

**Charity number: 1136980**  
**Registered number: 7211801**

**TONBRIDGE BAPTIST CHURCH**

**TRUSTEES REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE PERIOD ENDED  
31 AUGUST 2023**

**TONBRIDGE BAPTIST CHURCH**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES  
AND ADVISERS**  
***FOR THE PERIOD ENDED 31 AUGUST 2023***

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**Trustees**

R. J. Barr (appointed 21 May 2023)  
P. Gonsalves  
J.M. Marsh  
A.J. Martin  
A.G. Matheson, Chairman  
L.J. Miller

**Company secretary**

A.J. Martin

**Company registered number**

7211801

**Charity registered number**

1136980

**Registered office**

Darenth Avenue, Tonbridge, Kent, TN10 3HZ

**Lead Minister**

Rev. N. Durling

**Treasurer**

G.N. Allen

**Independent Examiner**

J.P. van der Merwe ACA, Foot Davson Ltd, Lonsdale Gate, Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1NU

# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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The Trustees present their annual report together with the financial statements of Tonbridge Baptist Church for the period 1 January 2023 to 31 August 2023.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **Public Benefit**

The Church provides public benefit to its members, regular attendees, and the wider community. This is achieved, in addition to Sunday services, through programmes of activities catering for children and youth (including one of the biggest Boys' Brigades and Girls' Associations in the country), young adults (including age specific home groups), men and women (including our twice weekly café, midweek Communion service, various courses and a weekly lunch club); Sustain (a food and fuel voucher bank incorporating fresh food distribution in partnership with local supermarkets and second hand clothes exchange), and senior citizens (including day care centre). The Church gives a proportion of its income to support other likeminded charitable concerns in the UK and overseas. In addition, the Church operates in conjunction with Crosslight providing debt advisory services and various counsellors use our facilities.

#### **Objectives and Activities**

##### **a. Policies and objectives**

The high-level policy objective of the Church (its "Mission, ethos and values") is consistent with the Objects contained in the Articles. The policy objective is documented in the Trustees' Policy Manual. (See "Constitution", below).

##### **b. Strategies for achieving objectives**

The process for establishing and reviewing the mission, ethos and values of the Church involves the Lead Minister and Strategic Leadership Team as visionaries, the Church Members as stakeholders, and Trustees as stewards of Church resources in a governance capacity as the charity's trustees in law. The Trustees' role is to safeguard the mission, ethos and values agreed by Church Members, and hold the Strategic Leadership Team accountable for their delivery. Over time, the mission, ethos, and values are expected to develop in line with the Church's vision.

The Lead Minister and Strategic Leadership Team are encouraged to pursue the mission, ethos, and values by any means, provided they remain within the policies and limitations set and monitored by the Trustees.

##### **c. Activities for achieving objectives**

Our mission is to see lives being transformed:

We believe positive transformation comes from the infinite love of God, seen in the uniqueness of Jesus and experienced through the power of the Holy Spirit.

# TONBRIDGE BAPTIST CHURCH

## (A company limited by guarantee)

### TRUSTEES' REPORT (continued) *FOR THE PERIOD ENDED 31 AUGUST 2023*

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Therefore, our vision of church is a family with:

- Everyone **welcome** just as they are
- Everyone **involved** in the transformation of themselves and each other
- Everyone **celebrating** the presence of God in the everyday

This vision to be delivered adhering to the following values:

- **Generosity** - Always leaning towards our TN10 community and beyond as we offer Jesus with no strings attached
- **Expectancy** - Of God working in ways beyond our understanding
- **Empowering** - Investing in partnerships as we serve and learn from our TN10 community and beyond

#### **d. Grant making policies**

Although the Church is not a grant making body as such, it provides through its general funds for gifts to support a variety of Christian missionary organisations and individuals with which the Church is involved, and through which the Church meets its objectives. In addition, the Church supports local community organisations and activities through financial gifts and use of premises. From time to time, appeals are made to offer financial assistance in response to natural disasters and other special needs. In addition, an annual Gift Day provides an opportunity for other and international charities to be supported at the discretion of the members, acting through the Strategic Leadership Team. This in line with TBC's value of 'generosity' as noted above.

#### **e. Volunteers**

The Church maintains a small paid staff (both full and part time) including of ministers and team leaders, a team for administrative services and the premises team. However, volunteers undertake the vast majority of activity. This includes the Trustees, Elected Elders, and ministry leaders. TBC ministries include, but are not limited to, children and youth work, community and family support, finance and administration, pastoral care and small groups, music, worship and technical support, premises, evangelism, prayer, mission support, and much more.

### **Achievements and performance**

#### **a. Key financial performance indicators**

The Church produces a detailed budget of cash income and expenditure each year which is built up from objects serving plans of teams and departments, and projections of expected income growth, and which is voted on by Church Members as stakeholders and primary income givers. Both cash income and cash expenditure are monitored and reported on to the Strategic Leadership Team and Trustees on a quarterly basis. Since the majority of the Church's income is provided by voluntary giving, and the Church has no endowment funds on which to draw, the key financial performance indicator is that the Church is living within its financial resources. This means that forecast accumulated cash expenditure for the year is covered by forecast accumulated cash income for the year plus available unrestricted reserves.

# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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#### **b. Review of activities**

Sunday services are in a sense just a small part of weekly activities but have regularly attracted over 300 people to morning services in-person and online, with evening and midweek communion attendances also growing in number.

The Sustain food and fuel banks have been very busy, serving over 100 families per week. The cost-of-living crisis has seen an increase in demand as well as increased financial support.

The Church actively seeks to be responsive to the needs of the local community evidenced in many of the regular activities such as Open House, food and fuel banks, digital inclusion courses and the Derwent Day Centre. Bespoke services to those in particular need remain at the centre of Church life: local families benefitting from 'contact' visits, the provision of financial advice sessions via Crosslight (a specialist debt counselling agency). As noted, food features throughout the Church programme both internally in terms of hospitality but also beyond the Church walls in the distribution of food parcels as well as Christmas hampers and Christmas vouchers.

Young people continue to play a key part in the life of the Church. The youth programme remains a useful vehicle for the physical, mental, emotional, and spiritual development of young people.

The Church continues to work in close partnership with Crosslight whose activities contribute to the Church meeting its objects. This partnership sits alongside others including other local Churches (TACT), voluntary and statutory bodies working in TN10 and the wider town community, including Tonbridge Angels Football Club, Long Mead Primary School, Baby Umbrella, Princess Project, NHS, Hilden Grange, Citizens Advice Bureau, Clarion Housing Association, Associates Dance School, T&MBC and Tonbridge School.

The Church's partnerships were and are not limited to the UK but extend around the globe expressed in tangible support for 7 likeminded agencies serving communities in Europe, Africa, and Asia.

#### **c. Fundraising activities/income generation**

The Church's income is provided by voluntary giving of its members and others in the congregation. The Derwent Day Centre receives an annual support through commissioning via a managing agent on behalf of Kent County Council. The food and fuel banks receive a combination of grants and donations.

Crosslight uses the Church's premises but is constitutionally and financially independent.

#### **d. Investment policy and performance**

The Church does not hold any long-term investments. Cash reserves are held in interest-bearing deposit accounts.

### **Financial review**

#### **a. Going concern**

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

# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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#### **b. Reserves policy**

The Church maintains a reserves policy which is included in the finance policy manual. The current policy is to maintain cash reserves equal to three months committed expenditure. Trustees review the reserves policy on an annual basis. At 31st August 2023, balances held in interest earning deposit accounts for unrestricted funds totalled £242,000 (2022: £145,000) which exceeds the reserve policy.

#### **c. Financial activity for the period**

During the period, the Church received £379,000 (2022: £535,000) in general giving, gift aid, JRS grants and contributions for use of premises and spent £326,000 (2022: £539,000) on its general activities.

Expenditure of £20,100 (2022: £16,000) on fixed assets was transferred to the designated fixed asset reserve.

The cost-of-living crisis has seen a large increase in the use of the food and fuel banks. TBC has received significant grants and restricted gifts in the support of the work in this area. The impact of this has been the change in the proportion of income and expenditure between unrestricted and restricted, with more received as restricted income.

#### **d. Material investments policy**

The Church does not hold long-term investments.

### **Structure, governance, and management**

#### **a. Constitution**

The Church is legally constituted as a charitable company limited by guarantee, number 07211801, and was set up by a Memorandum and Articles of Association on 1st April 2010. The Articles were amended on 14 January 2020.

The charity is a registered charity number 1136980.

Under powers in the Articles of Association, the Trustees:

- in conjunction with Church Members, maintain Church Rules which provide a Constitution for Church Members' proceedings to include Church affiliations, Church Membership, Elders, Strategic Leadership Team, and Church Members' meetings; and
- maintain a Trustee Policy Manual which sets out written policies by which the Trustees exercise their governance duties in accordance with charity law.

The principal object of the charity is the advancement of the Christian faith.

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association. The organisational structure and decision-making process is described below.

# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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#### **b. Method of appointment or election of Trustees**

Under the Church Rules, Trustees are nominated by Church Members and appointed following a resolution at a Special Church Members meeting. Trustees are appointed as Charity Trustees under charity law, and to represent Church Members as stewards in a governance capacity. Trustees also serve as members and directors of the company limited by guarantee for the purposes of the Companies Act.

#### **c. Policies adopted for the induction and training of Trustees**

Trustee policies include maintaining a system of induction for new Trustees and ensuring that they are adequately trained and have access to professional advice. To this end, following appointment, Trustees undergo a process of induction training covering the principles underlying the constitution, the requirements of charity law, the role of Trustees and their mode of operation.

Trustee policies also include seeking ongoing education on governance matters, challenging Trustees' own performance through processes that include self-assessment and seeking feedback from others, inducting new Trustees and debriefing retiring Trustees on the completion of their term of service.

#### **d. Pay policy for senior staff**

All staff work under a written contract of employment. The Church operates a policy whereby staff set objectives and are appraised on an annual cycle. The Lead Minister is appraised by the Trustees. The results of this appraisal feed into the annual review of salaries which is included in the annual budget. The Church does not discriminate on any grounds and aims to pay at a market rate for its size and geographical location.

#### **e. Organisational structure and decision making**

Under the Church's congregational approach, Church Members retain ultimate authority under God in matters of church life. They express this by nominating and appointing Trustees to act as stewards on their behalf and voting on the Lead Minister, Eldership and Strategic Leadership Team appointments.

Trustees act as a governance group which does not 'do' but sees that 'things are done.' They exercise their governance function through the application of written policies contained in a Trustee Policy Manual which includes: the Trustees' own process by which they are equipped and conduct their business; the working relationship between the Trustees and the Lead Minister as leader of the Strategic Leadership Team; the 'mission, ethos and values' of the Church which the Trustees safeguard on behalf of Church Members, and which the Lead Minister is charged with pursuing; and the limitations imposed on the Lead Minister by the Trustees as Charity Trustees as he or she pursues that mission. Trustees also encourage and provide personal support to the Lead Minister.

The Lead Minister is spiritual leader and chief executive. The Lead Minister is empowered to lead the Church in its mission through his role as leader of the Strategic Leadership Team. The Lead Minister is accountable to Church Members through the Trustees as a body.

The Strategic Leadership Team comprises the Lead Minister as team leader, and the heads Youth & Children, Community and Everyday Discipleship teams. The Elected Elders are the spiritual leadership of the Church. The Strategic Leadership Team and Elders are accountable to the Lead Minister.



# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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#### **f. Related party relationships**

The Church is affiliated to the Baptist Union of Great Britain and is a member of the South Eastern Baptist Association and the Evangelical Alliance. However, neither affiliation nor membership of these bodies represent any constitutional relationship.

The Baptist Union Corporation Limited is custodian Trustee of the land and premises at Darenth Avenue, Tonbridge. The Church has the benefit of using the property and replacing and enhancing parts of it.

In compliance with the Articles, Trustees maintain a Register of Trustee interests, and declare their interest in any business. Trustee policy includes a requirement for Trustees to be independent of any relationship that would pose a conflict of interest. To that end, a Trustee may not also be the Lead Minister, member of the Strategic Leadership Team, Eldership or member of staff.

#### **g. Risk management**

The Lead Minister is responsible for the process of identifying and reviewing the major risks to which the Church is exposed and establishing systems and procedures to manage those risks. To that end, detailed Policy manuals are maintained for finance, human resources, safeguarding, vulnerable adults, data protection and health and safety. The Trustees review the manuals and monitor compliance at least on an annual basis.

#### **Future developments**

At the Church meeting on 12 March 2023, the members voted to appoint a new Treasurer, Gareth Allen.

The cost of living crisis will continue to see pressure on costs and on levels of giving, and this is being closely monitored. The high level of use of the food and fuel bank is expected to continue through the coming years.

A working party is exploring and implementing ways of making the church building and its activities become more carbon neutral.

#### **Trustees' responsibilities statement**

The Trustees (who are also directors of Tonbridge Baptist Church for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure, for that period.

# **TONBRIDGE BAPTIST CHURCH**

## **(A company limited by guarantee)**

### **TRUSTEES' REPORT (continued)** ***FOR THE PERIOD ENDED 31 AUGUST 2023***

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In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by:

Signed by:  
  
604BD9038A8942F...

**Andrew Martin - Trustee**

**Date:** 30 September 2024

# TONBRIDGE BAPTIST CHURCH

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2023

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I report to the charity trustees on my examination of the accounts of the Company for the period ended 31 August 2023, which are set out on pages 10 to 22.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.


#### Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I 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 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 Company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

**Signed:**  Signed by:  
J P van der Merwe  
B1EE350EC6F84EC...

**Name:** J.P. van der Merwe

**Qualification:** ACA

**Address:** Lonsdale Gate, Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1NU

**Date:** 30 September 2024

## Tonbridge Baptist Church

### Statement of financial activities (Incorporating income and expenditure account) For the period ended 31 August 2023

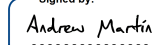
		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
		funds	funds	funds	funds
					<i>Restated</i>
	Note	£	£	£	£
<b>Income from:</b>					
Donations and legacies	<b>2</b>	380,770	141,107	521,877	678,151
Charitable activities	<b>3</b>	66,249	81,637	147,886	258,418
Investments		2,744	270	3,014	724
Total		449,763	223,014	672,777	937,293
<b>Expenditure on:</b>					
Charitable activities	<b>4</b>	419,535	206,807	626,342	983,982
Total		419,535	206,807	626,342	983,982
Net gains on investments	<b>9</b>	-	-	-	34,000
<b>Net income/(expenditure)</b>	<b>6</b>	30,228	16,207	46,435	( 12,689)
Transfers between funds		13,527	( 13,527)	-	-
<b>Net movement in funds</b>		43,755	2,680	46,435	( 12,689)
<b>Reconciliation of funds:</b>					
Total funds brought forward		610,212	479,996	1,090,208	1,102,897
Total funds carried forward	<b>12</b>	653,967	482,676	1,136,643	1,090,208

**Tonbridge Baptist Church****Balance sheet  
As at 31 August 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2023 £</b>	<b>2022 £</b>	<b>2022 £</b>
<b>Fixed assets</b>					
Tangible assets	<b>8</b>		435,846		456,980
Investment property	<b>9</b>		259,000		259,000
			<u>694,846</u>		<u>715,980</u>
<b>Current assets</b>					
Debtors	<b>10</b>	15,360		21,897	
Cash at bank and in hand		462,672		366,247	
		<u>478,032</u>		<u>388,144</u>	
<b>Creditors:</b> amounts falling due within one year	<b>11</b>	( 36,235)		( 13,916)	
Net current assets			<u>441,797</u>		<u>374,228</u>
<b>Total net assets</b>			<u><u>1,136,643</u></u>		<u><u>1,090,208</u></u>
<b>Charity funds:</b>	<b>12</b>				
Restricted funds			482,676		479,996
Unrestricted funds			653,967		610,212
<b>Total funds</b>			<u><u>1,136,643</u></u>		<u><u>1,090,208</u></u>

The directors are satisfied that the charitable company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with section 476 of the Act. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 30 September 2024 and were signed on its behalf by:

Signed by:  
  
 604BD9038A8942F...

**Andrew Martin**  
**Trustee**

**Company number: 7211801**

**Tonbridge Baptist Church****Statement of cash flows  
For the period ended 31 August 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	<b>A</b>	132,171	51,734
<b>Cash flows from investing activities:</b>			
Interest received		3,014	724
Proceeds from disposal of fixed assets			250
Purchase of fixed assets		( 38,760)	( 16,445)
		<hr/>	<hr/>
Net cash provided by investing activities		( 35,746)	( 15,471)
<b>Change in cash and cash equivalents in the period/year</b>		96,425	36,263
Cash and cash equivalents at the beginning of the period/year		366,247	329,984
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period/year</b>		<u>462,672</u>	<u>366,247</u>
<b>A. Reconciliation of net income to net cash flow from operating activities</b>			
Net income/(expenditure) for the period/year		46,435	( 12,689)
Net gains on investments		-	( 34,000)
Depreciation charge		59,894	97,072
Disposals of tangible assets		-	-
Interest receivable		( 3,014)	( 724)
(Increase)/decrease in debtors		6,537	1,707
Increase in creditors		22,319	368
		<hr/>	<hr/>
Net cash provided by operating activities		<u>132,171</u>	<u>51,734</u>

# **Tonbridge Baptist Church**

## **Notes to the financial statements For the period ended 31 August 2023**

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### **1 Accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The current period is 8 months with the comparative 12 months.

The prior year income and expenditure has been restated to reflect a change in the treatment of certain income from charitable activities. This is to better reflect the nature of that income and includes fees for various events and activities, and premises income. A couple of expenditure items were also restated.

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

The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. The trustees therefore consider that there are no material uncertainties about the Church's ability to continue as a going concern.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

#### **1.2 Status**

Tonbridge Baptist Church is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is given on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

#### **1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose.

Restricted funds are held separately from unrestricted and are to only be applied for the purpose of the original gift received, for example a disaster appeal.

#### **1.4 Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

For donations, this is usually on receipt. For grants, this is on receipt of a written agreement or offer unless there are terms and conditions outside the Church's control, or time-related conditions which limit the recognition of income. Performance related grants relating to long term projects are accounted for as receivable over the period of the project in line with qualifying expenditure.

## **Tonbridge Baptist Church**

### **Notes to the financial statements For the period ended 31 August 2023**

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#### **1 Accounting policies continued**

##### **1.4 Income continued**

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Legacy income is recognised in the Statement of Financial Activities when receipt is probable, amounts receivable can be measured with sufficient reliability, and the charity is entitled to the income. Entitlement is considered to be the earlier of the charity being notified of an expected distribution and the legacy being received.

Other charitable activity income is recognised in the period in which the event took place.

##### **1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. Direct costs are allocated to the activity to which they relate. The majority of support costs are allocated directly to church activities. There is very little cost involved with the administration of grants payable. Governance costs are those costs incurred in connection with the administration of the Church and the compliance with constitutional and statutory requirements.

Grants payable are recognised as liabilities when communicated in writing to the recipient, except where the offer is conditional and fulfilment of the conditions is not considered probable, or where meeting the conditions is not within the control of the recipient. In these circumstances, the grant is recognised when the conditions have been met.

##### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	4% straight line
Plant and machinery	15% straight line
Equipment & vehicles:	
Furniture, fixtures & fittings	7.5% - 10% straight line
Computer equipment	33.33% straight line
Musical instruments	7.5% straight line
Motor vehicles	20% straight line

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the Statement of Financial Activities.



## **Tonbridge Baptist Church**

### **Notes to the financial statements For the period ended 31 August 2023**

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#### **1 Accounting policies continued**

##### **1.7 Investment properties**

Investment property is carried at fair value, determined annually by the trustees derived from current market value for the type, location and condition of the property. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activity.

##### **1.8 Financial instruments**

Financial instruments other than investments qualify as basic financial instruments. Short-term debtors and creditors are measured at the settlement value less provision for any impairment. Any losses from impairment are recognised in the statement of financial activities.

##### **1.9 Taxation**

No provision has been made for taxation as the charity is a public benefit entity which is exempt from UK direct taxation on its charitable activities.

##### **1.10 Pensions**

The Church contributes to the pension scheme operated by the Baptist Union for its Ministers, see note contribution scheme.

##### **1.11 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key accounting estimate is the fair value of the investment property. The trustees mitigate this risk by commissioning valuations as and when considered necessary from suitably qualified independent advisers, and reviewing available evidence such as comparable sales and property price indices in the intervening years.

## Tonbridge Baptist Church

### Notes to the financial statements For the period ended 31 August 2023

2	Income from donations and legacies	Unrestricted funds	Restricted funds	8 months Total funds	Year Total funds
		2023	2023	2023	Restated 2022
		£	£	£	£
	Donations and offerings	312,743	141,107	453,850	677,151
	Legacies	68,027	-	68,027	1,000
		<u>380,770</u>	<u>141,107</u>	<u>521,877</u>	<u>678,151</u>

In the preceding period, income of £191,915 was restricted.

3	Income from charitable activities	Unrestricted funds	Restricted funds	8 months Total funds	Year Total funds
		2023	2023	2023	Restated 2022
		£	£	£	£
	Youth and children income	8,967	5,081	14,048	21,077
	Community performance related grants	-	55,333	55,333	147,973
	Community fees and other income	11,172	21,223	32,395	39,055
	Use of premises	46,110	-	46,110	50,313
		<u>66,249</u>	<u>81,637</u>	<u>147,886</u>	<u>258,418</u>

In the preceding period income of £195,745 was restricted.

4	Expenditure on charitable activities	TBC ministries and Global mission		8 months	Year
		Unrestricted	Restricted	Total funds	Total funds
		2023	2023	2023	Restated 2022
		£	£	£	£
	Grants payable	78,800	31,877	110,677	174,378
	Direct Staff costs	114,560	32,868	147,428	270,324
	Community costs	6,369	138,496	144,865	170,823
	Youth and children	19,632	3,406	23,038	27,304
	Pastoral costs	3,697	-	3,697	2,009
	Manse rent	7,667	-	7,667	11,000
	Music and worship costs	5,963	-	5,963	11,099
	Evangelism costs	852	-	852	543
	Support costs	181,995	160	182,155	316,502
		<u>419,535</u>	<u>206,807</u>	<u>626,342</u>	<u>983,982</u>

Please see appendix for full details of grants payable.

Included within restricted community costs are individual grants paid of £80,875 (2022: £99,076) in relation to fuel vouchers.

In the preceding period, £326,220 of expenditure was from restricted funds.

# Tonbridge Baptist Church

## Notes to the financial statements For the period ended 31 August 2023

5	Support costs	TBC ministries and Global mission		8 months	Year
		Unrestricted 2023 £	Restricted 2023 £	Total funds 2023 £	Total funds 2022 £
	Support staff costs	63,394	-	63,394	138,941
	Other staff costs	1,418	-	1,418	1,080
	Premises costs	39,719	160	39,879	52,063
	IT costs	3,230	-	3,230	3,315
	Communication costs	1,079	-	1,079	2,006
	Other support costs	9,911	-	9,911	11,993
	Legal and professional fees	-	-	-	7,392
	Depreciation	59,894	-	59,894	97,072
	<i>Governance costs</i>				
	Independent Examiner's fees	3,350	-	3,350	2,640
		<u>181,995</u>	<u>160</u>	<u>182,155</u>	<u>316,502</u>
6	Net income/(expenditure)			8 months 2023 £	Year 2022 £
	Net expenditure is stated after charging:				
	Depreciation of tangible fixed assets			59,894	97,072
	Revaluation of investment property			-	34,000
	Pension costs			6,761	14,451
	Independent examiner's remuneration			3,350	2,640
				<u>59,894</u>	<u>148,163</u>
7	Staff costs			8 months 2023 £	Year 2022 £
	Wages and salaries			193,598	373,150
	Employer's NI			10,463	21,664
	Employer's pension contributions			6,761	14,451
				<u>210,822</u>	<u>409,265</u>
				Number 2023	Number 2022
	Ministries and frontline staff			9	12
	Support staff			5	5
				<u>14</u>	<u>17</u>

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

Wages and salaries includes redundancy costs of £nil (2022: £44,000).

# Tonbridge Baptist Church

## Notes to the financial statements For the period ended 31 August 2023

### 8 Tangible fixed assets

	<i>Freehold property</i> £	<i>Plant &amp; machinery</i> £	<i>Equipment &amp; vehicles</i> £	<b>Total</b> £
<b>Cost</b>				
At 1 January 2023	1,635,660	189,280	171,731	1,996,671
Additions	18,220	4,452	16,088	38,760
Disposals	-	( 4,738)	-	( 4,738)
At 31 August 2023	1,653,880	188,994	187,819	2,030,693
<b>Depreciation</b>				
At 1 January 2023	1,287,638	134,402	117,651	1,539,691
Charged for the period	44,102	8,961	6,831	59,894
On disposals	-	( 4,738)	-	( 4,738)
At 31 August 2023	1,331,740	138,625	124,482	1,594,847
<b>Net book value</b>				
At 31 August 2023	322,140	50,369	63,337	435,846
At 31 December 2022	348,022	54,878	54,080	456,980

The property is held in Trust with the Baptist Union Corporation Limited.

### 9 Investment Property

	<b>2023</b> £	<b>2022</b> £
At 1 January 2023	259,000	225,000
Revaluation	-	34,000
At 31 August 2023	259,000	259,000

The investment property, The Manse, was revalued at the period end by the trustees with reference to Housing Market Indices. No valuation change required in this period.

### 10 Debtors

	<b>2023</b> £	<b>2022</b> £
Other debtors	6,835	7,438
Prepayments and accrued income	8,525	14,459
	15,360	21,897

### 11 Creditors: amounts falling due within one year

	<b>2023</b> £	<b>2022</b> £
Other taxation and social security	5,000	5,215
Accruals	30,536	8,701
Other creditors	699	-
	36,235	13,916

**Tonbridge Baptist Church****Notes to the financial statements  
For the period ended 31 August 2023****12 Movement on funds**

<b>Current period</b>	<b>Brought forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers &amp; gains &amp; losses on investments £</b>	<b>Carried forward £</b>
<b>Restricted funds</b>					
Ministers Housing	259,000	-	-	-	259,000
Derwent Day Centre & luncheon club	44,366	35,871	( 30,989)	-	49,248
Sustain Food & Fuel Bank	133,194	66,436	( 122,079)	-	77,551
Love does	4,861	-	( 453)	-	4,408
Roof fund	-	500	-	53,032	53,532
Brigades	12,165	4,807	( 2,385)	4,434	19,021
Missionary support	5,770	16,234	( 14,743)	479	7,740
Community worker	4,937	10,500	( 12,166)	-	3,271
Gift days	2,359	71,251	( 2,237)	( 71,232)	141
Digital inclusion	7,522	-	( 5,643)	-	1,879
Disaster response	287	10,260	( 10,248)	-	299
Other gifts & offerings	3,504	6,884	( 5,468)	165	5,085
Other activities	2,031	271	( 396)	( 405)	1,501
	479,996	223,014	( 206,807)	( 13,527)	482,676
<b>Unrestricted funds</b>					
General fund	42,853	378,468	( 325,700)	( 20,100)	75,521
Designated funds					
Fixed asset reserve	456,980	-	( 59,894)	38,760	435,846
Charity reserve	100,000	-	-	-	100,000
Other funds	10,379	71,295	( 33,941)	( 5,133)	42,600
	610,212	449,763	( 419,535)	13,527	653,967
<b>Total funds</b>	<b>1,090,208</b>	<b>672,777</b>	<b>( 626,342)</b>	<b>-</b>	<b>1,136,643</b>

## Tonbridge Baptist Church

### Notes to the financial statements For the period ended 31 August 2023

#### 12 Movement on funds continued

Prior year	Brought forward £	Income £	Expenditure £	Transfers & gains & losses on investments £	Carried forward £
<b>Restricted funds</b>					
Ministers Housing	225,000	-	-	34,000	259,000
Derwent Day Centre & luncheon club	38,766	66,006	( 60,406)	-	44,366
Sustain Food & Fuel Bank	79,631	191,765	( 138,202)	-	133,194
Love does	6,335	40	( 1,514)	-	4,861
Rwentobo	4,040	295	( 4,335)	-	-
Brigades	10,219	13,381	( 11,435)	-	12,165
Missionary support	3,825	24,504	( 22,559)	-	5,770
Community worker	4,972	15,000	( 15,035)	-	4,937
Gift days	4,469	10,222	( 12,332)	-	2,359
Digital inclusion	-	15,222	( 7,700)	-	7,522
Disaster response	287	12,653	( 12,653)	-	287
Other gifts & offerings	3,213	34,466	( 34,175)	-	3,504
Other activities	3,715	4,190	( 5,874)	-	2,031
	384,472	387,744	( 326,220)	34,000	479,996
<b>Unrestricted funds</b>					
General funds	68,684	538,337	( 547,973)	( 16,195)	42,853
Designated funds					
Fixed asset reserve	537,857	-	( 97,072)	16,195	456,980
Charity reserve	100,000	-	-	-	100,000
Other funds	11,884	11,212	( 12,717)	-	10,379
	718,425	549,549	( 657,762)	-	610,212
Total funds	1,102,897	937,293	( 983,982)	34,000	1,090,208

#### Designated funds

##### **Fixed asset fund**

The fixed asset fund relates to the net book value of all fixed assets which are held for the purposes of the charity's purposes.

##### **Charity reserve**

The charity reserve is the minimum value of operating reserves in accordance with the Trustees' reserve policy.

##### **Other designated funds**

Other designated funds relates to General gifts designated by the Trustees to a specific project, the Church's emergency response fund and also funds held for specific Youth and childrens residential trips.

## **Tonbridge Baptist Church**

### **Notes to the financial statements For the period ended 31 August 2023**

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#### **12 Movement on funds continued**

##### **Restricted funds**

###### ***Minister's Housing***

This relates to the Church's investment in a Manse which was purchased from restricted donations given for its continuing use for the Lead Minister.

###### ***Derwent Day Centre & luncheon club***

These relates to donations and grants and fees received specifically for use at the Day Centre. Funds have been spent in the period on staffing, meals, entertainment and trips for the elderly friends who attend, with the remainder carried forward.

###### ***Sustain Food and Fuel Banks***

This includes donations and grants to support the community food and fuel banks in the period. Included is a grant of £37,000 (2022: £114,360) given specifically for fuel vouchers.

###### ***Love does***

These relate to donations given for benevolent gifts for individuals from time to time.

###### ***Rwentobo***

Funds received for the support of a medical clinic in Uganda.

###### ***Brigades***

These are accumulated funds from the Boys' Brigade and Girls' Association from subs and gifts less expenditure

###### ***Missionary support***

Individual gifts received for the support of specific Missionaries connected to the Church.

###### ***Community worker***

Grants received from Local authority and Housing Association to part fund our Community worker.

###### ***Gift days***

Funds raised in the annual Gift Day and Harvest offerings for specific projects.

###### ***Digital inclusion***

Grant received for provision Internet courses to the community.

###### ***Disaster response***

Appeal funds for specific disasters, such as earthquakes, famine relief and flooding.

###### ***Other***

Other small gifts received for specific projects, activities and individuals in line with the church's ministry.

## Tonbridge Baptist Church

### Notes to the financial statements For the period ended 31 August 2023

#### 13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
<b>Current period</b>			
Fixed assets	435,846	259,000	694,846
Net current assets	218,121	223,676	441,797
	<u>653,967</u>	<u>482,676</u>	<u>1,136,643</u>
<b>Prior year</b>			
Fixed assets	456,980	259,000	715,980
Net current assets	153,232	220,996	374,228
	<u>610,212</u>	<u>479,996</u>	<u>1,090,208</u>

#### 14 Pension commitments

The Church contributes to the pension scheme operated by the Baptist Union for its Ministers. The Church has accounted for this as a defined contribution scheme. The Baptist Union operates as sponsoring employer for the scheme. The assets of the scheme are held separately from those of the Church in an independently administered fund.

In addition, the Church contributes to pension schemes of other staff members.

The pension cost charge represents contributions payable by the Church and amounted to £6,761 (2022: £14,451).

Over the years, several TBC ministers have been members of the Baptist Union Ministers' Pension Scheme. At the present time, one serving minister is a member of the scheme in respect of which the church makes pension contributions. In recent years, the BU Pension Trustee has increased the level of contribution to include an element to meet the pension scheme deficit in respect of past service of current and retired Ministers.

In 2021, The BU approved a "Family solution" whereby it contributed £33m to the pension scheme. This has reduced the overall obligation for employer churches, including TBC and has shortened the period over which additional contributions have to be paid from 2039 back to 2029.

A subsequent valuation of the fund in 2022 saw the deficit fall to £nil and therefore no potential liability for the Church. The additional monthly contribution is now £1.



**Tonbridge Baptist Church**

**Notes to the financial statements**  
**For the period ended 31 August 2023**

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**15 Operating lease commitments**

At 31 August 2023 the charity had total future commitments under non-cancellable operating leases as follows:

	2023 £	2022 £
Within one year	-	-
Between two and five years	-	-
	<u>          </u>	<u>          </u>

The Church leases the Lead minister's premises at around market rent. The total cost for 8 months was £7,667 (2022: £11,000 for 12 months). The leases is cancellable on cessation of their employment.

**16 Related party transactions**

The key management personnel are considered to be the trustees and Strategic Leadership Team. The total amount of employee benefits received by key management personnel during the period was £85,331 (2022: £139,088).

No trustees received any remuneration in the period (2022: £nil).

No trustees received any reimbursement of expenses in the period (2022: £nil).