

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Charity Number: 1132966

GOWER-SMITH & CO

Chartered Accountants

Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

TUNBRIDGE WELLS BAPTIST CHURCH

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TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

The managing trustees present their annual report together with the financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's deed, the Charities Act 2011, and "Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

OBJECTIVES AND PRINCIPAL ACTIVITIES

Principal objectives

Tunbridge Wells Baptist Church is established for the purposes of the advancement of religion and proclamation of the Christian gospel.

Activities

The charity operates from premises in Upper Grosvenor Road, Tunbridge Wells and undertakes a wide variety of activities in the furtherance of its objects. These include the provision and upkeep of the place of worship, the carrying on of services, running youth, children and families work, the training of ministers and the funding of outreach work both in the UK and overseas.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Church's aims and objectives and in setting the grant making policy for the year. The trustees have complied with s 17(5) of the Charities Act 2011.

Risk Management

The managing trustees aim to spend an away day each year examining the major strategic risks faced by the charity. Individual matters of concern and operational issues are discussed at the regular trustee meetings.

Reserves Policy and Going Concern

The trustees review the reserves and resources of the charity on a regular basis and as part of the annual budgeting process. The objective is to have sufficient cash reserves to meet between three and six months operating expenditure and undertake the planned works for the maintenance and improvement of the properties from which the charity operates.

In accordance with the requirements of FRS 102, provision has been made in the Statement of Financial Activities for the deficit arising on the Church's multi-employer Baptist Union Pension Scheme. As the repayment of the pension deficit has been structured for settlement over a period ending 30 June 2026, the trustees consider it appropriate for the accounts to have been prepared on a going concern basis.

VISION AND VALUES

The vision of the Church is to be part of God's transforming work in our community, expressed through:

- Worship – Knowing and loving Jesus
- Discipleship – Becoming like Jesus
- Fellowship – Developing quality friendships
- Ministry – Playing our part; and
- Mission – Caring and sharing Jesus

Where community applies to ourselves, our friends, our town and our world.

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

VISION AND VALUES (CONTINUED)

Our core values are summed up as:

- Reliable – the centrality of Jesus Christ and authority of the Bible
- Rebirth – conversion from self to God
- Renewal – Daily encountering the Lord through Word & Spirit
- Relational – caring, compassionate and generous to one another
- Reaching Out – concern for others; and
- Relevant – addressing issues that matter

REVIEW OF THE YEAR

**For I am about to do something new.
See, I have already begun! Do you not see it?
I will make a pathway through the wilderness.
I will create rivers in the dry wasteland. Isaiah 43:19**

During the last year, as restrictions have been incrementally lifted, it has been really encouraging to see an increasing number of family and friends returning and engaging in activities across the church. In many cases we have had to be innovative, creative, and flexible to ensure that our activities have been accessible, appropriate, and relevant.

In recognition that we have all been deeply affected by the Pandemic and lock down, during the Autumn term we intentionally engaged with restoring our wellbeing, both on Sundays and in small groups, with the help of a course offered by HOPE together called "The Wellbeing Course". This video course helped us gain insights from Christians in the medical profession and church leaders from across the country. The course was written by Dr Dave Smith, Senior Pastor of Gateshead Community Church, Peterborough.

We have introduced a Community Sunday on the 4th Sunday of the month. Simultaneously at 10.30 am there is worship in the Sanctuary and for those online, with many playing catch up online later in the day or in the week. A traditional service is held in the Warner Hall and Forest Church takes place in nearby woodlands for the children and families community. The young people then have an opportunity to gather together in the sanctuary later on in the afternoon.

There are now two established prayer meetings during the week: Thursday at 10am in the Sanctuary and Friday at 7.15am on Zoom, both for forty minutes

Pastoral Care coming out of lockdown

We continue to be very thankful for the organic mutual care that goes on within TWBC through small groups, communities and the many opportunities serving together on a Sunday morning or in our weekday activities.

One of the positives that has come out of lockdown is that some have said their friendships and fellowship with other members in the Church family has deepened over this time. We are grateful to God for this too.

However, we are aware that for our members who live in Residential Homes and those living alone, lockdown was enormously challenging. We are so thankful for all the phone calls that continue and the visits that have started again, ensuring that these precious members of our Church family do not feel forgotten. Some of our Church family have not been able to return post lockdown due to deteriorating health and family circumstances. They remain very much in our hearts and prayers, ensuring that we phone and visit when appropriate. With this in mind, we have been able to restart offering Communion in members' homes again, when requested.

Worship

It has been an exciting and challenging time in the Worship and Audio-Visual team as the Pandemic rules relaxed, as the Sanctuary refurbishments were completed, and as we started live-streaming in the Sanctuary. Not only did we have to change and adapt quickly to the situation and new equipment, but we also needed to quickly grow the team to meet the increased technical support required to produce a service not only for those in the Sanctuary but also for those online. The technical team have done a marvellous and consistent job and there has not been one single week when we have not been able to broadcast or suffer from significant disruptions. It has also been a great joy to have more women on the team and to have a greater ethnic diversity. We have recently started to train some of our young people in operating the sound and vision, and we hope

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

REVIEW OF THE YEAR (CONTINUED)

Worship (Continued)

they will serve as Audio-Visual team members for some time to come. In addition to this, there are new musicians coming on board. A huge thank you to the whole team.

Children and Families Community

Having come through the pandemic, though it is far from over, it has been a privilege to be part of hybrid Sunday morning worship and we are beginning to see the children and families more relaxed about being more visibly present in the Sanctuary and online. This has contributed to us feeling more like family again.

One of the key aspects to our community that began during the last year was Forest Church. It runs once a month as part of Community Sunday, where we meet as families to look up to God, to be active, through games and activities related to the theme, to listen to God's Word, to reflect and respond. All this takes place in the local woods and park.

We regularly have six or more families from the church as well as one family who has joined us through a school connection, which we are very grateful to God for. This is a great opportunity for us to look outward and invite friends along, it is less threatening than being invited into a church building, but still has a very clear Christian distinctive.

The children's team on a Sunday morning has a regular core group of children ranging from the ages of three to ten, making for challenging planning! With an ever-increasing group of children, the most we have had is twenty at one time including our three Ukrainian children, we are keen to grow our different groups and enable the different age ranges to have their own session applicable to their age. We are also keen for extra helpers to come and try out our team and get to know our children and be a part of discipling and equipping them for a life following Jesus! The team comprises of three regular leaders and three assistants as well as one junior leader who is a great asset to the team.

As part of the children and family's ministry, we were able to restart Bikes and Slides, our bi-weekly toddler group last September. We reduced the numbers able to attend, but there is already a long waiting list, and the mornings are all very busy with conversation, craft, snack, story and sing time with a child-friendly God song. There is always a great "buzz" about the groups.

Young People

We thank God that we have now settled into a sustainable rhythm since we have returned to meeting in person again. The two-year hiatus has meant that we have lost some of our older young people due to college, work, and other social commitments on a Sunday, however FLARE (ages 11-14) and EPIC (ages 15-18) continue to meet on a Sunday morning to help disciple our young people. Flare usually has a minimum of four regular attendees and EPIC has six. We are looking forward to an influx of new attendees into EPIC in the new academic year.

Since returning last September to regular Sunday morning activities, we have had an opportunity to assess what the young people want and need to help them in their discipleship. We have subsequently set up a monthly Youth Gathering, taking place in the Sanctuary late afternoon on Community Sunday. This is open to all teenagers and there are encouraging signs that this could become a significant event in the lives of our young people.

Following the success of the Noise, a churchwide social action project organized by Tunbridge Wells Youth for Christ, at which nine of our young were involved, we have been building our relationship with YFC. They are playing a crucial role acting as a catalyst for joint church youth activities at a time when individual youth groups in churches across the town are struggling for critical mass.

Recognising our young people need a social space to meet up during the week we have now entered an agreement with YFC that our young people can visit the Drop-in Centre in Grosvenor Road on a Friday afternoon simply as a space to meet and catch up.

With regular Sunday morning activities, the weekly drop in at YFC and the monthly youth gatherings we have now established three separate spaces – personal, social and public space – where our young people can engage with God and engage with each other. Our hope is that now we have these three clear times and places of engagement, along with the regular opportunities that YFC provides, that our young people will start inviting their friends to get involved.

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

REVIEW OF THE YEAR (CONTINUED)

Worship (Continued)

Community Larder and Café

"When you reap the harvest of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the foreigner. I am the Lord your God." Leviticus 19 verses 9 and 10.

Last year we reported on the work of the larder and the need it was meeting in our community. We were hoping this year to report that as the pandemic eased, so demand for the larder would drastically reduce; however, with fuel and price energy rises and conflict in Ukraine, demand has not eased as much as we had anticipated. Since Christmas, demand has fallen from 65-70 guests per week to 45-50 guests per week in April and May. Whilst this is a drop in numbers, it still represents a significant demand, and our estimates show that we are supporting some 175-200 people a week.

We continue to get most of our supplies from FareShare, but we have had to search out other sources recently. Two innovations have taken place during the year. The first is the introduction of Crosslight, who come and offer support and advice on debt and budgeting on a monthly basis. This has been well received. The second has been the introduction of a weekly café. This has been operating between 11am and 2pm in the Sanctuary each Tuesday. Uptake has not been as great as we had hoped, but there is a small but regular clientele. The café has enabled us to spend time listening to those in our community. It is a great community resource, and it would be good to see more church members making use of it.

The larder and café continue to be an effective expression of God's love to His creation. None of this would be possible without the enthusiasm and drive of the team and the financial and prayerful support of church members who make the larder happen.

Cuppa 'n Cake

For many years a small group of us have stood outside the Church on the second Saturday each month offering passers by a drink and a homemade cake. On reopening after lockdown we were delighted to know that many people had missed us. We seek to befriend our neighbours, sometimes to be a listening ear, or show people inside the church if they are interested. We also give them a little card saying how much God loves Tunbridge Wells and its people. Sometimes we wonder what we are doing, standing outside in all weathers, but we know that what we do is always worthwhile for the contacts we make and the conversations we have.

Cameo: Come And Meet Each Other

Cameo is a very long-established group for elderly people who meet alternate Wednesdays in the Warner Hall. After closing during lock down, when we kept in touch with all our people by phoning them each Wednesday, our numbers are building up again. Everyone agrees it is good to be back together in the warm friendly atmosphere chatting to friends. All enjoy teas and coffees, listening to or watching an interesting topic or taking part in a quiz or craft, followed by a hearty soup and bread and a sponge pudding with custard. One of the nicest things is to listen to the happy hum of people chatting together. They are a lovely group who so appreciate meeting together at Cameo. Our staff are few, but we work well together, and all get great pleasure and satisfaction in meeting with and serving these inspirational elderly ladies and gentlemen. Cameo can be summed up in one word, friendship.

Knit and Stitch

During lockdown a core group of members met on Zoom once or even twice a week. We are now delighted to be able to return to our monthly meetings in the Sanctuary, where we have been having numbers of about twenty, a lovely group from primary age to ninety, so a real family feel. In addition, we meet once a month at the Kitchen Table in Camden Road, for lunch, a chat and some crafting. Numbers are limited to ten, so booking is required.

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

REVIEW OF THE YEAR (CONTINUED)

Worship (Continued)

Come and Meeple

Come and Meeple met for the first time in October half term 2021 and has continued to meet monthly ever since on the 3rd Saturday of each month. We meet and play boardgames, ranging from the classics to some of the most recent releases, over drinks and snacks and enjoy getting to know one another. We are cross generational and have been blessed by having both Church members and those from outside our church attend each month.

Summary

Like many churches across the country, it has been a really challenging season, but we are truly thankful to God for his faithfulness to us and for sustaining us as a Church family throughout this time. More than that, we are grateful to God for all the opportunities that he has given us to care, love and look out for another and all the opportunities to look around and help meet some of the needs of those in our local community and our international mission partners.

FINANCE REPORT

It is the objective of the trustees to operate within a balanced annual budget and achieve a position close to breakeven each year on the General Fund.

For the year ended 31 December 2021 the Unrestricted General Fund shows a deficit of £2,952 prior to the movement in the pension liability compared with a surplus of £4,989 in the previous year. The trustees are truly thankful to the church family for continuing to be the primary and almost sole provider of the finance for the church.

The overall level of income to the General Fund from offerings and donations increased in the year by £25,991 due to Covid-19 restrictions being incrementally lifted. The trustees remain grateful to all those who gave so generously during the course of the year to ensure that the ministries of the church were able to continue, reaching out to the community in which we operate.

Expenses on the General Fund increased by £31,754 from the previous year as the ministry of the church recovered from lockdown.

The Mission Fund income increased from £21,886 in 2020 to £30,992 this year. Donations to various causes increased to £30,458 from £23,492 in 2020.

Overall, the finances have remained in good shape with a surplus on unrestricted general fund reserves of £67,032 (2020: £68,846) at the year end. The trustees will continue to monitor the finances closely through careful budgeting to ensure that the ministries and activities we undertake can continue to develop. Normal operating expenditure remained within budget.

Post Year End Matters

The church family continues to engage in activities across the church and with the restoration of wellbeing following the Covid-19 pandemic.

From August 2022, the Baptist Pension Scheme Defined Benefit Plan was party to a "buy-in policy" with Just. The combined agreements mean that Just will provide financial backing for all Defined Benefit pensions provided through the Scheme's Defined Benefit Plan.

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Until July 2009 the Church operated under its original constitution which was adopted on 17 August 1883 and varied under the declaration of trust dated 22 November 1988.

At a Special Church Meeting on 15 July 2009 a new constitution was adopted based on the Baptist Union of Great Britain's approved governing document. The new constitution replaced the previous Church Rules, Old Constitution and all items in the Trust Deed not relating to church property. The Church was registered as a charity on 25 November 2009, number 1132966.

Trustees

The principal trustee is the Baptist Union Corporation Limited. The Church is administered by the pastors, elders and deacons who are the managing trustees of the charity. The managing trustees serving 1 January 2021 to the date of signature of this report were:

Rev Duncan Threshie (Senior Pastor)	
Rev Rachel L Hayward (Children and Families Pastor)	
Rev Robert G Street	From 1 January 2021
David W Hayward	Ceased 31 December 2021
Barbara M O'Driscoll	
Bayo Akioye	
Dilys M Threshie	
Jenny Lewry	
Abolade A Bode	From 1 January to 31 December 2021
Saji M Chakkumkel	From 1 January 2021
Truptiben Khristi	From 1 January 2021
John M Payne	From 1 January 2021
William M Dodd	From 1 January 2022

The managing trustees are elected by the Church members' meeting and shall serve for three years so long as they have the support of that meeting and are then eligible for re-election. Those in ministerial office are managing trustees by virtue of their office. Upon appointment new trustees are given guidance as to their responsibilities.

The leadership team of pastors, elders and deacons functions as one team with three distinct roles. The elders are primarily responsible for the spiritual direction and prayer life of the Church together with the spiritual wellbeing and pastoral care of the members. The deacons are responsible for the administration, finances, premises, staff and legal requirements of the Church. The pastors are jointly responsible as a team for the development of ministries in the Church; they also oversee the programme of Sunday and mid-week services and the spiritual development of the Church family.

The managing trustees meet regularly to discuss all aspects of the running of the Church. The full team of trustees and the elders meet monthly and the deacons normally meet ten times a year. Decisions affecting the operation of the Church are made at these meetings subject to the approval of the membership in the Church Meeting.

Reference and administrative information

The Charity Commission registration number	1132966
The Registered Office address	Tunbridge Wells Baptist Church 12 Upper Grosvenor Road Tunbridge Wells Kent TN1 2EP

TUNBRIDGE WELLS BAPTIST CHURCH

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Our Advisors

Independent Examiner

N M Gower-Smith FCA
Gower-Smith & Co,
Chartered Accountants
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Statement of Responsibilities of the Trustees

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Church will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Church and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 8 November 2022 and signed on their behalf by

Rev D Threshie
Senior Pastor

TUNBRIDGE WELLS BAPTIST CHURCH

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF TUNBRIDGE WELLS BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Tunbridge Wells Baptist Church ("the Charity") for the year ended 31 December 2021, which are set out on pages 9 to 18.

RESPONSIBILITIES AND BASIS OF REPORT

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

INDEPENDENT EXAMINER'S STATEMENT

As the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act and I confirm that I am a qualified 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 which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

N M Gower-Smith, FCA
GOWER-SMITH & CO
Chartered Accountants
Grosvenor Lodge
72 Grosvenor Road
Tunbridge Wells
Kent TN1 2AZ

9 November 2022

TUNBRIDGE WELLS BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Fund £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME	2				
Donations and Legacies		182,909	87,501	270,410	261,915
Charitable Activities		5,171	-	5,171	6,352
Investments		9	-	9	222
Other Income		1,120	-	1,120	2,047
		<u>189,209</u>	<u>87,501</u>	<u>276,710</u>	<u>270,536</u>
EXPENDITURE	3				
Charitable Activities		<u>192,161</u>	<u>93,193</u>	<u>285,354</u>	<u>631,392</u>
NET INCOME AND NET MOVEMENTS IN FUNDS		(2,952)	(5,692)	(8,644)	(360,856)
Movement in Pension Liability	4	<u>1,138</u>	<u>-</u>	<u>1,138</u>	<u>21,001</u>
RECONCILIATION OF FUNDS		(1,814)	(5,692)	(7,506)	(339,855)
TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2021		<u>68,846</u>	<u>2,679,166</u>	<u>2,748,012</u>	<u>3,087,867</u>
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2021	9	<u>£67,032</u>	<u>£2,673,474</u>	<u>£2,740,506</u>	<u>£2,748,012</u>

TUNBRIDGE WELLS BAPTIST CHURCH

BALANCE SHEET

AT 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible Assets	5		2,878,676		2,884,799
TOTAL FIXED ASSETS			2,878,676		2,884,799
CURRENT ASSETS					
Debtors	6	11,581		33,958	
Cash at Bank		73,615		105,831	
Cash in Hand		168		152	
TOTAL CURRENT ASSETS			85,364	139,941	
LIABILITIES					
Creditors falling due within one year	7	(40,046)		(66,676)	
NET CURRENT ASSETS			45,318		73,265
			2,923,994		2,958,064
LIABILITIES					
Creditors falling due after one year	8		(183,488)		(210,052)
NET ASSETS			£2,740,506		£2,748,012
THE FUNDS OF THE CHARITY					
Unrestricted Income Fund	9		67,032		68,846
Restricted Income Funds			2,673,474		2,679,166
TOTAL CHARITY FUNDS			£2,740,506		£2,748,012

Approved by the trustees on 8 November 2022 and signed on their behalf by

Rev D Threshie
Senior Pastor

B O'Driscoll
Treasurer

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value except for land and buildings, which are shown at either insurance value or estimated market value.

The accounts include all transactions, assets and liabilities for which the trustees can be held responsible. They do not include the accounts of Church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

The Church constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern. The financial statements show full provision of the actuarial deficit on the multi-employer defined benefit pension scheme. In respect to the next reporting period, the year ended 31 December 2021, the most significant area of uncertainty is the level of gift and legacy income receivable. As the payments to meet the pension deficit will be made over the period until 31 December 2028, the trustees consider the Church will have a sufficient cash flow to meet the liabilities of the Church as and when they fall due.

(b) Fund structure

Unrestricted income funds comprise those funds that are not subject to any restrictions regarding their use and are available for the trustees to use for any purpose in furtherance of the charitable objects.

Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by the donor or the trust deed.

(c) Income recognition

All income is recognised once the Church has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Collections are recognised when received by or on behalf of the Church. Other donations are recognised when they have been communicated or received in writing with notification of both the amount and settlement date. Income tax recoverable on Gift Aid donations is recognised when the income is recognised.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the legal entitlement and the amount due.

Rental income from the letting of Church premises is accounted for when due. Interest is accounted for when receivable. Other income is accounted for when due.

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Church to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants and donations payable are payments made to third parties for the furtherance of the charitable objectives of the Church. In the case of an unconditional grant offer, this is accrued once approved. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued for when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the trustees.

(e) Allocation of governance costs

Governance costs comprise all costs involving the public accountability of the trustees and their compliance with regulation and good practice. These costs include costs related to the independent examination. The allocation of governance costs is shown in note 3.

(f) Charitable activities

The expenditure on charitable activities includes the costs directly relating to the work of the Church, and includes supporting mission and mission-related activity allocated at the discretion of the Mission Group.

(g) Tangible fixed assets and depreciation

The freehold premises are included at valuations approved by the Trustees at 31 December 2010. As the market value exceeds the carrying value no depreciation charge has been provided as the estimated residual values are not less than the carrying amount of the assets.

Fixtures and equipment are depreciated on a straight line basis over their estimated useful lives at rates between 12.5% and 25% per annum. The trustees consider the condition of the assets at the year end and make any necessary adjustments for impairment. If an asset is felt to be impaired the carrying value is written down to the recoverable amount, being the higher of the net realisable value and the value in use.

Expenditure on the refurbishment of the Sanctuary other than for equipment and furniture has been charged to the Statement of Financial Activities in the year in which it is incurred.

Assets with a value of less than £500 are not capitalised.

(h) Realised and unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised gains and losses are recognised when assets are disposed of.

(i) Current assets

Amounts owing to the Church at the year end date in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(j) Creditors and provisions

Creditors and provisions are recognised where the trustees have a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably.

(k) Pensions policy

The cost of pension contributions to the Baptist Union Pension Scheme and the National employment Savings Trust (NEST) are included within charitable activity costs and are accounted for on the basis of contributions payable in the year. The trustees have no liability beyond making contributions and paying across deductions for the employees' contributions.

The trustees have been notified of a deficit on the Baptist Union Pension Scheme which is a multi-employer defined benefit scheme. In accordance with FRS 102, provision has been made for the church's share of the actuarial losses accrued.

2 INCOME

	Unrestricted General £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations and legacies				
Offerings and Donations	154,413	75,380	229,793	214,028
Gift Aid Tax Refunds	28,496	12,121	40,617	41,477
Legacies	-	-	-	6,410
	<hr/>	<hr/>	<hr/>	<hr/>
	182,909	87,501	270,410	261,915
	<hr/>	<hr/>	<hr/>	<hr/>
Charitable activities				
Church Hall and Room Lettings	4,651		4,651	5,192
Fees and Other Income	520	-	520	1,160
	<hr/>	<hr/>	<hr/>	<hr/>
	5,171	-	5,171	6,352
	<hr/>	<hr/>	<hr/>	<hr/>
Investments				
Interest				
Building for God Fund	-	-	-	143
General Fund	9	-	9	79
	<hr/>	<hr/>	<hr/>	<hr/>
	9	-	9	222
	<hr/>	<hr/>	<hr/>	<hr/>
Other Income				
Government Furlough Grant	1,120	-	1,120	2,047
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOME	<hr/> £189,209 <hr/>	<hr/> £87,501 <hr/>	<hr/> £276,710 <hr/>	<hr/> £270,536 <hr/>

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3 EXPENDITURE

	Unrestricted General Fund £	Restricted Funds £	Total 2021 £	Total 2020 £
Charitable activities				
Grants	-	14,194	14,194	16,443
Missionary and Charitable Giving (Note 12)	7,417	30,362	37,779	28,657
Ministry				
Salaries, Pensions and Allowances (Note 4)	107,093	-	107,093	91,536
Interest on Pension Liability (Note 4)	154	-	154	1,098
Visiting Preachers	370	-	370	871
Youth and Children's Ministry and Leadership Training	455	-	455	258
Church Running Costs				
Light and Heat	9,575	-	9,575	7,377
Insurance	4,776	-	4,776	4,815
Miscellaneous	-	-	-	3,282
Repairs and Maintenance	10,390	27,573	37,963	434,372
Water	773	-	773	648
Equipment	2,048	-	2,048	-
Cleaning and Waste Disposal	12,698	-	12,698	13,073
Manse Running Costs				
Light and Heat	2,814	-	2,814	1,908
Insurance	532	-	532	506
Council Tax	3,340	-	3,340	3,236
Repairs and Maintenance	1,486	-	1,486	1,705
Telephone	612	-	612	530
Outreach	-	-	-	79
Training, Conferences and Courses	398	-	398	1,893
Learning Community	650	-	650	-
Flowers and Catering	296	-	296	166
Stationery and Copying	1,697	-	1,697	2,429
Computer and Office Equipment Costs	3,510	-	3,510	710
Depreciation	1,930	15,336	17,266	3,028
Telephone, Fax and Internet	700	-	700	750
Subscriptions and Publications	2,745	-	2,745	2,764
Travel Expenses	587	-	587	292
Music Licences and Expenses	9,225	-	9,225	799
Interest on Loan	-	5,632	5,632	2,780
Miscellaneous	438	96	534	185
Governance Costs				
Independent Examiner's Fee	3,350	-	3,350	3,200
Accountancy Fees to Independent Examiner's Firm	1,850	-	1,850	1,750
Trustees' Insurance	252	-	252	252
TOTAL EXPENDITURE	£192,161	£93,193	£285,354	£631,392

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

4 STAFF COSTS

	2021 £	2020 £
Wages and Salaries	79,618	75,648
Social Security Costs	1,668	1,268
Pension Contributions	15,067	6,636
Housing Allowances, Expenses and Training	10,894	7,984
	<hr/>	<hr/>
	£107,247	£91,536
	<hr/>	<hr/>

No employee received remuneration in excess of £60,000 (2020: None).

One trustee who is also an employee was provided with accommodation which is wholly owned by the Church under the terms of his employment.

Three trustees who are employees, as ministers of the Church, received remuneration during the year totalling £79,159 (2020: two trustees - £68,459) and expenses of £6,926 (2020: £4,584) were reimbursed to them.

The average monthly head-count was 5 (2020: 5) and the average monthly full-time equivalent employees (including casual and part-time staff) was 3 (2020: 3)

The Church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"), 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 the other participating employers.

For any month, each participating employer in the Scheme pays contributions as set out in the Schedule of Contributions in force at that time.

The Scheme is considered to be 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 that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

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

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 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 Scheme members in the event that 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 plc. 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 Scheme. The main benefits for pre-2012 service were a defined benefit 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. 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.

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

4 STAFF COSTS (CONTINUED)

Actuarial Valuation at 31 December 2019

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million. The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Church and the other employers supporting the DB Plan are collectively responsible for funding the deficit.

The key financial assumptions underlying the valuations were:

Type of assumption	% per annum
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increases (RPI)	3.20
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 S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate improvement of 1.75% for males and 1.5% 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 is due to take place not later than as at 31 December 2022.

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 Trustees 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.

Movement in Balance Sheet Liability

Section 28, 11a of FRS 102 requires agreed recovery deficit payments to be recognised as a liability. The movement in the provision is set out in the table below.

Accounting date – Year ending	31 December 2021	31 December 2020
	£	£
Balance Sheet liability at start of the year	41,993	67,210
Minus Deficiency Contributions paid	(7,209)	(5,313)
Interest Cost – recognised in the Statement of Financial Activities	154	1,097
Remaining change to Balance Sheet Liability*		
recognised in the Statement of Financial Activities	(1,138)	(21,001)
	<hr/>	<hr/>
Balance Sheet Liability at the year end	£33,800	£41,993
	<hr/>	<hr/>

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

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

4 STAFF COSTS (CONTINUED)

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 December	2021	2020	2019
Discount Rate	2.0%	0.4%	1.7%
Future Increases to Minimum Pensionable Income	4.1%	3.0%	3.2%

Under the Pensions Act 2008, automatic enrolment was required from August 2016. The pension scheme is run by the National Employment Savings Trust (NEST). Three employees are currently members of the scheme and the church and the employees currently contribute at the minimum rate of 3% and 5% each during 2020. The cost for the year was £848 (2020: £827).

The total pension cost for the Church was £15,067 comprising £7,858 contributions for the year and £7,209 contributions for the pension fund deficit, for which provision was made in the accounts for the year ended 31 December 2018. (2020: £11,949 comprising £6,636 for the year and £5,313 for the deficit).

5 TANGIBLE ASSETS

	Freehold Property and Buildings £	Furniture and Equipment £	Total £
Cost or Valuation			
At 1 January 2021	2,832,886	104,824	2,937,710
Additions in the year	-	11,143	11,143
Disposals in the year	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2021	2,832,886	115,967	2,948,853
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2021	-	52,911	52,911
Charges for the year	-	17,266	17,266
Depreciation on disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2021	-	70,177	70,177
	<hr/>	<hr/>	<hr/>
Net Book Value			
31 December 2021	£2,832,886	£45,790	£2,878,676
	<hr/>	<hr/>	<hr/>
31 December 2020	£2,832,886	£51,913	£2,884,799
	<hr/>	<hr/>	<hr/>

The freehold properties were brought into the accounts at market value at 31 December 1997 and were valued at £2,832,886 at 31 December 2010. The Trustees consider their market value to be significantly higher than the carrying value at the year-end. For this reason the properties have not been depreciated during the year.

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 £	2020 £			
6 DEBTORS					
Income Tax Recoverable	10,851	11,223			
Other Debtors	730	22,646			
Prepayments	-	89			
	<u>£11,581</u>	<u>£33,958</u>			
7 LIABILITIES: Creditors falling due within one year					
Accruals and Deferred Income	6,000	4,950			
Creditors for Goods and Services	10,006	38,305			
Taxation and Social Security	1,265	700			
Bank Loans	18,506	18,506			
Obligations under Defined Benefit Pension Scheme	4,215	4,215			
	<u>£40,046</u>	<u>£66,676</u>			
8 LIABILITIES: Creditors falling due after one year					
Obligations under Defined Benefit Pension Scheme	29,585	37,778			
Bank Loans	153,906	172,274			
	<u>£183,488</u>	<u>£210,052</u>			
9 FUNDS					
	At 1 January 2021 £	Income £	Expenditure £	Movement in Pension Fund Liability £	At 31 December 2021 £
Unrestricted Fund					
General Fund	68,846	189,209	(192,161)	1,138	67,032
Restricted Fund					
Property Fund	2,832,886	-	-	-	2,832,886
Mission Fund	10,157	30,992	(30,458)	-	10,691
Fellowship Fund	7,099	8,170	(14,194)	-	1,075
Building for God Fund	(170,976)	48,339	(48,541)	-	(171,178)
Total Restricted Funds	2,679,166	87,501	(93,193)	-	£2,673,474
TOTAL FUNDS	£2,748,012	£276,710	£(285,354)	£1,138	£2,740,506

TUNBRIDGE WELLS BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

9 FUNDS (CONTINUED)

The Restricted Funds are used in accordance with specific restrictions imposed by the donors:

- Property Fund comprises the revaluation of the freehold properties at 31 December 2010.
- Mission Fund comprises donations to specified missionary and charitable causes.
- Fellowship Fund comprises donations received for grants paid at the discretion of the Pastor.
- Building for God Fund comprises donations received for the renewal and refurbishment of the Church building.

10 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted General £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed Assets	45,790	2,832,886	2,878,676	2,884,799
Current Assets	53,850	31,514	85,364	139,941
Current Liabilities	(21,540)	(18,506)	(40,046)	(66,676)
Creditors falling due after one year	(11,068)	(172,420)	(183,488)	(210,052)
	<u>£67,032</u>	<u>£2,673,474</u>	<u>£2,740,506</u>	<u>£2,748,012</u>

11 TRANSACTIONS WITH TRUSTEES

Three trustees are employed as ministers of the Church and they received remuneration during the year totalling £58,226 (2020: Two trustees - £68,459) and expenses of £1,205 (2020: £4,584). One trustee, who is also an employee, was provided with accommodation which is wholly owned by the Church, under the terms of his employment. One of the other trustees provides administrative services for an hourly fee and another trustee is employed on a part time basis as a Pastoral Assistant. None of the other trustees received any expenses or remuneration.

The church has a trustees' indemnity insurance policy and the premium of £252 (2020: £252) has been charged in these financial statements.

12 RESTRICTED MISSION FUND GIVING

	2021 £	2020 £
Institutions		
Baptist Missionary Society		
World Mission	4,800	4,800
Home Mission	4,800	4,800
Christmas		
BMS Coronavirus Appeal	4,504	2,332
Community Larder	3,592	2,332
People International	2,400	2,400
BMS Covid Appeal	1,250	-
Local Mission Organisations	1,500	1,500
Nigeria/COCIN	1,250	-
Other Gifts under £1,000	1,537	318
	<u>25,633</u>	<u>18,482</u>
Individuals		
Other Gifts for the year	4,825	4,950
	<u>£30,458</u>	<u>£22,432</u>