023: £47,864 & £1,370)
- Mr J deThierry (Associate Pastor) £38,833 & £978 (2023: £37,000 & £923)
- Mr J deThierry (Youth Pastor, Tech & Logistics) £26,475 & £607 (2023: £17,538 & £450)
- Mrs N deThierry (Youth Pastor, social media & admin) £24,747 & £555 (2023: £17,470 & £374)

A family member of Mr J Needham received a salary (Kids Coordinator, Pastoral Support & Events) of £15,873 (2023: £11,016) and pension contributions of £289 (2023: £121).

Aggregate donation to the charity during the year from Trustees and related parties were £65,749 (2023: £57,766)

Trauma Recovery Global is a limited company that provides professional support the church. Mrs E deThierry is a director shareholder of this company. A payment of £15,000 (2023: £14,400) was made to the company for professional services such as consultancy, complex trauma support and care & for additional training on courses such as the Certificate of Therapeutic Mentoring.

Freedom Bath + Bristol Developments Limited is a limited company which was previously engaged by the charity to carry out the design and build contract for the erection of the new auditorium. The charity hired equipment from the company during the year for a for a fee of £10,418 (2023: £4,300)

The company owes the charity £4,104 at the year end (2023: £1,943).

The charity also supports the Trauma Recovery Centre (TRC) financially. Mrs E deThierry is the founder and a Trustee of the Trauma Recovery Centre. The charity provided support of £43,075 (2023: £10,058). TRC leases premises at Freedom House from the charity, they paid rent of £4,800 (2023: £16,000). This is recognised as charitable rental income in the accounts. TRC were provided with 9 months rent for free at a value of £14,400 - which is included within the £43,075 of support.

None of the trustees have claimed expenses or had their expenses met by the charity in relation to their roles as trustees.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

13. Comparative for the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	2023 £
Income and endowments from:			
Donations and legacies	791,237	16,013	807,250
Charitable activities	55,646	-	55,646
Other trading activities	30,000	-	30,000
Investments	178	-	178
Other income	546	-	546
Total	877,607	16,013	893,620
Expenditure on:			
Charitable activities	(868,211)	(12,664)	(880,875)
Total	(868,211)	(12,664)	(880,875)
Net income	9,396	3,349	12,745
Reconciliation of funds			
Total funds brought forward	2,212,652	-	2,212,652
Total funds carried forward	2,222,048	3,349	2,225,397

14. Tangible fixed assets

Cost or valuation	Land and Buildings £	Fixtures and Fittings £	Total £
At 01 September 2023	4,382,015	209,436	4,591,451
Additions	-	3,594	3,594
Disposals	-	(10,732)	(10,732)
At 31 August 2024	4,382,015	202,298	4,584,313
Depreciation			
At 01 September 2023	228,495	160,671	389,166
Disposals	-	(10,042)	(10,042)
Charge for year	65,440	12,959	78,399
At 31 August 2024	293,935	163,588	457,523
Net book values			
At 31 August 2024	4,088,080	38,710	4,126,790
At 31 August 2023	4,153,520	48,765	4,202,285

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

15. Debtors

	2024	2023
	£	£
Amounts due within one year:		
Trade debtors	3,676	-
Amounts due by group and associated undertakings	4,104	1,944
Prepayments and accrued income	11,060	19,817
Other debtors	230	840
	19,070	22,601

16. Creditors: amounts falling due within one year

	2024	2023
	£	£
Loans and overdrafts	59,573	45,130
Trade creditors	4,015	2,205
Other creditors		
PAYE & social security	8,947	7,178
Accruals and deferred income	37,202	46,812
	109,737	101,325

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

17. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Loans and overdrafts	1,832,369	1,889,205
Accruals and deferred income	-	26,935
	1,832,369	1,916,140

Borrowings

	2024	2023
	£	£
Bank loans	1,891,941	1,934,335
Payable within one year	59,573	45,130
Payable after one year	1,832,369	1,889,205

The property loan from Stewardship Services (UKET) Ltd is secured on Freedom House, Lower Bristol Road, Bath, BA2 1EP and land lying west of Technology House, Lower Bristol Road, Bath, BA2 1EP. The property was remortgaged in February 2022 at an interest rate of 3.25% above the Bank of England Base Rate and is repayable over 19 years.

Deferred income

	£
Deferred income at 1 September 2023	56,935
Deferred income released in the year	(30,000)
Deferred income at 31 August 2024	26,935

In July 2019 Sound Church entered into a lease agreement for the use of its Car Parking spaces. The full amount of the agreement, £180,000, was received upfront. This was deferred and is being released over the term of the lease.

18. Movement in funds

Restricted Funds

	Balance at 01/09/2023	Incoming resources	Outgoing resources	Balance at 31/08/2024
	£	£	£	£
Boiler / roof fund	3,349	-	(3,349)	-
	3,349	-	(3,349)	-

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

Restricted Funds - Previous year

	Balance at 01/09/2022	Incoming resources	Outgoing resources	Balance at 31/08/2023
	£	£	£	£
Boiler / roof fund	-	16,013	(12,664)	3,349
	<u>-</u>	<u>16,013</u>	<u>(12,664)</u>	<u>3,349</u>

In the previous year boiler and roof repairs were carried out at Freedom House. A separate fund was created to record these transactions. The remaining funds at 31 August 2023 were used at the beginning of this year to complete the repairs required.

18. Analysis of net assets between funds

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,126,790	(60,133)	(1,832,369)	2,234,288
Restricted funds					
	<u>-</u>	<u>4,126,790</u>	<u>(60,133)</u>	<u>(1,832,369)</u>	<u>2,234,288</u>

Previous year

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,202,285	(64,097)	(1,916,140)	2,222,048
Restricted funds					
Boiler / roof fund	-	-	3,349	-	3,349
	<u>-</u>	<u>4,202,285</u>	<u>(60,748)</u>	<u>(1,916,140)</u>	<u>2,225,397</u>

19. Company limited by guarantee

Sound Church Ltd is a company limited by guarantee and accordingly does not have a share capital.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

21. Detailed Statement of Financial Activity

	2024	2023
	£	£
INCOME AND ENDOWMENT		
Donations and legacies		
Donations	689,416	673,114
Gift Aid	131,249	134,136
	820,665	807,250
Charitable activities		
Sales of Christian Resources	1,161	1,365
Cafe income	5,934	4,181
Youth & Student work income	5,231	7,618
Rental Income (Freedom House)	19,201	19,200
Other income	14,154	13,240
Church weekend away income	11,417	10,042
	57,098	55,646
Other trading activities		
Income from Letting of Car Park	30,000	30,000
	30,000	30,000
Investments		
Bank interest receivable	376	178
	376	178
Other income		
Gain / loss on disposal of assets	609	546
	609	546
Total incoming resources	908,748	893,620
EXPENDITURE		
Charitable activities		
Staff costs - wages & salaries	(296,806)	(297,190)
Staff costs - social security costs	(25,323)	(21,377)
Staff costs - pension contributions	(9,535)	(8,165)
Pastoral expenses	(9,974)	(10,903)
Sunday catering & supplies	(9,349)	(10,906)
Youth Work	(6,058)	(6,924)
Childrens Work	(2,388)	(1,595)
Church weekend away	(2,452)	(9,561)
Events - other	(38,357)	(33,580)
Training & resources	(1,844)	(2,407)
Resources for resale & album costs	(1,216)	(887)
Grants to institutions	(62,440)	(42,228)
Grants to individuals	(5,413)	(13,571)
	(471,155)	(459,294)
SUPPORT COSTS		
Management		
Depreciation	(78,398)	(81,703)
Garage rent & storage	(1,064)	-

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2024

Church & office equipment	(3,905)	(2,611)
Software, graphics & IT	(21,949)	(19,837)
Printing, postage & stationery	(1,183)	(2,320)
Telephone	(2,948)	(2,909)
Other office expenses (inc cleaning, H&S, website)	(24,466)	(22,947)
Utilities	(37,141)	(47,082)
Insurance	(9,239)	(8,425)
Travel & accommodation	(6,837)	(7,534)
Rates	(20,313)	(14,929)
Bank charges	(4,179)	(3,734)
Subscriptions	(6,371)	(4,566)
Loan interest	(133,173)	(98,596)
Building repairs & maintenance	(11,115)	(36,570)
Legal fees	(15,324)	(17,780)
Marketing	(2,859)	(1,260)
	(380,464)	(372,803)
Governance costs		
Wages and salaries	(28,062)	(27,708)
Accountancy fees	(11,453)	(10,740)
Audit fees	(8,723)	(8,315)
Legal fees	-	(2,015)
	(48,238)	(48,778)
Total resources expended	(899,857)	(880,875)
Net Income	8,891	12,745

Sound Church

England & Wales - Charity number 1072196

Accounts

Charity number: 1072196
Company number: 03642766
(England and Wales)

Sound Church Ltd
Report of the Trustees and Audited Financial Statements
For the year ended 31 August 2023

Sound Church Ltd
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For the year ended 31 August 2023

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Sound Church Ltd
Report of the Trustees
For the year ended 31 August 2023

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 August 2023. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As Trustees we seek to ensure as a church we have considered the Commissions guidance on Public Benefit when planning our activities. Specifically with respect to the guidance on the advancement of religion. With this in mind, the charities objects and principal activities are:

- The furtherance of religious education.
- The advancement of the Christian faith including missionary activities in the United Kingdom and overseas and also including but not limited to the planning of new churches and organisations of congregations.
- The relief of the poor and needy.
- The relief of the sick and elderly.
- Such other charitable objects for the benefit of such other charitable bodies and institutions as the committee shall in their absolute discretion see fit.

These objectives enable us to provide public benefit in various ways through the various activities of the charity.

Events are hosted and attended throughout the year to further the charities objects, including Sunday services, midweek meetings, social events and the Church Weekend Away in which the majority of the church go away to be strengthened and encouraged in their faith. These events are strategic in enabling people to connect with each other and with Jesus.

Missions are those activities whereby the charity seeks to reach out to others helping to advance the Christian faith and or relieve poverty. A significant amount of our missions activities are through the provision of grants to individuals and charities who are undertaking work that contribute toward the objects of the charity as listed above. As well as giving to others we also run our own activities which also serve to reach out to the local and international community. These varied activities act to see the relief of poverty and the advancement of the Christian faith. Many of our small groups in church get involved in helping the communities they live in practical ways. With this in mind, we work with social services to help some of the people most in need in our cities.

Activities seek to care for, support and help people to move on in their lives both practically and spiritually. These activities are carried out to bring relief to the poor and needy and the sick and elderly, those requiring emotional and spiritual support. The provision of pastoral support has been continued throughout the year by the Senior Pastor, assisted by members of the pastoral team. This has enabled us to help both people inside and outside of the church as they seek to move forward in their lives.

The core of the church's activities are found in its meetings, which are usually held on Sundays and many midweek evenings. These meetings are specifically aimed at teaching and growing people in their faith. Enabling them to help and encourage others in their daily life with Jesus and each other.

Our measures of success are as follows:

A) The local church:

- Have we grown numerically this year?
- Have we baptised people this year?
- How many children and YP come to the events that we put on for them.
- How many people have benefitted from our £1.50 lunch each week?
- How many people have attended our main 6 events?
- How many people have decided to follow Jesus?
- How many people are in groups and being discipled?
- Are there testimonies of healing, transformation and breakthrough in people's lives?
- Has there been financial testimonies of super natural financial provision for the congregation members personally?

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

B) How much are we impacting the community in a positive way:

- How many uniform stalls have we run?
- How much uniform has been given away?
- How much food from the food bank have we given away?
- How many events have we run for the local community in a crisis such as a critical incident or training for local crisis teams?
- How many prom dresses or suits have we given away?

Grantmaking

Mission is the generic term we give to gifts that we make to other organisations and individuals that furthers our charitable objects who we are in relationship with due to the current members of the church in Bath. When gifts are given the following criteria are always looked at before the gift is given:

- When giving to the organisation, the trustees decide which organisations and the amount to be given
- As stated in the Trustees report, we aim to give at least 10% of our unrestricted income away in mission gifts and grants

ACHIEVEMENTS & PERFORMANCE

Significant activities

In what was a significant year for the charity as we changed name from Freedom Centre UK to Sound Church, we continued with the same vision to advance the Christian faith, provide relief to those in need in the community, and providing support to many within the church and those who are working as church leaders, missionaries, and frontline workers in the UK and around the world.

In October we hosted the first Isaiah 61 & 58 Conference that gathered those same church leaders & missionaries together for support, training and encouragement; throughout the year we continued to host grief cafes that provided a space for people to learn to navigate grief and psychological shock; we also held our annual conferences 'The Weekend Away' and our Men's & Women's conferences where there was opportunity for connection, prayer and teaching.

Achievements against objectives

The Church has 513 people who are active members, with a regular Sunday attendance of 260 people in the morning service, averaging 90 people engaged in lunch and activities after church, and 60 people in the evening prayer meeting. Sound Church engages with 50 people on a Friday evening and 194 people attending groups and functions throughout the week.

We have approximately 145 volunteers who are a part of teams to enable to smooth running of events & services. Members volunteer in teams such as welcome teams, hosting, car parking, café, lunch teams, audio team, AV team, band, kids & youth clubs as well as the Uniform Cupboard, Grief Café and other social action response teams. The teams have meals and social times together, as well as training and meetings to enable the volunteer work to abide by all governance and policies.

We are intentional about providing volunteering opportunities as volunteering not only helps foster a sense of belonging in the community, it has been evidenced by researchers to be beneficial for mental health and well-being.

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

FINANCIAL REVIEW

There was a net surplus on general funds for the year of £9,396, leaving total funds of £2,225,397 at 31st August 2023.

Of the total funds at 31st August 2023, £3,349 are restricted

We run several significant events, such as our weekend away, as a main way to integrate people into the organization so that they feel a sense of belonging and feel known by others. Whilst it can be a financial risk to run larger events, the impact is positive, both for those who attend and the sense of stability of the organization and those who attend feeling that they know more people and are known

Significant events

Significant events during the reporting period were rising interest rates and utility bills affecting the ongoing running costs of the charity. The trustees have monitored the increased costs and ensured financial planning has reflected the rises. An overcharge on gas was followed up with British Gas with a refund eventually being given to the charity. The church continues to have regular mortgage reviews with Stewardship.

There have been no significant incidents that required reporting to the Charity Commission in the reporting period.

Principal funding sources

Funding is generated predominantly through tithes and offerings given to the church from its members and other organisations. As such a significant source of income is the Gift Aid claimed on peoples gifts. In addition the car park at Freedom House is let to a Trust who use it for their employees during the week and parts of Freedom House are let to another registered charity to carry out their work supporting the local community.

Reserves

It was decided by the Trustees that the Church should hold in savings, in unrestricted funds, the equivalent of at least one month's staff salaries as well as other outgoings in order to cover any shortfall in the giving to the Charity. Therefore, the Charity seeks to hold a minimum of £65,000 in reserve.

In view of the building development and additional financial commitments taken on and the impact of Covid 19 virus, the Trustees realise the Church is short of this figure and are aiming to increase reserves.

PLANS FOR FUTURE PERIODS

The future of the charity is to continue the morning services and evening prayer and healing nights, alongside continuing the excellent kids and youth programme and young adults and 40+ programmes. We have seen these take place successfully this year and feel that the momentum is increasing both with numbers and enthusiasm.

Sound Church plans to launch a Pastoral & Creative College in 2024; will continue to facilitate pastor retreats and also release music as 'Sound Church Worship'. The social action arm of the churches projects are continuing to grow in momentum as many people in the city are beginning to come to the church when they are in need. This team has enabled many others to be a part of a positive team with a sense of purpose in helping others.

Sound Church Ltd

Report of the Trustees Continued
For the year ended 31 August 2023

September 2022

Leaders Day
Women's Breakfast
Grief Café
Bath Spa & Bath Uni Freshers Fairs
Baptisms



October 2022

Glow Party & Youth Fire Pits
Young Adults Cinema Night
Hosted Isaiah 61 & 58 Conference
Uniform Cupboard



November 2022

Youth Cinema & Games Night
Young Adults Bonfire Night
Men's Conference & Matt Hooper visited
to speak and lead Worship
Grief Café
Recording Studio Renovation



December 2022

Sound on Ice
Rebuild Pastors Apartment
Bathroom Renovation
Present Wrapping & Hampers
for Community
Carol Services & Light Shows
Light Show for Schools
Staff Christmas Party



Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

January 2023

Changed name to Sound Church
Group Leaders Hub

Freedom Day

Heart & Soul

Alan McWilliam visited



February 2023

Kids Conference

Youth Day Away

Hosted the TRC Conference in the Auditorium

Uniform Cupboard

Betsy speaks at Doorbrekers, The Netherlands



March 2023

Rise & Build

Women's Conference

Grief Café

Celebrating Women's Day

Betsy spoke at City Life Church, The Hague



April 2023

Men's overnight Trip

Easter Sunday

Uniform Cupboard

Baptisms



Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

May 2023

Church Weekend Away
Authentic Youth Festival
Group Leaders Hub



June 2023

Marriage Course Started
Freedom Day
Celebrating Men day



July 2023

Summer Socials
Summer of Fun starts
Local Speakers from Church on Sundays
Marriage Course continues
Erald Van de Ridder visited to speak



August 2023

Summer Socials continues
Summer of Fun continues
Intercession Team Launches
Church BBQ's
Local Speakers on Sundays



Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs E de Thierry
Mr JM Needham
Mr S Matthew (ceased 31/8/2023)
Ms K Ottley
Mr A McWilliam (appointed 31/8/2023)

The Chair of Trustees appoints trustees with relevant business and/or church experience to serve as trustees for a period of normally at least 2 years. Trustees are active members or supporters of Sound Church.

Most Trustees are already familiar with the activities undertaken by the charity as commonly active members of or long term supporters of the church are selected for the role. Copies of the Memorandum and Articles of Association are made available and an overview of recent activities, obligations and plans are given to them at a meeting with the Chair of the Trustees.

The charity is led by the lead pastor, Mrs E deThierry, with the support of the pastoral team. The church is part of wider church networks such as the Evangelical Alliance and Wave Church Network.

The board meet four or five times a year to administer the charity. They are not a board of elders and have no pastoral function, their role is to oversee the legal and financial aspects (governance) of the charity and to ensure compliance with statutory reporting requirements and that risks to which the charity is exposed are reviewed, minimised and managed accordingly. Mrs E de Thierry will present those plans which have a financial cost to the trustees who will advise and make recommendations on the best method of implementation or compliance.

Induction and training of trustees

Trustees are recruited to the Board with relevant experience to create a balance skillset across all the trustees. All new trustees are supplied with Charity Commission guidance on being an effective trustee and are provided training as needed.

Related parties

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium.

The charity also supports the Trauma Recovery Centre financially. Mrs E de Thierry is the founder and a Trustee of Trauma Recovery Centre.

Trauma Recovery Global Ltd is a limited company that provides professional support to members of the church. Mrs E de Thierry is director/shareholder of the company.

Pay policy for senior staff

The trustees met over the summer of 2023 to discuss an appropriate pay scale for Bath which has similarities to London pay, due to rising cost of house prices and cost of living in the area. Many of the staff have had to have financial help to be able to work for the church, with reduced costs of rent, living a long way outside of the city or having relatives subsidize income and we aim to work out how to reduce this financial stress whilst recognizing that it is a charity with limited income.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Auditor

The auditor, Caladine Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Sound Church Ltd
Charity registration number	1072196
Company registration number	03642766
Principal address	Freedom House Lower Bristol Road Bath BA2 1EP

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mrs E de Thierry
Mr JM Needham
Ms K Ottley
Mr S Matthew (Resigned: 31 August 2023)
Mr A McWilliam (Appointed: 31 August 2023)

Secretary Mrs H Sell

Auditors Caladine Ltd
Chantry House
22 Upperton Road
Eastbourne
BN21 1BF

Accountants Chippendale & Clark
First Floor, Absol House
Ivy Road
Chippenham
SN15 1SB

Bankers HSBC
45 Milsom Street
Bath
BA1 1DU

Stewardship Services (UKET) Limited
1 Lambs Passage
London
EC1Y 8AB

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2023

RESPONSIBILITIES OF THE TRUSTEES

The Trustees, who are who are also directors of Sound Church Ltd for the purposes of Company Law are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommend practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees and signed on its behalf by

Elizabeth de Thierry

.....
Mrs E deThierry

17 May 2024

Independent auditors' report to the members of Sound Church Ltd

Opinion

We have audited the financial statements of Sound Church Ltd (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Sound Church Ltd Continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Independent auditors' report to the members of
Sound Church Ltd Continued

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.



.....
John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)
For and on behalf of Caladine Limited

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

20 May 2024

Sound Church Ltd
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Income from:					
Donations and legacies	2	791,237	16,013	807,250	706,351
Charitable activities	3	55,646	-	55,646	54,041
Other trading activities	4	30,000	-	30,000	30,000
Investments	5	178	-	178	11
Other income	6	546	-	546	1,481
Total		877,607	16,013	893,620	791,884
Expenditure on:					
Charitable activities	7/8	(868,211)	(12,664)	(880,875)	(747,836)
Total		(868,211)	(12,664)	(880,875)	(747,836)
Net income		9,396	3,349	12,745	44,048
Reconciliation of funds					
Total funds brought forward at 1 September 2022		2,212,652	-	2,212,652	2,168,604
Total funds carried forward at 31 August 2023		2,222,048	3,349	2,225,397	2,212,652

Comparative for the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	2022 £
Income and endowments from:			
Donations and legacies	706,219	132	706,351
Charitable activities	54,041	-	54,041
Other trading activities	30,000	-	30,000
Investments	11	-	11
Other income	1,481	-	1,481
Total	791,752	132	791,884
Expenditure on:			
Charitable activities	(747,054)	(782)	(747,836)
Total	(747,054)	(782)	(747,836)
Transfers between funds	18,240	(18,240)	-
Net movement in funds	62,938	(18,890)	44,048
Reconciliation of funds			
Total funds brought forward <u>at</u> 1 September 2021	2,149,714	18,890	2,168,604
Total funds carried forward <u>at</u> 31 August 2022	2,212,652	-	2,212,652

Sound Church Ltd
Statement of Financial Position
As at 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	14	4,202,285	4,268,332
		<u>4,202,285</u>	<u>4,268,332</u>
Current assets			
Debtors	15	22,601	16,241
Cash at bank and in hand		17,976	36,128
		<u>40,577</u>	<u>52,369</u>
Creditors: amounts falling due within one year	16	(101,325)	(124,539)
Net current assets		<u>(60,748)</u>	<u>(72,170)</u>
Total assets less current liabilities		<u>4,141,537</u>	<u>4,196,162</u>
Creditors: amounts falling due after more than one year	17	(1,916,140)	(1,983,510)
Net assets		<u>2,225,397</u>	<u>2,212,652</u>
The funds of the charity			
Restricted income funds		3,349	-
Unrestricted income funds		2,222,048	2,212,652
Total funds		<u>2,225,397</u>	<u>2,212,652</u>

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Elizabeth de Thierry

.....
Mrs E de Thierry
Trustee

17 May 2024

Sound Church Ltd
Statement of Cash Flows
For the year ended 31 August 2023

Cash flows from operating activities	2023	2022
Surplus for the year	12,745	44,049
<u>Adjustments for:</u>		
Investment income recognised in the statement of financial activities	(178)	(11)
Loss/(gain) on disposal of property, plant & equipment	(546)	0
Depreciation and impairment of property, plant & equipment	81,703	81,987
<u>Movements in working capital</u>		
Decrease / (increase) in trade & other receivables	(6,916)	(8,808)
(Decrease) / increase in Creditors & other payables	10,189	(3,705)
(Decrease) / increase in deferred income	(30,000)	(30,000)
Cash (absorbed by) / generated from operations	<u>66,997</u>	<u>83,511</u>
Investing activities		
Purchase of property, plant & equipment	(16,110)	(23,402)
Proceeds on disposal of property, plant & equipment	1,000	0
Investment income received	178	11
Net cash used in investing activities	<u>(14,932)</u>	<u>(23,391)</u>
Financing activities		
Proceeds of new bank loans	0	0
Repayment of bank loans	(70,218)	(94,663)
Net cash generated from financing activities	<u>(70,218)</u>	<u>(94,663)</u>
Net decrease in cash and cash equivalents	(18,153)	(34,543)
Cash and cash equivalents at beginning of year	36,130	70,673
Cash and cash equivalents at end of year	<u>17,977</u>	<u>36,130</u>

Analysis of Net Debt

	At 1/9/22	Cashflows	At 31/8/23
Cash	36,130	(18,153)	17,977
Loans falling due within one year	(77,977)	32,847	(45,130)
Loans falling due after one year	(1,926,575)	37,371	(1,889,205)
Total	(1,968,423)	52,065	(1,916,358)

Sound Church Ltd
Notes to the Financial Statements
For the year ended 31 August 2023

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Sound Church Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Sound Church Ltd is a charitable company limited by guarantee incorporated in England and Wales.

These financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The Church is dependent upon the continued support of its congregation and its bankers to meet its on-going needs. The Trustees are confident that funding will continue to be forthcoming from the congregation members. Therefore, it is the opinion of the Trustees that the Church has adequate resources to continue its operational existence for the foreseeable future and the Trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation as unrestricted income.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities when received.

In July 2019 the charity received the sum of £180,000 from a local housing association as an advance payment for use of the charity's car park. The remaining amount is shown as deferred income on the balance sheet, with the income being recognised at a rate of £30,000 per year over the 6 year lease period to July 2025.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Taxation

The Trustees consider that none of the income of the charity is subject to UK taxation

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Fixed assets that cost over £500 are capitalised in the accounts.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property - 2% on a straight line basis
Fixtures, fittings and equipment - 25% on a reducing balance basis
Motor vehicle - 25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

2. Income from donations and legacies

	Unrestricted funds	Restricted funds	2023	2022
	£	£	£	£
Donations <u>received</u>	791,237	16,013	807,250	706,351
	<u>791,237</u>	<u>16,013</u>	<u>807,250</u>	<u>706,351</u>

Comparative for Income from donations and legacies

	Unrestricted funds	Restricted funds	2022
Donations received	706,219	132	706,351

3. Income from charitable activities

	2023	2022
	£	£
Unrestricted funds		
<i>Advancement of Christian faith</i>		
Sales of Christian Resources	1,365	557
Cafe income	4,181	6,252
Youth & Student work income	7,618	5,812
Rental Income (Freedom House)	19,200	20,700
Other income	23,282	20,720
	<u>55,646</u>	<u>54,041</u>
	<u>55,646</u>	<u>54,041</u>

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

4. Income earned from other trading activities

	2023	2022
	£	£
Unrestricted funds		
Letting of Car Park	30,000	30,000
	30,000	30,000
	30,000	30,000

5. Investment income

	2023	2022
	£	£
Unrestricted funds		
Bank interest receivable	178	11
	178	11
	178	11

6. Other income

	2023	2022
	£	£
Unrestricted funds		
Gain / loss on disposal of assets	546	-
Job Retention Scheme Grant	-	1,481
	546	1,481
	546	1,481

7. Costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2023	2022
	£	£	£	£
Advancement of Christian faith	459,294	-	459,294	384,644
Support costs	408,917	12,664	421,581	363,192
	868,211	12,664	880,875	747,836
	868,211	12,664	880,875	747,836

Comparison for costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2023
	£	£	£
Advancement of Christian faith	384,644		384,644
Support costs	362,410	782	363,192
	747,054	782	747,836
	747,054	782	747,836

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

8. Costs of charitable activities by activity type

	Activities directly undertaken £	Support costs £	2023 £	2022 £
Advancement of Christian faith	459,294	420,021	879,315	747,836

Comparison for costs of charitable activities by activity type

	Activities directly undertaken £	Support costs £	2022 £
Advancement of Christian faith	384,644	363,192	747,836

9. Grants payable

	2023 £	2022 £
Community Action (The Cupboard)	136	250
Gilead Foundation	3,000	3,000
Hillsong	5,840	8,360
Hope for Justice	800	1,200
Sozo Ministries International	954	1,200
Trauma Recovery Centre	10,059	2,190
Rebuild Leaders	8,267	9,813
Other	13,173	5,292
	42,228	31,305
Grants to individuals	13,571	8,269
Total Grants payable	55,799	39,574

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

10. Analysis of support costs

	2023	2022
	£	£
Advancement of Christian faith		
Management	372,803	316,293
Governance costs	48,778	46,899
	421,581	363,192
	421,581	363,192

11. Staff costs and emoluments

Total staff costs for the year ended 31 August 2023 were:

	2023	2022
	£	£
Salaries and wages	324,898	268,073
Social security costs	21,377	19,321
Pension costs	8,165	7,426
	354,439	294,820
	354,439	294,820

	2023	2022
Activities in furtherance of organisations objects	12	11
Management and administration	3	3
	15	14
	15	14

A portion of the salary cost totalling £8,266 (2022: 9,813) is for the Church's Missions work. The wages are considered part of the grant allocation under the Rebuild Leaders category and are therefore not included in the above figures.

There were no employees whose annual remuneration was more than £60,000.

The church is also wonderfully served by many unpaid volunteers acting in a variety of ways.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

12. Key management personnel, Trustee remuneration and related party transactions

Mrs E deThierry (trustee) received a salary of £59,500 (2022: £59,500) as the Lead Pastor and pension contributions of £2,800 (2022: £2,800). This payment is permitted within the constitution of the charitable company.

Family members of Mrs E deThierry received salaries & pension contributions as follows:

Mr A deThierry (Men's Pastor, Buildings, Financial & Legal support) £47,864 & £1,370 (2022: £39,000 & £1,610)

Mr J deThierry (Associate Pastor) £37,000 & £923 (2022: £35,000 & £863)

Mr J deThierry (Youth Pastor, Tech & Logistics) £17,538 & £450 (2022: £11,406 & £0)

Mrs N deThierry (Youth Pastor, social media & admin) £17,470 & £374 (2022: £5,435 & £0)

A family member of Mr J Needham received a salary (Kids Coordinator, Pastoral Support & Events) of £11,016 (2022: £5,067)

Aggregate donation to the charity during the year from Trustees and related parties were £57,766 (2022: £38,539)

Trauma Recovery Global is a limited company that provides professional support to members of the church. Mrs E deThierry is a director shareholder of this company. A payment of £14,400 (2022: £12,000) was made to the company for professional services such as consultancy, complex trauma support and care & for additional training on courses such as the Certificate of Therapeutic Mentoring.

Freedom Bath + Bristol Developments Limited is a limited company which was previously engaged by the charity to carry out the design and build contract for the erection of the new auditorium. The charity hired equipment from the company during the year for a fee of £4,300 (2022: £6,140)

The company owes the charity £1,943 at the year end (2022: £-556).

The charity also supports the Trauma Recovery Centre (TRC) financially. Mrs E deThierry is the founder and a Trustee of the Trauma Recovery Centre. The charity provided support of £10,058 (2022: £2,190). TRC leases premises at Freedom House from the charity, they paid rent of £16,000 (2022: £19,200). The total rent from TRC of £19,200 (2022: £19,200) is recognised as charitable rental income in the accounts.

None of the trustees have claimed expenses or had their expenses met by the charity in relation to their roles as trustees.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

13. Intangible fixed assets

	Trademarks
Cost or valuation	£
At 01 September 2022	4,442
Disposals	(4,442)
At 31 August 2023	-
Amortisation	
At 01 September 2022	4,442
Disposals	(4,442)
At 31 August 2023	-
Net book values	
At 31 August 2023	-
At 31 August 2022	-

14. Tangible fixed assets

	Land and Buildings	Fixtures and Fittings	Total
	£	£	£
At 01 September 2022	4,382,015	196,725	4,578,740
Additions	-	16,110	16,110
Disposals	-	(3,399)	(3,399)
At 31 August 2023	4,382,015	209,436	4,591,451
Depreciation			
At 01 September 2022	163,055	147,353	310,408
Disposals	-	(2,946)	(2,946)
Charge for year	65,440	16,264	81,704
At 31 August 2023	228,495	160,671	389,166
Net book values			
At 31 August 2023	4,153,520	48,765	4,202,285
At 31 August 2022	4,218,960	49,372	4,268,332

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

15. Debtors

	2023	2022
	£	£
Amounts due within one year:		
Amounts due by group and associated undertakings	1,944	487
Prepayments and accrued income	19,817	15,524
Other debtors	840	230
	22,601	16,241

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans and overdrafts	45,130	77,977
Trade creditors	2,205	1,938
Amounts due to subsidiary and associated undertakings	-	556
Other creditors		
PAYE & social security	7,178	7,348
Accruals and deferred income	46,812	36,720
	101,325	124,539

17. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Loans and overdrafts	1,889,205	1,926,575
Accruals and deferred income	26,935	56,935
	1,916,140	1,983,510

18. Borrowings

	2023	2022
	£	£
Bank loans	1,934,335	2,004,552
Payable within one year	45,130	77,977
Payable after one year	1,889,205	1,926,575

The property loan from Stewardship Services (UKET) Ltd is secured on Freedom House, Lower Bristol Road, Bath, BA2 1EP and land lying west of Technology House, Lower Bristol Road, Bath, BA2 1EP. The property was remortgaged in February 2022 at an interest rate of 3.25% above the Bank of England Base Rate and is repayable over 19 years.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

19. Deferred Income

Deferred income at 1 September 2022	86,935
Deferred income released in the year	30,000
Deferred income at 31 August 2023	56,935

In July 2019 Sound Church entered into a lease agreement for the use of its Car Parking spaces. The full amount of the agreement, £180,000, was received upfront. This was deferred and is being released over the term of the lease.

20. Company limited by guarantee

Sound Church Ltd is a company limited by guarantee and accordingly does not have a share capital.

21. Analysis of net assets between funds

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,202,285	(64,097)	(1,916,140)	2,222,048
Restricted funds					
Boiler / roof fund	-	-	3,349	-	3,349
	-	4,202,285	(60,748)	(1,916,140)	2,225,397

Previous year

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,268,332	(72,170)	(1,983,510)	2,212,652
Restricted funds					
	-	4,268,332	(72,170)	(1,983,510)	2,212,652

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

22. Restricted funds

	Balance at 1 Sept 2021	Incoming resources	Resources expended	Transfers	Balance at 1 Sept 2022	Incoming resources	Resources expended	Transfers	Balance at 31 Aug 2023
Fencing fund	18,890	132	782	18,890	-				-
Boiler / roofing fund						16,013	12,664		3,349
	18,890	132	782	18,890	-	16,013	12,664	-	3,349

During the year repairs were needed to the boiler and roof of Freedom House. A separate fund was created to record donations towards the repairs. Remaining funds at 31 August 2023 were utilised shortly after the year end to complete the repairs required.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

23. Detailed Statement of Financial Activities

	2023	2022
	£	£
INCOME		
Donations and legacies		
Donations	673,114	587,807
Gift Aid	134,136	118,544
	807,250	706,351
Charitable activities		
Sales of Christian Resources	1,365	557
Cafe income	4,181	6,252
Youth & Student work income	7,618	5,812
Rental Income (Freedom House)	19,200	20,700
Other income	13,240	8,476
Church weekend away income	10,042	12,244
	55,646	54,041
Other trading activities		
Income from Letting of Car Park	30,000	30,000
	30,000	30,000
Investments		
Bank interest receivable	178	11
	178	11
Other income		
Gain / loss on disposal of assets	546	-
Job Retention Scheme Grant	-	1,481
	546	1,481
Total incoming resources	893,620	791,884
EXPENDITURE		
Charitable activities		
Staff costs - wages & salaries	(297,190)	(243,283)
Staff costs - social security costs	(21,377)	(19,321)
Staff costs - pension contributions	(8,165)	(7,426)
Pastoral expenses	(10,903)	(12,726)
Sunday catering & supplies	(10,906)	(6,235)
Youth Work	(6,924)	(8,468)
Childrens Work	(1,595)	(1,836)
Church weekend away	(9,561)	(12,896)
Events - other	(33,580)	(29,729)
Training & resources	(2,407)	(2,161)
Resources for resale & album costs	(887)	(989)
Grants to institutions	(42,228)	(31,305)
Grants to individuals	(13,571)	(8,269)
	(459,294)	(384,644)
SUPPORT COSTS		
Management		
Depreciation	(81,703)	(81,987)

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2023

Meetings & staff welfare	-	(13)
Garage rent & storage	-	(1,678)
Church & office equipment	(2,611)	(4,530)
Software, graphics & IT	(19,837)	(11,590)
Printing, postage & stationery	(2,320)	(1,465)
Telephone	(2,909)	(2,786)
Other office expenses (inc cleaning, H&S, website)	(22,947)	(19,850)
Utilities	(47,082)	(21,028)
Insurance	(8,425)	(8,044)
Travel & accomodation	(7,534)	(15,488)
Rates	(14,929)	(12,780)
Bank charges	(3,734)	(3,339)
Subscriptions	(4,566)	(5,363)
Loan interest	(98,596)	(70,742)
Building repairs & maintenance	(36,570)	(27,129)
Professional fees	(17,780)	(17,759)
Marketing	(1,260)	(10,722)
	<hr/>	<hr/>
	(372,803)	(316,293)
Governance costs		
Wages and salaries	(27,708)	(24,790)
Accountancy fees	(10,740)	(10,781)
Audit fees	(8,315)	(8,820)
Professional fees	(2,015)	(2,508)
	<hr/>	<hr/>
	(48,778)	(46,899)
Total resources expended	<hr/>	<hr/>
	(880,875)	(747,836)
Net Income	<hr/>	<hr/>
	12,745	44,048

Sound Church

England & Wales - Charity number 1072196

Accounts

Charity number: 1072196
Company number: 03642766
(England and Wales)

Sound Church Ltd (previously known as Freedom-Bath)
Report of the Trustees and Audited Financial Statements
For the year ended 31 August 2022

Sound Church Ltd
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For the year ended 31 August 2022

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Sound Church Ltd
Report of the Trustees
For the year ended 31 August 2022

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 August 2022. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As Trustees we seek to ensure as a church, we have considered the Commissions guidance on Public Benefit when planning our activities. Specifically with respect to the guidance on the advancement of religion. With this in mind the charities objects and principal activities are:

- The furtherance of religious education.
- The advancement of the Christian faith including missionary activities in the United Kingdom and overseas and also including but not limited to the planning of new churches and organisations of congregations.
- The relief of the poor and needy.
- The relief of the sick and elderly.
- Such other charitable objects for the benefit of such other charitable bodies and institutions as the committee shall in their absolute discretion see fit.

These objectives enable us to provide public benefit in various ways through the various activities of the charity.

Events are hosted and attended throughout the year to further the charities objects, including Sunday services, midweek meetings, social events and the Church Weekend Away in which the majority of the church go away to be strengthened and encouraged in their faith. These events are strategic in enabling people to connect with each other and with Jesus.

Missions are those activities whereby the charity seeks to reach out to others helping to advance the Christian faith and or relieve poverty. A significant amount of our missions activities are through the provision of grants to individuals and charities who are undertaking work that contribute toward the objects of the charity as listed above. As well as giving to others we also run our own activities which also serve to reach out to the local and international community. These varied activities act to see the relief of poverty and the advancement of the Christian faith. Many of our small groups in church get involved in helping the communities they live in practical ways. With this in mind we work with social services to help some of the people most in need in our cities.

Activities seek to care for, support and help people to move on in their lives both practically and spiritually. These activities are carried out to bring relief to the poor and needy and the sick and elderly, those requiring emotional and spiritual support. The provision of pastoral support has been continued throughout the year by the Lead Pastor, assisted by members of the pastoral team. This has enabled us to help both people inside and outside of the church as they seek to move forward in their lives.

The core of the church's activities are found in its meetings, which are usually held on Sundays and many midweek evenings. These meetings are specifically aimed at teaching and growing people in their faith. Enabling them to help and encourage others in their daily life with Jesus and each other.

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Grantmaking

Mission is the generic term we give to gifts that we make to other organisations and individuals that furthers our charitable objects. When gifts are given the following criteria are always looked at before the gift is given:

- When giving to the organisation, the trustees decide which organisations and the amount to be given
- As stated in the Trustees report, we aim to give at least 10% of our unrestricted income away in mission gifts and grants

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022

Volunteers

The church has a total of 451 people who are active members, with a regular Sunday attendance of 260 people in the morning service, and an average of 75 people in the evening prayer meeting. Sound Church has an average attendance of 50 people on a Friday evening, with around 150 people attending different functions all week long.

We have approximately 140 volunteers who are part of teams to enable the smooth running of the events and services. The volunteers are part of teams such as host, welcoming, car parking, cafe, sound team, AV, music bands, kids clubs, youth clubs, our social action teams and many others. The teams have meals together and social times, as well as meetings to enable the volunteer work to abide by all governance and policies.

We recognize that volunteering for such teams has been evidenced based by researchers to be beneficial for mental health and wellbeing and facilitates a sense of wellbeing. The volunteers also help others have a sense of belonging and feel at home in our events.

FINANCIAL REVIEW

There was a net surplus on general funds for the year of £62,938, leaving unrestricted reserves of £2,212,652 at 31st August 2022.

We run several significant events, such as our weekend away, as a main way to integrate people into the organization so that they feel a sense of belonging and feel known by others. Whilst it can be a financial risk to run larger events, the impact is positive, both for those who attend and the sense of stability of the organization and those who attend feeling that they know more people and are known by more people.

The Trustees are mindful of ever-increasing overheads and particularly the steep rise in interest rates of the church borrowing. The Trustees are confident that the growth of the church and the support of the congregation will meet these needs.

Principal funding sources

Funding is generated predominantly through tithes and offerings given to the church from its members and other organisations. As such a significant source of income is the Gift Aid claimed on peoples gifts. In addition, the car park at Freedom House is let to a Trust who use it for their employees during the week and parts of Freedom House are let to another registered charity to carry out their work supporting the local community.

Reserves

It was decided by the Trustees that the Church should hold in savings in unrestricted funds the equivalent of at least one month's staff salaries and outgoings in order to cover any shortfall in the giving to the charity. Therefore, the charity seeks to hold a minimum of £20,000 in reserve. In view of the building development, additional financial commitments taken on and the impact of the Covid-19 virus, the reserve policy is under constant review.

PLANS FOR FUTURE PERIODS

The future of the charity is to continue the morning services and evening prayer and healing nights, alongside continuing the excellent kids and youth programme and young adults and 40+ programmes. We have seen these take place successfully this year, following the Covid season and feel that the momentum is increasing both with numbers and enthusiasm.

Sound Church has no plans to start any new projects and feel that the current ones give us enough to develop. The social action arm of the churches projects are gaining in popularity and many people in the city are beginning to come to the church when they are in need. This team has enabled many others to be a part of a positive team with a sense of purpose in helping others.

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The name of the Trust was changed from Freedom-Bath to Sound Church Ltd on 5 December 2022.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs E de Thierry
Mr JM Needham
Mr S Matthew
Ms J Stretford (appointed 30th November 2021; resigned 19th August 2022)
Ms K Ottley (appointed 11th April 2022)

The Chairman of Trustees appoints trustees with relevant business and/or church experience to serve as trustees for a period of normally at least 2 years. Trustees are active members or supporters of Sound Church Ltd.

Most Trustees are already familiar with the activities undertaken by the charity as commonly active members of or long-term supporters of the church are selected for the role. Copies of the Memorandum and Articles of Association are made available, and an overview of recent activities, obligations and plans are given to them at a meeting with the Chairman of the Trustees.

The charity is led by the lead pastor, Mrs E deThierry, with the support of the pastoral team. The church is a part of wider church networks such as the Evangelical Alliance and Wave Church Network.

The board meet four or five times a year to administer the charity. They are not a board of elders and have no pastoral function, their role is to oversee the legal and financial aspects (governance) of the charity and to ensure compliance with statutory reporting requirements and that risks to which the charity is exposed are reviewed, minimised, and managed accordingly. Mrs E de Thierry will present those plans which have a financial cost to the trustees who will advise and make recommendations on the best method of implementation or compliance.

Related parties

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium.

The charity also supports the Trauma Recovery Centre financially. Mrs E de Thierry is the founder and a Trustee of Trauma Recovery Centre.

Betsy de Thierry Ltd is a limited company that provides professional support to members of the church. Mrs E de Thierry is director/shareholder of the company.

Pay policy for senior staff

The trustees are meeting over the summer of 2023 to discuss an appropriate pay scale for Bath which has similarities to London pay, due to rising cost of house prices and cost of living in the area. most of the staff have had to have financial help to be able to work for the church, with reduced costs of rent, living a long way outside of the city or having relatives subsidize income and we aim to work out how to reduce this financial stress whilst recognizing that it is a charity with limited income.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The auditor, Caladine Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Sound Church Ltd
Charity registration number	1072196
Company registration number	03642766
Principal address	Freedom House Lower Bristol Road Bath BA2 1EP

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mrs E de Thierry
Mr JM Needham
Mr S Matthew
Ms J Stetson (Appointed: 30 November 2021; Resigned: 19th August 2022)
Ms K Ottley (Appointed: 11th April 2022)

Secretary Mrs H Sell

Auditors Caladine Ltd
Chantry House
22 Upperton Road
Eastbourne
BN21 1BF

Accountants Chippendale & Clark
First Floor, Absol House
Ivy Road
Chippenham
SN15 1SB

Bankers HSBC
45 Milsom Street
Bath
BA1 1DU

Stewardship Services (UKET) Limited
1 Lambs Passage
London
EC1Y 8AB

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022

RESPONSIBILITIES OF THE TRUSTEES

The Trustees, who are also directors for the purposes of company law, are who are also directors of Sound Church Ltd for the purposes of Company Law are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing those financial statements, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommend practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees and signed on its behalf by

DocuSigned by:

.....CB28C2455564450.....

19 / 5 / 2023

Mrs E de Thierry

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022

Achievements & Performance 2021-2022



SEPTEMBER 2021

Grief Café
Guvna B



OCTOBER 2021

Worship team training and auditions
Heart and Soul
Youth Overnight trip
Kids Conference
Big Student Party



NOVEMBER 2021

Sam Milchem guest speaker
Men's Conference with Ben Lindsay
Students & Young Adults Firework night



DECEMBER 2021

Christmas Carol Services x2
Nativity Service
Christingle Drive Through

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022



January 2022

Grief Café
Men's Breakfast
Heart & Soul



February 2022

New Prophetic Training Cohort 1
Young Carers Afternoon
First Fences were installed



March 2022

Rise & Build
Mothers Day
New Branding Completed
Betsy Spoke in the Hague & for message trust



April 2022

Women's Conference
Easter Sunday
Uniform Cupboard

Sound Church Ltd
Report of the Trustees Continued
For the year ended 31 August 2022



May 2022

Church Weekend Away

Authentic Festival

Premier Christianity Magazine Visits (Trauma Informed Church)



June 2022

Big Church Day Out – Stall for Trauma Informed Church

Staff Party & Celebration

Fathers Day



July 2022

Stephen Matthews visited to Speak

Re-started a foodbank

Sound Global Collective day, hosting trustees from various charities that Sound supports

Painting Party around Freedom House & TRC

Summer of Fun started



August 2022

Summer of Fun continued

Summer Parties & Picnics

De Thierry's went to Wave conference & Betsy spoke in 2 services

Dan Belshaw visited to speak

Independent auditors' report to the members of Sound Church Ltd

Opinion

We have audited the financial statements of Sound Church Ltd (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the members of Sound Church Ltd Continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Sound Church Ltd Continued

Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report to the members of
Sound Church Ltd Continued

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<http://www.frc.org.uk/auditorsresponsibilities>.



John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)
For and on behalf of Caladine Limited
Chartered Certified Accountants
Statutory Auditor

24 May 2023

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Sound Church Ltd
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Income and endowments from:					
Donations and legacies	2	706,219	132	706,351	677,148
Charitable activities	3	54,041	-	54,041	45,211
Other trading activities	4	30,000	-	30,000	30,000
Investments	5	11	-	11	3
Other income	6	1,481	-	1,481	17,077
Total		791,752	132	791,884	769,439
Expenditure on:					
Raising funds	7	-	-	-	(4,107)
Charitable activities	8/9	(747,054)	(782)	(747,836)	(623,069)
Total		(747,054)	(782)	(747,836)	(627,176)
Transfers between funds	23	18,240	(18,240)	-	-
Net movement in funds		62,938	(18,890)	44,048	142,263
Reconciliation of funds					
Total funds brought forward		2,149,714	18,890	2,168,604	2,026,341
Total funds carried forward		2,212,652	-	2,212,652	2,168,604

Sound Church Ltd
Statement of Financial Position
As at 31 August 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	16	4,268,332	4,326,917
		4,268,332	4,326,917
Current assets			
Debtors	17	16,241	6,876
Cash at bank and in hand		36,128	70,672
		52,369	77,548
Creditors: amounts falling due within one year	18	(124,539)	(170,642)
Net current assets		(72,170)	(93,094)
Total assets less current liabilities		4,196,162	4,233,823
Creditors: amounts falling due after more than one year	19	(1,983,510)	(2,065,219)
Net assets		2,212,652	2,168,604
The funds of the charity			
Restricted income funds		-	18,890
Unrestricted income funds		2,212,652	2,149,714
Total funds		2,212,652	2,168,604

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Elizabete de Thierry

.....
Mrs E de Thierry
Trustee

19 / 5 / 2023

Sound Church Ltd
Statement of Cash Flows
As at 31st August 2022

Cash flows from operating activities	2022	2021
Surplus for the year	44,049	142,263
<u>Adjustments for:</u>		
Investment income recognised in the statement of financial activities	(11)	(3)
Loss/(gain) on disposal of property, plant & equipment	0	4,107
Depreciation and impairment of property, plant & equipment	81,987	81,271
<u>Movements in working capital</u>		
Decrease / (increase) in trade & other receivables	(8,808)	6,318
(Decrease) / increase in Creditors & other payables	(3,705)	(2,673)
(Decrease) / increase in deferred income	(30,000)	(30,000)
Cash (absorbed by) / generated from operations	<u>83,511</u>	<u>201,282</u>
Investing activities		
Purchase of property, plant & equipment	(23,402)	(151,776)
Proceeds on disposal of property, plant & equipment	0	3,340
Investment income received	11	3
Net cash used in investing activities	<u>(23,391)</u>	<u>(148,433)</u>
Financing activities		
Proceeds of new bank loans	0	0
Repayment of bank loans	(94,663)	(10,645)
Net cash generated from financing activities	<u>(94,663)</u>	<u>(10,645)</u>
Net decrease in cash and cash equivalents	(34,543)	42,204
Cash and cash equivalents at beginning of year	70,673	28,469
Cash and cash equivalents at end of year	<u>36,130</u>	<u>70,673</u>

Sound Church Ltd
Notes to the Financial Statements
For the year ended 31 August 2022

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 2019), Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

Sound Church Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Sound Church Ltd is a charitable company limited by guarantee incorporated in England and Wales.

These financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The continued support of the church congregation and church bankers has resulted in another successful year for the charity despite the ongoing effects of the Covid-19 pandemic. This is expected to continue thus ensuring the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation as unrestricted income.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities when received.

In July 2019 the charity received the sum of £180,000 from a local housing association as an advance payment for use of the charity's car park. The remaining amount is shown as deferred income on the balance sheet, with the income being recognised at a rate of £30,000 per year over the 6 year lease period to July 2025.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Taxation

The Trustees consider that none of the income of the charity is subject to UK taxation.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

Intangible assets

Intangible assets acquired separately from a charity are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

These costs relate to the costs of Trademarks for Freedom Bath & Bristol, Freedom Arts College and Freedom Churches.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks -10% on a straight line basis

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Fixed assets that cost over £500 are capitalised in the accounts.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property - 2% on a straight line basis

Fixtures, fittings and equipment - 25% on a reducing balance basis

Motor vehicle - 25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Grants payable

	<u>2022</u>	<u>2021</u>
Community Action (The Cupboard)	250	87
Gilead Foundation	3,000	3,000
Hillsong	8,360	6,148
Hope for Justice	1,200	1,200
Sozo Ministries International	1,200	1,200
Trauma Recovery Centre	2,190	42
Rebuild Leaders	9,813	10,231
Other	<u>5,292</u>	<u>5,393</u>
	31,305	27,301
Grants to Individuals	<u>8,269</u>	<u>8,505</u>
Total Grants payable	39,574	35,806

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Donations received	706,219	132	706,351	673,748
Grants received	-	-	-	3,400
	706,219	132	706,351	677,148

Comparative for Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2021 £
Donations received	656,397	17,351	673,748
Grants received	-	3,400	3,400
	656,397	20,751	677,148

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

3. Income from charitable activities

	2022	2021
	£	£
Unrestricted funds		
<i>Advancement of Christian faith</i>		
Sales of Christian Resources	557	20
Cafe income	6,252	-
Youth & Student work income	5,812	4,409
Rental Income (Freedom House)	20,700	25,200
Other income	20,720	15,582
	54,041	45,211
	54,041	45,211

4. Income earned from other activities

	2022	2021
	£	£
Unrestricted funds		
Letting of Car Park	30,000	30,000
	30,000	30,000
	30,000	30,000

5. Investment income

	2022	2021
	£	£
Unrestricted funds		
Bank interest receivable	11	3
	11	3
	11	3

6. Other income

	2022	2021
	£	£
Unrestricted funds		
Job Retention Scheme Grant	1,481	17,077
	1,481	17,077
	1,481	17,077

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31st August 2022

7. Expenditure on other trading activities

	2022	2021
	£	£
Fund raising events	-	4,107
	<u>-</u>	<u>4,107</u>

8. Costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2022	2021
	£	£	£	£
Advancement of Christian faith	384,644	-	384,644	305,701
Support costs	362,410	782	363,192	317,368
	<u>747,054</u>	<u>782</u>	<u>747,836</u>	<u>623,069</u>

Comparison for costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2021
	£	£	£
Advancement of Christian Faith	305,701	-	305,701
Support Costs	315,507	1,861	317,368
	<u>621,208</u>	<u>1,861</u>	<u>623,069</u>

9. Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	2022	2021
	£	£	£	£
Support Costs				
Advancement of Christian Faith	384,644	363,192	747,836	623,069

Comparison for costs of charitable activities by activity type

	Activities undertaken directly	Support Costs	2021
	£	£	£
Advancement of Christian Faith	305,701	317,368	623,069

10. Analysis of support costs

	2022	2021
	£	£
Advancement of Christian faith		
Management	316,293	272,431
Governance Costs	46,899	44,937
	<u>363,192</u>	<u>317,368</u>

Sound Church Ltd
Notes to the Financial Statements Continued

11. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of owned fixed assets	81,987	80,827
Amortisation of intangible fixed assets		
Trademarks	-	444
Accountancy fees	10,781	6,494
Auditor's fees	8,820	4,620
Trustees' remuneration	24,790	30,778
Staff pension contributions	7,426	6,988
(Gain)/Loss on disposal of tangible fixed assets	-	4,107

12. Staff costs and emoluments

Total staff costs for the year ended 31 August 2022 were:

	2022	2021
	£	£
Salaries and wages	268,073	237,116
Social security costs	19,321	22,811
Pension costs	7,426	6,988
	294,820	266,916

The average number of employees during the year was:

	2022	2021
Activities in furtherance of organisations objects	11	12
Management and administration	3	3
	14	15

A portion of the salary cost totalling £9,813 (2021: 9,813) is for the Church's Missions work. The wages are considered part of the grant allocation under the Rebuild Leaders category and are therefore not included in the above figures.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022	2021
	£	£
Aggregate compensation	69,538	67,099

The remuneration of key management personnel is as follows:

	2022	2021
	£	£
£60,001-£70,000	1	-

The church is also wonderfully served by many unpaid volunteers acting in a variety of ways.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

13. Trustee remuneration and related party transactions

Mrs E deThierry (trustee) received a salary of £59,500 (2021: £59,500) as the Lead Pastor and pension contributions of £2,800 (2021: £2,800). This payment is permitted within the constitution of the charitable company.

Three family member of Mrs E deThierry received salaries totalling £85,406 (£80,946).

A family member of Mr J Needham received a salary of £5,067 (2021: £4,229)

Aggregate donation to the charity during the year from Trustees and related parties were £38,539 (2021: £37,851)

Betsy deThierry Ltd is a limited company that provides professional support to members of the church. Mrs E deThierry is a director shareholder of this company. A payment of £12,000 (2021: £12,000) was made to the company for professional services such as consultancy, complex trauma support and care & for additional training on courses such as the Certificate of Therapeutic Mentoring.

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium. The charity is now hiring equipment from the company. The charity owes the company £566 at the year end (2021: £-1,565).

The charity also supports the Trauma Recovery Centre (TRC) financially. Mrs E deThierry is the founder and a Trustee of the Trauma Recovery Centre. The charity provided support of £2,190 (2021: £42). TRC leases premises at Freedom House from the charity, they paid rent of £19,200 (2021: £26,200). The total rent from TRC of £19,200 (2021: £26,200) is recognised as charitable rental income in the accounts.

None of the trustees have claimed expenses or had their expenses met by the charity in relation to their roles as trustees.

14. Comparative for the Statement of Financial Activities

	Unrestricted funds	Restricted funds	2021
	£	£	£
Income and endowments from:			
Donations and legacies	656,397	20,751	677,148
Charitable activities	45,211	-	45,211
Other trading activities	30,000	-	30,000
Investments	3	-	3
Other income	17,077	-	17,077
Total	748,688	20,751	769,439
Expenditure on:			
Raising funds	(4,107)	-	(4,107)
Charitable activities	(621,208)	(1,861)	(623,069)
Total	(625,315)	(1,861)	(627,176)
Net income	123,373	18,890	142,263
Reconciliation of funds			
Total funds brought forward	2,026,341	-	2,026,341
Total funds carried forward	2,149,714	18,890	2,168,604

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

15. Intangible fixed assets

	Trademarks
Cost or valuation	£
At 01 September 2021	4,442
At 31 August 2022	<u>4,442</u>
Amortisation	
At 01 September 2021	4,442
At 31 August 2022	<u>4,442</u>
Net book values	
At 31 August 2022	<u><u>-</u></u>
At 31 August 2021	<u><u>-</u></u>

16. Tangible fixed assets

	Land and Buildings	Fixtures and Fittings	Total
	£	£	£
At 01 September 2021	4,363,775	191,563	4,555,338
Additions	18,240	5,162	23,402
At 31 August 2022	<u>4,382,015</u>	<u>196,725</u>	<u>4,578,740</u>
Depreciation			
At 01 September 2021	97,616	130,805	228,421
Charge for year	65,439	16,548	81,987
At 31 August 2022	<u>163,055</u>	<u>147,353</u>	<u>310,408</u>
Net book values			
At 31 August 2022	<u><u>4,218,960</u></u>	<u><u>49,372</u></u>	<u><u>4,268,332</u></u>
At 31 August 2021	<u><u>4,266,159</u></u>	<u><u>60,758</u></u>	<u><u>4,326,917</u></u>

17. Debtors

	2022	2021
	£	£
Amounts due within one year:		
Amounts due by group and associated undertakings	487	1,566
Prepayments and accrued income	15,524	5,080
Other debtors	230	230
	<u>16,241</u>	<u>6,876</u>

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

18. Creditors: amounts falling due within one year

	2022	2021
	£	£
Loans and overdrafts	77,977	120,931
Trade creditors	1,938	8,772
Amounts due to subsidiary and associated undertakings	556	-
Other creditors		
PAYE & social security	7,348	6,319
Accruals and deferred income	36,720	34,620
	<u>124,539</u>	<u>170,642</u>

19. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Loans and overdrafts	1,926,575	1,978,284
Accruals and deferred income	56,935	86,935
	<u>1,983,510</u>	<u>2,065,219</u>

20. Borrowings

	2022	2021
	£	£
Bank loans	2,004,552	2,099,216
Payable within one year	77,977	120,931
Payable after one year	1,926,575	1,978,284

The property loan from Stewardship Services (UKET) Ltd was originally £1,995,000 in total charged at 3.25% (variable at one months notice) repayable over 15 years.

In 2019-20 the charity received a further advance from Stewardship of £181,000 to pay outstanding liabilities relating to the construction of the new auditorium and profession/legal fees.

In light of the uncertainty caused by Covid-19, the charity applied for, and received, deferral of capital repayments on the loan. £1 million was interest only until January 2021, when capital repayments were due, but this interest only period ceased in July 2021 when capital repayments started. The other part of the loan was interest only until November 2021 when capital repayments started.

The loan from Stewardship is secured on Freedom House, Lower Bristol Road, Bath, BA2 1EP and land lying west of Technology House, Lower Bristol Road, Bath, BA2 1EP, and the same is registered at the Land Registry under title numbers AV26412 and AV93184.

Sound Church Ltd
Notes to the Financial Statements Continued
For Year ended 31 August 2022

21. Deferred Income

	£
Deferred income at 1 September 2021	116,935
Deferred income released in the year	(30,000.00)
Deferred income at 31 August 2022	86,935

22. Analysis of net assets between funds

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,268,332	(72,170)	(1,983,510)	2,212,652
Restricted funds					
	-	4,268,332	(72,170)	(1,983,510)	2,212,652

Previous year

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,326,917	(111,984)	(2,065,219)	2,149,714
Restricted funds					
Fencing fund	-	-	18,890	-	18,890
	-	4,326,917	(93,094)	(2,065,219)	2,168,604

22. Company limited by guarantee

Sound Church Ltd is a company limited by guarantee and accordingly does not have a share capital.

Sound Church Ltd
Notes to the Financial Statements Continued
For the year ended 31 August 2022

23. Restricted Funds

	Balance at 1 Sept 2020	Incoming resources	Resources expended	Transfers	Balance at 1 Sept 2021	Incoming resources	Resources expended	Transfers	Balance at 31 Aug 2022
Fencing fund	-	20,750	(1,861)	-	18,890	132	(782)	(18,240)	-
	-	20,750	(1,861)	-	18,890	132	(782)	(18,240)	-

The fencing fund was set up to raise funds to improve the perimeter and security at Freedom House.

The transfer to the General fund represents the expenditure incurred to meet this objective.

Sound Church Ltd
Notes to the Financial Statement Continued
For the year ended 31 August 2022

24. Detailed Statement of Financial Activities	2022	2021
	£	£
INCOME AND ENDOWMENT		
Donations and legacies		
Donations	587,807	581,722
Gift Aid	118,544	92,026
Grants receivable	-	3,400
	706,351	677,148
Charitable activities		
Sales of Christian Resources	557	20
Cafe income	6,252	-
Youth & Student work income	5,812	4,409
Rental Income (Freedom House)	20,700	25,200
Other income	8,476	5,880
Church weekend away income	12,244	9,702
	54,041	45,211
Other trading activities		
Income from Letting of Car Park	30,000	30,000
	30,000	30,000
Investments		
Bank interest receivable	11	3
	11	3
Other income		
Job Retention Scheme Grant	1,481	17,077
	1,481	17,077
Total incoming resources	791,884	769,439
EXPENDITURE		
Other trading activities		
Loss on disposal of assets	-	(4,107)
	-	(4,107)
Charitable activities		
Staff costs - wages & salaries	(243,283)	(206,339)
Staff costs - social security costs	(19,321)	(22,811)
Staff costs - pension contributions	(7,426)	(6,988)
Pastoral expenses	(12,726)	(4,635)
Sunday catering & supplies	(6,235)	(4,177)
Youth Work	(8,468)	(8,727)
Childrens Work	(1,836)	(983)
Church weekend away	(12,896)	(8,538)
Events - other	(29,729)	(4,608)
Training & resources	(2,161)	(1,855)
Resources for resale & album costs	(989)	(234)
Grants to institutions	(31,305)	(27,301)
Grants to individuals	(8,269)	(8,505)

Sound Church Ltd
Notes to the Financial Statement Continued
For the year ended 31 August 2022

	(384,644)	(305,701)
SUPPORT COSTS		
Management		
Depreciation	(81,987)	(80,827)
Amortisation	-	(444)
Meetings & staff welfare	(13)	(13)
Garage rent & storage	(1,678)	(3,700)
Church & office equipment	(4,530)	(4,625)
Software, graphics & IT	(11,590)	(5,945)
Printing, postage & stationery	(1,465)	(1,198)
Telephone	(2,786)	(2,912)
Other office expenses (inc cleaning, H&S, website)	(19,850)	(27,297)
Utilities	(21,028)	(21,107)
Insurance	(8,044)	(6,742)
Travel & accomodation	(15,488)	(1,513)
Rates	(12,780)	(11,099)
Bank charges	(3,339)	(2,636)
Minibus	-	(330)
Subscriptions	(5,363)	(4,228)
Loan interest	(70,742)	(68,391)
Building repairs & maintenance	(27,129)	(17,224)
Legal fees	(17,759)	(12,200)
Marketing	(10,722)	-
	(316,293)	(272,431)
Governance costs		
Wages and salaries	(24,790)	(30,778)
Accountancy fees	(10,781)	(6,494)
Audit fees	(8,820)	(4,620)
Legal fees	(2,508)	(3,045)
	(46,899)	(44,937)
Total resources expended	(747,836)	(627,176)
Net Income	44,048	142,263

Sound Church

England & Wales - Charity number 1072196

Accounts

Charity number: 1072196
Company number: 03642766
(England and Wales)

Freedom-Bath
Report of the Trustees and Audited Financial Statements
For the year ended 31 August 2021

Freedom-Bath
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For the year ended 31 August 2021

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Freedom-Bath

Report of the Trustees

For the year ended 31 August 2021

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 August 2021. 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As Trustees we seek to ensure as a church we have considered the Commissions guidance on Public Benefit when planning our activities. Specifically with respect to the guidance on the advancement of religion. With this in mind the charities objects and principal activities are:

- The furtherance of religious education.
- The advancement of the Christian faith including missionary activities in the United Kingdom and overseas and also including but not limited to the planning of new churches and organisations of congregations.
- The relief of the poor and needy.
- The relief of the sick and elderly.
- Such other charitable objects for the benefit of such other charitable bodies and institutions as the committee shall in their absolute discretion see fit.

These objectives enable us to provide public benefit in various ways through the various activities of the charity.

Events are hosted and attended throughout the year to further the charities objects, including Sunday services, midweek meetings, social events and the Church Weekend Away in which the majority of the church go away to be strengthened and encouraged in their faith. These events are strategic in enabling people to connect with each other and with Jesus.

Missions are those activities whereby the charity seeks to reach out to others helping to advance the Christian faith and or relieve poverty. A significant amount of our missions activities are through the provision of grants to individuals and charities who are undertaking work that contribute toward the objects of the charity as listed above. As well as giving to others we also run our own activities which also serve to reach out to the local and international community. These varied activities act to see the relief of poverty and the advancement of the Christian faith. Many of our small groups in church get involved in helping the communities they live in practical ways. With this in mind we work with social services to help some of the people most in need in our cities.

Activities seek to care for, support and help people to move on in their lives both practically and spiritually. These activities are carried out to bring relief to the poor and needy and the sick and elderly, those requiring emotional and spiritual support. The provision of pastoral support has been continued throughout the year by the Senior Pastor, assisted by members of the pastoral team. This has enabled us to help both people inside and outside of the church as they seek to move forward in their lives.

The core of the church's activities are found in its meetings, which are usually held on Sundays and many midweek evenings. These meetings are specifically aimed at teaching and growing people in their faith. Enabling them to help and encourage others in their daily life with Jesus and each other.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Grantmaking

Mission is the generic term we give to gifts that we make to other organisations and individuals that furthers our charitable objects. When gifts are given the following criteria are always looked at before the gift is given:

- When giving to the organisation, the trustees decide which organisations and the amount to be given
- As stated in the Trustees report, we aim to give at least 10% of our unrestricted income away in mission gifts and grants

FINANCIAL REVIEW

There was a net surplus on general funds for the year of £123,373

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021

Principal funding sources

Funding is generated predominantly through tithes and offerings given to the church from its members and other organisations. As such a significant source of income is the Gift Aid claimed on peoples gifts. In addition the car park at Freedom House is let to a Trust who use it for their employees during the week and parts of Freedom House are let to another registered charity to carry out their work supporting the local community.

Reserves

It was decided by the Trustees that the Church should hold in savings in unrestricted funds the equivalent of at least one month's staff salaries and outgoings in order to cover any shortfall in the giving to the charity. Therefore the charity seeks to hold a minimum of £20,000 in reserve. In view of the building development, additional financial commitments taken on and the arrival of the Covid-19 virus, the reserve policy is under constant review.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs E de Thierry (appointed 4th July 2021)
Mr AMA de Thierry (resigned 4th July 2021)
Mr JM Needham
Mr S Matthew

The Chairman of Trustees appoints trustees with relevant business and/or church experience to serve as trustees for a period of normally at least 2 years. Trustees are active members or supporters of Freedom- Bath.

Most Trustees are already familiar with the activities undertaken by the charity as commonly active members of or long term supporters of the church are selected for the role. Copies of the Memorandum and Articles of Association are made available and an overview of recent activities, obligations and plans are given to them at a meeting with the Chairman of the Trustees.

The charity is led by the senior pastor and the leadership team. The church is part of some wider church networks such as the Hillsong Network and Wave Church Network.

The board meet four or five times a year to administer the charity. They are not a board of elders and have no pastoral function, their role is to oversee the legal and financial aspects (governance) of the charity and to ensure compliance with statutory reporting requirements and that risks to which the charity is exposed are reviewed, minimised and managed accordingly. Mr A de Thierry will present those plans which have a financial cost to the trustees who will advise and make recommendations on the best method of implementation or compliance.

Related parties

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium.

The charity also supports the Trauma Recovery Centre financially. Mrs E de Thierry is the founder and a Trustee of Trauma Recovery Centre.

Betsy de Thierry Ltd is a limited company that provides professional support to members of the church. Mrs E de Thierry and Mr A de Thierry are director/shareholders of the company.

Risk management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The auditor, Caladine Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Freedom-Bath
Charity registration number	1072196
Company registration number	03642766
Principal address	Freedom House Lower Bristol Road Bath BA2 1EP

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr AMA de Thierry (Resigned: 04 July 2021)
Mr JM Needham
Mr S Matthew
Mrs E de Thierry (Appointed: 04 July 2021)
Ms J Stetson (Appointed: 30 November 2021)

Secretary

Mrs H Sell

Auditors

Caladine Ltd
Chantry House
22 Upperton Road
Eastbourne
BN21 1BF

Bankers

HSBC
45 Milsom Street
Bath
BA1 1DU

Stewardship Services (UKET) Limited
1 Lambs Passage
London
EC1Y 8AB

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021

RESPONSIBILITIES OF THE TRUSTEES

The Trustees, who are also directors for the purposes of company law, are who are also directors of Freedom-Bath for the purposes of Company Law are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommend practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees and signed on its behalf by

.....
Mrs E de Thierry

15 May 2022

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE



SEPTEMBER 2020

Freshers Event

Leaders Day



OCTOBER 2020

Freshers Event

Youth Go Karting

Women's Evening

20/30s Brunch started



NOVEMBER 2020

Josh joins us as Associate Pastor

Kids club filming



DECEMBER 2020

Carol Service

Christingle Drive Thru

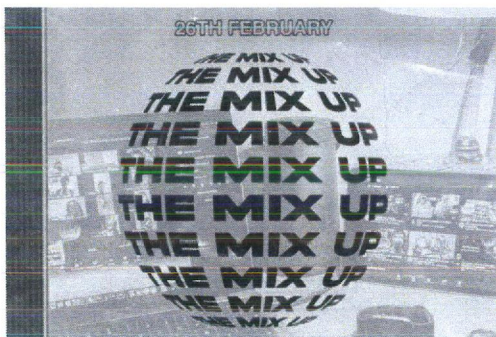
RUH use auditorium to pack food and gift hampers

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021



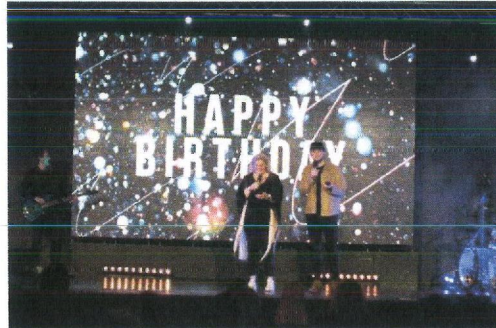
JANUARY 2021

- Drive through prayer
- Impact Sunday - Impact Initiative



FEBRUARY 2021

- Online toddlers started
- Students Mix up event
- Guest Speaker – John Greenow



MARCH 2021

- Rise and Build
- Colour live stream
- Youth in persons started back
- Youth Takeover service



APRIL 2021

- Easter Service
- Student Baking Event
- Men's Camping Trip

Freedom-Bath
Report of the Trustees Continued
For the year ended 31 August 2021



MAY 2021

Airhop Youth

AGM

In the shadows preaching series



JUNE 2021

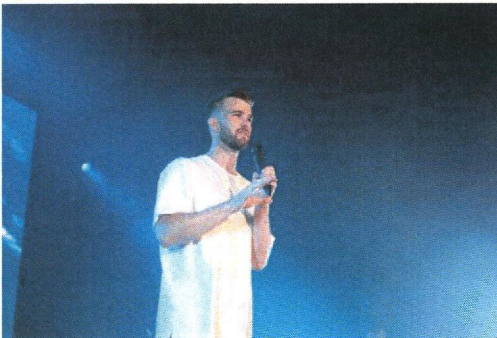
Student end of year party

Youth Night in

Celebration of 2 years of auditorium celebration

Child Protection training for 60 volunteers

Men's night away



JULY 2021

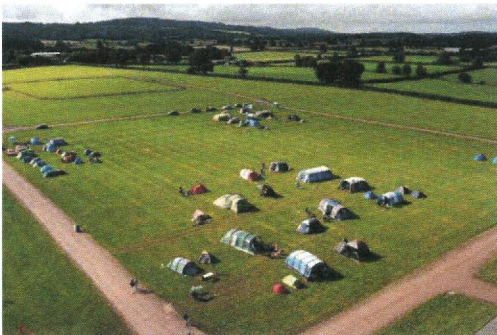
Fire Marshals Training

Renaud Preaching

Grief Café

Inflatable Sunday

Apartment full all month



AUGUST 2021

Apartment full all month

1st Authentic Youth Festival

Weekend Away

Freedom-Bath
Independent Auditors Report to the Members
For the year ended 31 August 2021

Independent auditor's report to the members of Freedom-Bath for the year ended 31 August 2021

Opinion on financial statements

We have audited the financial statements of Freedom-Bath (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Freedom-Bath
Independent Auditors Report to the Members Continued
For the year ended 31 August 2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Freedom-Bath
Independent Auditors Report to the Members Continued
For the year ended 31 August 2021

Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, employment legislation, health and safety, and Anti-Money Laundering laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve

Freedom-Bath
Independent Auditors Report to the Members Continued
For the year ended 31 August 2021

deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)
for and on behalf of Caladine Limited

Chartered Certified Accountants
Statutory Auditor

17 May 2022

Caladine Ltd
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

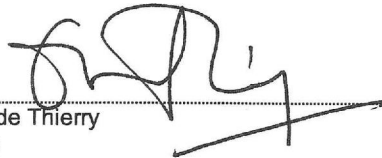
Freedom-Bath
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 £	2020 £
Income and endowments from:					
Donations and legacies	2	656,397	20,751	677,148	499,741
Charitable activities	3	45,211	-	45,211	24,911
Other trading activities	4	30,000	-	30,000	30,000
Investments	5	3	-	3	48
Other income	6	17,077	-	17,077	5,730
Total		748,688	20,751	769,439	560,430
Expenditure on:					
Raising funds	7	(4,107)	-	(4,107)	(694)
Charitable activities	8/9	(621,208)	(1,861)	(623,069)	(497,431)
Total		(625,315)	(1,861)	(627,176)	(498,125)
Net income		123,373	18,890	142,263	62,305
Reconciliation of funds					
Total funds brought forward		2,026,341	-	2,026,341	1,964,036
Total funds carried forward		2,149,714	18,890	2,168,604	2,026,341

Freedom-Bath
Statement of Financial Position
As at 31 August 2021

	Notes	2021 £	2020 £
Fixed assets			
Intangible assets	15	-	444
Tangible assets	16	4,326,917	4,263,413
		4,326,917	4,263,857
Current assets			
Debtors	17	6,876	10,285
Cash at bank and in hand		70,672	28,471
		77,548	38,756
Creditors: amounts falling due within one year	18	(170,642)	(70,443)
Net current assets		(93,094)	(31,687)
Total assets less current liabilities		4,233,823	4,232,170
Creditors: amounts falling due after more than one year	19	(2,065,219)	(2,205,829)
Net assets		2,168,604	2,026,341
The funds of the charity			
Restricted income funds		18,890	-
Unrestricted income funds		2,149,714	2,026,341
Total funds		2,168,604	2,026,341

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:


 Mrs E de Thierry
 Trustee

15 May 2022

Freedom-Bath
Statement of Cash Flows
As at 31 August 2021

Cash flows from operating activities	2021	2020
Surplus for the year	142,263	62,305
<u>Adjustments for:</u>		
Investment income recognised in the statement of financial activities	-3	-48
Loss/(gain) on disposal of property, plant & equipment	4,107	694
Depreciation and impairment of property, plant & equipment	81,271	22,885
<u>Movements in working capital</u>		
Decrease / (increase) in trade & other receivables	6,318	1,227
(Decrease) / increase in Creditors & other payables	2,673	162,965
(Decrease) / increase in deferred income	30,000	30,000
Cash (absorbed by) / generated from operations	<u>201,282</u>	<u>105,902</u>
Investing activities		
Purchase of property, plant & equipment	151,776	33,146
Proceeds on disposal of property, plant & equipment	3,340	766
Investment income received	3	48
Net cash used in investing activities	<u>148,433</u>	<u>32,332</u>
Financing activities		
Proceeds of new bank loans	-	181,000
Repayment of bank loans	10,645	44,417
Net cash generated from financing activities	<u>10,645</u>	<u>136,583</u>
Net decrease in cash and cash equivalents	42,204	1,651
Cash and cash equivalents at beginning of year	28,469	30,120
Cash and cash equivalents at end of year	<u><u>70,673</u></u>	<u><u>28,469</u></u>

Freedom-Bath
Notes to the Financial Statements
For the year ended 31 August 2021

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 2019), Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

Freedom-Bath meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Freedom-Bath is a charitable company limited by guarantee incorporated in England and Wales.

These financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The continued support of the church congregation and church bankers has resulted in another successful year for the charity despite the ongoing effects of the Covid-19 pandemic. This is expected to continue thus ensuring the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation as unrestricted income.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities when received.

In July 2019 the charity received the sum of £180,000 from a local housing association as an advance payment for use of the charity's car park. The remaining amount is shown as deferred income on the balance sheet, with the income being recognised at a rate of £30,000 per year over the 6 year lease period to July 2025.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Taxation

The Trustees consider that none of the income of the charity is subject to UK taxation.

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

Intangible assets

Intangible assets acquired separately from a charity are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

These costs relate to the costs of Trademarks for Freedom Bath & Bristol, Freedom Arts College and Freedom Churches.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks -10% on a straight line basis

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Fixed assets that cost over £500 are capitalised in the accounts.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property - 2% on a straight line basis

Fixtures, fittings and equipment - 25% on a reducing balance basis

Motor vehicle - 25% on a reducing balance basis

Freedom House/The New Auditorium was completed in during the year and the depreciation policy on the building within the site is 2% in line with the other assets of this type.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Grants payable

	2021	2020
Community Action (The Cupboard)	87	3,546
Gilead Foundation	3,000	3,000
Hillsong	6,148	6,957
Hope for Justice	1,200	1,200
Sozo Ministries International	1,200	1,200
Trauma Recovery Centre	42	19,979
Rebuild the Pastors	10,231	11,162
Other	<u>5,393</u>	<u>9,060</u>
	27,301	56,104
Grants to individuals	<u>8,505</u>	<u>9,272</u>
	35,806	65,376

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

2. Income from donations and legacies

	Unrestricted funds	Restricted funds	2021	2020
	£	£	£	£
Donations received	656,397	17,351	673,748	499,741
Grants received	-	3,400	3,400	-
	656,397	20,751	677,148	499,741

Comparative for Income from donations and legacies

	Unrestricted funds	Restricted funds	2020
	£	£	£
Donations received	376,418	123,325	499,743
Grants received	-	-	-
	376,418	123,325	499,743

3. Income from charitable activities

	2021	2020
	£	£
Unrestricted funds		
<i>Advancement of Christian faith</i>		
Sales of Christian Resources	20	899
Cafe income	-	2,759
Youth & Student work income	4,409	1,053
Rental Income (Freedom House)	25,200	20,200
Church weekend away income	15,582	-
	45,211	24,911
	45,211	24,911

4. Income earned from other activities

	2021	2020
	£	£
Unrestricted funds		
Letting of Car Park	30,000	30,000
	30,000	30,000

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

5. Investment income

	2021	2020
	£	£
Unrestricted funds		
Bank interest receivable	3	48
	3	48

6. Other income

	2021	2020
	£	£
Unrestricted funds		
Job Retention Scheme Grant	17,077	5,730
	17,077	5,730

7. Expenditure on other trading activities

	2021	2020
	£	£
Unrestricted funds		
Fund raising events	4,107	694
	4,107	694

8. Costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2021	2020
	£	£	£	£
Advancement of Christian faith	305,701	-	305,701	271,510
Support costs	315,507	1,861	317,368	225,921
	621,208	1,861	623,069	497,431

Comparative for costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2020
	£	£	£
Charitable activities	426,864	70,567	497,431

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

9. Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	2021	2020
	£	£	£	£
Support costs				
Advancement of Christian faith	305,701	317,368	623,069	497,431

Comparative for costs of charitable activities by activity type

	Activities undertaken directly	Support costs	2020
	£	£	£
Charitable activities	271,510	225,921	497,431

10. Analysis of support costs

	2021	2020
	£	£
Advancement of Christian faith		
Management	272,431	179,606
Governance costs	44,937	46,315
	317,368	225,921

11. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of owned fixed assets	80,827	22,440
Amortisation of intangible fixed assets		
Trademarks	444	444
Accountancy fees	6,494	2,520
Auditor's fees	4,620	4,620
Trustees' remuneration	30,778	34,569
Staff pension contributions	6,988	5,296
Loss on disposal of tangible fixed assets	4,107	694

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

12. Staff costs and emoluments

Total staff costs for the year ended 31 August 2021 were:

	2021	2020
	£	£
Salaries and wages	237,116	189,839
Social security costs	22,811	9,936
Pension costs	6,988	5,296
	266,916	205,072

	2021	2020
Activities in furtherance of organisations objects	12	12
Management and administration	3	3
	15	15

A portion of the salary cost totalling £9,813 (2020: £10,756) is for the Church's mission work. The wages are considered part of the grant allocation under the Rebuilding the Pastors category and are therefore not included in the above figures.

There were no employees whose annual remuneration was £60,000 or more.

The remuneration of key management personnel is as follows:

	2021	2020	
	£	£	
Aggregate compensation	67,099	57,820	

The church is also wonderfully served by many unpaid volunteers acting in a variety of ways.

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

13. Trustee remuneration and related party transactions

Mrs E deThierry (trustee) received a salary of £59,500 (2020: £51,504) as a pastor and pension contributions of £2,800 (2020: £1,987). This payment is permitted within the constitution of the charitable company.

Mr A deThierry (trustee - ceased during year, husband of Mrs E deThierry, a trustee) received a salary of £43,583 (2020: £44,126) in his role as pastor and pension contributions of £1,760 (2020: £1,760). This payment is permitted within the constitution of the charitable company.

During the year expenses for travel and telephone calls relating to their ministry work as pastors were paid to 2 trustees of £1,201 (2020: £2,262).

Mr Jonah deThierry (son of Mrs E deThierry, trustee) received a salary of £7,533 (2020: £5,285)

Mr Joshua deThierry (son of Mrs E Thierry, trustee) received a salary of £2,983 (2020: £Nil)

Mrs H Needham (wife of Mr J Needham, trustee) received a salary of £4,229 (2020: £3,429)

Aggregate donations to the charity during the year from Trustees and related parties were £37,851 (2020: £32,148).

Betsy deThierry Ltd is a limited company that provides professional support to members of the church. Mrs E deThierry & Mr A deThierry are director/shareholders of this company. A payment of £12,000 (2020: £Nil) was made to this company for professional services.

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium. The company owes £1,565 to the charity at the year end (2020: £Nil).

The charity also supports the Trauma Recovery Centre financially. Mrs E deThierry (trustee) is the founder and a Trustee of Trauma Recovery Centre. The charity provided support of £42 (2020: £19,979). £Nil (2020: £11,200) of this support was a gift-in-kind in lieu of rent due. TRC leases premises at Freedom House from Freedom-Bath, they paid rent of £26,200 (2020: £8,000). The total rent due from TRC of £26,200 (2020: £19,200) is recognised as charitable rental income in the accounts.

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

14. Comparative for the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	2020 £
Income and endowments from:			
Donations and legacies	376,416	123,325	499,741
Charitable activities	24,911	-	24,911
Other trading activities	30,000	-	30,000
Investments	48	-	48
Other income	5,730	-	5,730
Total	437,105	123,325	560,430
Expenditure on:			
Raising funds	(694)	-	(694)
Charitable activities	(426,864)	(70,567)	(497,431)
Total	(427,558)	(70,567)	(498,125)
Transfers between funds	52,758	(52,758)	-
Net movement in funds	62,305	-	62,305
Reconciliation of funds			
Total funds brought forward	1,964,036	-	1,964,036
Total funds carried forward	2,026,341	-	2,026,341

15. Intangible fixed assets

	Trademarks £
Cost or valuation	
At 01 September 2020	4,442
At 31 August 2021	4,442
Amortisation	
At 01 September 2020	3,998
Charge for year	444
At 31 August 2021	4,442
Net book values	
At 31 August 2021	-
At 31 August 2020	444

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

16. Tangible fixed assets

Cost or valuation	Land and Buildings	Motor Vehicles	Fixtures and Fittings	Total
	£	£	£	£
At 01 September 2020	4,220,717	12,500	239,853	4,473,070
Additions	144,834	-	6,942	151,776
Disposals	(1,776)	(12,500)	(55,232)	(69,508)
At 31 August 2021	4,363,775	-	191,563	4,555,338
Depreciation				
At 01 September 2020	36,981	12,277	160,398	209,656
Disposals	(440)	(12,277)	(49,345)	(62,062)
Charge for year	61,074	-	19,752	80,827
At 31 August 2021	97,616	-	130,805	228,421
Net book values				
At 31 August 2021	4,266,159	-	60,758	4,326,917
At 31 August 2020	4,183,736	223	79,455	4,263,414

17. Debtors

	2021	2020
	£	£
Amounts due within one year:		
Trade debtors	-	5,574
Amounts due by group and associated undertakings	1,566	-
Prepayments and accrued income	5,080	2,948
Other debtors	230	1,763
	6,876	10,285

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Loans and overdrafts	120,931	20,967
Trade creditors	8,772	7,076
Other creditors		
PAYE & social security	6,319	5,260
Accruals and deferred income	34,620	37,140
	170,642	70,443

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

19. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Loans and overdrafts	1,978,284	2,088,894
Accruals and deferred income	86,935	116,935
	2,065,219	2,205,829

The property loan from Stewardship Services (UKET) Ltd was originally £1,995,000 in total charged at 3.25% (variable at one months' notice) repayable over 15 years.

In 2019-20 the charity received a further advance from Stewardship of £181,000 to pay outstanding liabilities related to the construction of the new auditorium and professional and legal fees.

In light of the uncertainty caused by Covid-19 the charity applied for, and received, deferral of capital repayments on the loan. £1 million of the loan was interest only until January 2021, when capital repayments were due, but this interest only period was extended - capital repayments started July 2021. The other part of the loan is still interest only and capital repayments are due to start in November 2021.

The loan from Stewardship is secured on Freedom House, Lower Bristol Road, Bath, BA2 1EP and land lying to the west of Technology House, Lower Bristol Road, Bath, BA2 1EP, as the same is registered at the Land Registry under title number AV26412 and AV93184.

21. Analysis of net assets between funds

	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	-	4,326,917	(111,984)	(2,065,219)	2,149,714
Restricted funds					
Fencing fund	-	-	18,890	-	18,890
	-	4,326,917	(93,094)	(2,065,219)	2,168,604
 Previous year					
	Intangible fixed assets	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
Unrestricted funds					
<i>General</i>					
General	444	4,263,413	(31,687)	(2,205,829)	2,026,341
Restricted funds					
	444	4,263,413	(31,687)	(2,205,829)	2,026,341

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

22. Company limited by guarantee

Freedom-Bath is a company limited by guarantee and accordingly does not have a share capital.

23. Restricted funds

	Balance at 1 Sept 2019	Incoming resources	Resources expended	Transfers	Balance at 1 Sept 2020	Incoming resources	Resources expended	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£	£	£	£
Fencing fund	-	-	-	-	-	20,750	-1,861	-	18,890
Building fund	-	118,102	-69,089	-49,013	-	-	-	-	-
Gifts for visiting speakers	-	125	-125	-	-	-	-	-	-
Trauma Recovery Centre	-	123	-123	-	-	-	-	-	-
Equipment fund	-	4,975	-1,230	-3,745	-	-	-	-	-
	-	123,325	-70,567	-52,758	-	20,750	-1,861	-	18,890

Freedom-Bath
Notes to the Financial Statements Continued
For the year ended 31 August 2021

24. Detailed Statement of Financial Activities

	2021	2020
	£	£
INCOME AND ENDOWMENT		
Donations and legacies		
Donations	581,722	429,084
Gift Aid	92,026	70,657
Grants receivable	3,400	-
	677,148	499,741
Charitable activities		
Sales of Christian Resources	20	899
Cafe income	-	2,759
Youth & Student work income	4,409	1,053
Rental Income (Freedom House)	25,200	20,200
Other income	5,880	-
Church weekend away income	9,702	-
	45,211	24,911
Other trading activities		
Income from Letting of Car Park	30,000	30,000
	30,000	30,000
Investments		
Bank interest receivable	3	48
	3	48
Other income		
Job Retention Scheme Grant	17,077	5,730
	17,077	5,730
Total incoming resources	769,439	560,430
EXPENDITURE		
Other trading activities		
Loss on disposal of assets	(4,107)	(694)
	(4,107)	(694)
Charitable activities		
Staff costs - wages & salaries	(206,339)	(155,271)
Staff costs - social security costs	(22,811)	(9,936)
Staff costs - pension contributions	(6,988)	(5,296)
Pastoral expenses	(4,635)	(3,423)
Sunday catering & supplies	(4,177)	(6,018)
Youth Work	(8,727)	(5,753)
Childrens Work	(983)	(1,722)
Church weekend away	(8,538)	(1,735)
Events - other	(4,608)	(10,516)
Training & resources	(1,855)	(6,182)
Resources for resale & album costs	(234)	(282)
Grants to institutions	(27,301)	(56,104)
Grants to individuals	(8,505)	(9,272)

Freedom-Bath
Detailed Statement of Financial Activities Continued
For the year ended 31 August 2021

	(305,701)	(271,510)
SUPPORT COSTS		
Management		
Depreciation	(80,827)	(22,440)
Amortisation	(444)	(444)
Meetings & staff welfare	(13)	(1,456)
Garage rent & storage	(3,700)	(3,588)
Church & office equipment	(4,625)	(4,048)
Software, graphics & IT	(5,945)	(11,754)
Printing, postage & stationery	(1,198)	(1,849)
Telephone	(2,912)	(2,876)
Other office expenses (inc cleaning, H&S, website)	(27,297)	(3,959)
Utilities	(21,107)	(17,421)
Insurance	(6,742)	(7,224)
Travel & accomodation	(1,513)	(314)
Licenses & permits	-	(657)
Rates	(11,099)	(14,960)
Bank charges	(2,636)	(3,010)
Minibus	(330)	(720)
Subscriptions	(4,228)	(1,386)
Loan interest	(68,391)	(67,551)
Building repairs & maintenance	(17,224)	(13,949)
Legal fees	(12,200)	-
	(272,431)	(179,606)
Governance costs		
Wages and salaries	(30,778)	(34,569)
Accountancy fees	(6,494)	(2,520)
Audit fees	(4,620)	(4,620)
Legal fees	(3,045)	(4,606)
	(44,937)	(46,315)
Total resources expended	(627,176)	(498,125)
Net Income	142,263	62,305

Sound Church

England & Wales - Charity number 1072196

Accounts

Charity Registration No. 1072196

Company Registration No. 03642766 (England and Wales)

FREEDOM-BATH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



Caladine

Chartered Certified Accountants

FREEDOM-BATH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A M A de Thierry Mr J M Needham Mr S Matthew
Secretary	Mrs H Sell
Charity number	1072196
Company number	03642766
Principal address	Freedom House Lower Bristol Road Bath BA2 1EP
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	HSBC 45 Milsom Street Bath BA1 1DU Stewardship Services (UKET) Limited 1 Lamb's Passage London EC1Y 8AB

FREEDOM-BATH

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FREEDOM-BATH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their report and accounts for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019)".

Objectives and activities

As Trustees we seek to ensure as a church we have considered the Commissions guidance on Public Benefit when planning our activities. Specifically with respect to the guidance on the advancement of religion. With this in mind the charities objects and principal activities are:

- The furtherance of religious education.
- The advancement of the Christian faith including missionary activities in the United Kingdom and overseas and also including but not limited to the planning of new churches and organisations of congregations.
- The relief of the poor and needy.
- The relief of the sick and elderly.
- Such other charitable objects for the benefit of such other charitable bodies and institutions as the committee shall in their absolute discretion see fit.

These objectives enable us to provide public benefit in various ways through the various activities of the charity.

Events are hosted and attended throughout the year to further the charities objects, including Sunday services, midweek meetings, social events and the Church Weekend Away in which the majority of the church go away to be strengthened and encouraged in their faith. These events are strategic in enabling people to connect with each other and with Jesus.

Missions are those activities where by the charity seeks to reach out to others helping to advance the Christian faith and or relieve poverty. A significant amount of our missions activities are through the provision of grants to individuals and charities who are undertaking work that contribute toward the objects of the charity as listed above. You can see a list of those we support in note 9 to the accounts. As well as giving to others we also run our own activities which also serve to reach out to the local and international community. These varied activities act to see the relief of poverty and the advancement of the Christian faith. Many of our small groups in church get involved in helping the communities they live in practical ways. With this in mind we work with social services to help some of the people most in need in our cities.

Activities seek to care for, support and help people to move on in their lives both practically and spiritually. These activities are carried out to bring relief to the poor and needy and the sick and elderly, those requiring emotional and spiritual support. The provision of pastoral support has been continued throughout the year by the Senior Pastor, assisted by members of the pastoral team. This has enabled us to help both people inside and outside of the church as they seek to move forward in their lives.

The core of the church's activities are found in its meetings, which are usually held on Sundays and many midweek evenings. These meetings are specifically aimed at teaching and growing people in their faith. Enabling them to help and encourage others in their daily life with Jesus and each other.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant making policy

Mission is the generic term we give to gifts that we make to other organisations and individuals that furthers our charitable objects. When gifts are given the following criteria are always looked at before the gift is given:

- When giving to the organisation, the trustees decide which organisations and the amount to be given.
- As stated in the Trustees report, we aim to give at least 20% of our unrestricted income away in mission gifts and grants.

ACHIEVEMENTS AND PERFORMANCE

2019

Highlights of the year included:



SEPTEMBER 2019

Freshers events
Leaders day
Youth trips and Socials

Women's Breakfast
New comers lunches



OCTOBER 2019

Heart and Soul
Student and Youth socials
First A21 walk

Betsy trained A21 in Greece
Alpha course launched
Kids Glow party



NOVEMBER 2019

Hillsong Men's day
Social Action meeting
Youth trips and socials
Thank you banquet
Community Sunday

Freedom on Ice family event
De T's visited churches in USA



DECEMBER 2019

Simon Guillebaud preached
New comers lunch
Christmas decorating event
Carol services
Jeff and Julie Crabtree visit
Youth and student socials

Authentic Youth Christmas party
Kids Christmas performance
Hillsong Carols
Nativity Service
Christingle service

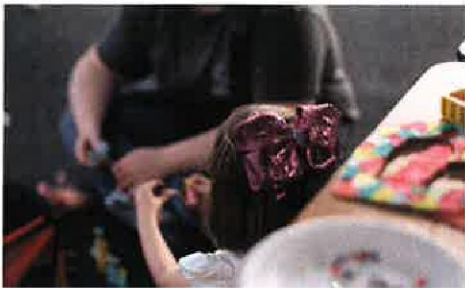
ACHIEVEMENTS AND PERFORMANCE



JANUARY 2020

Youth trips and socials
Men's Breakfast
Heart and Soul
Student meal
Marriage course

Fire marshall training for staff
Meal for Prime
Leadership training
Edify parents mental health first aid session



FEBRUARY 2020

Youth weekends away
New comers lunch
Edify mental health first aid
Films with purpose: Unrest
Afternoon for Young Carers

Student talks on sex and relationships and on finance and budgeting
Kids conference



MARCH 2020

Hillsong conference tour
Rise and Build
Youth trips and weekend away
First Sunday service live streamed from auditorium
Child Protection training for 60 volunteers on zoom

Youth zoom nights
Trauma informed church Sunday
Group Hub
Freedom kids YouTube launched with Sunday films



APRIL 2020

Easter Sunday pre recorded on new youtube channel
Sign of the times Q+A on zoom
Quiz nights and coffee mornings launched weekly on zoom
Prayer meetings (3 times daily)

After work drinks launched
Zoomba launched
Treasure hunt (online) launched
Baking for families (online) launched
Craft hampers sent to refugee families in Bath



MAY 2020

Continuation of regular online activities
Heart and Soul
Group Hub
Film night

Postcards sent to every member
Wave collective weekly zooms with church leaders from globe



JUNE 2020

Continuation of regular online activities

Youth online launched on youtube
Women's Summer drinks outside

ACHIEVEMENTS AND PERFORMANCE



JULY 2020

Continuation of online activities
Heart and Soul
Start of outside 'car park'
evening worship services
Summer of fun packs sent to all
children for summer Sundays

Hampers of treat food, crafts and
toys driven to young carers
families in Bath.



AUGUST 2020

Summer of speakers for online
church
Summer drinks on zoom
Toby employed as film maker
Apartment used each week for
pastors holidays

Uniform cupboard launched for
free uniform



SEPTEMBER 2020

Auditorium open for services -
tickets only, kids club outside
Leaders meeting on first Saturday

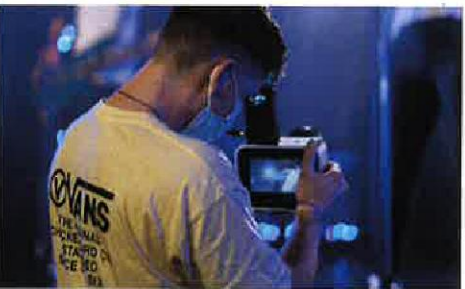
Freshers outside lunches
Uniform cupboard regularly open



OCTOBER 2020

Betsy's 6th trauma book
published.
Josh de T starts as campus
pastor

Sundays online and in auditorium
Kids clubs outside



NOVEMBER 2020

Remembrance Sunday Services
online and in auditorium with
kids clubs outside with heaters

Meeting with Bernard



DECEMBER 2020

Carol services 6th & 13th in
auditorium and online
RUH use auditorium for a week
to pack hampers for staff

Nativity service moved to online
and all services only online from
20th.

CORE NUMBERS

Address Book Numbers	527
Life Groups and Espressos	23
People attending small groups	229
People serving on teams	137

**FRUITFULNESS
NUMBERS**

Number of Salvations	20
Compassions kids Sponsored	72 children mostly in Kenya
People staying in Apartment	20
Presents Given Away	150 hampers (35 to refugees, 60 to young carers in the Summer, 30 to young carers at Christmas + lots of hampers given to RUH) 429 hand creams & snack bars to the NHS
TRC Hours of Service Provision	36 weeks x 3 days = 288 x staff members x 14= 4,032
Betsy Trained	41 training events (28 events cancelled due to covid)

FREEDOM-BATH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

There was a net surplus on general funds for the year of £9,547 (2019: £22,544) before transfers.

Reserves Policy

It was decided by the Trustees that the Church should hold in savings in unrestricted funds the equivalent of at least one month's staff salaries and outgoings in order to cover any shortfall in the giving to the charity. Therefore the charity seeks to hold a minimum of £20,000 in reserve. In view of the building development, additional financial commitments taken on and the arrival of the Covid-19 virus, the reserve policy is under constant review.

Funding sources

Funding is generated predominantly through tithes and offerings given to the church from its members and other organisations. As such a significant source of income is the Gift Aid claimed on peoples gifts. In addition the car park at Freedom House is let to a Trust who use it for their employees during the week and parts of Freedom House are let to another registered charity to carry out their work supporting the local community.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr A M A de Thierry

Mr J M Needham

Rev R White

(Resigned 19 October 2020)

Mr S Matthew

The Chairman of Trustees appoints trustees with relevant business and/or church experience to serve as trustees for a period of normally at least 2 years. Trustees are active members or supporters of Freedom-Bath.

Most Trustees are already familiar with the activities undertaken by the charity as commonly active members of or long term supporters of the church are selected for the role. Copies of the Memorandum and Articles of Association are made available and an overview of recent activities, obligations and plans are given to them at a meeting with the Chairman of the Trustees.

The charity is led by the senior pastor and the leadership team. The church is part of some wider church networks such as the Hillsong Network and Wave Church Network.

The board meet four or five times a year to administer the charity. They are not a board of elders and have no pastoral function, their role is to oversee the legal and financial aspects (governance) of the charity and to ensure compliance with statutory reporting requirements and that risks to which the charity is exposed are reviewed, minimised and managed accordingly. Mr A de Thierry will present those plans which have a financial cost to the trustees who will advise and make recommendations on the best method of implementation or compliance.

Related parties

Freedom Bath + Bristol Developments Limited is a limited company which was engaged by the charity to carry out the design and build contract for the erection of the new auditorium. The charity also supports the Trauma Recovery Centre financially. Mrs de Thierry (wife of Mr de Thierry) is the founder and a Trustee of Trauma Recovery Centre.

FREEDOM-BATH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Freedom-Bath for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

Auditor

The auditor, Caladine Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

The Trustees' report was approved by the Board of Trustees.


.....
Mr A M A de Thierry

Trustee

Dated: 5/5/21

FREEDOM-BATH

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FREEDOM-BATH

Opinion

We have audited the financial statements of Freedom-Bath (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

FREEDOM-BATH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FREEDOM-BATH

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.


John Richard Caladine FCCA CTA FCIE (Senior Statutory Auditor)
for and on behalf of Caladine Limited

Chartered Certified Accountants
Statutory Auditor

7 May 2021

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

FREEDOM-BATH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Voluntary income	3	376,418	123,325	499,743	457,917	429,272	887,189
Charitable activities	4	24,911	-	24,911	22,223	-	22,223
Other trading activities	5	30,000	-	30,000	3,565	-	3,565
Investments	6	48	-	48	1,243	-	1,243
Other income	7	5,730	-	5,730	501	-	501
Total income		437,107	123,325	560,432	485,449	429,272	914,721
Expenditure on:							
Charitable activities	8	426,866	70,567	497,433	462,905	209,878	672,783
Other	13	694	-	694	-	-	-
Total resources expended		427,560	70,567	498,127	462,905	209,878	672,783
Net incoming resources before transfers		9,547	52,758	62,305	22,544	219,394	241,938
Gross transfers between funds	21	52,758	(52,758)	-	647,159	(647,159)	-
Net income for the year/ Net movement in funds		62,305	-	62,305	669,703	(427,765)	241,938
Fund balances at 1 September 2019		1,964,036	-	1,964,036	1,294,333	427,765	1,722,098
Fund balances at 31 August 2020		2,026,341	-	2,026,341	1,964,036	-	1,964,036

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

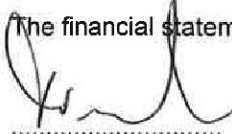
FREEDOM-BATH

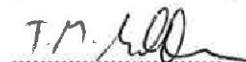
STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	14		444		889
Property, plant and equipment	15		4,263,414		4,254,169
			<u>4,263,858</u>		<u>4,255,058</u>
Current assets					
Trade and other receivables	16	10,286		11,512	
Cash at bank and in hand		28,469		30,120	
		<u>38,755</u>		<u>41,632</u>	
Current liabilities					
Borrowings	17	20,967		52,859	
Taxation and social security		5,260		4,381	
Other payables		14,216		178,060	
Deferred income	19	30,000		30,000	
	18	<u>70,443</u>		<u>265,300</u>	
Net current liabilities			(31,688)		(223,668)
Total assets less current liabilities			<u>4,232,170</u>		<u>4,031,390</u>
Non-current liabilities					
Borrowings	17	2,088,894		1,920,419	
Deferred income	19	116,935		146,935	
		<u>(2,205,829)</u>		<u>(2,067,354)</u>	
Net assets			<u>2,026,341</u>		<u>1,964,036</u>
Income funds					
Unrestricted funds			2,026,341		1,964,036
			<u>2,026,341</u>		<u>1,964,036</u>

The financial statements were approved by the Trustees on 30th April 2021.


Mr A M A de Thierry
Trustee


Mr J M Needham
Trustee

FREEDOM-BATH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(105,902)		588,457
Investing activities					
Purchase of property, plant and equipment		(33,146)		(2,394,295)	
Proceeds on disposal of property, plant and equipment		766		17,607	
Investment income received		48		1,243	
Net cash used in investing activities			(32,332)		(2,375,445)
Financing activities					
Proceeds of new bank loans		181,000		1,995,000	
Repayment of bank loans		(44,417)		(989,276)	
Net cash generated from financing activities			136,583		1,005,724
Net decrease in cash and cash equivalents			(1,651)		(781,264)
Cash and cash equivalents at beginning of year			30,120		811,384
Cash and cash equivalents at end of year			<u>28,469</u>		<u>30,120</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

Freedom-Bath is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Freedom House, Lower Bristol, Bath, BA2 1EP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The government restrictions imposed in the wake of Covid-19 have brought change to the operational methods of the charity and their continues to be significant uncertainty over how and when restrictions will change. At the time of approving the financial statements, the Trustees have a reasonable expectation that the support of the charity's bankers and church congregation will ensure the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation as unrestricted income.

Voluntary income is received by way of donations and gifts. It is shown in full in the Statement of Financial Activities when received.

In July 2019 the charity received the sum of £180,000 from a local housing association as an advance payment for use of the charity's car park. This amount is shown as deferred income on the balance sheet, with the income being recognised at a rate of £30,000 per year over the 6 year lease period to July 2025.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the associated costs of the advancement of the Christian faith, religious education, relief of the poor and needy, relief of the sick and elderly and other activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include building repairs and maintenance, rates and utilities, travel, office costs and governance costs. Support costs have been allocated wholly to the charitable activity expenditure.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a charity are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

These costs relate to the costs of Trademarks for Freedom Bath & Bristol, Freedom Arts College and Freedom Churches.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	10% on a straight line basis
------------	------------------------------

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or, if donated, the value at date of receipt, less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold property and land (part only)	1% on a straight line basis
Fixtures, fittings and equipment	25% on a reducing balance basis
Motor vehicle	25% on a reducing balance basis

Freedom House/The New Auditorium - some final snagging work on the new auditorium is due to be completed in 2020-21 when the depreciation policy on the building within the site will be agreed and implemented.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Fixed assets that cost over £500 are capitalised in the accounts.

1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The Trustees consider that none of the income of the charity is subject to UK taxation.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	376,418	123,325	499,743	457,917	364,272	822,189
Grants receivable	-	-	-	-	65,000	65,000
	<u>376,418</u>	<u>123,325</u>	<u>499,743</u>	<u>457,917</u>	<u>429,272</u>	<u>887,189</u>
Donations and gifts						
Gift aid giving	205,444	67,464	272,908	237,500	191,725	429,225
Other regular gifts	100,318	55,861	156,179	104,221	172,547	276,768
Tax refunds	70,656	-	70,656	116,196	-	116,196
	<u>376,418</u>	<u>123,325</u>	<u>499,743</u>	<u>457,917</u>	<u>364,272</u>	<u>822,189</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

	2020 £	2019 £
Sales of album and other Christian resources	899	1,089
Cafe	2,759	997
Youth work	1,053	937
Charitable rental income	20,200	19,200
	<u>24,911</u>	<u>22,223</u>

5 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income (Car Park)	<u>30,000</u>	<u>3,565</u>

6 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>48</u>	<u>1,243</u>

7 Other income

	2020 £	2019 £
Net (loss)/gain on disposals	-	501
Job Retention Scheme Grant	5,730	-
	<u>5,730</u>	<u>501</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

	2020	2019
	£	£
Staff costs	170,503	177,622
Visitors accommodation and costs	-	803
Pastoral expenses	3,423	7,231
Sunday venue hire	-	86,380
Sunday catering and supplies	6,019	13,133
Youth work	5,753	10,608
Children's work	1,722	5,263
Events - Church weekend away	1,735	60
Events - Other	10,516	6,306
Training and resources	6,182	10,068
Resources for resale and album costs	282	310
	<u>206,135</u>	<u>317,784</u>
Grant funding of activities (see note 9)	65,376	109,415
Share of support costs (see note 10)	179,607	173,660
Share of governance costs (see note 10)	46,315	71,924
	<u>497,433</u>	<u>672,783</u>
Analysis by fund		
Unrestricted funds	426,866	462,905
Restricted funds	70,567	209,878
	<u>497,433</u>	<u>672,783</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Grants payable

	2020	2019
	£	£
Community Action (The Cupboard)	3,546	2,424
Gilead Foundation	3,000	3,000
Hillsong	6,957	6,205
Hope for Justice	1,200	1,200
Sozo Ministries International	1,200	1,200
Trauma Recovery Centre	19,979	69,972
Rebuild the Pastors	11,162	10,667
Other	9,060	12,377
	<u>56,104</u>	<u>107,045</u>
Grants to individuals	9,272	2,370
	<u>65,376</u>	<u>109,415</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Support costs

	Support costs	Governance costs	Total 2020	Support costs	Governance costs	Total 2019
	£	£	£	£	£	£
Staff costs	-	34,569	34,569	-	31,666	31,666
Depreciation	22,885	-	22,885	22,523	-	22,523
Meetings and staff welfare	1,456	-	1,456	7,223	-	7,223
Garage rent and storage	3,588	-	3,588	4,522	-	4,522
Building repairs and maintenance	13,949	-	13,949	20,023	-	20,023
Church and office equipment	4,048	-	4,048	14,896	-	14,896
Software, graphics and IT	11,754	-	11,754	13,922	-	13,922
Printing, postage and stationery	1,849	-	1,849	3,546	-	3,546
Telephone	2,876	-	2,876	4,760	-	4,760
Other office expenditure	3,959	-	3,959	7,242	-	7,242
Utilities	17,421	-	17,421	15,672	-	15,672
Insurance	7,224	-	7,224	5,591	-	5,591
Travel and accomodation	314	-	314	2,230	-	2,230
Licenses and permits	657	-	657	652	-	652
Rates	14,960	-	14,960	5,480	-	5,480
Bank charges	3,010	-	3,010	3,733	-	3,733
Minibus	720	-	720	1,935	-	1,935
Dues and subscriptions	1,386	-	1,386	687	-	687
Loan interest	67,551	-	67,551	39,023	-	39,023
Legal and professional	-	4,606	4,606	-	33,118	33,118
Audit fee	-	4,620	4,620	-	4,620	4,620
Accountancy	-	2,520	2,520	-	2,520	2,520
	<u>179,607</u>	<u>46,315</u>	<u>225,922</u>	<u>173,660</u>	<u>71,924</u>	<u>245,584</u>
<u>Analysed between</u>						
Charitable activities	<u>179,607</u>	<u>46,315</u>	<u>225,922</u>	<u>173,660</u>	<u>71,924</u>	<u>245,584</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Trustees

Andrew de Thierry received remuneration of £44,126 (2019: £44,000) and pension contributions of £1,760 (2019: £1,760) in his role as Pastor. This payment is permitted within the constitution of the charitable company.

During the year expenses for travel and accommodation were paid to Mr A de Thierry in support of his ministry work amounting to £2,262 (2019: £1,617).

No expenses were paid to any of other the Trustees during the year (2019: £223 paid to other trustees for travel).

Aggregate donations to the charity during the year from Trustees and related parties were £32,148 (2019: £43,644).

12 Employees

Number of employees

The average monthly number of full and part time employees during the year was:

	2020 Number	2019 Number
Activities in furtherance of organisations objects	12	11
Management and administration	3	2
	<u>15</u>	<u>13</u>

Employment costs

	2020 £	2019 £
Wages and salaries	189,840	191,749
Social security costs	9,936	12,093
Other pension costs	5,296	5,446
	<u>205,072</u>	<u>209,288</u>

A portion of the salary cost of two employees totalling £10,756 (2019: £11,465) is for the Church's mission work. The wages are considered part of the grant allocation under the Rebuilding the Pastors and Trauma Recovery Centre categories and are therefore not included in the above figures.

The church is also wonderfully served by many unpaid volunteers acting in a variety of ways.

There were no employees whose annual remuneration was £60,000 or more.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Other

	Unrestricted funds	Total
	2020	£ 2019
Net loss on disposal of tangible fixed assets	694	-
	<u>694</u>	<u>-</u>

14 Intangible fixed assets

	Trademarks
	£
Cost	
At 1 September 2019 and 31 August 2020	4,442
	<u> </u>
Amortisation and impairment	
At 1 September 2019	3,554
Amortisation charged for the year	444
	<u> </u>
At 31 August 2020	3,998
	<u> </u>
Carrying amount	
At 31 August 2020	444
	<u> </u>
At 31 August 2019	889
	<u> </u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Property, plant and equipment

	Freehold property and land (part only)	Fixtures, fittings and equipment	Motor vehicle	Total
	£	£	£	£
Cost				
At 1 September 2019	4,207,497	223,768	12,500	4,443,765
Additions	13,220	19,926	-	33,146
Disposals	-	(3,841)	-	(3,841)
At 31 August 2020	4,220,717	239,853	12,500	4,473,070
Depreciation and impairment				
At 1 September 2019	33,490	143,904	12,203	189,597
Depreciation charged in the year	3,491	18,875	74	22,440
Eliminated in respect of disposals	-	(2,381)	-	(2,381)
At 31 August 2020	36,981	160,398	12,277	209,656
Carrying amount				
At 31 August 2020	4,183,736	79,455	223	4,263,414
At 31 August 2019	4,178,881	74,991	297	4,254,169

16 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Gift aid	5,575	8,883
Other debtors	1,763	739
Prepayments and accrued income	2,948	1,890
	10,286	11,512

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Borrowings

	2020 £	2019 £
Bank loans	2,109,861	1,973,278
Payable within one year	20,967	52,859
Payable after one year	2,088,894	1,920,419
Amounts included above which fall due after five years:		
Payable by instalments	1,550,216	1,455,958

The property loan from Stewardship Services (UKET) Ltd was originally £1,995,000 in total charged at 3.25% (variable at one months notice) repayable over 15 years.

In 2019-20 the charity received a further advance from Stewardship of £181,000 to pay outstanding liabilities related to the construction of the new auditorium and professional and legal fees.

In light of the uncertainty caused by Covid-19 the charity applied for, and received, deferral of capital repayments on the loan. £1 million of the loan was interest only until January 2021, when capital repayments were due, but this interest only period has been extended - capital repayments are now due to start in July 2021. The other part of the loan, which the charity were making capital repayments against, became interest only in July 2020 and capital repayments will start again in July 2021.

The final repayments of the loan are due in 2034-35.

The loan from Stewardship is secured on Freedom House, Lower Bristol Road, Bath, BA2 1EP and land lying to the west of Technology House, Lower Bristol Road, Bath, BA2 1EP, as the same is registered at the Land Registry under title number AV26412 and AV93184.

18 Current liabilities

	Notes	2020 £	2019 £
Bank loans	17	20,967	52,859
Other taxation and social security		5,260	4,381
Deferred income	19	30,000	30,000
Trade payables		7,076	168,505
Accruals and deferred income		7,140	9,555
		<u>70,443</u>	<u>265,300</u>

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Deferred income

	2020 £	2019 £
Arising from car park rental	146,935	176,935

Deferred income is included in the financial statements as follows:

	2020 £	2019 £
Current liabilities	30,000	30,000
Non-current liabilities	116,935	146,935
	<u>146,935</u>	<u>176,935</u>

20 Retirement benefit schemes

Defined contribution schemes

The charity operates an auto-enrolment defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,296 (2019 - £5,446).

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2018 £	Movement in funds			Balance at 1 September 2019 £	Transfers £	Movement in funds			Balance at 31 August 2020 £
		Incoming resources £	Resources expended £	Transfers £			Incoming resources £	Resources expended £	Transfers £	
Building Fund	427,740	428,273	(208,854)	(647,159)	-	118,102	(69,089)	(49,013)	-	
Gift for visiting speakers	25	475	(500)	-	-	125	(125)	-	-	
Trauma Recovery Centre Equipment Fund	-	24	(24)	-	-	123	(123)	-	-	
Authentic Youth Fund	-	-	(500)	-	-	4,975	(1,230)	(3,745)	-	
	427,765	429,272	(209,878)	(647,159)	-	123,325	(70,567)	(52,758)	-	

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Restricted funds (Continued)

Building Fund

The Building Fund is to identify and raise funds for the refurbishment and development of existing buildings and to provide finance for the purchase of new land/buildings. In addition it is to be used to service loan commitments and other costs relating to venue hire whilst the new auditorium is constructed. Money given to the building fund is tithed as mission gifts to third parties. The expenditure of £69,089 represents £67,551 of mortgage interest and £1,537 on other building related costs. The transfers out of £49,013 represents £13,220 of capitalised expenditure and a remaining transfer of £35,793 as the building project is now complete.

Gifts for visiting speakers

This fund provides gifts to visiting speakers.

Trauma Recovery Centre

The Church assist the Trauma Recovery Centre, a registered charity no.1141659 which provides therapy and counselling to children and families recovering from trauma and this fund is for donations specifically given for the work from Church members and congregation. Additional support is given via the General Fund.

Equipment Fund

This fund is to raise funds to buy new media equipment. The transfer of £3,745 represents media equipment which was purchased and capitalised in the year.

Authentic Youth Fund

This fund is used to put on events for young people.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances are represented by:						
Intangible fixed assets	444	-	444	889	-	889
Property, plant and equipment	4,263,414	-	4,263,414	4,254,169	-	4,254,169
Current assets/ (liabilities)	(31,688)	-	(31,688)	(223,668)	-	(223,668)
Long term liabilities	(2,205,829)	-	(2,205,829)	(2,067,354)	-	(2,067,354)
	<u>2,026,341</u>	<u>-</u>	<u>2,026,341</u>	<u>1,964,036</u>	<u>-</u>	<u>1,964,036</u>

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>51,504</u>	<u>49,665</u>

A salary was paid to Mrs B de Thierry (wife of Mr A de Thierry, a Trustee) as pastor of £51,504 (2019: £49,665). Mrs B de Thierry also received pension contributions of £1,987 (2019: £1,987) and no benefits in kind (2019: £633).

A salary was paid to Mrs H Needham (wife of Mr J Needham, a Trustee) of £3,429 (2019: £3,785).

A salary was paid to Mr J de Thierry (son of Mr A de Thierry, a Trustee) of £5,285 (2019: £763).

Freedom-Bath did not pay for any volunteer training provided by Betsy de Thierry Limited (2019: £1,450).

Freedom-Bath supports the work of the Trauma Recovery Centre (TRC), a separate charity with Mrs B de Thierry acting as a Trustee. TRC leases premises at Freedom House from Freedom-Bath.

Freedom-Bath provided support to TRC of £19,979 (2019: £69,972). £11,200 (2019: £19,200) of this support was a gift-in-kind in lieu of the rent due. TRC also paid rent of £8,000 (2019: nil). The total rent due from TRC of £19,200 (2019: £19,200) is recognised as charitable rental income in the accounts.

Freedom-Bath made payments amounting to £1,200 (2019: £1,200) to a charity, Hope for Justice. Rev R White, a Trustee of Freedom-Bath during the year, is also a Trustee of Hope for Justice.

FREEDOM-BATH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24	Cash generated from operations		2020	2019
			£	£
	Surplus for the year		62,305	241,938
	Adjustments for:			
	Investment income recognised in statement of financial activities		(48)	(1,243)
	Loss/(gain) on disposal of property, plant and equipment		694	(501)
	Depreciation and impairment of property, plant and equipment		22,885	22,523
	Movements in working capital:			
	Decrease/(increase) in trade and other receivables		1,227	(5,687)
	(Decrease)/increase in trade and other payables		(162,965)	154,492
	(Decrease)/increase in deferred income		(30,000)	176,935
	Cash (absorbed by)/generated from operations		(105,902)	588,457
25	Analysis of changes in net (debt)/funds			
		At 1 September 2019	Cash flows	At 31 August 2020
		£	£	£
	Cash at bank and in hand	30,120	(1,651)	28,469
	Loans falling due within one year	(52,859)	31,892	(20,967)
	Loans falling due after more than one year	(1,920,419)	(168,475)	(2,088,894)
		(1,943,158)	(138,234)	(2,081,392)