

TESTWOOD BAPTIST CHURCH

England & Wales · Charity number 1129913

Details

Status Registered

Legal form Previously excepted

Registered 2009-06-01

Register [View on the Charity Commission register](#)

Contact

Address 283a Salisbury Road
Totton
Southampton
SO40 3LZ

Phone 023 8086 0320

Email INFO@TESTWOODBAPTIST.ORG

Website www.testwoodbaptist.org

Activities

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

Activities: The principal pupose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such general purposes in such parts of the United Kingdom and the world as the Church shall determine.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD.
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£440,640	£422,452	-	-
2023-12-31	£392,897	£420,163	-	-
2022-12-31	£336,191	£346,791	-	-
2021-12-31	£301,333	£326,778	-	-
2020-12-31	£306,809	£320,977	-	-

Trustees

Name	Role	Appointed
Andrew John Price		2022-07-13
Benjamin Peter Christian		2026-01-15
Colin Stephen Ridout		2013-10-30
HUGH ANTHONY FRANCIS		
JAMES ANDREW SHEPHERD		2023-07-01
Jon Frowd		2014-07-15
MATTHEW HUCKLE		2013-10-30
MICHAEL HONES		2022-10-19
Maria Ruth Smale		2026-04-23
NEIL TUCK		2022-07-13
Raymond Philip King		2020-01-15

TESTWOOD BAPTIST CHURCH

England & Wales - Charity number 1129913

Accounts

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st December 2024
for
Testwood Baptist Church

Testwood Baptist Church

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Testwood Baptist Church

Reference and Administrative Details for the Year Ended 31st December 2024

TRUSTEES	The Revd M Huckle (Senior Pastor) Mr H Francis (Treasurer) Mrs M Murray Mr P Pike Mr C Ridout Mr J Frowd Mr R King Mr A Price Mr N Tuck Mr M Hones The Revd J A Shepherd (Associate Pastor)
PRINCIPAL ADDRESS	283a Salisbury Road Totton Southampton SO40 3LZ
REGISTERED CHARITY NUMBER	1129913
INDEPENDENT EXAMINER	Sheen Stickland Chartered Accountants 2 Oriel Court Omega Park Alton Hampshire GU34 2YT
BANKERS	Lloyds Bank plc 30 Commercial Road Totton Southampton
PROPERTY TRUSTEES	The Baptist Union Corporation Limited Baptist House 129 Broadway Didcot Oxfordshire OX11 8RT

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2024

The trustees present their Annual Report and financial statements in respect of the year ended 31st December 2024.

OBJECTIVES AND ACTIVITIES

Charitable Object

The Charity is governed by an Approved Governing Document dated 20th March 2008 which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises, which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

**Report of the Trustees
for the Year Ended 31st December 2024**

OBJECTIVES AND ACTIVITIES

Objectives and Activities

In order to achieve the principle objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services normally take place in person each Sunday at both 9.30am and 11.15am in the morning and 7.00pm in the evening. As well as the normal face to face services, as a legacy of Covid, we have further developed our on line capability through the extraordinary teamwork of both staff and volunteers. In doing so we reach not only our own community but many more beyond our local community.

There are also occasional services at other times which are advertised on the Church Notice Board, weekly Church Newsletter and the website at www.testwoodbaptist.org. There is usually a full children's programme during the morning services. The Church seeks to be a friendly and welcoming community and everybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at any Sunday services of worship. The majority of the groups meet in members homes but some continue to use Zoom, a skill developed during Covid. House groups provide an excellent support function.

The Church is responsible for a Babies and Toddlers group which meets in the Church premises on Friday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ, see TBC Friday below.

The Church hosts a very popular State Registered Pre-School which provides Pre-School education and is available to the whole community.

The Church runs various events for Young People, including Girls Brigade and Youth Clubs, as well as groups for those with disabilities. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service and safeguarding legislation. See TBC Fridays.

The Church has active links with the local schools and colleges.

TBC Fridays which launched in September 2021 has continued to go from strength to strength; this is a community day for all the family. There are groups for parents and tots, kids, and youth at various times throughout the day. It provides a great opportunity for parents to come and bring children, hang out with other parents, and enjoy a nice coffee and a chat. Each week there are different types of activities. Friday Tots run from 10am to 11.30am, Friday Kids (for primary aged children) 5.30pm to 6.45pm and Friday Youth (secondary age) 7.30pm to 9.00pm. TBC Fridays has been very successful, and 40-80 families attend Friday Tots sessions each week, and on average 100 Kids attend Friday Kids and 100 attend Friday Youth.

**Report of the Trustees
for the Year Ended 31st December 2024**

OBJECTIVES AND ACTIVITIES

The Church operates a food parcel facility, "basics bank", in association with Youth and Families Matter, giving emergency food parcels to those identified as in need. Referrals are often received from local agencies through a voucher scheme. Basics Bank supported 1,361 adults and 847 children (2208 people altogether) in 2024. The local community continued to heavily support this project, as well as many organisations and supermarkets, both with food and finances.

The Church normally runs a "Worn Again" event whereby the local community can come and select a set of clothes for 50p from the vast amount of "good but used" clothes that have been donated by its members and other members of the public. These events are open to all the community.

Public benefit

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

Volunteers

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives. We now regularly have a team of nine people volunteering during the week, collectively providing a minimum of fifteen hours of additional support, helping with various aspects of maintenance, hospitality and general upkeep.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement, and wellbeing. The Trustees recognise that these are difficult to measure but believe that the church brings positive outcomes to people's lives.

During the year, 14 people were received into formal church membership and 20 people came out of membership: 6 members died; 8 resigned as worshipping elsewhere; 2 resigned as moved away and settled into a new church; 4 resigned as they no longer attended Testwood. At 31st December 2024 the formal membership stood at 297.

The Church continues to be much encouraged by its local MP, Town councillors, Head Teachers, and other community leaders, who are very positive about the Church's impact on the community.

**Report of the Trustees
for the Year Ended 31st December 2024**

FINANCIAL REVIEW

Financial Review

The Church continues to raise funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds for the church during the year. The most significant ongoing expenses relate to staff costs to support the ministry of the church and maintenance of the church facilities to support our ministry.

The Church expressed its part in the life of the wider church by making grants to national and international organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The underlying financial position remained stable and healthy throughout 2024. The church does not have any outstanding amounts due on the building and we are mindful of the ongoing need to maintain the upkeep of our well used facilities. The church also benefited from the agreement which the Baptist pension scheme signed on 30th June 2022 with insurance company Just Group ('Just') to secure DB Plan members' benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan (including the church) reduced to £1 per month from August 2022. Therefore, there is no liability recognised within the financial statements regarding this for the current or prior financial year.

Reserves

The Trustees continue to seek to apply the Reserves policy which balances the ongoing commitments of the church with the known levels of regular committed giving and ensuring that the main goal remains to utilise the church resources to meet our objectives.

Risk Management

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies and procedures in place to minimise these risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making Process

The charity is controlled by its governing document, the Baptist Union Constitution for Baptist Churches dated 20th March 2008.

Recruitment and appointment of new trustees

The Church Members' Meeting shall appoint Charity Trustees to be responsible for the governance of the Church. Charity Trustees shall be chosen from among the Church Members with the maximum number of Charity Trustees being agreed from time to time by the Church Members' Meeting. Charity Trustees (except for those in ministerial office) shall be appointed for an initial three year term with the opportunity to be nominated for reappointment at the end of each three year term.

A Special Church Members' Meeting may rescind the appointment of any Charity Trustee (except for those in ministerial office) at any time.

**Report of the Trustees
for the Year Ended 31st December 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Members of the church are accepted in accordance with the Constitution. Church membership is open to all those who have made a public profession of faith in Jesus Christ by being baptised by immersion and who accept the beliefs of the Church. Those who have not been so baptised may still be accepted for membership at the discretion of the Church Members Meeting based on their public profession of faith. All applications for membership are subject to acceptance at the Church Members Meeting.

Members Meetings normally take place four times a year and have responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint a number of Trustees, (currently 11), including the Senior Pastor, and Treasurer (who are also appointed by the members), and collectively known as the Leadership Team. They are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Decision making

Relevant matters may be submitted to the Church meeting by the Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Approved by order of the board of trustees on 17/10/2025..... and signed on its behalf by:



Mr H Francis - Trustee

Independent Examiner's Report to the Trustees of Testwood Baptist Church

Independent examiner's report to the trustees of Testwood Baptist Church

I report to the charity trustees on my examination of the accounts of Testwood Baptist Church (the Trust) for the year ended 31st December 2024.

Responsibilities and basis of report

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

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

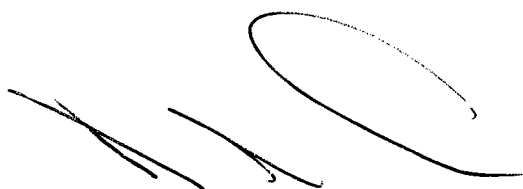
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the 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.



D A Sanders BA (Hons) FCA

Sheen Stickland
Chartered Accountants
2 Oriel Court
Omega Park
Alton
Hampshire
GU34 2YT

Date:

22nd October 2025

Testwood Baptist Church

Statement of Financial Activities for the Year Ended 31st December 2024

		Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	420,763	2,000	422,763	387,731
Charitable activities	6				
Charitable activities		17,295	-	17,295	4,945
Investment income	5	582	-	582	221
Total		<u>438,640</u>	<u>2,000</u>	<u>440,640</u>	<u>392,897</u>
EXPENDITURE ON					
Charitable activities					
Ministry		260,018	-	260,018	241,456
Establishment		115,203	21,549	136,752	114,649
Mission		16,040	-	16,040	56,455
The Hub		2,755	-	2,755	1,573
Governance costs		6,887	-	6,887	6,030
Total		<u>400,903</u>	<u>21,549</u>	<u>422,452</u>	<u>420,163</u>
NET INCOME/(EXPENDITURE)		37,737	(19,549)	18,188	(27,266)
RECONCILIATION OF FUNDS					
Total funds brought forward		128,499	725,451	853,950	881,216
TOTAL FUNDS CARRIED FORWARD		<u><u>166,236</u></u>	<u><u>705,902</u></u>	<u><u>872,138</u></u>	<u><u>853,950</u></u>

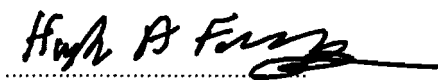
The notes form part of these financial statements

Testwood Baptist Church

Balance Sheet 31st December 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	12	110,919	703,901	814,820	827,453
CURRENT ASSETS					
Debtors	13	14,605	-	14,605	13,033
Cash at bank		47,412	2,001	49,413	19,864
		<u>62,017</u>	<u>2,001</u>	<u>64,018</u>	<u>32,897</u>
CREDITORS					
Amounts falling due within one year	14	(6,700)	-	(6,700)	(6,400)
NET CURRENT ASSETS		<u>55,317</u>	<u>2,001</u>	<u>57,318</u>	<u>26,497</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>166,236</u>	<u>705,902</u>	<u>872,138</u>	<u>853,950</u>
NET ASSETS		<u>166,236</u>	<u>705,902</u>	<u>872,138</u>	<u>853,950</u>
FUNDS	15				
Unrestricted funds				166,236	128,499
Restricted funds				705,902	725,451
TOTAL FUNDS				<u>872,138</u>	<u>853,950</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17/10/2025 and were signed on its behalf by:



Mr H Francis - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st December 2024**

1. STATEMENT OF COMPLIANCE

The Testwood Baptist Church is an incorporated charity registered in England, charity number 1129913. The registered office is Salisbury Road, Totton, Southampton, SO40 3LZ.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) (Charities SORP (FRS 102))" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis. In the opinion of the trustees, there are no material uncertainties in regard to the Charity's ability to continue as a going concern. The trustees do not consider that the effects of the conflict in Ukraine, the Middle East or the current economic situation will impact on the charity's ability to continue to operate.

Income recognition and donations

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received. Donations are accounted for gross when received.

Investment income

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

Expenditure recognition

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

Grants payable

The church makes grants and donations to other organisations and individuals whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and relate to governance costs. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

The original church buildings are considered to be inalienable and historic fixed assets and are excluded from the balance sheet because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared to the additional benefit gained by the users of the accounts. The insurance value of the premises is £5,938,393 which includes the new church building which was completed in December 2007. The manse premises are stated at cost and depreciation has not been charged, because in the opinion of the trustees, the residual value of the asset is not less than the original cost price. Furniture and equipment in the church premises are included at cost or net realisable value. Items of equipment are capitalised where the purchase price exceeds £500.

As stated above, depreciation has not been charged on the manse premises.

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life at the following rates:

Furniture and fittings	10%
Computers and equipment	33%
New Church Building	2%

Any gain or loss arising on the disposal of an asset is determined by the difference between sale proceeds and carrying value of the asset, and is credited or charged to the profit or loss.

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted funds 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. Restricted Funds relates to the 'Building Fund' which was established for a new church building and hence are capital items and the Gordon Tuck Fund which was set up to hold donations given in memory of Gordon Tuck. The funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Pension costs and other post-retirement benefits

The pension costs charged in the accounts represent the contributions payable by the church during the year in accordance with FRS102.

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

2. ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

Under FRS102 employers that participate in multi-employer defined benefit schemes where there is insufficient information to do full benefit accounting and where the employers are not under common control need to recognize a liability to make payments to fund any deficit. This liability was required to be recognized for the first time in the accounts for the year ended 31st December 2016. As, however, this information was not available when the 2016 accounts were prepared no such liability was recognized at this time. Provision for the full liability due as at 31st December 2017 was treated as an expense in the 2017 accounts. Following the agreement with Just Group to secure the the benefits of the members of the defined benefit scheme, no liability is required to be recognised in the accounts and the reduction in the liability as a result of this transaction has been deducted from expenses in the 2022 accounts.

Financial instruments**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cash at bank and other short-term liquid investments with original maturities of three months or less.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful life of fixed assets

Tangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The useful lives of these assets are estimated based on historic experience and future considerations and these are re-assessed annually.

4. DONATIONS AND LEGACIES

	2024	2023
	£	£
Offering and donations	360,122	334,834
Gift aid	62,641	52,897
	<u>422,763</u>	<u>387,731</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2024

5. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	582	221

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Rents received	Charitable activities	15,600	3,480
The Hub	Charitable activities	1,695	1,465
		17,295	4,945

7. GRANTS PAYABLE

	Unrestricted	Restricted	Total	Total
	£	£	2024	2023
	£	£	£	£
Youth and Families Matter	4,200	-	4,200	4,200
Hour of Revival (Dugmores)	1,500	-	1,500	1,500
Home Mission Fund	1,500	-	1,500	1,500
MAF (Watermans)	1,500	-	1,500	1,500
Amor Europe (Youth Development)	1,800	-	1,800	1,800
Hope Lebeydn (Christmas offering)	1,200	-	1,200	-
Baptist Missionary Society	300	-	300	300
Thelma Mills	240	-	240	240
Southern CBA	100	-	100	100
Watermans - donations		-		31,000
Moorlands College		-		300
Jonathan Rhodes- donation (internship)		-		500
Dugmore - donations		-		10,000
G Tuck - Charlotte Bailey	-	-		955
Katrina Elkins- donation (minister training)		-		1,500
Totton Fun Day - donation		-		1,020
Mission Fund - donation	3,000	-	3,000	-
Compassion Fund - donation	700	-	700	-
	16,040	-	16,040	56,415

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

8. INDEPENDENT EXAMINER'S REMUNERATION

Governance costs of £6,887 (2023 - £6,030) represents amounts paid to the independent examiner for the examination of the accounts of £4,787 (2023 - £4,500), fees for other accounting and bookkeeping services of £2,100 (2023- £1,900).

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year ended 31st December 2024 two Ministers acted as church trustees in accordance with the Trust Deed and in aggregate received remuneration of £84,856 (2023- £62,923). Total pension contributions of £8,487 (2023- £5,409) were also paid on behalf of the two ministers.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2024 nor for the year ended 31st December 2023.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	217,275	206,983
Social security costs	14,618	12,183
Other pension costs	14,739	11,860
	<u>246,632</u>	<u>231,026</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	<u>8</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

11. PENSIONS

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

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

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows

Type assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post-retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

11. PENSIONS - continued

Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

Mortality was assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

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

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until 30 June 2026.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with Just Group ("Just") to secure DB plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan, and following this transaction, the Scheme no longer has a shortfall. An updated Recovery Plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB plan reduced to £1 per month from August 2022. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	31.12.24 £	31.12.23 £
Balance sheet liability at year start	-	-
Minus deficiency contributions paid	-	-
Interest cost (recognised in SOFA)	-	-
Remaining change to balance sheet liability* (recognised in SOFA)	-	-
Balance sheet liability at year end	-	-

Notes to the Financial Statements - continued
for the Year Ended 31st December 2024

11. PENSIONS - continued

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

Where relevant, the liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31.12.24	31.12.23	31.12.22
Discount rate	N/A	N/A	N/A
Future increases to Minimum Pensionable Income	N/A	N/A	N/A

12. TANGIBLE FIXED ASSETS

	Church premises £	Manse £	Furniture and fittings £	Computers & equipment £	Totals £
COST					
At 1st January 2024	1,061,713	97,000	101,442	49,662	1,309,817
Additions	-	7,993	1,759	530	10,282
At 31st December 2024	1,061,713	104,993	103,201	50,192	1,320,099
DEPRECIATION					
At 1st January 2024	336,630	-	96,891	48,845	482,366
Charge for year	21,234	-	836	843	22,913
At 31st December 2024	357,864	-	97,727	49,688	505,279
NET BOOK VALUE					
At 31st December 2024	703,849	104,993	5,474	504	814,820
At 31st December 2023	725,083	97,000	4,551	817	827,451

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

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Accrued income - Gift Aid	14,605	13,033

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Accruals and deferred income	6,700	6,400

15. MOVEMENT IN FUNDS

	At 01.01.24 £	Incoming Resources £	Resources expended £	At 31.12.24 £
Unrestricted Funds				
General Fund	128,499	438,640	(400,903)	166,236
Restricted Funds				
Building Fund	725,451	2,000	(21,549)	705,902
	853,950	440,640	(422,452)	872,138

Comparatives for movement in funds

	At 01.01.23 £	Incoming Resources £	Resources expended £	At 31.12.23 £
Unrestricted Funds				
General Fund	133,121	381,882	(386,504)	128,499
Restricted Funds				
Building Fund	747,000	-	(21,549)	725,451
Gordon Tuck Fund	1,095	-	(1,095)	-
Baptist Insurance Grant for Community Pastor	-	11,015	(11,015)	-
	881,216	392,897	(420,163)	853,950

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2024**

16. RELATED PARTY DISCLOSURES

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Southern Counties Baptist Association. The church made a grant to the Baptist Missionary Society as set out in note 5 to the financial statements.

Revd M Huckle, the senior pastor and a trustee of the charity, was appointed a trustee of The Southern Counties Baptist Association on 6th November 2023. The church made a grant to this charity as set out in note 5 to the financial statements.

Mr H Francis, a trustee of the charity, is a director of The Baptist Insurance Company plc, a provider of insurance services to the church. All insurance services provided by the company are on an arms length basis.

TESTWOOD BAPTIST CHURCH

England & Wales - Charity number 1129913

Accounts

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st December 2023
for
Testwood Baptist Church

Testwood Baptist Church

Contents of the Financial Statements for the Year Ended 31st December 2023

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Notes to the Financial Statements	10 to 19

Testwood Baptist Church

Reference and Administrative Details for the Year Ended 31st December 2023

TRUSTEES	The Revd M Huckle (Senior Pastor) Mr H Francis (Treasurer) Mrs M Murray Mr P Pike Mr C Ridout Mr J Frowd Mr R King Mr A Price Mr N Tuck Mr M Hones The Revd J A Shepherd (Associate Pastor) (appointed 1.7.23)
PRINCIPAL ADDRESS	283a Salisbury Road Totton Southampton SO40 3LZ
REGISTERED CHARITY NUMBER	1129913
INDEPENDENT EXAMINER	Sheen Stickland Chartered Accountants 2 Oriel Court Omega Park Alton Hampshire GU34 2YT
BANKERS	Lloyds Bank plc 30 Commercial Road Totton Southampton
PROPERTY TRUSTEES	The Baptist Union Corporation Limited Baptist House 129 Broadway Didcot Oxfordshire OX11 8RT

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2023

The trustees present their Annual Report and financial statements in respect of the year ended 31st December 2023.

OBJECTIVES AND ACTIVITIES

Charitable Object

The Charity is governed by an Approved Governing Document dated 20th March 2008 which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises, which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

Report of the Trustees for the Year Ended 31st December 2023

OBJECTIVES AND ACTIVITIES

Objectives and Activities

In order to achieve the principle objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services normally take place in person each Sunday at both 9.30am and 11.15am in the morning and 7.00pm in the evening. As well as the normal face to face services, as a legacy of Covid, we have further developed our on line capability through the extraordinary teamwork of both staff and volunteers. In doing so we reach not only our own community but many more beyond our local community.

There are also occasional services at other times which are advertised on the Church Notice Board, weekly Church Newsletter and the website at www.testwoodbaptist.org. There is usually a full children's programme during the morning services. The Church seeks to be a friendly and welcoming community and everybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at any Sunday services of worship. The majority of the groups meet in members homes but some continue to use Zoom, a skill developed during Covid. House groups provide an excellent support function.

The Church is responsible for a Babies and Toddlers group which meets in the Church premises on Friday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ, see TBC Friday below.

The Church hosts a very popular State Registered Pre-School which provides Pre-School education and is available to the whole community.

The Church runs various events for Young People, including Girls Brigade and Youth Clubs, as well as groups for those with disabilities. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service and safeguarding legislation. See TBC Fridays.

The Church has active links with the local schools and colleges.

TBC Fridays launched in September 2021 has continued to go from strength to strength; this is a community day for all the family. There are groups for parents and tots, kids, and youth at various times throughout the day. This provides a great opportunity for parents to come and bring children, hang out with other parents and enjoy a nice coffee and a chat. Each week there are different types of activities. Friday Tots run from 10am to 11.30am, Friday Kids (for primary aged children) 5.30pm to 6.45pm and Friday Youth (secondary age) 7.30pm to 9.00pm.

TBC Fridays has been very successful and 40-80 families attend Friday Tots sessions each week, and on average 100 Kids attend Friday Kids and 100 attend Friday Youth. To enhance this ministry we employed a Community Pastor and are grateful for the support of Baptist Insurance with this.

Once a year the Church turns out in force to run and support the local Totton Family Fun Day which is attended by over 5,000 local inhabitants. The aim is to provide a free day of family fun for everyone, an expression of God's love to the local community.

The Church operates a food parcel facility, "basics bank", in association with Youth and Families Matter, giving emergency food parcels to those identified as in need. Referrals are often received from local agencies through a voucher scheme. Basics Bank supported 2,505 adults and children during 2023. The local community continued to heavily support this project, as well as many organisations and supermarkets, both with food and finances.

OBJECTIVES AND ACTIVITIES

The Church normally runs a "Worn Again" event whereby the local community can come and select a set of clothes for 50p from the vast amount of "good but used" clothes that have been donated by its members and other members of the public. These events are open to all the community.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit, and in particular the specific guidance on charities for the advancement of religion, when reviewing the aims and objectives of the Church and in planning future activities. The trustees believe that the many and varied activities of the Church as detailed above provide both religious and practical care and support both for the membership and the wider local community.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement and wellbeing. The Trustees recognise that these are difficult to measure, but believe that the church brings positive outcomes to peoples lives.

During the year 22 people were received into formal church membership and 3 people came out of membership having moved and started worshipping nearer to their new homes. At 31st December 2023 the formal membership stood at 303.

The Church continues to be much encouraged by its local MP, Town councillors, Head Teachers, and other community leaders, who are very positive about the Church's impact on the community, especially the Fun Day which provides a day of family fun (including food), without charge and is therefore accessible by every member of the community.

**Report of the Trustees
for the Year Ended 31st December 2023**

FINANCIAL REVIEW

Financial Review

The Church continues to raise funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds for the church during the year. The most significant ongoing expenses relate to staff costs to support the ministry of the church and maintenance of the church facilities to support our ministry.

The Church expressed its part in the life of the wider church by making grants to national and international organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The underlying financial position remained stable and healthy throughout 2023. The church does not have any outstanding amounts due on the building and we are mindful of the ongoing need to maintain the upkeep of our well used facilities. The church also benefited from the agreement which the Baptist pension scheme signed on 30th June 2022 with insurance company Just Group ('Just') to secure DB Plan members' benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan (including the church) reduced to £1 per month from August 2022.

Reserves

The Trustees continue to seek to apply the Reserves policy which balances the ongoing commitments of the church with the known levels of regular committed giving and ensuring that the main goal remains to utilise the church resources to meet our objectives. The Trustees continue to monitor the level of reserves to ensure that this objective is fulfilled. The Trustees consider that the current level of reserves to be appropriate in the current circumstances.

Risk Management

The Trustees have made an assessment of the major risks facing the church and are satisfied that there are policies and procedures in place to minimise these risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making Process

The Members of the church are accepted in accordance with the Constitution. Church membership is open to all those who have made a public profession of faith in Jesus Christ by being baptised by immersion and who accept the beliefs of the Church. Those who have not been so baptised may still be accepted for membership at the discretion of the Church Members Meeting based on their public profession of faith. All applications for membership are subject to acceptance at the Church Members Meeting.

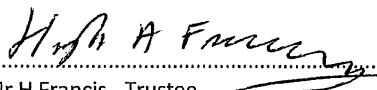
Members Meetings normally take place four times a year and have responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint a number of Trustees, (currently 11), including the Senior Pastor, and Treasurer (who are also appointed by the members), and collectively known as the Leadership Team. They are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Testwood Baptist Church

Report of the Trustees
for the Year Ended 31st December 2023

Approved by order of the board of trustees on 17th October 2024 and signed on its behalf by:


.....
Mr H Francis - Trustee

Independent Examiner's Report to the Trustees of Testwood Baptist Church

Independent examiner's report to the trustees of Testwood Baptist Church

I report to the charity trustees on my examination of the accounts of Testwood Baptist Church (the Trust) for the year ended 31st December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the 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.



D A Sanders BA (Hons) FCA

Sheen Stickland
Chartered Accountants
2 Oriel Court
Omega Park
Alton
Hampshire
GU34 2YT

Date:

23/10/2024

Testwood Baptist Church

Statement of Financial Activities for the Year Ended 31st December 2023

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	376,716	11,015	387,731	332,159
Charitable activities					
Charitable activities	4	4,945	-	4,945	4,019
Investment income	3	221	-	221	13
Total		<u>381,882</u>	<u>11,015</u>	<u>392,897</u>	<u>336,191</u>
EXPENDITURE ON					
Charitable activities					
Ministry		230,441	11,015	241,456	192,131
Establishment		93,000	21,649	114,649	118,071
Mission		55,460	995	56,455	28,760
The Hub		1,573	-	1,573	1,125
Governance costs		6,030	-	6,030	6,704
Total		<u>386,504</u>	<u>33,659</u>	<u>420,163</u>	<u>346,791</u>
NET INCOME/(EXPENDITURE)		(4,622)	(22,644)	(27,266)	(10,600)
RECONCILIATION OF FUNDS					
Total funds brought forward		133,121	748,095	881,216	891,816
TOTAL FUNDS CARRIED FORWARD		<u><u>128,499</u></u>	<u><u>725,451</u></u>	<u><u>853,950</u></u>	<u><u>881,216</u></u>

The notes form part of these financial statements

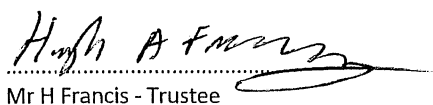
Testwood Baptist Church

Balance Sheet

31st December 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	102,002	725,451	827,453	853,124
CURRENT ASSETS					
Debtors	12	13,033	-	13,033	14,776
Cash at bank	13	19,864	-	19,864	19,416
		<u>32,897</u>	<u>-</u>	<u>32,897</u>	<u>34,192</u>
CREDITORS					
Amounts falling due within one year	14	(6,400)	-	(6,400)	(6,100)
NET CURRENT ASSETS		<u>26,497</u>	<u>-</u>	<u>26,497</u>	<u>28,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>128,499</u>	<u>725,451</u>	<u>853,950</u>	<u>881,216</u>
NET ASSETS		<u>128,499</u>	<u>725,451</u>	<u>853,950</u>	<u>881,216</u>
FUNDS	15				
Unrestricted funds				128,499	133,121
Restricted funds				725,451	748,095
TOTAL FUNDS				<u>853,950</u>	<u>881,216</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17th October 2024 and were signed on its behalf by:


Mr H Francis - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st December 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) (Charities SORP (FRS 102))" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis. In the opinion of the trustees, there are no material uncertainties in regard to the Charity's ability to continue as a going concern. The trustees do not consider that the effects of the conflict in Ukraine, the Middle East or the current economic situation will impact on the charity's ability to continue to operate.

Income recognition and donations

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received. Donations are accounted for gross when received.

Investment income

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

Expenditure recognition

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

Grants payable

The church makes grants and donations to other organisations and individuals whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and relate to governance costs. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

Tangible fixed assets

The original church buildings are considered to be inalienable and historic fixed assets and are excluded from the balance sheet because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared to the additional benefit gained by the users of the accounts. The insurance value of the premises is £5,938,393 which includes the new church building which was completed in December 2007. The manse premises are stated at cost and depreciation has not been charged, because in the opinion of the trustees, the residual value of the asset is not less than the original cost price. Furniture and equipment in the church premises are included at cost or net realisable value. Items of equipment are capitalised where the purchase price exceeds £500.

As stated above, depreciation has not been charged on the manse premises.

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life at the following rates:

Furniture and fittings	10%
Computers and equipment	33%

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2023**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

New Church Building 2%

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted funds 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. Restricted Funds relates to the 'Building Fund' which was established for a new church building and hence are capital items and the Gordon Tuck Fund which was set up to hold donations given in memory of Gordon Tuck. The funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The church received a grant of £11,015 from Baptist Insurance towards the cost of employing a Community Pastor, which was received and expensed during the year.

Pension costs and other post-retirement benefits

The pension costs charged in the accounts represent the contributions payable by the church during the year in accordance with FRS102.

Under FRS102 employers that participate in multi-employer defined benefit schemes where there is insufficient information to do full benefit accounting and where the employers are not under common control need to recognize a liability to make payments to fund any deficit. This liability was required to be recognized for the first time in the accounts for the year ended 31st December 2016. As, however, this information was not available when the 2016 accounts were prepared no such liability was recognized at this time. Provision for the full liability due as at 31st December 2017 was treated as an expense in the 2017 accounts. Following the agreement with Just Group to secure the the benefits of the members of the defined benefit scheme, no liability is required to be recognised in the accounts and the reduction in the liability as a result of this transaction has been deducted from expenses in the 2022 accounts.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Offering and donations	334,834	282,181
Gift aid	52,897	49,978
	<u>387,731</u>	<u>332,159</u>

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2023

3. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	221	13

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Rents received	Charitable activities	3,480	2,745
The Hub	Charitable activities	1,465	1,274
		4,945	4,019

5. GRANTS PAYABLE

	Unrestricted	Restricted	Total	Total
	£	£	2023	2022
	£	£	£	£
Youth and Families Matter	4,200	-	4,200	10,350
Hour of Revival (Dugmores)	1,500	-	1,500	1,500
Home Mission Fund	1,500	-	1,500	1,500
MAF (Watermans)	1,500	-	1,500	1,500
Amor Europe (Youth Development)	1,800	-	1,800	1,800
Southampton City Mission	-	-	-	720
Baptist Missionary Society	300	-	300	300
Thelma Mills	240	-	240	240
Southern CBA	100	-	100	100
Watermans - donations	31,000	-	31,000	-
Moorlands College	300	-	300	-
Jonathan Rhodes- donation (internship)	500	-	500	-
Dugmore - donations	10,000	-	10,000	-
G Tuck - Charlotte Bailey	-	995	995	-
Katrina Elkins- donation (minister training)	1,500	-	1,500	-
Totton Fun Day - donation	1,020	-	1,020	5,000
British Youth for Christ	-	-	-	750
Aid for Ukraine	-	-	-	5,000
	55,460	995	56,455	28,760

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2023**

6. INDEPENDENT EXAMINER'S REMUNERATION

Governance costs of £6,030 (2022 - £6,704) represents amounts paid to the independent examiner for the examination of the accounts of £4,500 (2022 - £4,400), fees for other accounting and bookkeeping services of £1,900 (2022- £1,700) less an overprovision for fees in respect of the 2022 accounts of £370 (2022 - underprovision of £604).

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2023 nor for the year ended 31st December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2023 nor for the year ended 31st December 2022.

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	206,983	183,044
Social security costs	12,183	10,102
Other pension costs	11,860	(10,670)
	<u>231,026</u>	<u>182,476</u>

Throughout 2022 the Church engaged an associate pastor on a self-employed basis to assist the Senior Pastor. Payments to the associate pastor are included in wages and salaries above. No payments were made in the year ended 31st December 2023.

The average monthly number of employees during the year was as follows:

	2023	2022
Employees	<u>10</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

The two Ministers act as church trustees in accordance with the Trust Deed and received remuneration of £62,923 in the year ended 31st December 2023 whilst acting as trustees (2022- one minister - £42,899). Pension contributions of £5,409 were paid on behalf of the two ministers (2022 - one minister - £4,290). £Nil (2022 - £Nil) in total was reimbursed to the Trustees in respect of expenses incurred as Trustees.

The Church paid pension contributions for its previous Senior Pastor to the Baptist Pension Scheme (BPS), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The scheme is a separate legal entity and the assets of the scheme are held separately from those of the employer and other participating employers.

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2023**

8. STAFF COSTS - continued

For any month, each participating employer in the scheme pays contribution as set out in the schedule of contributions in force at the time. The scheme is considered a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the scheme's assets and liabilities to specific employers and means the contributions are accounted for as if the scheme was a defined contribution scheme. The pension costs charged in the year are payable towards benefits and expenses accrued in that year plus any impact of deficiency contributions (see below). For the year ended 31st December 2017, pension costs included the amount of the pension liability estimate as at 31st December 2016 as described in note 1.

Pension costs for the year ended 31st December 2023 did not include an adjustment in respect of a change in the pension scheme deficit (2022- credit of £20,877).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	332,159	-	332,159
Charitable activities			
Charitable activities	4,019	-	4,019
Investment income	13	-	13
Total	<u>336,191</u>	<u>-</u>	<u>336,191</u>
EXPENDITURE ON			
Charitable activities			
Ministry	192,131	-	192,131
Establishment	96,489	21,582	118,071
Mission	26,010	2,750	28,760
The Hub	1,125	-	1,125
Governance costs	6,704	-	6,704
Total	<u>322,459</u>	<u>24,332</u>	<u>346,791</u>
NET INCOME/(EXPENDITURE)	13,732	(24,332)	(10,600)
RECONCILIATION OF FUNDS			
Total funds brought forward	119,389	772,427	891,816
TOTAL FUNDS CARRIED FORWARD	<u>133,121</u>	<u>748,095</u>	<u>881,216</u>

10. PENSIONS

The Church is a participating employer in the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the Scheme are held separately from those of the Employer and the other participating employers.

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

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

Actuarial valuation as at 31 December 2019

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows

Type assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post-retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2023**

10. PENSIONS - continued

Mortality was assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

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

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until 30 June 2026.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with Just Group ("Just") to secure DB plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan, and following this transaction, the Scheme no longer has a shortfall. An updated Recovery Plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB plan reduced to £1 per month from August 2022. These contributions are payable under the recovery plan until June 2026. The outstanding deficiency contributions due under the Recovery Plan are not considered material and therefore have not been included in the balance sheet.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	31.12.23 £	31.12.22 £
Balance sheet liability at year start	-	23,900
Minus deficiency contributions paid	-	(3,023)
Interest cost (recognised in SOFA)	-	448
Remaining change to balance sheet liability* (recognised in SOFA)	-	(21,325)
Balance sheet liability at year end	-	-

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

Where relevant, the liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31.12.23	31.12.22	31.12.21
Discount rate	N/A	N/A	2.0%
Future increases to Minimum Pensionable Income	N/A	N/A	4.1%

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2023**
11. TANGIBLE FIXED ASSETS

	Church premises £	Manse £	Furniture and fittings £	Computers & equipment £	Totals £
COST					
At 1st January 2023 and 31st December 2023	1,061,713	97,000	101,442	49,662	1,309,817
DEPRECIATION					
At 1st January 2023	315,395	-	95,717	45,581	456,693
Charge for year	21,234	-	1,173	3,264	25,671
At 31st December 2023	336,629	-	96,890	48,845	482,364
NET BOOK VALUE					
At 31st December 2023	725,084	97,000	4,552	817	827,453
At 31st December 2022	746,318	97,000	5,725	4,081	853,124

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

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accrued income - Gift Aid	13,033	14,776

13. CASH AT BANK

	2023 Total funds £	2022 Total funds £
Lloyds Current Account - No 1	8,040	3,530
Lloyds Current Account - No 2	11,281	15,235
Hub Account	543	651
Total	19,864	19,416

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accruals and deferred income	<u>6,400</u>	<u>6,100</u>

15. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	133,121	(4,622)	128,499
Restricted funds			
Building fund	747,000	(21,549)	725,451
Gordon Tuck Fund	<u>1,095</u>	<u>(1,095)</u>	<u>-</u>
	<u>748,095</u>	<u>(22,644)</u>	<u>725,451</u>
TOTAL FUNDS	<u><u>881,216</u></u>	<u><u>(27,266)</u></u>	<u><u>853,950</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	381,882	(386,504)	(4,622)
Restricted funds			
Building fund	-	(21,549)	(21,549)
Gordon Tuck Fund	-	(1,095)	(1,095)
Baptist Insurance grant for Community Pastor	<u>11,015</u>	<u>(11,015)</u>	<u>-</u>
	<u>11,015</u>	<u>(33,659)</u>	<u>(22,644)</u>
TOTAL FUNDS	<u><u>392,897</u></u>	<u><u>(420,163)</u></u>	<u><u>(27,266)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	119,389	13,732	133,121
Restricted funds			
Building fund	768,582	(21,582)	747,000
Gordon Tuck Fund	3,845	(2,750)	1,095
	<u>772,427</u>	<u>(24,332)</u>	<u>748,095</u>
TOTAL FUNDS	<u>891,816</u>	<u>(10,600)</u>	<u>881,216</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	336,191	(322,459)	13,732
Restricted funds			
Building fund	-	(21,582)	(21,582)
Gordon Tuck Fund	-	(2,750)	(2,750)
	<u>-</u>	<u>(24,332)</u>	<u>(24,332)</u>
TOTAL FUNDS	<u>336,191</u>	<u>(346,791)</u>	<u>(10,600)</u>

16. RELATED PARTY DISCLOSURES

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Southern Counties Baptist Association. The church made a grant to the Baptist Missionary Society as set out in note 5 to the financial statements.

Revd M Huckle, the senior pastor and a trustee of the charity, was appointed a trustee of The Southern Counties Baptist Association on 6th November 2023. The church made a grant to this charity as set out in note 5 to the financial statements.

Mr H Francis, a trustee of the charity, is a director of The Baptist Insurance Company plc, a provider of insurance services to the church. All insurance services provided by the company are on an arms length basis.

TESTWOOD BAPTIST CHURCH

England & Wales - Charity number 1129913

Accounts

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st December 2022
for
Testwood Baptist Church

Testwood Baptist Church

**Contents of the Financial Statements
for the Year Ended 31st December 2022**

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Testwood Baptist Church

Reference and Administrative Details for the Year Ended 31st December 2022

TRUSTEES	The Revd M Huckle (Senior Pastor) Mr H Francis (Treasurer) Mr S Reynolds (resigned 1.4.22) Mrs M Murray Mr P Pike Mr C Ridout Mr J Frowd Mr R King Mr A Price (appointed 13.7.22) Mr N Tuck (appointed 13.7.22) Mr M Hones (appointed 19.10.22) Mr J A Shepherd (appointed 1.7.23)
PRINCIPAL ADDRESS	283a Salisbury Road Totton Southampton SO40 3LZ
REGISTERED CHARITY NUMBER	1129913
INDEPENDENT EXAMINER	Sheen Stickland Chartered Accountants 2 Oriel Court Omega Park Alton Hampshire GU34 2YT
BANKERS	Lloyds Bank plc 30 Commercial Road Totton Southampton
PROPERTY TRUSTEES	The Baptist Union Corporation Limited Baptist House 129 Broadway Didcot Oxfordshire OX11 8RT

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2022

The trustees present their Annual Report and financial statements in respect of the year ended 31st December 2022.

OBJECTIVES AND ACTIVITIES

Charitable Object

The Charity is governed by an Approved Governing Document dated 20th March 2008 which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises, which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

Covid 19

2022 was very much a return to normal following the traumas of Covid19. We came out of Covid strengthened and refocused such as, the development of our online ability and our Friday Kids initiative.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2022

OBJECTIVES AND ACTIVITIES

Objectives and Activities

In order to achieve the principle objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services normally take place in person each Sunday at both 9.30am and 11.15am in the morning and 7.00pm in the evening. As well as the normal face to face services, as a legacy of Covid, we have further developed our on line capability through the extraordinary teamwork of both staff and volunteers. In doing so we reach not only our own community but many more beyond our local community.

Normally there are also occasional services at other times which are advertised on the Church Notice Board, weekly Church Newsletter and the website at www.testwoodbaptist.org. There is usually a full children's programme during the morning services. The Church seeks to be a friendly and welcoming community and everybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at any Sunday services of worship. The majority of the groups meet in members homes but some continue to use Zoom, a skill developed during Covid. House groups provide an excellent support function.

The Church is responsible for a Mums and Babies group and a Toddler group which both meet in the Church premises on Friday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ, see TBC Friday below.

The Church hosts a very popular State Registered Pre-School which provides Pre-School education and is available to the whole community.

The Church runs various events for Young People, including Girls Brigade and Youth Clubs, as well as groups for those with disabilities. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service and Safeguarding legislation. See TBC Fridays.

The Church has active links with the local schools and colleges.

TBC Fridays launched in September 2021 has continued to go from strength to strength, this is a community day for all the family. There are groups for parents and tots, kids, and youth at various times throughout the day. This provides a great opportunity for parents to come and bring children, hang out with other parents and enjoy a nice coffee and a chat. Each week there are different types of activities. Friday Tots run from 10am to 11.30am, Friday Kids (for primary aged children) 5.30am to 6.45am and Friday Youth (secondary age) 7.30am to 9.00am.

TBC Fridays has been very successful and a year later 80 each week attend Friday Tots sessions, and on average 100 Kids attend Friday Kids and 100 attend Friday Youth.

Once a year the Church turns out in force to run and support the local Totton Family Fun Day which is attended by over 5000 local inhabitants. The aim is to provide a free day of family fun for everyone, an expression of God's love to the local community.

The Church operates a food parcel facility, "basics bank", in association with Youth and Families Matter, giving emergency food parcels to those identified as in need. Referrals are often received from local agencies through a voucher scheme. Basics Bank supported 2315 adults and children during 2022. The local community continued to heavily support this project, as well as many organisations and supermarkets, both with food and finances.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2022

OBJECTIVES AND ACTIVITIES

The Church normally runs at different times throughout the year "Worn Again" events whereby the local community can come and select a set of clothes for 50p from the vast amount of "good but used" clothes that have been donated by its members and other members of the public. These events are open to all the community.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit, and in particular the specific guidance on charities for the advancement of religion, when reviewing the aims and objectives of the Church and in planning future activities. The trustees believe that the many and varied activities of the Church as detailed above provide both religious and practical care and support both for the membership and the wider local community.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement and wellbeing. The Trustees recognise that these are difficult to measure, but believe that the church brings positive outcomes to peoples lives.

During the year 14 people were received into formal church membership and 15 people came out of membership, 3 were promoted to glory, 2 resigned through non-attendance and 10 began worshipping elsewhere. At 31st December 2022 the formal membership stood at 285.

The Church continues to be much encouraged by its local MP, Town councillors, Head Teachers, and other community leaders, who are very positive about the Church's impact on the community, especially the Fun Day which provides a day of family fun (including food), without charge and is therefore accessible by every member of the community.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2022

FINANCIAL REVIEW

Financial Review

The Church continues to raise funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds for the church during the year. The most significant ongoing expenses relate to staff costs to support the ministry of the church and maintenance of the church facilities to support our ministry.

The Church expressed its part in the life of the wider church by making grants to national and international organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. The underlying financial position remained stable and healthy throughout 2022. The church does not have any outstanding amounts due on the building and we are mindful of the ongoing need to maintain the upkeep of our well used facilities. The church also benefited from the agreement which the Baptist pension scheme signed on 30th June 2022 with insurance company Just Group ('Just') to secure DB Plan members' benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan (including the church) reduced to £1 per month from August 2022.

Reserves

The policy of the Church is to balance the ongoing commitments of the church with the known levels of regular committed giving and ensure that the main goal remains to utilise the church resources to meet our objectives. The Trustees continue to monitor the level of reserves to ensure that this objective is fulfilled. The Trustees consider that the current level of reserves to be appropriate in the current circumstances.

Risk Management

The trustees have made an assessment of the major risks facing the church and are satisfied that there are policies and procedures in place to minimise these risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making Process

The Members of the church are accepted in accordance with the Constitution. Church membership is open to all those who have made a public profession of faith in Jesus Christ by being baptised by immersion and who accept the beliefs of the Church. Those who have not been so baptised may still be accepted for membership at the discretion of the Church Members Meeting based on their public profession of faith. All applications for membership are subject to acceptance at the Church Members Meeting.

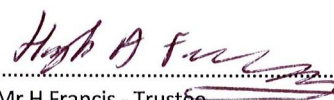
Members Meeting normally takes place four times a year and has responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint a number of Trustees, (currently 10), including the Senior Pastor, and Treasurer (who are also appointed by the members), and collectively known as the Leadership Team. They are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Testwood Baptist Church

**Report of the Trustees
for the Year Ended 31st December 2022**

Approved by order of the board of trustees on 19th October 2023 and signed on its behalf by:


.....
Mr H Francis - Trustee

Independent Examiner's Report to the Trustees of Testwood Baptist Church

Independent examiner's report to the trustees of Testwood Baptist Church

I report to the charity trustees on my examination of the accounts of Testwood Baptist Church (the Trust) for the year ended 31st December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the 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.



D A Sanders BA (Hons) FCA

Sheen Stickland
Chartered Accountants
2 Oriel Court
Omega Park
Alton
Hampshire
GU34 2YT

Date:

19th October 2023

Testwood Baptist Church

**Statement of Financial Activities
for the Year Ended 31st December 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	332,159	-	332,159	295,314
Charitable activities	4				
Charitable activities		4,019	-	4,019	4,469
Investment income	3	13	-	13	3
Other income		-	-	-	1,547
Total		<u>336,191</u>	<u>-</u>	<u>336,191</u>	<u>301,333</u>
EXPENDITURE ON					
Charitable activities					
Ministry		185,865	-	185,865	174,003
Establishment		102,755	21,582	124,337	119,431
Mission		26,010	2,750	28,760	27,440
The Hub		1,125	-	1,125	556
Governance costs		6,704	-	6,704	5,348
Total		<u>322,459</u>	<u>24,332</u>	<u>346,791</u>	<u>326,778</u>
NET INCOME/(EXPENDITURE)		13,732	(24,332)	(10,600)	(25,445)
RECONCILIATION OF FUNDS					
Total funds brought forward		119,389	772,427	891,816	917,261
TOTAL FUNDS CARRIED FORWARD		<u>133,121</u>	<u>748,095</u>	<u>881,216</u>	<u>891,816</u>

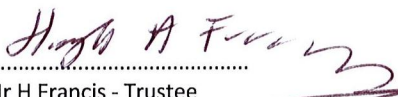
The notes form part of these financial statements

Testwood Baptist Church

**Balance Sheet
31st December 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	106,125	747,000	853,125	878,972
CURRENT ASSETS					
Debtors	12	14,776	-	14,776	10,541
Cash at bank	13	18,320	1,095	19,415	31,203
		<u>33,096</u>	<u>1,095</u>	<u>34,191</u>	<u>41,744</u>
CREDITORS					
Amounts falling due within one year	14	(6,100)	-	(6,100)	(5,000)
NET CURRENT ASSETS		<u>26,996</u>	<u>1,095</u>	<u>28,091</u>	<u>36,744</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>133,121</u>	<u>748,095</u>	<u>881,216</u>	<u>915,716</u>
PROVISIONS FOR LIABILITIES	15	-	-	-	(23,900)
NET ASSETS		<u><u>133,121</u></u>	<u><u>748,095</u></u>	<u><u>881,216</u></u>	<u><u>891,816</u></u>
FUNDS	16				
Unrestricted funds				133,121	119,389
Restricted funds				748,095	772,427
TOTAL FUNDS				<u><u>881,216</u></u>	<u><u>891,816</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on ~~...19th October 2023...~~ and were signed on its behalf by:


.....
Mr H Francis - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st December 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) (Charities SORP (FRS 102))" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis. In the opinion of the trustees, there are no material uncertainties in regard to the Charity's ability to continue as a going concern. The trustees do not consider that the effects of the conflict in Ukraine or the current economic situation will impact on the charity's ability to continue to operate.

Income recognition and donations

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received. Donations are accounted for gross when received.

Investment income

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

Expenditure recognition

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

Grants payable

The church makes grants and donations to other organisations and individuals whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and relate to governance costs. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

Tangible fixed assets

The original church buildings are considered to be inalienable and historic fixed assets and are excluded from the balance sheet because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared to the additional benefit gained by the users of the accounts. The insurance value of the premises is £5,666,415 which includes the new church building which was completed in December 2007. The manse premises are stated at cost and depreciation has not been charged, because in the opinion of the trustees, the residual value of the asset is not less than the original cost price. Furniture and equipment in the church premises are included at cost or net realisable value. Items of equipment are capitalised where the purchase price exceeds £500.

As stated above, depreciation has not been charged on the manse premises.

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life at the following rates:

Furniture and fittings	10%
Computers and equipment	33%

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

New Church Building 2%

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted funds 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. Restricted Funds relates to the 'Building Fund' which was established for a new church building and hence are capital items and the Gordon Tuck Fund which was set up to hold donations given in memory of Gordon Tuck. The funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Pension costs and other post-retirement benefits

The pension costs charged in the accounts represent the contributions payable by the church during the year in accordance with FRS102.

Under FRS102 employers that participate in multi-employer defined benefit schemes where there is insufficient information to do full benefit accounting and where the employers are not under common control need to recognize a liability to make payments to fund any deficit. This liability was required to be recognized for the first time in the accounts for the year ended 31st December 2016. As, however, this information was not available when the 2016 accounts were prepared no such liability was recognized at this time. Provision for the full liability due as at 31st December 2017 was treated as an expense in the 2017 accounts. Following the agreement with Just Group to secure the the benefits of the members of the defined benefit scheme, no liability is required to be recognised in the accounts and the reduction in the liability as a result of this transaction has been deducted from expenses in the 2022 accounts.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Offering and donations	282,181	249,677
Gift aid	49,978	44,792
Weddings and funerals	-	845
	<u>332,159</u>	<u>295,314</u>

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

3. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest	13	3
	<u>13</u>	<u>3</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Rents received	Charitable activities	2,745	3,410
The Hub	Charitable activities	1,274	1,059
		<u>4,019</u>	<u>4,469</u>

5. GRANTS PAYABLE

	Unrestricted	Restricted	Total	Total
	£	£	2022	2021
	£	£	£	£
Youth and Families Matter	10,350	-	10,350	13,200
Hour of Revival (Dugmores)	1,500	-	1,500	1,500
Home Mission Fund	1,500	-	1,500	1,500
MAF (Watermans)	1,500	-	1,500	1,500
Amor Europe (Youth Development)	1,800	-	1,800	1,800
Southampton City Mission	720	-	720	720
Baptist Missionary Society	300	-	300	300
Thelma Mills	240	-	240	240
Southern CBA	100	-	100	100
Watermans - donations	-	-	-	1,500
Tearfund	-	-	-	730
Dugmore - donation towards vehicle	-	-	-	2,900
Dugmore - donations	-	-	-	500
J Tuck - towards moving expenses	-	-	-	700
Mission trip (G Houghton)	-	-	-	250
Totton Fun Day - donation	3,000	2,000	5,000	-
British Youth for Christ	-	750	750	-
Aid for Ukraine	5,000	-	5,000	-
	<u>26,010</u>	<u>2,750</u>	<u>28,760</u>	<u>27,440</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

6. INDEPENDENT EXAMINER'S REMUNERATION

Governance costs of £6,704 (2021 - £5,348) represents amounts paid to the independent examiner for the examination of the accounts of £4,400 (2021 - £4,200), fees for other accounting and bookkeeping services of £1,700 (2021- £1,148) and an underprovision for fees in respect of the 2021 accounts of £604.

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2022 nor for the year ended 31st December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

8. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	183,044	154,287
Social security costs	10,102	9,077
Other pension costs	(10,670)	8,666
	<u>182,476</u>	<u>172,030</u>

In 2022 the Church engaged an associate pastor on a self-employed basis to assist the Senior Pastor. Payments to the associate pastor are included in wages and salaries above.

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

The Minister acts as a church trustee in accordance with the Trust Deed and received remuneration of £42,899 in the year ended 31st December 2022 (2021- £39,398). £Nil (2021 - £Nil) in total was reimbursed to the Trustees in respect of expenses incurred as Trustees.

The Church paid pension contributions for its previous Senior Pastor to the Baptist Pension Scheme (BPS), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The scheme is a separate legal entity and the assets of the scheme are held separately from those of the employer and other participating employers.

For any month, each participating employer in the scheme pays contribution as set out in the schedule of contributions in force at the time. The scheme is considered a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the scheme's assets and liabilities to specific employers and means the contributions are accounted for as if the scheme was a defined contribution scheme. The pension costs charged in the year are payable towards benefits and expenses accrued in that year plus any impact of deficiency contributions (see below). For the year ended 31st December 2017, pension costs included the amount of the pension liability estimate as at 31st December 2016 as described in note 1.

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2022

8. STAFF COSTS - continued

Pension costs for the year ended 31st December 2022 includes a credit of £20,877 in respect of a change in the pension scheme deficit (2021- credit of £617).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	292,784	2,530	295,314
Charitable activities			
Charitable activities	4,469	-	4,469
Investment income	3	-	3
Other income	1,547	-	1,547
Total	<u>298,803</u>	<u>2,530</u>	<u>301,333</u>
EXPENDITURE ON			
Charitable activities			
Ministry	174,003	-	174,003
Establishment	90,053	29,378	119,431
Mission	27,190	250	27,440
The Hub	556	-	556
Governance costs	5,348	-	5,348
Total	<u>297,150</u>	<u>29,628</u>	<u>326,778</u>
NET INCOME/(EXPENDITURE)	1,653	(27,098)	(25,445)
RECONCILIATION OF FUNDS			
Total funds brought forward	117,736	799,525	917,261
TOTAL FUNDS CARRIED FORWARD	<u>119,389</u>	<u>772,427</u>	<u>891,816</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

10. PENSIONS

The church is an employer participating in the Baptist Pension Scheme ("the BPS"). The BPS is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

From January 2012, pension provision for the Ministers and some members of staff is being made through the Defined Contribution (DC) Plan within the BPS. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs and an associated insurance policy which provides income protection for BPS members in the event that they are unable to work due to long-term incapacity. The income protection has been insured by the Baptist Union of Great Britain with Aviva plc. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for employer contributions made to the segregated DC arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the BPS. The main benefits were:

A defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service together with an additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income; and

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925. The scheme was closed to future accrual of defined benefits on 31 December 2011. The scheme is not contracted out of the State Second Pension.

The table below summarises the main results of the most recent actuarial valuations of the Defined Benefit (DB) Plan in the BPS. These valuations were performed by a professionally qualified Actuary using the Projected Unit Method. The Church and the other employers supporting the DB plan are collectively responsible for funding the deficit.

BPS DB Plan	
Date of valuation	31 December 2019
Date of next valuation	31 December 2022
Market value of scheme assets (A)	£298m
Technical provisions (B)	£316m
Deficit [(B) - (A)]	£18m
Funding level [(A) / (B)]	94%

The key financial assumptions underlying the valuation were as follows:

	BPS
Type assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increase (BPS only)	3.20
Pensionable Salary increases (BUSPS only)	n/a
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

10. PENSIONS - continued

- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme Pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates in line with CMI 2016 core projections, with a long-term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional mortality improvement factor A=0.5%.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Under the Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020. This reduction is allowed for in the figures shown below, where appropriate.

On 30th June 2022 the Baptist Pension Scheme signed an agreement with Just Group ("Just") to secure DB plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB plan and following this transaction, the Scheme no longer has a shortfall. An updated recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB plan reduced to £1 per month from August 2022.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	31.12.22 £	31.12.21 £
Balance sheet liability at year start	23,900	29,615
Minus deficiency contributions paid	(3,023)	(5,098)
Interest cost (recognised in SOFA)	448	243
Remaining change to balance sheet liability* (recognised in SOFA)	(21,325)	(860)
Balance sheet liability at year end	-	23,900

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends. This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31.12.22	31.12.21	31.12.20
Discount rate	5.7%	2.0%	0.9%
Future increases to Minimum Pensionable Income	0.0%	4.1%	3.5%

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

10. PENSIONS - continued

11. TANGIBLE FIXED ASSETS

	Church premises £	Manse £	Furniture and fittings £	Computers & equipment £	Totals £
COST					
At 1st January 2022	1,061,713	97,000	100,695	49,986	1,309,394
Additions	-	-	4,790	2,205	6,995
Disposals	-	-	(4,043)	(2,529)	(6,572)
At 31st December 2022	1,061,713	97,000	101,442	49,662	1,309,817
DEPRECIATION					
At 1st January 2022	294,161	-	94,554	41,707	430,422
Charge for year	21,234	-	2,443	6,402	30,079
Eliminated on disposal	-	-	(1,280)	(2,529)	(3,809)
At 31st December 2022	315,395	-	95,717	45,580	456,692
NET BOOK VALUE					
At 31st December 2022	746,318	97,000	5,725	4,082	853,125
At 31st December 2021	767,552	97,000	6,141	8,279	878,972

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

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Accrued income - Gift Aid	14,776	10,541

13. CASH AT BANK

	General fund £	Gordon Tuck Fund £	2022 Total funds £	2021 Total funds £
Lloyds Current Account - No 1	2,434	1,095	3,529	4,575
Lloyds Current Account - No 2	15,235	-	15,235	26,125
Hub Account	651	-	651	503
Total	18,320	1,095	19,415	31,203

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals and deferred income	6,100	5,000

15. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Defined benefit pension scheme liability	-	23,900

16. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	At 31.12.22
	£	£	£
Unrestricted funds			
General fund	119,389	13,732	133,121
Restricted funds			
Building fund	768,582	(21,582)	747,000
Gordon Tuck Fund	3,845	(2,750)	1,095
	772,427	(24,332)	748,095
TOTAL FUNDS	891,816	(10,600)	881,216

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	336,191	(322,459)	13,732
Restricted funds			
Building fund	-	(21,582)	(21,582)
Gordon Tuck Fund	-	(2,750)	(2,750)
	-	(24,332)	(24,332)
TOTAL FUNDS	336,191	(346,791)	(10,600)

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	117,736	1,653	119,389
Restricted funds			
Building fund	797,840	(29,258)	768,582
Gordon Tuck Fund	1,685	2,160	3,845
	<u>799,525</u>	<u>(27,098)</u>	<u>772,427</u>
TOTAL FUNDS	<u>917,261</u>	<u>(25,445)</u>	<u>891,816</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	298,803	(297,150)	1,653
Restricted funds			
Building fund	120	(29,378)	(29,258)
Gordon Tuck Fund	2,410	(250)	2,160
	<u>2,530</u>	<u>(29,628)</u>	<u>(27,098)</u>
TOTAL FUNDS	<u>301,333</u>	<u>(326,778)</u>	<u>(25,445)</u>

17. RELATED PARTY DISCLOSURES

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Southern Counties Baptist Association. The church made a grant to the Baptist Missionary Society as set out in note 5 to the financial statements.

Mr H Francis, a trustee of the charity, is a director of The Baptist Insurance Company plc, a provider of insurance services to the church. All insurance services provided by the company are on an arms length basis.

TESTWOOD BAPTIST CHURCH

England & Wales - Charity number 1129913

Accounts

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st December 2021
for
Testwood Baptist Church**

Testwood Baptist Church

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Testwood Baptist Church

Reference and Administrative Details for the Year Ended 31st December 2021

TRUSTEES

The Revd M Huckle (Senior Pastor as from 1.9.21)
Mr H Francis (Treasurer)
Mr S Reynolds (resigned 1.4.22)
Mrs M Murray
Mr P Pike
Mr C Ridout
Mrs K Elkins (Administrator) (resigned 7.11.21)
Mr J Frowd
Mr R King
Mr J Murray (resigned 15.3.21)
Mr A Price (appointed 13.7.22)
Mr N Tuck (appointed 13.7.22)

PRINCIPAL ADDRESS

283a Salisbury Road
Totton
Southampton
SO40 3LZ

REGISTERED CHARITY NUMBER

1129913

INDEPENDENT EXAMINER

D A Sanders BA (Hons) FCA
Sheen Stickland Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

BANKERS

Lloyds Bank plc
30 Commercial Road
Totton
Southampton

PROPERTY TRUSTEES

The Baptist Union Corporation Limited
Baptist House
129 Broadway
Didcot
Oxfordshire
OX11 8RT

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2021

The trustees present their Annual Report and financial statements in respect of the year ended 31st December 2021.

OBJECTIVES AND ACTIVITIES

Charitable Object

The Charity is governed by an Approved Governing Document dated 20th March 2008 which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises, which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

Covid 19/Senior Pastor

As for many 2021 continued to be a challenging year with the impact of Covid 19 still keenly felt, as was the tragic death of our Senior Pastor, Gordon Tuck in November 2020. The Covid pandemic of the previous year (2020) continued into 2021 and we continued to hold on-line services on Sunday mornings. The lockdowns came and went but there were many stringent rules, regulations and restrictions in force, however, these eased somewhat towards the latter part of 2021. Activities that had not been possible or were much reduced began to flourish again as the year progressed. The thanksgiving service for Gordon took place in September 2021. Matt Huckle, previously our Associate Pastor who had acted as our interim Senior Pastor, was appointed to the role permanently as from 1 September 2021, following a vigorous selection process and his induction service was held in early October.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2021

OBJECTIVES AND ACTIVITIES

Objectives and Activities

In order to achieve the principle objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services would normally take place in person each Sunday at both 9.30am and 11.15am in the morning and 7.00pm in the evening however due to Covid restrictions we were unable to provide these. We were though, through the extraordinary teamwork of both staff and volunteers, able to ensure a public service of worship was transmitted via online and social media every Sunday morning without fail. In so doing we reached not just our own community but many more beyond our local community.

As 2021 progressed we were able to return to more normal "in person" church services but retained and developed the online capability to serve the parallel needs of a digital community.

Normally there are also occasional services at other times which are advertised on the Church Notice Board, weekly Church Newsletter and the website at www.testwoodbaptist.org. There is usually a full children's programme during the morning services. When we could not meet in person due to the Covid restrictions the Children and Youth pastors and their teams and volunteer's utilised social media widely to engage with the children and youth of our community.

As the year progressed and we began to meet in person again the children and youth programme returned. The Church seeks to be a friendly and welcoming community and everybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at any Sunday services of worship. At the start of 2021 most House groups were still unable to meet in person but most of the house groups met regularly on-line via Zoom and the use of social media. The majority of the groups were meeting back in a member's home by the end of 2021 although some continue to use zoom. House groups provide an excellent support function helping members to cope more easily with the impact of Covid and life in general.

The Church is responsible for a Mums and Babies group and a Toddler group which both normally meet in the Church premises on Friday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ, see TBC Friday below.

The Church hosts a State Registered Pre-School which provides Pre-School education and is available to the whole community. Although there were many covid restrictions especially at the start of 2021 the Pre School managed to remain open and operated within these restrictions and provided a welcome facility especially for key workers.

The Church would normally run various events for Young People, including Girls Brigade and Youth Clubs, as well as those with disabilities. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service and Safeguarding legislation. Again whilst government restrictions were in place we were unable to run most face to face events but our Children's pastor and our Youth Pastor ran events and kept in contact with the young people, by the use of social media. See TBC Fridays.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2021

OBJECTIVES AND ACTIVITIES

The Church has active links with the local schools and colleges and normally they would regularly utilise our facilities. We were unable to progress these links in person whilst restrictions were in place but the schools have been keen we renew these post the pandemic.

Following a review of our youth and children's work, September 2021 saw the launch of TBC Fridays, a community day for all the family. There are groups for parents and tots, kids, and youth at various times throughout the day. This provides a great opportunity for parents to come and bring children, hang out with other parents and enjoy a nice coffee and a chat. Each week there are different types of activities. Friday Tots run from 10am to 11.30am, Friday Kids (for primary aged children) 5.30pm to 6.45pm and Friday Youth (secondary age) 7.30pm to 9.00pm.

TBC Fridays has been very successful and a year later 70 families each week attend Friday Tots, and on average 100 children and young people each attend Friday Kids or Friday Youth.

Once a year the Church normally turns out in force to run and support the local Totton Family Fun Day which is normally attended by over 5000 local inhabitants. The aim is to provide a free day of family fun for everyone, an expression of God's love to the local community. Unfortunately this was unable to take place in 2021 but ran successfully during June of 2022.

The Church operates a food parcel facility, "basics bank", in association with Youth and Families Matter, giving emergency food parcels to those identified as in need. Referrals are often received from local agencies through a voucher scheme. Basics Bank supported 2030 adults and young children during 2021. The local community continued to heavily support this project, as well as many organisations and supermarkets, both with food and finances. We were pleased that whilst we could not run many "in person" activities we were able to continue to offer tangible support to those suffering due to the covid restrictions.

The Church normally runs at different times throughout the year "Worn Again" events whereby the local community can come and select a set of clothes for 50p from the vast amount of "good but used" clothes that have been donated by its members and other members of the public. These events are open to all the community. Unfortunately we were unable to run "Worn Again" during 2021 but were during the early part of 2022.

Public Benefit

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement and wellbeing. The Trustees recognise that these are difficult to measure, but believe that, despite the challenges of Covid 19 restrictions and sad loss of our senior pastor we were able to effectively adapt to on-line church and continue to minister to our local community and beyond. We will continue to pursue our objectives and purposes in 2022. As previously mentioned we appointed Matt Huckle as our permanent senior pastor following a robust selection process.

During the year 9 people were received into formal church membership and 12 people came out of membership, 4 were promoted to glory, 3 resigned through non-attendance and 5 began worshipping elsewhere. At 31st December 2021 the formal membership stood at 286.

The Church continues to be much encouraged by its local MP, Town councillors, Head Teachers, and other community leaders, who are very positive about the Church's impact on the community, especially the Fun Day which provides a day of family fun (including food), without charge and is therefore accessible by every member of the community.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2021

FINANCIAL REVIEW

Financial Review

The Church continues to raise funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds for the church during the year. The most significant ongoing expenses relate to staff costs to support the ministry of the church and maintenance of the church facilities to support our ministry.

The Church expressed its part in the life of the wider church by making grants to national and international organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. During 2021 the underlying financial position remained stable, without the need to furlough any staff and we effectively adapted to on-line services utilising acquiring additional equipment previously acquired to facilitate this. The church does not have any outstanding amounts due on the building and we are mindful of the ongoing need to maintain the upkeep of our well used facilities. The church also benefited from the reduced deficit in the Baptist pension scheme and the consequential reduction in timescales for the additional deficit funding payments. As from July 2022 the deficit reduction payments have reduced to £1 per month following further action by the pensions trustees.

Throughout the year the church continued to meet the ongoing challenges of Covid 19 and on-line church services when the restrictions applied whilst managing to maintain a healthy financial position.

The Trustees continue to seek to apply the Reserves policy which balances the ongoing commitments of the church with the known levels of regular committed giving and ensuring that the main goal remains to utilise the church resources to meet our objectives.

The trustees have made an assessment of the major risks facing the church and are satisfied that there are policies and procedures in place to minimise these risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

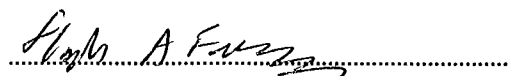
Organisational Structure and Decision Making Process

The Members of the church are accepted in accordance with the Constitution. Church membership is open to all those who have made a public profession of faith in Jesus Christ by being baptised by Immersion and who accept the beliefs of the Church. Those who have not been so baptised may still be accepted for membership at the discretion of the Church Members Meeting based on their public profession of faith. All applications for membership are subject to acceptance at the Church Members Meeting.

The Members Meeting normally takes place four times a year and has responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint a number of Trustees, (currently 9), including the Senior Pastor, and Treasurer (who are also appointed by the members), and collectively known as the Leadership Team. They are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Approved by order of the board of trustees on 14th October 2022 and signed on its behalf by:


Mr H Francis - Trustee

Independent Examiner's Report to the Trustees of Testwood Baptist Church

Independent examiner's report to the trustees of Testwood Baptist Church

I report to the charity trustees on my examination of the accounts of Testwood Baptist Church (the Trust) for the year ended 31st December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of The Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the 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.



D A Sanders BA (Hons) FCA
Sheen Stickland Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

Date: 22/12/2022

Testwood Baptist Church

**Statement of Financial Activities
for the Year Ended 31st December 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	292,784	2,530	295,314	302,415
Charitable activities					
Charitable activities	4	4,469	-	4,469	4,384
Investment Income	3	3	-	3	10
Other Income		<u>1,547</u>	<u>-</u>	<u>1,547</u>	<u>-</u>
Total		<u>298,803</u>	<u>2,530</u>	<u>301,333</u>	<u>306,809</u>
EXPENDITURE ON					
Charitable activities					
Ministry		174,003	-	174,003	183,468
Establishment		90,053	29,378	119,431	108,302
Mission		27,190	250	27,440	21,210
The Hub		556	-	556	2,369
Governance costs		<u>5,348</u>	<u>-</u>	<u>5,348</u>	<u>5,628</u>
Total		<u>297,150</u>	<u>29,628</u>	<u>326,778</u>	<u>320,977</u>
NET INCOME/(EXPENDITURE)		1,653	(27,098)	(25,445)	(14,168)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>117,736</u>	<u>799,525</u>	<u>917,261</u>	<u>931,429</u>
TOTAL FUNDS CARRIED FORWARD		<u>119,389</u>	<u>772,427</u>	<u>891,816</u>	<u>917,261</u>

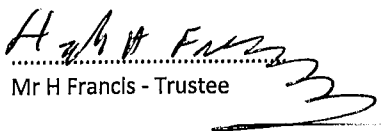
The notes form part of these financial statements

Testwood Baptist Church

**Balance Sheet
31st December 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	110,390	768,582	878,972	904,098
CURRENT ASSETS					
Debtors	12	10,541	-	10,541	11,207
Cash at bank	13	<u>27,358</u>	<u>3,845</u>	<u>31,203</u>	<u>36,131</u>
		37,899	3,845	41,744	47,338
CREDITORS					
Amounts falling due within one year	14	(5,000)	-	(5,000)	(4,560)
NET CURRENT ASSETS		<u>32,899</u>	<u>3,845</u>	<u>36,744</u>	<u>42,778</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		143,289	772,427	915,716	946,876
PROVISIONS FOR LIABILITIES	15	(23,900)	-	(23,900)	(29,615)
NET ASSETS		<u>119,389</u>	<u>772,427</u>	<u>891,816</u>	<u>917,261</u>
FUNDS	16				
Unrestricted funds				119,389	117,736
Restricted funds				<u>772,427</u>	<u>799,525</u>
TOTAL FUNDS				<u>891,816</u>	<u>917,261</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19th October 2022 and were signed on its behalf by:


Mr H Francis - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) (Charities SORP (FRS 102))" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis. In the opinion of the trustees, there are no material uncertainties in regard to the Charity's ability to continue as a going concern. The trustees do not consider that the effects of Covid-19, the conflict in Ukraine or the current level of energy prices will impact on the charity's ability to continue to operate.

Income recognition and donations

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received. Donations are accounted for gross when received.

Investment income

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

Expenditure recognition

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

Grants payable

The church makes grants and donations to other organisations and individuals whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and relate to governance costs. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

Tangible fixed assets

The original church buildings are considered to be inalienable and historic fixed assets and are excluded from the balance sheet because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared to the additional benefit gained by the users of the accounts. The insurance value of the premises is £5,036,754 which includes the new church building which was completed in December 2007. The manse premises are stated at cost and depreciation has not been charged, because in the opinion of the trustees, the residual value of the asset is not less than the original cost price. Furniture and equipment in the church premises are included at cost or net realisable value. Items of equipment are capitalised where the purchase price exceeds £500.

As stated above, depreciation has not been charged on the manse premises.

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life at the following rates:

Furniture and fittings	10%
Computers and equipment	33%
New Church Building	2%

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted funds 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. Restricted Funds relates to the 'Building Fund' which was established for a new church building and hence are capital items and the Gordon Tuck Fund which was set up to hold donations given in memory of Gordon Tuck. The funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Pension costs and other post-retirement benefits

The pension costs charged in the accounts represent the contributions payable by the church during the year in accordance with FRS102.

Under FRS102 employers that participate in multi-employer defined benefit schemes where there is insufficient information to do full benefit accounting and where the employers are not under common control need to recognize a liability to make payments to fund any deficit. This liability was required to be recognized for the first time in the accounts for the year ended 31st December 2016. As, however, this information was not available when the 2016 accounts were prepared no such liability was recognized at this time. Provision for the full liability due as at 31st December 2017 was treated as an expense in the 2017 accounts.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Offering and donations	249,677	255,572
Gift aid	44,792	46,638
Weddings and funerals	<u>845</u>	<u>205</u>
	<u>295,314</u>	<u>302,415</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest	<u>3</u>	<u>10</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Rents received	Charitable activities	3,410	3,510
The Hub	Charitable activities	<u>1,059</u>	<u>874</u>
		<u>4,469</u>	<u>4,384</u>

5. GRANTS PAYABLE

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Youth and Families Matter	13,200	-	13,200	13,550
Hour of Revival (Dugmores)	1,500	-	1,500	1,500
Home Mission Fund	1,500	-	1,500	1,500
MAF (Watermans)	1,500	-	1,500	1,500
Amor Europe (Youth Development)	1,800	-	1,800	1,800
Southampton City Mission	720	-	720	720
Baptist Missionary Society	300	-	300	300
Thelma Mills	240	-	240	240
Southern CBA	100	-	100	100
Watermans - donations	1,500	-	1,500	-
Tearfund	730	-	730	-
Dugmore - donation towards vehicle	2,900	-	2,900	-
Dugmore - donations	500	-	500	-
J Tuck - towards moving expenses	700	-	700	-
Mission trip (G Houghton)	-	250	250	-
	<u>27,190</u>	<u>250</u>	<u>27,440</u>	<u>21,210</u>

6. INDEPENDENT EXAMINER'S REMUNERATION

Governance costs of £5,348 (2020 - £5,628) represents amounts paid to the independent examiner for the examination of the accounts of £4,200 (2020 - £4,100) and fees for other accounting and bookkeeping services of £1,148 (2020 - £1,528).

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

8. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	154,287	172,961
Social security costs	9,077	10,733
Other pension costs	<u>8,666</u>	<u>(2,771)</u>
	<u>172,030</u>	<u>180,923</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Employees	<u>7</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

The Minister acts as a church trustee in accordance with the Trust Deed and received remuneration of £39,398 in the year ended 31st December 2021 (2020 - 2 Ministers, £68,182). In addition, one other trustee received remuneration of £5,799 (2020 - £5,112) for acting as the Church administrator up to the date of her resignation as a trustee.. £Nil (2020 - £Nil) in total was reimbursed to the Trustees in respect of expenses incurred as Trustees.

The Church paid pension contributions for its previous Senior Pastor to the Baptist Pension Scheme (BPS), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The scheme is a separate legal entity and the assets of the scheme are held separately from those of the employer and other participating employers.

For any month, each participating employer in the scheme pays contribution as set out in the schedule of contributions in force at the time. The scheme is considered a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the scheme's assets and liabilities to specific employers and means the contributions are accounted for as if the scheme was a defined contribution scheme. The pension costs charged in the year are payable towards benefits and expenses accrued in that year plus any impact of deficiency contributions (see below). For the year ended 31st December 2017, pension costs included the amount of the pension liability estimate as at 31st December 2016 as described in note 1.

Pension costs for the year ended 31st December 2021 includes a credit of £617 in respect of a change in the pension scheme deficit (2020 - credit of £14,158).

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	300,250	2,165	302,415
Charitable activities			
Charitable activities	4,384	-	4,384
Investment income	<u>10</u>	<u>-</u>	<u>10</u>
Total	<u>304,644</u>	<u>2,165</u>	<u>306,809</u>
EXPENDITURE ON			
Charitable activities			
Ministry	183,468	-	183,468
Establishment	85,615	22,687	108,302
Mission	21,210	-	21,210
The Hub	2,369	-	2,369
Governance costs	<u>5,628</u>	<u>-</u>	<u>5,628</u>
Total	<u>298,290</u>	<u>22,687</u>	<u>320,977</u>
NET INCOME/(EXPENDITURE)	6,354	(20,522)	(14,168)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>111,382</u>	<u>820,047</u>	<u>931,429</u>
TOTAL FUNDS CARRIED FORWARD	<u>117,736</u>	<u>799,525</u>	<u>917,261</u>

10. PENSIONS

The church is an employer participating in the Baptist Pension Scheme ("the BPS"). The BPS is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

From January 2012, pension provision for the Ministers and some members of staff is being made through the Defined Contribution (DC) Plan within the BPS. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs and an associated Insurance policy which provides income protection for BPS members in the event that they are unable to work due to long-term incapacity. The income protection has been insured by the Baptist Union of Great Britain with Aviva plc. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for employer contributions made to the segregated DC arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the BPS. The main benefits were:

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

10. PENSIONS - continued

A defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service together with an additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income; and

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925. The scheme was closed to future accrual of defined benefits on 31 December 2011. The scheme is not contracted out of the State Second Pension.

The table below summarises the main results of the most recent actuarial valuations of the Defined Benefit (DB) Plan in the BPS. These valuations were performed by a professionally qualified Actuary using the Projected Unit Method. The Church and the other employers supporting the DB plan are collectively responsible for funding the deficit.

BPS DB Plan	
Date of valuation	31 December 2019
Date of next valuation	31 December 2022
Market value of scheme assets (A)	£298m
Technical provisions (B)	£316m
Deficit [(B) - (A)]	£18m
Funding level [(A) / (B)]	94%

The key financial assumptions underlying the valuation were as follows:

Type assumption	BPS %pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increase (BPS only)	3.20
Pensionable Salary Increases (BUSPS only)	n/a
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme Pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates in line with CMI 2016 core projections, with a long-term annual rate of Improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional mortality improvement factor A=0.5%.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020. This reduction is allowed for in the figures shown below, where appropriate.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

10. PENSIONS - continued

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	31.12.21 £	31.12.20 £
Balance sheet liability at year start	29,615	47,531
Minus deficiency contributions paid	(5,098)	(3,758)
Interest cost (recognised in SOFA)	243	776
Remaining change to balance sheet liability* (recognised in SOFA)	<u>(860)</u>	<u>(14,934)</u>
Balance sheet liability at year end	<u>23,900</u>	<u>29,615</u>

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends. This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31.12.21	31.12.20	31.12.19
Discount rate	2.0%	0.9%	1.7%
Future increases to Minimum Pensionable Income	4.1%	3.5%	3.2%

The Church has been advised that the cost for the church to buyout their Pension Scheme Liabilities as at 31st December 2021 was approximately £50,300 (2020: £65,000).

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

11. TANGIBLE FIXED ASSETS

	Church premises £	Manse £	Furniture and fittings £	Computers & equipment £	Totals £
COST					
At 1st January 2021	1,061,713	97,000	100,695	57,185	1,316,593
Additions	-	-	-	7,458	7,458
Disposals	-	-	-	(14,657)	(14,657)
At 31st December 2021	<u>1,061,713</u>	<u>97,000</u>	<u>100,695</u>	<u>49,986</u>	<u>1,309,394</u>
DEPRECIATION					
At 1st January 2021	272,927	-	90,248	49,320	412,495
Charge for year	21,234	-	4,306	7,044	32,584
Eliminated on disposal	-	-	-	(14,657)	(14,657)
At 31st December 2021	<u>294,161</u>	<u>-</u>	<u>94,554</u>	<u>41,707</u>	<u>430,422</u>
NET BOOK VALUE					
At 31st December 2021	<u>767,552</u>	<u>97,000</u>	<u>6,141</u>	<u>8,279</u>	<u>878,972</u>
At 31st December 2020	<u>788,786</u>	<u>97,000</u>	<u>10,447</u>	<u>7,865</u>	<u>904,098</u>

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

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accrued income - Gift Aid	<u>10,541</u>	<u>11,207</u>

13. CASH AT BANK

	General fund £	Gordon Tuck Fund £	2021 Total funds £	2020 Total funds £
Lloyds Current Account - No 1	730	3,845	4,575	3,827
Lloyds Current Account - No 2	26,125	-	26,125	25,733
Hub Account	503	-	503	-
Lloyds Building Fund Account	-	-	-	6,571
Total	<u>27,358</u>	<u>3,845</u>	<u>31,203</u>	<u>36,131</u>

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	<u>5,000</u>	<u>4,560</u>

15. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Defined benefit pension scheme liability	<u>23,900</u>	<u>29,615</u>

16. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
Unrestricted funds			
General fund	117,736	1,653	119,389
Restricted funds			
Building fund	797,840	(29,258)	768,582
Gordon Tuck Fund	<u>1,685</u>	<u>2,160</u>	<u>3,845</u>
	<u>799,525</u>	<u>(27,098)</u>	<u>772,427</u>
TOTAL FUNDS	<u>917,261</u>	<u>(25,445)</u>	<u>891,816</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	298,803	(297,150)	1,653
Restricted funds			
Building fund	120	(29,378)	(29,258)
Gordon Tuck Fund	<u>2,410</u>	<u>(250)</u>	<u>2,160</u>
	<u>2,530</u>	<u>(29,628)</u>	<u>(27,098)</u>
TOTAL FUNDS	<u>301,333</u>	<u>(326,778)</u>	<u>(25,445)</u>

Testwood Baptist Church

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	111,382	6,354	117,736
Restricted funds			
Building fund	820,047	(22,207)	797,840
Gordon Tuck Fund	-	1,685	1,685
	<u>820,047</u>	<u>(20,522)</u>	<u>799,525</u>
TOTAL FUNDS	<u>931,429</u>	<u>(14,168)</u>	<u>917,261</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	304,644	(298,290)	6,354
Restricted funds			
Building fund	480	(22,687)	(22,207)
Gordon Tuck Fund	1,685	-	1,685
	<u>2,165</u>	<u>(22,687)</u>	<u>(20,522)</u>
TOTAL FUNDS	<u>306,809</u>	<u>(320,977)</u>	<u>(14,168)</u>

17. RELATED PARTY DISCLOSURES

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Southern Counties Baptist Association. The church made a grant to the Baptist Missionary Society as set out in note 5 to the financial statements.

On 1st July 2021 Mr H Francis, a trustee of the charity, was appointed as a director of The Baptist Insurance Company plc, a provider of insurance services to the church. All insurance services provided by the company are on an arms length basis.

TESTWOOD BAPTIST CHURCH

England & Wales - Charity number 1129913

Accounts

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st December 2020
for
Testwood Baptist Church



SHEEN STICKLAND
CHARTERED ACCOUNTANTS Est. 1944

Testwood Baptist Church

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for the Year Ended 31st December 2020**

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Testwood Baptist Church

Reference and Administrative Details for the Year Ended 31st December 2020

TRUSTEES

The Revd G Tuck (Senior Pastor) (deceased 7.11.20)
The Revd M Huckle (Associate Pastor & newly appointed Senior Pastor)
Mr H Francis (Treasurer)
The Revd J Woodhouse (resigned 8.10.20)
Mr S Reynolds
Mrs M Murray
Mr P Pike
Mr C Ridout
Mrs K Elkins (Administrator)
Mrs F Jong (resigned 15.1.20)
Mr J Frowd
Mr R King (appointed 15.1.20)
Mr J Murray (appointed 15.1.20) (resigned 15.3.21)

PRINCIPAL ADDRESS

283a Salisbury Road
Totton
Southampton
SO40 3LZ

REGISTERED CHARITY NUMBER

1129913

INDEPENDENT EXAMINER

D A Sanders BA (Hons) FCA
Sheen Stickland Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

BANKERS

Lloyds Bank plc
30 Commercial Road
Totton
Southampton

PROPERTY TRUSTEES

The Baptist Union Corporation Limited
Baptist House
129 Broadway
Didcot
Oxfordshire
OX11 8RT

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2020

The trustees present their Annual Report and financial statements in respect of the year ended 31st December 2020.

OBJECTIVES AND ACTIVITIES

Charitable Object

The Charity is governed by an Approved Governing Document dated 20th March 2008 which states that the principal purpose of the charity is the advancement of the Christian faith according to the principles of the Baptist denomination to include the advancement of education, community service and such other general charitable purposes in such parts of the United Kingdom and the world as the Church shall determine.

The Church occupies premises, which are held by the Baptist Union Corporation Ltd, on Trusts which are entirely compatible with the above object.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2020

OBJECTIVES AND ACTIVITIES

Objectives and Activities

In order to achieve the principle objective which is set out above, the Church provides a variety of activities both to its membership and to the community generally. The aim is to show the love of Jesus Christ in both word and deed and to bring people into a closer relationship with Him as living Lord.

As for many 2020 was a challenging year for the church both with the tragic loss of Gordon Tuck our Senior Pastor in November and the impact of Covid 19. Activities were restricted somewhat in 2020 due to the effects and restrictions of the coronavirus pandemic however many continued to take place as we moved to on-line church for our church services, many small groups and other activities.

Central to the work and witness of the Church is the provision of regular public services of Christian worship. These services would normally take place each Sunday at both 9.30am and 11.15am in the morning and 7.00pm in the evening. Through the extraordinary teamwork of both staff and volunteers, a public service of worship was transmitted via online and social media every Sunday morning without fail. In so doing we reached many beyond our local community.

Normally there are also occasional services at other times which are advertised on the Church Notice Board, weekly Church Newsletter and the website at www.testwoodbaptist.org. There is usually a full children's programme during the morning services. As we could not meet in person the Children and Youth pastors and their teams and volunteer's utilised social media widely to engage with the children and youth of our community. The Church seeks to be a friendly and welcoming community and everybody is free to attend any of these services.

The Church runs a series of house groups for the growth of faith and discipleship in the homes of some members, and further details of these can be obtained from the Trustees on request, or at any Sunday services of worship. Although in the main the House Groups were unable to meet in person the house groups met regularly on-line via Zoom and the use of social media. They provided an excellent support function helping members to cope more easily with Covid 19 conditions.

The Church is responsible for a Mums and Babies group and a Toddler group which both normally meet in the Church premises on Friday mornings, with the purpose of assisting the community and demonstrating the love of Jesus Christ. The Church hosts a State Registered Pre-School which provides Pre-School education and is available to the whole community. Unfortunately once lockdown had commenced we were unable to run some of these events although the pre-school continued to open when possible in support of key worker children.

The Church would normally run various events for Young People, including Girls Brigade and Youth Clubs, as well as those with disabilities. The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Data Barring Service and Safeguarding legislation. Again whilst government restrictions were in place we were unable to run most face to face events but our Children's pastor and our Youth Pastor ran events and kept in contact with the young people, by the use of social media.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2020

OBJECTIVES AND ACTIVITIES

The Church has active links with the local schools and colleges and they regularly utilise our facilities. We were unable to progress these links in person whilst lockdown was in place but the schools have been keen we renew these post the pandemic.

Once a year the Church normally turns out in force to run and support the local Totton Family Fun Day which is normally attended by over 5000 local inhabitants. The aim is to provide a free day of family fun for everyone, an expression of God's love to the local community. Unfortunately this was unable to take place in 2020 but we hope this will recommence in 2022.

The Church operates a food parcel facility, "basics bank", in association with Youth and Families Matter, giving emergency food parcels to those identified as in need. Referrals are often received from local agencies through a voucher scheme. Demand for basic bank parcels for 2020 rose by some 81% compared with 2019. The local community continued to heavily support this project, as well as many organisations and supermarkets, both with food and finances. We were pleased that whilst we could not run many in person activities we were able to continue to offer tangible support to those suffering due to the covid restrictions.

The Church normally runs at different times throughout the year "Worn Again" events whereby the local community can come and select a set of clothes for 50p from the vast amount of "good but used" clothes that have been donated by its members and other members of the public. These events are open to all the community. Unfortunately we were unable to run "Worn Again" during 2020.

The Church has read the Charity Commission guidance on public benefit and is satisfied that the activities outlined above clearly demonstrate that the charity is providing a benefit to the public.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The Church does not measure the success of its programmes only in numbers, including financial numbers, but also in less tangible areas like fellowship, encouragement and wellbeing. The Trustees recognise that these are difficult to measure, but believe that, despite the challenges of Covid 19 restrictions and sad loss of our senior pastor we were able to effectively adapt to on-line church and continue to minister to our local community and beyond. We will continue to pursue our objectives and purposes in 2021 and in July 2021 we appointed Matt Huckle as senior pastor following a robust selection process.

During the year 8 people were received into formal church membership and 6 people came out of membership, 1 died, 1 resigned through non-attendance and 4 moved out of the area and worshipped at other churches. At 31st December 2020 the formal membership stood at 289.

The Church continues to be much encouraged by its local MP, Town councillors, Head Teachers, and other community leaders, who are very positive about the Church's impact on the community, especially the Fun Day which provides a day of family fun (including food), without charge and is therefore accessible by every member of the community.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2020

FINANCIAL REVIEW

Financial Review

The Church continues to raise funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds for the church during the year. The most significant ongoing expenses relate to staff costs to support the ministry of the church and maintenance of the church facilities to support our ministry.

The Church expressed its part in the life of the wider church by making grants to national and international organisations and societies with Christian aims and objectives compatible with the church's own charitable purpose.

The Church is heavily dependent on its membership working as volunteers in all aspects of the church's activities, many of which run with little or no impact on the church's expenditure, but nevertheless contribute substantially to the achievement of the church's objectives.

The financial results for the year, together with a summary of the accounting policies adopted are set out in the accompanying financial statements. During 2020 the underlying financial position remained stable, without the need to furlough any staff and we effectively adapted to on-line services acquiring additional equipment to facilitate this. The church does not have any outstanding amounts due on the building and we are mindful of the ongoing need to maintain the upkeep of our well used facilities. The church also benefited from the reduced deficit in the Baptist pension scheme and the consequential reduction in timescales for the additional deficit funding payments.

Subsequent to the year end the church continued to meet the ongoing challenges of Covid 19 and on-line church services whilst managing to maintain a healthy financial position.

The Trustees continue to seek to apply the Reserves policy which balances the ongoing commitments of the church with the known levels of regular committed giving and ensuring that the main goal remains to utilise the church resources to meet our objectives.

The trustees have made an assessment of the major risks facing the church and are satisfied that there are policies and procedures in place to minimise these risks.

Testwood Baptist Church

Report of the Trustees for the Year Ended 31st December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

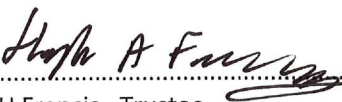
Organisational Structure and Decision Making Process

Members of the church are accepted in accordance with the Constitution. Church membership is open to all those who have made a public profession of faith in Jesus Christ by being baptised by immersion and who accept the beliefs of the Church. Those who have not been so baptised may still be accepted for membership at the discretion of the Church Members Meeting based on their public profession of faith. All applications for membership are subject to acceptance at the Church Members Meeting.

The members Meeting normally takes place four times a year and has responsibility for the overall policy of the church. In accordance with the Constitution, the members appoint a number of Trustees, (currently 9), including the Senior Pastor, Associate Pastor, and Treasurer (who are also appointed by the members), and collectively known as the Leadership Team. They are responsible for the day to day running of the church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks involved in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church meeting by the Trustees for guidance or may be raised by members in Church meeting for further consideration by the Trustees. Though the Constitution permits decisions to be made at Church meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

Approved by order of the board of trustees on 24th October 2021 and signed on its behalf by:


.....
Mr H Francis - Trustee

Independent Examiner's Report to the Trustees of Testwood Baptist Church

Independent examiner's report to the trustees of Testwood Baptist Church

I report to the charity trustees on my examination of the accounts of Testwood Baptist Church (the Trust) for the year ended 31st December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of _ which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the 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.



D A Sanders BA (Hons) FCA
Sheen Stickland Chartered Accountants
4 High Street
Alton
Hampshire
GU34 1BU

Date:

25th October 2021

Testwood Baptist Church

**Statement of Financial Activities
for the Year Ended 31st December 2020**

		Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	300,250	2,165	302,415	321,093
Charitable activities	4				
Charitable activities		4,384	-	4,384	8,474
Investment income	3	10	-	10	4
Total		<u>304,644</u>	<u>2,165</u>	<u>306,809</u>	<u>329,571</u>
EXPENDITURE ON					
Charitable activities					
Ministry		183,468	-	183,468	197,271
Establishment		85,615	22,687	108,302	115,927
Mission		21,210	-	21,210	27,600
The Hub		2,369	-	2,369	1,919
Governance costs		5,628	-	5,628	5,864
Total		<u>298,290</u>	<u>22,687</u>	<u>320,977</u>	<u>348,581</u>
NET INCOME/(EXPENDITURE)		<u>6,354</u>	<u>(20,522)</u>	<u>(14,168)</u>	<u>(19,010)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>111,382</u>	<u>820,047</u>	<u>931,429</u>	<u>950,439</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>117,736</u></u>	<u><u>799,525</u></u>	<u><u>917,261</u></u>	<u><u>931,429</u></u>

The notes form part of these financial statements

Testwood Baptist Church

Balance Sheet

31st December 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	11	112,829	791,269	904,098	932,236
CURRENT ASSETS					
Debtors	12	11,207	-	11,207	12,556
Cash at bank and in hand	13	27,875	8,256	36,131	38,368
		<u>39,082</u>	<u>8,256</u>	<u>47,338</u>	<u>50,924</u>
CREDITORS					
Amounts falling due within one year	14	(4,560)	-	(4,560)	(4,200)
NET CURRENT ASSETS		<u>34,522</u>	<u>8,256</u>	<u>42,778</u>	<u>46,724</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		147,351	799,525	946,876	978,960
PROVISIONS FOR LIABILITIES	15	(29,615)	-	(29,615)	(47,531)
NET ASSETS		<u>117,736</u>	<u>799,525</u>	<u>917,261</u>	<u>931,429</u>
FUNDS	16				
Unrestricted funds				117,736	111,382
Restricted funds				<u>799,525</u>	<u>820,047</u>
TOTAL FUNDS				<u>917,261</u>	<u>931,429</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24th October 2021 and were signed on its behalf by:


Mr H Francis - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st December 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) (Charities SORP (FRS 102))" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis. In the opinion of the trustees, there are no material uncertainties in regard to the Charity's ability to continue as a going concern.

Income recognition and donations

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received. Donations are accounted for gross when received.

Investment income

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

Expenditure recognition

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

Grants payable

The church makes grants and donations to other organisations and individuals whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the church but do not directly represent charitable activities and relate to governance costs. This represents direct expenditure on the governance of the church. Most of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their service.

Tangible fixed assets

The original church buildings are considered to be inalienable and historic fixed assets and are excluded from the balance sheet because reliable cost information is not available, and valuation would incur significant costs which would be onerous compared to the additional benefit gained by the users of the accounts. The insurance value of the premises is £4,677,472 which includes the new church building which was completed in December 2007. The manse premises are stated at cost and depreciation has not been charged, because in the opinion of the trustees, the residual value of the asset is not less than the original cost price. Furniture and equipment in the church premises are included at cost or net realisable value. Items of equipment are capitalised where the purchase price exceeds £500.

As stated above, depreciation has not been charged on the manse premises.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation on other fixed assets is calculated to write off the cost on a straight-line basis over their expected useful life at the following rates:

Furniture and fittings	10%
Computers and equipment	33%
New Church Building	2%

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted funds 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. Restricted Funds relates to the 'Building Fund' which was established for a new church building and hence are capital items and the Gordon Tuck Fund which was set up to hold donations given in memory of Gordon Tuck. The funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Pension costs and other post-retirement benefits

The pension costs charged in the accounts represent the contributions payable by the church during the year in accordance with FRS102.

Under FRS102 employers that participate in multi-employer defined benefit schemes where there is insufficient information to do full benefit accounting and where the employers are not under common control need to recognize a liability to make payments to fund any deficit. This liability was required to be recognized for the first time in the accounts for the year ended 31st December 2016. As, however, this information was not available when the 2016 accounts were prepared no such liability was recognized at this time. Provision for the full liability due as at 31st December 2017 was treated as an expense in the 2017 accounts.

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Offering and donations	255,572	271,342
Gift aid	46,638	48,497
Weddings and funerals	205	1,254
	<u>302,415</u>	<u>321,093</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Bank interest	10	4
	<u>10</u>	<u>4</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Rents received	Charitable activities	3,510	5,030
The Hub	Charitable activities	874	3,444
		<u>4,384</u>	<u>8,474</u>

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

5. GRANTS PAYABLE

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Youth and Families Matter	13,550	-	13,550	13,200
Hour of Revival (Dugmores)	1,500	-	1,500	1,700
Home Mission Fund	1,500	-	1,500	1,500
MAF (Watermans)	1,500	-	1,500	1,500
Amor Europe (Youth Development)	1,800	-	1,800	1,800
Southampton City Mission	720	-	720	720
Baptist Missionary Society	300	-	300	300
Thelma Mills	240	-	240	60
Southern CBA	100	-	100	-
TBC pre-school	-	-	-	1,250
Tearfund	-	-	-	100
Church of the Year	-	-	-	100
Football Team	-	-	-	100
Hardship Fund	-	-	-	100
Totton Fun Day	-	-	-	4,350
MAF	-	-	-	410
Wessex Cancer Trust	-	-	-	410
	<u>21,210</u>	<u>-</u>	<u>21,210</u>	<u>27,600</u>

6. INDEPENDENT EXAMINER'S REMUNERATION

Governance costs of £5,628 (2019 - £5,864) represents amounts paid to the independent examiner for the examination of the accounts of £4,100 (2019 - £4,000) and fees for other accounting and bookkeeping services of £1,528 (2019 - £1,864).

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

8. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	172,961	168,325
Social security costs	10,733	11,613
Other pension costs	(2,771)	13,155
	<u>180,923</u>	<u>193,093</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Employees	<u>8</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

The two Ministers act as church trustees in accordance with the Trust Deed and received remuneration of £68,182 in the year ended 31st December 2020 (2019 - £66,167), and one received the benefit in respect to his services as Minister of manse accommodation owned by the church. In addition, one other trustee received remuneration of £5,112 (2019 - £4,930) for acting as the Church administrator. £Nil (2019 - £Nil) in total was reimbursed to the Trustees in respect of expenses incurred as Trustees.

The Church pays pension contributions for its Senior Pastor to the Baptist Pension Scheme (BPS), which is administered by the Pension Trustee (Baptist Pension Trust Limited). The scheme is a separate legal entity and the assets of the scheme are held separately from those of the employer and other participating employers.

For any month, each participating employer in the scheme pays contribution as set out in the schedule of contributions in force at the time. The scheme is considered a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the scheme's assets and liabilities to specific employers and means the contributions are accounted for as if the scheme was a defined contribution scheme. The pension costs charged in the year are payable towards benefits and expenses accrued in that year plus any impact of deficiency contributions (see below). For the year ended 31st December 2017, pension costs included the amount of the pension liability estimate as at 31st December 2016 as described in note 1.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

8. STAFF COSTS - continued

Pension costs for the year ended 31st December 2020 includes a credit of £14,158 in respect of a change in the pension scheme deficit (2019 - charge of £1,375).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	320,613	480	321,093
Charitable activities			
Charitable activities	8,474	-	8,474
Investment income	4	-	4
Total	329,091	480	329,571
EXPENDITURE ON			
Charitable activities			
Ministry	197,271	-	197,271
Establishment	93,240	22,687	115,927
Mission	27,600	-	27,600
The Hub	1,919	-	1,919
Governance costs	5,864	-	5,864
Total	325,894	22,687	348,581
NET INCOME/(EXPENDITURE)	3,197	(22,207)	(19,010)
RECONCILIATION OF FUNDS			
Total funds brought forward	108,185	842,254	950,439
TOTAL FUNDS CARRIED FORWARD	111,382	820,047	931,429

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

10. PENSIONS

The church is an employer participating in the Baptist Pension Scheme ("the BPS"). The BPS is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

From January 2012, pension provision for the Ministers and some members of staff is being made through the Defined Contribution (DC) Plan within the BPS. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs and an associated insurance policy which provides income protection for BPS members in the event that they are unable to work due to long-term incapacity. The income protection has been insured by the Baptist Union of Great Britain with Aviva plc. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for employer contributions made to the segregated DC arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the BPS. The main benefits were:

A defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service together with an additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income; and

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925. The scheme was closed to future accrual of defined benefits on 31 December 2011. The scheme is not contracted out of the State Second Pension.

The table below summarises the main results of the most recent actuarial valuations of the Defined Benefit (DB) Plan in the BPS. These valuations were performed by a professionally qualified Actuary using the Projected Unit Method. The Church and the other employers supporting the DB plan are collectively responsible for funding the deficit.

BPS DB Plan	
Date of valuation	31 December 2019
Date of next valuation	31 December 2022
Market value of scheme assets (A)	£298m
Technical provisions (B)	£316m
Deficit [(B) - (A)]	£18m
Funding level [(A) / (B)]	94%

The key financial assumptions underlying the valuation were as follows:

BPS	
Type assumption	%pa

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

10. PENSIONS - continued

RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increase (BPS only)	3.20
Pensionable Salary increases (BUSPS only)	n/a
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	
- Main Scheme Pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates in line with CMI 2016 core projections, with a long-term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional mortality improvement factor A=0.5%.

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020. This reduction is allowed for in the figures shown below, where appropriate.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	31.12.20 £	31.12.19 £
Balance sheet liability at year start	47,531	51,058
Minus deficiency contributions paid	(3,758)	(4,902)
Interest cost (recognised in SOFA)	776	1,167
Remaining change to balance sheet liability* (recognised in SOFA)	(14,934)	208
Balance sheet liability at year end	29,615	47,531

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

10. PENSIONS - continued

* Comprises any change in agreed deficit recovery plan and change in assumptions between year-ends. This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

Accounting date	31.12.20	31.12.19	31.12.18
Discount rate	0.9%	1.7%	2.4%
Future increases to Minimum Pensionable Income	3.5%	3.2%	3.5%

The Church has been advised that the cost for the church to buyout their Pension Scheme Liabilities as at 31st December 2020 was approximately £65,000 (2019: £91,800).

Pension contributions are paid to defined contribution schemes on behalf of two other employees. The total pension cost for the church was £3,240 (2019 - £3,240). No contributions were outstanding at the balance sheet date.

11. TANGIBLE FIXED ASSETS

	Church premises £	Manse £	Furniture and fittings £	Computers & equipment £	Totals £
COST					
At 1st January 2020	1,061,713	97,000	100,695	47,613	1,307,021
Additions	-	-	-	9,572	9,572
At 31st December 2020	1,061,713	97,000	100,695	57,185	1,316,593
DEPRECIATION					
At 1st January 2020	251,693	-	80,870	42,222	374,785
Charge for year	21,234	-	9,378	7,098	37,710
At 31st December 2020	272,927	-	90,248	49,320	412,495
NET BOOK VALUE					
At 31st December 2020	788,786	97,000	10,447	7,865	904,098
At 31st December 2019	810,020	97,000	19,825	5,391	932,236

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

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accrued income - Gift Aid	11,207	12,556

13. CASH AT BANK AND IN HAND

	General fund	Building fund	Gordon Tuck Fund	2020 Total funds	2019 Total funds
	£	£	£	£	£
Cash in hand	-	-	-	-	51
Lloyds Current Account - No 1	2,142	-	1,685	3,827	2,659
Lloyds Current Account - No 2	25,733	-	-	25,733	28,123
Hub Account	-	-	-	-	1,444
Lloyds Building Fund Account	-	6,571	-	6,571	6,091
Total	27,875	6,571	1,685	36,131	38,368

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accruals and deferred income	4,560	4,200

15. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Defined benefit pension scheme liability	29,615	47,531

Testwood Baptist Church

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

16. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	111,382	6,354	117,736
Restricted funds			
Building fund	820,047	(22,207)	797,840
Gordon Tuck Fund	-	1,685	1,685
	<u>820,047</u>	<u>(20,522)</u>	<u>799,525</u>
TOTAL FUNDS	<u>931,429</u>	<u>(14,168)</u>	<u>917,261</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	304,644	(298,290)	6,354
Restricted funds			
Building fund	480	(22,687)	(22,207)
Gordon Tuck Fund	1,685	-	1,685
	<u>2,165</u>	<u>(22,687)</u>	<u>(20,522)</u>
TOTAL FUNDS	<u>306,809</u>	<u>(320,977)</u>	<u>(14,168)</u>

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	108,185	3,197	111,382
Restricted funds			
Building fund	842,254	(22,207)	820,047
TOTAL FUNDS	<u>950,439</u>	<u>(19,010)</u>	<u>931,429</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	329,091	(325,894)	3,197
Restricted funds			
Building fund	480	(22,687)	(22,207)
TOTAL FUNDS	<u>329,571</u>	<u>(348,581)</u>	<u>(19,010)</u>

Testwood Baptist Church

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

17. RELATED PARTY DISCLOSURES

The custodian Trustee of the church is the Baptist Union Corporation Limited which is charity number 249635 and which is controlled by the Baptist Union Council. The church is also a member of the Baptist Union of Great Britain and the Southern Counties Baptist Association. The church made a donation to the Baptist Missionary Society as set out in note 6 to the financial statements.

On 1st July 2021 Mr H Francis, a trustee of the charity, was appointed as a director of The Baptist Insurance Company plc, a provider of insurance services to the church. All insurance services provided by the company are on an arms length basis.