
SOUTHBOROUGH LANE BAPTIST CHURCH

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

SOUTHBOROUGH LANE BAPTIST CHURCH

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SOUTHBOROUGH LANE BAPTIST CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2022

Trustees

Rev. B R A Marlowe, Chairman
Mr. S Fox, Trustee
Miss J Edwards, Trustee
Mr P R Willans, Treasurer
Mr P Wallach, Trustee
Mrs J Hirst, Trustee
Mr F P Hills, Trustee
Mr B Hughes, Trustee

**Charity registered
number**

1129360

Principal office

Southborough Lane
Petts Wood
Kent
BR2 8BQ

Independent Examiner

Paul Baker FFA. FAIA
Independent Examiner
Applied Accountancy Limited
50A Clifford Way
Maidstone
ME16 8GD

SOUTHBOROUGH LANE BAPTIST CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees present their annual report together with the financial statements of the Southborough Lane Baptist Church for the year 1 October 2021 to 30 September 2022.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

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

Our objective is to engage with all people of all ages, in our community, on an emotional, spiritual and educational basis.

b. Activities for achieving objectives and main activities undertaken to further the Charity's purposes for Public Benefit

We have sought, despite the continued disruption that COVID-19 has brought, to achieve our objectives through maintaining a connection with our various groups and members socially, educationally, pastorally and spiritually through Sunday Services and various scheduled activities held throughout the week.

ACHIEVEMENTS AND PERFORMANCE

a. Key financial performance indicators

The key financial performance indicators identified relate to the comparison of donations received to amounts expended in meeting the church's stated objectives as well as maintaining the integrity of the various funds that are maintained.

b. Review of activities

During the last twelve months we have continued to endeavour to be a church for all people of all ages, providing spiritual, emotional, physical and educational support. This support is for both those in the church as well as to those from our wider community.

Following the COVID pandemic we finally reopened properly in February 2022.

It was good to see that the hiatus had not set our groups back. Our two important groups for mums or dads and their toddlers are flourishing again. Likewise, the adult's range of activities which include Bowls Mornings, Badminton Evenings, Craft Groups and Coffee Mornings are running well.

We also have a range of small groups who meet for study and discussion, which have helped people to develop in a variety of ways. Some continued to meet via Zoom up until the summer break, but all of them now meet in person again.

The Building Redevelopment Project that was completed last year is providing us with additional space to run our activities and has provided a very welcoming environment for a number of new people who have joined us this year.

The Petts Wood Mandarin-English Bi-lingual Pre School that operates out of our premises continues to thrive. For the first time this year we have been able to engage in two joint ventures for children and families.

SOUTHBOROUGH LANE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

c. Investment policy and performance

The Church has a long term policy for the investment of funds. Any surplus funds arising from time to time will be held on deposit with either a High-Street Bank Deposit or the London Baptist Property Board, both of which allow easy access to the funds if required.

FINANCIAL REVIEW

a. Going concern

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

The Trustees continue to monitor the impact of Coronavirus on the charity as a whole.

b. Results for the year

Unrestricted

This year Southborough Lane Baptist Church generated a surplus, before transfers, of £5,880 which compared to the previous year's surplus, before transfers, of £9,977, shows a reduction of £4,097. Essentially income has risen by £2,790 comprising a fall in donations received which is more than compensated for by an increase in rental income. In addition, Other Trading Activities which comprise Ministry Support Activities are now fully operational. This increase in Rental Income arises from the ongoing terms of the lease agreed with the Pre-School who occupy the rear of the buildings.

However, this overall increase in income does not compensate for the increase in expenditure of £6,888 when 2022 is compared to 2021.

Restricted

Donations for 2022 totaled £19,934 (2021 - £29,478) were principally in respect of pledges made for the Building Development Fund. There were no fundraising activities undertaken in 2022 (2021 - £nil) in respect of the building works which had commenced during the year ended 30 September 2019 and completed during the year ended 30 September 2022 upon settlement of the Retention owed to the builders.

Expenditure totaled £35,268 (2021 - £36,458) which comprised depreciation in respect of those buildings which are now complete and brought into usage. These buildings comprised the church offices, the rear hall now used by the Petts Wood Mandarin English Bi-lingual Pre School and the refurbished front hall and entrance.

SOUTHBOROUGH LANE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

c. Reserves Policy

The trustees endeavour to retain sufficient unrestricted funds to cover approximately three month's running costs. This latter sum amounts to £27,159 excluding depreciation (2021 - £25,441). The unrestricted funds, classified as General Funds, excluding the cost of property, both cost and revaluation reserve, at the end of the year amounted to £98,402 (2021 - £89,742) which exceeds the trustees' target for reserves. The level of reserves will continue to be kept under close review.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The charity is an unincorporated charity governed by a constitution adopted on 28 January 2009.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making

The charity is governed by a committee of management comprising the Trustees, the Minister, the Elders and the Deacons who are elected by the membership of Southborough Lane Baptist Church. These leaders meet on a regular basis to discuss issues affecting the church and its work and witness and make appropriate authorised decisions themselves or recommendations to the Church membership for decisions in general meeting.

d. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Coronavirus

The trustees have assessed the various risks arising on the easing of Lockdown leading to recommencement of church services. The areas of concern included; Singing during services, social distancing, working surfaces such as door handles, cleaning between services, the dispersal of the congregation after church services as well as other matters.

SOUTHBOROUGH LANE BAPTIST CHURCH

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

PLANS FOR FUTURE PERIODS

Future Developments

The next twelve months, we hope, will be a time when we are able to press on with our vision to make Southborough Lane Baptist Church a place of welcome and blessing for people of all ages in the Petts Wood community.

We are keen to identify new ways through which we might respond to people's specific needs and offer spiritual, emotional, physical and educational support, as required.

In March, we commenced a new activity, Family Fun @ 4 which will include families not connected to the church who can join us for an afternoon of family activities within a church setting.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

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

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 19 July 2023 and signed on their behalf by:

Rev. B R A Marlowe, Chairman

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SOUTHBOROUGH LANE BAPTIST CHURCH

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Independent examiner's report to the Trustees of Southborough Lane Baptist Church ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 30 September 2022.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Signed:

Dated: 19 July 2023

Paul Baker FFA FAIA

SOUTHBOROUGH LANE BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	19,934	90,291	110,225	129,051
Other trading activities	4	-	4,639	4,639	277
Investments	5	-	88	88	109
Other income	6	-	20,175	20,175	12,443
Total income		19,934	115,193	135,127	141,880
Expenditure on:					
Charitable activities		35,268	109,313	144,581	138,883
Total expenditure		35,268	109,313	144,581	138,883
Net movement in funds		(15,334)	5,880	(9,454)	2,997
Reconciliation of funds:					
Total funds brought forward		1,293,826	667,053	1,960,879	1,957,882
Net movement in funds		(15,334)	5,880	(9,454)	2,997
Total funds carried forward		1,278,492	672,933	1,951,425	1,960,879

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 9 to 21 form part of these financial statements.

SOUTHBOROUGH LANE BAPTIST CHURCH

BALANCE SHEET AS AT 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	1,909,167	1,937,654
		<u>1,909,167</u>	<u>1,937,654</u>
Current assets			
Debtors	13	19,209	24,151
Cash at bank and in hand		110,154	95,771
		<u>129,363</u>	<u>119,922</u>
Creditors: amounts falling due within one year	14	(19,605)	(19,197)
Net current assets		<u>109,758</u>	<u>100,725</u>
Total assets less current liabilities		<u>2,018,925</u>	<u>2,038,379</u>
Creditors: amounts falling due after more than one year	15	(67,500)	(77,500)
Net assets excluding pension asset		<u>1,951,425</u>	<u>1,960,879</u>
Total net assets		<u><u>1,951,425</u></u>	<u><u>1,960,879</u></u>
Charity funds			
Restricted funds	17	1,278,492	1,293,826
Unrestricted funds	17	672,933	667,053
Total funds		<u><u>1,951,425</u></u>	<u><u>1,960,879</u></u>

The financial statements were approved and authorised for issue by the Trustees on 19 July 2023 and signed on their behalf by:

Rev. B R A Marlowe - Chairman

Mr P R Willans - Treasurer

The notes on pages 9 to 21 form part of these financial statements.

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. General information

Southborough Lane Baptist Church is an unincorporated organisation, registered as a charity with The Charity Commission with the The Charity Commission number 1129360.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Southborough Lane Baptist Church 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.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £750 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- Straight Line over the life of the Property
Plant and machinery	- 25% Reducing Balance
Fixtures and fittings	- 25% Reducing Balance

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	19,934	90,291	110,225
	<u>19,934</u>	<u>90,291</u>	<u>110,225</u>
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	29,478	99,573	129,051
	<u>29,478</u>	<u>99,573</u>	<u>129,051</u>

4. Income from other trading activities

Income from Ministry Support Activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income generated	4,639	4,639	277
	<u>4,639</u>	<u>4,639</u>	<u>277</u>

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income - Bank Interest received	53	53	14
Gift Aid Tax repayment supplement	35	35	95
	<u>88</u>	<u>88</u>	<u>109</u>

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental Income	20,175	20,175	12,443
	<u>20,175</u>	<u>20,175</u>	<u>12,443</u>

7. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £
Ministry Support Costs	-	67,041	67,041
Staff and Ministry Costs	77,540	-	77,540
	<u>77,540</u>	<u>67,041</u>	<u>144,581</u>

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Ministry Support Costs	-	66,634	66,634
Staff and Ministry Costs	72,249	-	72,249
	<u>72,249</u>	<u>66,634</u>	<u>138,883</u>

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Direct costs 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	56,645	56,645	53,751
Ministry activities	20,895	20,895	18,498
	77,540	77,540	72,249
	77,540	77,540	72,249

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Depreciation	35,945	37,120
Office costs	2,027	2,462
Computer costs	45	442
Support costs	4,144	4,397
Maintenance repairs	3,632	3,345
Grantmaking	16,654	14,461
Governance costs	4,594	4,407
Total 2022	67,041	66,634

8. Analysis of Grantmaking

Included within expenditure are the following transactions:

	Total £	2022 Amount £	Individual items Reason
Grantmaking	16,654	4,169	Overseas Mission
		4,947	Home Mission
		4,505	The Michael Project
		250	Spurgeon's College
		2,783	Samara's Aid

Grants to individuals totaled £760, (2021 - £997) and because they live locally these grants are included in ministry activities.

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,440 (2021 - £1,380).

10. Staff costs

	2022 £	2021 £
Wages and salaries	48,946	46,213
Social security costs	165	130
Contribution to defined contribution pension schemes	7,534	7,408
	<u>56,645</u>	<u>53,751</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Minister	1	1
Office Staff	2	2
	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, the Rev. B.R.A. Marlowe, one of the Trustees received remuneration and other benefits from his employment with the Charity. His salary was £37,967 (2021 - £36,960.) and the value of the other benefits received was as follows: Taxable Benefits in kind £1,245 (2021 - £1,391) and Pension contributions of £3,831 (2021 - £3,696).

During the year ended 30 September 2022, no Trustee expenses have been incurred (2021 - £NIL).

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 October 2021	2,050,503	32,594	68,990	2,152,087
Additions	6,738	-	720	7,458
At 30 September 2022	<u>2,057,241</u>	<u>32,594</u>	<u>69,710</u>	<u>2,159,545</u>
Depreciation				
At 1 October 2021	133,172	14,259	67,002	214,433
Charge for the year	30,684	4,584	677	35,945
At 30 September 2022	<u>163,856</u>	<u>18,843</u>	<u>67,679</u>	<u>250,378</u>
Net book value				
At 30 September 2022	<u>1,893,385</u>	<u>13,751</u>	<u>2,031</u>	<u>1,909,167</u>
At 30 September 2021	<u>1,917,331</u>	<u>18,335</u>	<u>1,988</u>	<u>1,937,654</u>

In accordance with FRS102 the church buildings have been revalued by the trustees and where appropriate any surplus arising has been taken to a Revaluation Reserve, refer to note 17.

Building works as part of the Refurbishment and Development of the Church Site relating to the new church offices, the refurbishment of the front and rear hall and the Audio Visual system are now being depreciated as work on them has now been completed and they have been brought into use.

It has been decided that the costs and related depreciation of the Audio Visual system be disclosed separately even though they are an integral part of the building. This is to show clarity as well as the impact of the shorter life of these assets when compared to the building.

SOUTHBOROUGH LANE BAPTIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

13. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	18,138	22,699
Prepayments and accrued income	1,071	1,452
	<u>19,209</u>	<u>24,151</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	10,000	10,000
Other taxation and social security	923	-
Other creditors	8,682	9,197
	<u>19,605</u>	<u>19,197</u>

The current portion of the loan described in note 14 is £10,000 comprising four quarterly installments of £2,500 which will be repaid during the year ended 30 September 2023.

Included in Other Creditors is an amount of £3,000 in respect of a Rent deposit given by a Mandarin-English Bi-Lingual Pre-school prior to commencing activities in the church's newly refurbished rear hall

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

15. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	<u>67,500</u>	<u>77,500</u>

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Other loans	<u>10,000</u>	<u>10,000</u>
Between two and five years		
Other loans	<u>30,000</u>	<u>30,000</u>
Over five years		
Other loans	<u>27,500</u>	<u>37,500</u>

During the year ended 30 September 2020 the church was awarded a ten year loan facility of £100,000 from the London Baptist Property Board to provide funds to complete the property refurbishment and development works which were currently under way. The Loan is to be repaid in equal quarterly installments of £2,500. Interest is charged quarterly at a variable rate the current level being 5.00% and the loan is secured on the property.

Since the year end a Capital Repayment of £30,000 has been made. This will shorten the life of the loan as none of the underlying terms have been adjusted for the voluntary repayment with no obligation to repay early being placed on Southborough Lane Baptist Church.

16. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>110,154</u>	<u>95,771</u>

Financial assets measured at fair value through income and expenditure comprise a number of bank accounts held within High Street Banks and the London Baptist Property Board.

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

17. Statement of funds

Statement of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2022 £
Unrestricted funds					
Designated funds					
Manse at Cost	110,000	-	-	-	110,000
Manse Revaluation	462,500	-	-	-	462,500
Ministry Support Activities	4,811	4,640	(4,236)	-	5,215
	<u>577,311</u>	<u>4,640</u>	<u>(4,236)</u>	<u>-</u>	<u>577,715</u>
General funds					
General Funds - all funds	<u>89,742</u>	<u>110,553</u>	<u>(105,077)</u>	<u>-</u>	<u>95,218</u>
Total Unrestricted funds	<u>667,053</u>	<u>115,193</u>	<u>(109,313)</u>	<u>-</u>	<u>672,933</u>
Restricted funds					
Church Site	524,531	-	(7,560)	-	516,971
Church Site Revaluation	510,829	-	(7,340)	-	503,489
Church Site Redevelopment	256,689	-	(20,368)	6,738	243,059
Building Development	-	19,934	-	(6,738)	13,196
Website Development	1,777	-	-	-	1,777
	<u>1,293,826</u>	<u>19,934</u>	<u>(35,268)</u>	<u>-</u>	<u>1,278,492</u>
Total of funds	<u>1,960,879</u>	<u>135,127</u>	<u>(144,581)</u>	<u>-</u>	<u>1,951,425</u>

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

18. Summary of funds

Summary of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2022 £
Designated funds	577,311	4,640	(4,236)	-	577,715
General funds	89,742	110,553	(105,077)	-	95,218
Restricted funds	1,293,826	19,934	(35,268)	-	1,278,492
	<u>1,960,879</u>	<u>135,127</u>	<u>(144,581)</u>	<u>-</u>	<u>1,951,425</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,334,636	574,531	1,909,167
Current assets	21,356	108,007	129,363
Creditors due within one year	(10,000)	(9,605)	(19,605)
Creditors due in more than one year	(67,500)	-	(67,500)
Total	<u>1,278,492</u>	<u>672,933</u>	<u>1,951,425</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,363,166	574,488	1,937,654
Current assets	18,160	101,762	119,922
Creditors due within one year	(10,000)	(9,197)	(19,197)
Creditors due in more than one year	(77,500)	-	(77,500)
Total	<u>1,293,826</u>	<u>667,053</u>	<u>1,960,879</u>

SOUTHBOROUGH LANE BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

20. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund operated by the Baptist Union. The pension cost charge represents contributions payable by the charity to the fund and amounted to £4,733 (2021 - £4,183). There were no arrears of contributions at the year end (2021 - £120).

In addition to the present scheme contributions were made to an existing scheme referred to as The Defined Benefit Plan (The DB Plan) for employees in employment up to the plan's closure on 31 December 2011. Actuarial review indicates that the pension scheme is in deficit and deficiency payments are due from those churches who are in the scheme. The present level of payment is 12% of the employees' salary. During the year ended 30 September 2022 a total of £2,801 (2021 - £3,225) was paid into the closed scheme. Under arrangements entered into by the pension scheme trustees the employers deficit contributions will be cleared by 2028. Under present arrangements, operating from 1 August 2022, the annual deficiency payments payable during the year ended 30 September 2022 will be £12.