

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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For the year ended 31 August 2024

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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 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?

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
	<hr/>	<hr/>
	<hr/>	<hr/>

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
	<hr/> 57,098	<hr/> 55,646
	<hr/> 57,098	<hr/> 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
	<u>30,000</u>	<u>30,000</u>

5. Investment income

	2024	2023
	£	£
Unrestricted funds		
Bank interest receivable	376	178
	<u>376</u>	<u>178</u>

6. Other income

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

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
	<u>896,508</u>	<u>3,349</u>	<u>899,857</u>	<u>880,875</u>

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
	<u>868,211</u>	<u>12,664</u>	<u>880,875</u>

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
	<u>359,726</u>	<u>354,439</u>

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

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
	<u>19,070</u>	<u>22,601</u>

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
	<u>109,737</u>	<u>101,325</u>

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
	<u>1,832,369</u>	<u>1,916,140</u>

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)	-
	<u>3,349</u>	<u>-</u>	<u>(3,349)</u>	<u>-</u>

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
	-	16,013	(12,664)	3,349

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					
	-	4,126,790	(60,133)	(1,832,369)	2,234,288

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
	-	4,202,285	(60,748)	(1,916,140)	2,225,397

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