



# ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

# **THE HEART OF ENGLAND BAPTIST ASSOCIATION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 DECEMBER 2020**

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# THE HEART OF ENGLAND BAPTIST ASSOCIATION

## REPORT OF THE TRUSTEES

### YEAR ENDED 31 DECEMBER 2020

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The Trustees, who are directors for the purposes of company law, are pleased to present the Annual Report and Financial Statements of the charitable company for the year ended 31 December 2020, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes. References to 'HEBA' throughout this report refer to the Heart of England Baptist Association.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association 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 Activities

The objects of this charitable company are the advancement of the Christian faith, particularly in the Heart of England and especially by the means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of The Baptist Union of Great Britain (BUGB).

The values espoused by the Trustees of the charitable company are Companionship, Generosity, Diversity, Learning and Innovation. These values are continually presented to churches for their encouragement and so that they understand the principles guiding the work of the charitable company. The values are presented at events to which churches are invited, through the regular mailings to churches, through the work of the HEBA office team and Regional Ministers and on the Trustees' social media outlets and channels.

The principal activities of the charitable company are the employment of a Regional Ministry and administrative staff team and the organisation of a number of volunteers, working in groups or individually, to offer support and guidance, training and financial resources to advance the Christian faith in a way which benefits Baptist churches and the communities they serve.

The charitable company aims to:

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals who are exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing BUGB approved training for preachers and pastors.
- Make Safeguarding training available on a rolling programme, encouraging and enabling ministers and members of churches to receive training.
- Provide Safeguarding support to churches when incidents/suspected incidents arise.
- Mediate disagreements arising within churches or between churches and their local community.
- Encourage the HEBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission and Association funds.
- Ensure, through its Finance Working Group, responsible and effective stewardship of the resources of the charitable company.
- Encourage churches to support Baptist Home Mission and BMS World Mission through prayer, direct partnership with mission personnel and financial gifts, so that the Gospel of Jesus Christ can continue to be shared in the UK and abroad.
- Co-operate with other Baptist organisations and other denominations where this supports the objects of the Association.
- Receive and consider reports from all Working Groups and the Regional Ministers, enabling the charitable company to maintain effective governance, including receiving reports on the staff appraisals, budget proposals, safeguarding issues and other work with churches as appropriate.
- Support the staff employed by the charitable company through the provision of appropriate training and support, and provision of clear and effective staffing and other policies.
- Seek appropriate and timely legal advice on issues having a potentially wide-ranging effect with a view to understanding and, where possible, mitigating their risk.
- Continue to explore ways in which the trustee board can become even more effective in governing the charitable company and in their strategic planning.

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- Some of this work was partly or severely affected by the COVID 19 pandemic and subsequent national lockdowns. However, these conditions also provided an opportunity for a different way of staff working and holding meetings which will continue into the future.

#### Public Benefit

The Trustees, having regard to the Charity Commission's guidance document, 'public benefit: running a charity (PB2)', continued to provide public benefit by seeking to advance the Christian faith and practice in accordance with the Objects of the charitable company.

The Trustees sought to achieve this in several ways including:

- advising and supporting churches as they sought to manage the effects of the COVID 19 pandemic and lockdown so that members and visitors could be kept safe in churches.
- encouraging churches to adopt robust safeguarding policies and practice through the provision of training for church members, ministers and pastors.
- keeping appropriate safeguarding records, including documents kept in long-term secure systems.
- acting to provide help and support to churches seeking to improve their own governance, projects or buildings.
- holding staff accountable for their support for churches seeking to advance the Christian faith in their communities.
- funding - in partnership with other organisations - the continued provision of a Baptist minister for deaf and deafened people in Stafford.
- encouraging churches and ministers through the annual Ministers' Conference, theological reflection days, interaction with regional ministry staff and themes pursued at all joint events, to engage effectively and serve their local communities.
- updating their knowledge of spiritual abuse through reflection on recent research and a training day on this subject, for Trustees and safeguarding trainers.
- planning a Property Matters workshop for spring 2020 for churches to help them keep their properties healthy and in good order for all users (cancelled due to the coronavirus pandemic).

#### Achievements and Performance

The Trustees support their Regional Ministry team in their work through the provision of assistance in housing, in training and in permitting them to take sabbatical leave. One Regional Minister (RM), Revd Alison Mackay, indicated that she would be returning to church ministry early in 2021. The Trustees and remaining Regional Ministers reviewed the provision of Regional Ministry support and instigated a trial period of working with three RMs, to be reviewed in the last quarter of 2021.

The coronavirus pandemic and lockdowns meant that the Administration Team were instructed to work from their homes at the beginning of the first lockdown in March 2020, and this has continued into 2021. The Administration team have been able to continue to effectively serve the churches using email and telephone calls for the most part due to the Trustees' decision some years ago to move to online working and information storage supported by an IT consultant.

The Trustees bought an online meeting package to enable meetings for business, training, worship and support to be undertaken online by a range of staff members and Trustees. Events held in this manner included a Women's Conference, ministerial recognition interviews, theological reflection events and many more. Items of equipment were provided to enable staff members to work more effectively at home and a review of the health & safety of staff working from home was carried out. The Regional Ministers and Trustees supported churches by the production of devotional videos during the first lockdown which were made available to the churches and encouraged them to access support and resources from the Baptist Union as well as other Christian organisations. The Regional Ministers also recorded sermons on 'one-anothering' at the end of 2020, for release during 2021.

The Trustees were delighted to admit Cabin Lane Church in Oswestry into membership of the Association during the year.

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### YEAR ENDED 31 DECEMBER 2020

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The Trustees and staff team continued to support (with partners) the ministry of Revd Susan Myatt, Baptist Minister Amongst the Deaf, financially and through prayer. They also encouraged and contributed towards the production of a Safeguarding Training video with BSL translation for use during the pandemic and perhaps beyond.

The Regional Ministers (RMs) worked with churches and ministers as they sought new ministry or to change ministry meeting with churches and ministers online for most of the year. The encouragement and support of retired ministers and women ministers was taken over by volunteers from the churches to support the RMs.

A HEBA Justice Hub was successfully established during lockdown, with three task groups working to provide resources and encouragement to churches around issues of racial, gender and disability justice, plus a young people's task group.

The charitable company, through its Regional Ministers, continued to support ecumenical work across the whole area of the Association, as well as national Baptist events and organisations, for example, all RMs serve on ecumenical bodies in the region during the year.

The charitable company, through its Ministerial Recognition Group, interviewed 6 prospective ministers/pastors, authorising book grants to several ministerial students and had contact with 17 Newly Accredited Ministers and their Mentors. Three online Symposiums were organised for ministers to help them think through contemporary issues and support them in the continuing ministerial development.

The charitable company continued to model an organisational culture which prioritises safeguarding through their encouragement and support of churches to provide a safe and trusted environment for all those they come into contact with, particularly children, young people and Adults at Risk. This involved encouraging churches to use the filmed training made available by the Baptist Union and partnering in the creation of a BSL version of that resource. During 2020, the charitable company provided safeguarding training for 256 individuals before the coronavirus lockdown and another 32 later in the year, once online training materials were made available by the Baptist Union of Great Britain.

Revd Duncan MacLean served as trustee for Safeguarding during the year and all Trustees and safeguarding trainers attended a training day on Spiritual Abuse in February 2020. A Safeguarding Administrator, Mr Keith Baldwin, was appointed by the Trustees in March 2020 to replace Revd Sonia Jackson when she retired. Later in the year, the Trustees created a Safeguarding Officer post to assist the RMs with their safeguarding workload when their number reduced to three. Keith Baldwin was interviewed and appointed to this post in 2021.

The charitable company, through its Grants Committee provided grants to churches and projects to a value of £291,137 using both Baptist Home Mission and Association funds. This includes grants towards sabbatical studies for ministers in the Association.

The charitable company, through its Finance Group, ensured that all funds were being held and spent appropriately. They reviewed budgets, spending and investments and met with the Investment Managers.

The charitable company's book-keeping and account-production services to member churches continued, and at the end of the year had produced accounts for one church and was undertaking book-keeping for three churches. The Payroll Service offered to churches and projects also continued, and at the end of the year, payroll services were being undertaken for 61 churches/projects (113 individuals).

The charitable company, through its Trust Working Group (TWG), gave consideration and practical assistance to around 30 churches involved in: building purchase, disposal and development; changing their legal structure and amending their governing instruments. It continued to offer support to churches with dilapidated burial grounds. The transcription of the church trusts details into electronic form was not completed during 2020 due to lack of capacity.

The charitable company completed the following of its plans for the year:

- continuing to implement outcomes of the Board Review, including further use of the Governance Wheel to improve Board effectiveness and efficiency.

# **THE HEART OF ENGLAND BAPTIST ASSOCIATION**

## **REPORT OF THE TRUSTEES**

### **YEAR ENDED 31 DECEMBER 2020**

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- agreeing strategic priorities and developing and implementing a strategic plan
- establishment of the HEBA Justice Hub with active task groups
- undertake more trustee training and/or study days for Trustees, including training towards a better understanding charity reports and accounts and training from ACAS.
- continuing to update the Staff Handbook

#### **Risk Review**

The charitable company continued to review its Risk Management Matrix at least three times a year. Significant risks identified during the year were:

- The possibility of incidents or accidents in dilapidated burial grounds where the charitable company is holding trustee remains an ongoing concern.
- Censure arising from a failure to properly implement the requirements of the General Data Protection Regulations has been identified as a risk to the charitable company. The charitable company sought legal assistance in producing a set of updated Data Protection and privacy documents and the Company Secretary continually reminds Trustees, staff and volunteers of their responsibilities in order to mitigate these risks.
- The risk of reputational damage to the Gospel, the charitable company and the Baptist movement arising from a safeguarding incident in a church remains high and is a driving factor behind the charitable company's investment in safeguarding training for church ministers and members.
- Disaster Recovery, staff turnover and the effects of homeworking were also viewed as presenting a high level of risk.
- A full COVID – 19 risk assessment was undertaken in the Association Office and steps continue to be taken to ensure that space is as safe as possible for those who need to visit to use equipment, check the post etc.

#### **Financial Review**

During 2020 the overall funds of the Association decreased by £160,728 to £3,236,247 (re stated £3,396,975 - 2019)

Unrestricted general fund income was £305,733. Expenditure totalled £427,077 resulting in a unrestricted general fund loss of £121,344. Net losses on investment assets totalled £191,102 reflecting the downward pressures in the financial markets during the year. The unrestricted general Fund at the year-end was £883,488.

The Net Movement on Unrestricted Designated Funds was £141,367 excess of income over expenditure. This was primarily due to the ongoing use of the Mission Development Fund for grants to church and other mission projects. At the year end the total balance of designated funds was £919,622.

Other income and expenditure in the Restricted Funds primarily relate to income and expenditure for the annual Ministers Conference and loan interest on the loans made from the restricted loan fund. Interest is not charged on loans, but churches will be asked to give a thank-offering at the end of the loan period to help maintain the real value of the fund. The net movement across the restricted funds was £10,351. At the year end the balances across the restricted funds was £1,433,137.

A prior year adjustment has been processed affecting restricted funds which removes funds held for the Cannon Street Trust where the charity is acting as the trustee only. Further detail is included in note 20.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. See Note 25 in the Financial Statements.

#### **Investment powers, policy and performance**

The Trustees have appointed Redmayne Bentley as Investment Managers for the Association's investment portfolio. The managers have discretionary powers to invest in line with the Investment Policy which is classed as medium risk and aims for moderate growth in income whilst at least maintaining capital values over the medium to long term.

Reflecting the ethos of the Association, an ethical investment policy is in place to guide the investment manager. This focuses on positive aspects such as good governance and good working practices as well as excluding sectors which do not fit with the Association's ethos.

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During the year, the portfolio return (total return basis) increased by 7.02%, against the portfolio benchmark return, which increased by 7.66%.

The Association continued to maintain substantial balances on notice and term deposits. Most of these funds represent balances held on behalf of churches where minimal capital risk is important.

#### **Reserves policy**

The Trustees consider a reserve of one year's costs is required to ensure a managed exit from all existing agreements and contracts. One year's costs is the total general fund expenditure excluding one off events and including one year of grant funding from the Association's own resources (£0.195m), where grants are expected to be needed beyond the current year. This latter is to reflect commitments, often staff related, which have been entered into by grant receiving churches. On this basis reserves of £0.557m are required. Excluding fixed assets and restricted funds the Association's free reserves were £0.195m giving cover of 0.4 times. The reduction in cover of reserves required from 1.4 (2019) to 0.4 (2020) is the result of a reduction in the General Fund of £0.312m and the addition to fixed assets of £0.294m. The fixed asset of £0.294m is expected to be disposed of in 2021 which will increase cover to a ratio of approximately 1.0.

#### **Plans for future periods**

During 2021, the charitable company will seek to continue to fulfil its objects in creative ways that will assist in the advancement of the Christian faith and the enrichment of church and community life in the Heart of England.

This will include:

- locating a new office base for the Association.
- reviewing and implementing new working patterns with administrative staff depending on Government advice relating to the COVID-19 pandemic and the outcome of the review.
- Reviewing the workload of the Regional Ministers following the decrease in their number from four to three.
- completing the Review and adoption of updated Governing documents of the charitable company
- recruiting new Trustees
- continuing to implement outcomes of the Board Review, including further use of the Governance Wheel to improve Board effectiveness and efficiency.
- undertaking research to establish the resonance of the strategic priorities, values etc with the member churches.
- agreeing strategic priorities and developing and implementing a strategic plan
- encouraging the HEBA Justice Hub and task groups
- undertaking more trustee training and/or study days for Trustees

#### **Structure, Governance, Management**

The charitable company is governed by its Articles of Association and Rules of 16 June 2012. These have been reviewed by the Trustees and their legal advisors during 2020 and updated Articles will be presented to the members during 2021.

The Objects of this charitable company are the advancement of the Christian faith, particularly in the Heart of England and especially by the means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of The Baptist Union of Great Britain.

#### **Trustees' Interests**

No trustee had any beneficial interest in the charitable company or in any contract or arrangement of a material nature with the charitable company during the year under review. Declarations of Loyalty and Interest are required at the start of every meeting of Trustees and Working Groups and the Association Administrator also asks Trustees to update their written Declarations of Loyalty and Interest on an annual basis.

#### **Recruitment, appointment, induction and training of Trustees**

The charitable company is run by its Board of Trustees who are also directors. They held eight meetings during 2020; these were online because of the coronavirus pandemic.

# THE HEART OF ENGLAND BAPTIST ASSOCIATION

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The Trustees use their Skills Audit in the process of recruiting new members of the board. Trustees are recruited through invitations to member churches to nominate people whom they believe to be appropriate for the task. Nominees are sent copies of the charitable company's Articles of Association and its Conflict of Loyalty and Interests policy and are asked to complete and sign the Declaration of Qualification to serve as a Trustee. They usually have a meeting with the Moderator of the Board of Trustees and are advised that appropriate checks will be undertaken to confirm that they are eligible to serve in this capacity. If, after this, they still wish to serve, the churches of the Association are invited to affirm the nominees by email or letter to the Company Secretary. On appointment, they are invited to a formal induction meeting with the Administrator/Company Secretary who signposts essential documents available from the Charity Commission, Companies House and BUGB websites, as well as providing an overview of the activities of the charitable company.

The Association Administrator who is also the Company Secretary assisted all Trustees by signposting documents and conferences to help them in their work. This includes circulating information from the Charity Commission, Companies House, some third sector organisations and the Churches' Legislation Advisory Service, and advising them of seminars and training that they could attend.

The Trustees continued to work through the Charity Governance Code with direction from a task group of Trustees who met several times and made presentations to the full board, including an action plan. Outcomes from this work include the adoption of a Code of Conduct for Trustees, Role Descriptions for HEBA trustee, Moderator and Treasurer. The Trustees also adopted a Delegation of Authority Policy with operational guidance. The Trustees continued to work on updating the Staff Handbook with support from Cornerstone Resources and the Baptist Union as appropriate. They ensured that staff members were able to discuss the policies as well.

#### Trustees at 31 December 2020

The Moderator and Treasurer are elected annually by the members of the Association.

|   |   |
|---|---|
| Moderator   | The Revd Duncan MacLean                           |
| Treasurer   | Mr Eddy Rye                                       |
| Regional Minister – Team Leader                   | The Revd Adrian Argile                            |
| The Revd Neil Bennett<br>(Resigned 5 August 2021) | Affirmed by the members of the charitable company |
| The Revd Glenford Gordon                          | Affirmed by the members of the charitable company |
| Mrs Judith Miller                                 | Affirmed by the members of the charitable company |
| The Revd Dr Edward Pillar                         | Affirmed by the members of the charitable company |
| Mrs Doreen Walker                                 | Affirmed by the members of the charitable company |

#### Appointed during the course of the year

|  |   |
|--|---|
| Mrs Joanne Green (Appointed 23 April 2020) | Affirmed by the members of the charitable company |
|--|---|

#### Related Parties

The charitable company is a member of the Baptist Union of Great Britain, paying a subscription to this charity. Funds from the Home Mission Fund, which is the principle working fund of the BUGB, are received by the charitable company and dispersed by its Grants Group.

The Registered Office of the charitable company is in property owned by BMS World Mission, and this occupation is based on a licence until 2022.

The charity has a linked charity, the Heart of England Baptist Association Loan Fund (1080529 -1) and the Trustees are also Trustees of the Umberslade Church Endowment (255061). The Charity is the corporate director and sole Trustee of the CST Corporate Trustee Limited (11454313), which has been set up to act as a trust corporation for the Cannon Street Trust.



# THE HEART OF ENGLAND BAPTIST ASSOCIATION

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#### Key Management personnel remuneration

The charitable company consider their key management personnel to be:  
The charitable company's board of Trustees

The pay and remuneration of the employees of the charitable company is set by the charitable company through the Board and its Finance Group and is based upon the Baptist Home Mission recommended stipend.

#### Association Information

|  |  |
|--|--|
| Registered Charity Number                              | 1080529  |
| Registered Company Number                              | 00238738   |
| Registered Office                                      | 24 Weoley Park Road, Selly Oak, Birmingham B29 6QX   |
| Other Office Holders                                   |  |
| Company Secretary/Administrator                        | Miss Karen Martindale  |
| Regional Ministers serving the Association during 2020 | The Revd Adrian Argile<br>The Revd David Ellis<br>The Revd Alison Mackay<br>The Revd Neil Le Tissier |
| Legal Advisors   | DWF LLP, One Snowhill, Snow Hill Queensway, Birmingham B4 6GA  |
| Surveyor/Valuer  | Shaw Gilbert & Froggatt<br>4 Warstone Parade East, Warstone Lane, Birmingham B18 6N                  |
| Auditor  | MHA MacIntyre Hudson,<br>Rutlund House, 148 Edmund Street, Birmingham B3 2FD                         |
| Bankers  | HSBC Bank plc, 186 Broadway, Didcot OX11 8RP   |
| Stockbrokers/Investment Advisors                       | Redmayne-Bentley LLP, 9 Bond Court, Leeds LS1 2JZ  |

#### Assets held as Custodian Trustee on Behalf of Others

The directors of the charitable company continue to act as custodian trustee for churches, with both property and cash deposits being held in this capacity. A full list of the churches on whose behalf assets are held can be found in the financial statements and at the end of this document. Where assets for each church are held separately for each Church the assets are not included in the financial statements. Where assets for the Churches are held in aggregate in one single account, the assets are reflected in the financial statements as an asset and equal liability.

A prior year adjustment has been processed affecting restricted funds which removes funds held for the Cannon Street Trust where the charity is acting as the trustee only. Further detail is included in note 20.

# THE HEART OF ENGLAND BAPTIST ASSOCIATION

## REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2020

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### Directors' responsibilities in relation to the financial statements

The Trustees (who are also directors of The Heart of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Annual 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

This report was approved by the Board on .....21/09/2021

Signed

Revd D MacLean  
Moderator of the Association

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION

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#### Opinion

We have audited the financial statements of The Heart of England Baptist Association (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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## **THE HEART OF ENGLAND BAPTIST ASSOCIATION**

**(A Company Limited by Guarantee)**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION (CONTINUED)**

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#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION (CONTINUED)

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#### Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining and understanding of the legal and regulatory frameworks that the charitable group operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the group financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk

increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION**

**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION (CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants

Statutory Auditors

Birmingham, United Kingdom

Date: 24 September 2021

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION**

**(A Company Limited by Guarantee)**

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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|  | Note | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>  |      |                                    |                                  |                             |                             |
| Donations and legacies   | 4    | 554,226                            | 8,324                            | 562,550                     | 282,538                     |
| Charitable activities  | 5    | 44,928                             | -                                | 44,928                      | 54,266                      |
| Investments  | 6    | 118,140                            | 8,441                            | 126,581                     | 148,906                     |
| Other income   | 7    | 19,433                             | -                                | 19,433                      | 16,741                      |
| <b>Total income</b>  |      | <b>736,727</b>                     | <b>16,765</b>                    | <b>753,492</b>              | <b>502,451</b>              |
| <b>Expenditure on:</b>   |      |                                    |                                  |                             |                             |
| Raising funds  | 8,9  | 44,186                             | -                                | 44,186                      | 46,556                      |
| Charitable activities  | 10   | 672,518                            | 6,414                            | 678,932                     | 817,218                     |
| <b>Total expenditure</b>                                       |      | <b>716,704</b>                     | <b>6,414</b>                     | <b>723,118</b>              | <b>863,774</b>              |
| Net (losses)/gains on investments                              | 15   | (238,175)                          | -                                | (238,175)                   | 311,719                     |
| <b>Net movement in funds before other<br/>recognised gains</b> |      | <b>(218,152)</b>                   | <b>10,351</b>                    | <b>(207,801)</b>            | <b>(49,604)</b>             |
| <b>Other recognised gains:</b>                                 |      |                                    |                                  |                             |                             |
| Other gains  | 26   | 47,073                             | -                                | 47,073                      | 2,111                       |
| <b>Net movement in funds</b>                                   |      | <b>(171,079)</b>                   | <b>10,351</b>                    | <b>(160,728)</b>            | <b>(47,493)</b>             |
| <b>Reconciliation of funds:</b>                                |      |                                    |                                  |                             |                             |
| As restated Total funds brought<br>forward                     |      | 1,974,189                          | 1,422,786                        | 3,396,975                   | 3,444,468                   |
| Net movement in funds  |      | (171,079)                          | 10,351                           | (160,728)                   | (47,493)                    |
| <b>Total funds carried forward</b>                             | 21   | <b>1,803,110</b>                   | <b>1,433,137</b>                 | <b>3,236,247</b>            | <b>3,396,975</b>            |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 41 form part of these financial statements.

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)****REGISTERED NUMBER: 00238738**

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**BALANCE SHEET  
AS AT 31 DECEMBER 2020**

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|   | Note | 2020<br>£          | As restated<br>2019<br>£ |
|---|------|--------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                    |                          |
| Tangible assets   | 14   | 1,608,290          | 1,313,937                |
| Investments   | 15   | 2,945,387          | 3,256,414                |
|   |      | <u>4,553,677</u>   | <u>4,570,351</u>         |
| <b>Current assets</b>                                   |      |                    |                          |
| Debtors   | 16   | 208,126            | 233,738                  |
| Investments   | 17   | 301,678            | 211,250                  |
| Cash at bank and in hand                                | 25   | 352,167            | 764,827                  |
|   |      | <u>861,971</u>     | <u>1,209,815</u>         |
| Creditors: amounts falling due within one year          | 18   | (2,072,432)        | (2,218,857)              |
| <b>Net current liabilities</b>                          |      | <u>(1,210,461)</u> | <u>(1,009,042)</u>       |
| <b>Total assets less current liabilities</b>            |      | <u>3,343,216</u>   | <u>3,561,309</u>         |
| Creditors: amounts falling due after more than one year | 19   | (4,000)            | (4,000)                  |
| <b>Net assets excluding pension liability</b>           |      | <u>3,339,216</u>   | <u>3,557,309</u>         |
| Defined benefit pension scheme liability                | 26   | (102,969)          | (160,334)                |
| <b>Total net assets</b>                                 |      | <u>3,236,247</u>   | <u>3,396,975</u>         |
| <b>Charity funds</b>                                    |      |                    |                          |
| Restricted funds  | 21   | 1,433,137          | 1,422,786                |
| Unrestricted funds                                      | 21   | 1,803,110          | 1,974,189                |
| <b>Total funds</b>                                      |      | <u>3,236,247</u>   | <u>3,396,975</u>         |



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**THE HEART OF ENGLAND BAPTIST ASSOCIATION**

**(A Company Limited by Guarantee)**

**REGISTERED NUMBER: 00238738**

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**BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2020**

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The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

.....  
**Revd D MacLean**

Moderator of the Association

Date: 21/09/2021

The notes on pages 17 to 41 form part of these financial statements.

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| <b>Cash flows from operating activities</b>             |           |           |
| Net cash used in operating activities                   | (211,852) | (328,940) |
| <b>Cash flows from investing activities</b>             |           |           |
| Dividends, interests and rents from investments         | 126,581   | 148,906   |
| Purchase of tangible fixed assets                       | (296,797) | (140,344) |
| Proceeds from sale of investments                       | 175,307   | 308,167   |
| Purchase of investments                                 | (68,998)  | (329,106) |
| <b>Net cash used in investing activities</b>            | (63,907)  | (12,377)  |
| <b>Cash flows from financing activities</b>             |           |           |
| Deficiency payments against pension liability           | (13,016)  | (16,995)  |
| <b>Net cash used in financing activities</b>            | (13,016)  | (16,995)  |
| <b>Change in cash and cash equivalents in the year</b>  | (288,775) | (358,312) |
| Cash and cash equivalents at the beginning of the year  | 1,057,489 | 1,415,801 |
| <b>Cash and cash equivalents at the end of the year</b> | 768,714   | 1,057,489 |

The notes on pages 17 to 41 form part of these financial statements

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

The Heart of England Baptist Association is a private company (limited by guarantee) incorporated in England and is also a registered Charity in England and Wales. The registered office is BMS International Mission Centre, 24 Weoley Park Road, Selly Oak, Birmingham B29 6QX.

The principal activities of the charitable company are the employment of a Regional Ministry and administrative staff team and the involvement of a number of volunteers, working in groups or individually, to offer support and guidance, training and financial resources to advance the Christian faith in a way which benefits Baptist churches and the communities they serve.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

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

The Heart of England Baptist Association 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.

The financial statements are prepared in British Pound Sterling (£), which is the functional and presentational currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity has taken exemption from the requirement to prepare consolidated financial statements on the grounds that the subsidiary is immaterial to the group.

##### 2.2 Company status

The Company is limited by guarantee. The members of the Company are the Trustees named on pages 7 and 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.3 Going concern**

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations.

In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**2.4 Income**

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

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

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102).

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.5 Expenditure**

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

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

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

**2.7 Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 Tangible fixed assets and depreciation**

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

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.8 Tangible fixed assets and depreciation (continued)**

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

Depreciation is provided on the following basis:

|                       |   |                   |
|-----------------------|---|-------------------|
| Freehold property     | - | 2% straight line* |
| Fixtures and fittings | - | 15% straight line |
| Computer equipment    | - | 33% straight line |

\* No depreciation charge in the accounts for freehold property due to the Residual Value being >/= costs.

No depreciation is charged on the freehold land.

**2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**2.10 Debtors**

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

Loans to churches are concessionary loans made in furtherance of the charity's purposes. Loans are recognised at cost as adjusted for any repayments made less impairment.

**2.11 Cash at bank and in hand**

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

**2.12 Liabilities and Provisions**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.13 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.14 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**2.15 Pensions**

The Charity participates in a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations. The contributions are recognised as an expenditure when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the charity in an independently administered fund.

Prior to 2012, the pension provision was made through two multi-employer defined benefit pension plans. Where it is not possible for the Charity to obtain sufficient information to enable it to account for a plan as a defined benefit plan, it accounts for the plan as a defined contribution plan. Where the plan is in deficit and where the charity has agreed, with the plan, to participate in a deficit funding arrangement, the charity recognised a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the Statement of Financial Activities. The unwinding of the discount is recognised as a finance cost. A liability for the agreed pension scheme deficit plan of the Baptist Union Staff Pension Scheme has been included, in accordance with the Schedule of Contributions dated 31 March 2015 in the comparatives but has been settled in full in the previous year (see note 25). A liability for the agreed pension scheme deficit plan of the Baptist Pension Scheme has been included, in accordance with the Schedule of Contributions dated 4 April 2015.

**2.16 Fund accounting**

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

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

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

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

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements in applying the entity's accounting policies:

Multi-employer defined benefit pension schemes - certain employees participate in multi-employer defined benefit pension schemes with other organisations. In the judgement of the Trustees, the Charity does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the schemes are accounted for as defined contribution schemes.

Critical accounting estimates and assumptions:

Multi-employer defined benefit pension scheme - the Charity has an obligation to pay a deficit funding arrangement in respect of two-multi employer defined benefit pension schemes (Baptist Pension Scheme and Baptist Union Staff Pension Scheme). The present value of the obligation depends on a number of factors including the RPI rate and the discount rate on corporate bonds. Management estimates these factors in determining the new pension obligation in the Balance Sheet.

Useful economic lives and residual values of tangible assets - the annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and the residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, physical condition and future investments of assets.

#### 4. Income from donations and legacies

|                                     | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Donations</b>                    |                                    |                                  |                             |
| Donations                           | 3,900                              | -                                | <b>3,900</b>                |
| Donated assets                      | 294,000                            | -                                | <b>294,000</b>              |
| <b>Subtotal detailed disclosure</b> | <b>297,900</b>                     | <b>-</b>                         | <b>297,900</b>              |
| Home Mission Fund Grant             | 119,332                            | -                                | <b>119,332</b>              |
| Home Mission Grant for mission      | 136,994                            | -                                | <b>136,994</b>              |
| Flood appeal grants                 | -                                  | 8,324                            | <b>8,324</b>                |
| <b>Subtotal</b>                     | <b>256,326</b>                     | <b>8,324</b>                     | <b>264,650</b>              |
| <b>Total 2020</b>                   | <b>554,226</b>                     | <b>8,324</b>                     | <b>562,550</b>              |



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THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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4. Income from donations and legacies (continued)

|                                | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------------------------|--|---------------------------------------|
| Home Mission Fund Grant        | 133,323                                      | 133,323                               |
| Home Mission Grant for mission | 149,215                                      | 149,215                               |
| <i>Total 2019</i>              | <u>282,538</u>                               | <u>282,538</u>                        |

5. Income from charitable activities

|                       | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------------------|--|---------------------------------------|
| Ministers' Conference | 11,616                                       | <b>11,616</b>                         |
| Other activities      | 33,312                                       | <b>33,312</b>                         |
| <b>Total 2020</b>     | <u>44,928</u>                                | <u><b>44,928</b></u>                  |

|                       | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------|--|---------------------------------------|
| Ministers' Conference | 11,883                                       | 11,883                                |
| Other activities      | 42,383                                       | 42,383                                |
| <i>Total 2019</i>     | <u>54,266</u>                                | <u>54,266</u>                         |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6. Investment income**

|                                 | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|---------------------------------|--|--|---------------------------------------|
| Retired Minister Housing Income | 1,300  | 7,901                                      | <b>9,201</b>                          |
| Dividends and bond interest     | 115,904                                      | -  | <b>115,904</b>                        |
| Interest on loans               | 936  | 540  | <b>1,476</b>                          |
| <b>Total 2020</b>               | <b>118,140</b>                               | <b>8,441</b>                               | <b>126,581</b>                        |
|                                 |  |  |                                       |
|                                 | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| Retired Minister Housing Income | 600  | 4,968                                      | 5,568                                 |
| Dividends and bond interest     | 140,660                                      | -  | 140,660                               |
| Interest on loans               | 1,323  | 1,355                                      | 2,678                                 |
| <i>Total 2019</i>               | <i>142,583</i>                               | <i>6,323</i>                               | <i>148,906</i>                        |

**7. Other incoming resources**

|                   | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-------------------|--|---------------------------------------|
| Payroll service   | 18,774                                       | <b>18,774</b>                         |
| Other activities  | 659  | <b>659</b>                            |
| <b>Total 2020</b> | <b>19,433</b>                                | <b>19,433</b>                         |

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THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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7. Other incoming resources (continued)

|                   | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-------------------|--|---------------------------------------|
| Payroll service   | 13,215                                       | 13,215                                |
| Other activities  | 3,526  | 3,526                                 |
| <i>Total 2019</i> | <u>16,741</u>                                | <u>16,741</u>                         |

8. Expenditure on raising funds

|                                      | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--------------------------------------|--|---------------------------------------|
| Foreign exchange loss on investments | 6,106  | <b>6,106</b>                          |
| Payroll scheme expenses              | 10,915                                       | <b>10,915</b>                         |
| Interest on funds held for churches  | 8,852  | <b>8,852</b>                          |
| <b>Total 2020</b>                    | <u>25,873</u>                                | <u><b>25,873</b></u>                  |

|                                     | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-------------------------------------|--|---------------------------------------|
| Payroll scheme expenses             | 13,322                                       | 13,322                                |
| Interest on funds held for churches | 14,556                                       | 14,556                                |
| <i>Total 2019</i>                   | <u>27,878</u>                                | <u>27,878</u>                         |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9. Investment management costs**

|                            | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|----------------------------|--|---------------------------------------|
| Investment management fees | <u>18,313</u>                                | <u>18,313</u>                         |
|                            |  |                                       |
|                            | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
| Investment management fees | <u>18,678</u>                                | <u>18,678</u>                         |

**10. Analysis of expenditure by activities**

|                        | <b>Activities<br/>undertaken<br/>directly<br/>2020<br/>£</b> | <b>Grant<br/>funding of<br/>activities<br/>2020<br/>£</b> | <b>Support<br/>costs<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|------------------------|--|---|---|---------------------------------------|
| Regional Ministry Team | 185,892  | -   | 150                                     | <b>186,042</b>                        |
| Grants                 | -  | 291,137   | -                                       | <b>291,137</b>                        |
| Subscriptions          | 7,704  | -   | -                                       | <b>7,704</b>                          |
| Minister's Conference  | 11,706   | -   | 840                                     | <b>12,546</b>                         |
| Association Activities | 4,414  | -   | 177,089                                 | <b>181,503</b>                        |
| <b>Total 2020</b>      | <u>209,716</u>   | <u>291,137</u>  | <u>178,079</u>                          | <u><b>678,932</b></u>                 |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Analysis of expenditure by activities (continued)**

|                        | <i>Activities<br/>undertaken<br/>directly<br/>2019<br/>£</i> | <i>Grant<br/>funding of<br/>activities<br/>2019<br/>£</i> | <i>Support<br/>costs<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|------------------------|--|---|---|---------------------------------------|
| Regional Ministry Team | 194,547  | -   | 117,984                                 | 312,531                               |
| Grants                 | -  | 328,440   | 23,835                                  | 352,275                               |
| Subscriptions          | 10,004   | -   | 7,246                                   | 17,250                                |
| Minister's Conference  | 15,365   | -   | 6,778                                   | 22,143                                |
| Association Activities | 2,836  | -   | 110,183                                 | 113,019                               |
| <b>Total 2019</b>      | <b>222,752</b>   | <b>328,440</b>  | <b>266,026</b>                          | <b>817,218</b>                        |

**Analysis of direct costs**

|                                | <b>Regional<br/>Ministry<br/>Team<br/>2020<br/>£</b> | <b>Subscriptions<br/>2020<br/>£</b> | <b>Minister's<br/>Conference<br/>2020<br/>£</b> | <b>Association<br/>Activities<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--------------------------------|--|-------------------------------------|---|--|---------------------------------------|
| Staff costs                    | 152,820  | -                                   | -   | -  | 152,820                               |
| Minister's conference          | -  | -                                   | 11,706  | -  | 11,706                                |
| Regional Ministry Team         | 30,348   | -                                   | -   | -  | 30,348                                |
| Subscriptions                  | -  | 7,704                               | -   | -  | 7,704                                 |
| Association activities         | -  | -                                   | -   | 4,414  | 4,414                                 |
| Finance cost (pension deficit) | 2,724  | -                                   | -   | -  | 2,724                                 |
| <b>Total 2020</b>              | <b>185,892</b>                                       | <b>7,704</b>                        | <b>11,706</b>                                   | <b>4,414</b>                                     | <b>209,716</b>                        |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

|                                | <i>Regional<br/>Ministry<br/>Team<br/>2019<br/>£</i> | <i>Subscriptions<br/>2019<br/>£</i> | <i>Minister's<br/>Conference<br/>2019<br/>£</i> | <i>Association<br/>Activities<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------------------------|--|-------------------------------------|---|--|---------------------------------------|
| Staff costs                    | 144,619  | -                                   | -   | -  | 144,619                               |
| Minister's conference          | -  | -                                   | 15,365  | -  | 15,365                                |
| Regional Ministry Team         | 45,957   | -                                   | -   | -  | 45,957                                |
| Subscriptions                  | -  | 10,004                              | -   | -  | 10,004                                |
| Association activities         | -  | -                                   | -   | 2,836  | 2,836                                 |
| Finance cost (pension deficit) | 3,971  | -                                   | -   | -  | 3,971                                 |
| <b>Total 2019</b>              | <b>194,547</b>                                       | <b>10,004</b>                       | <b>15,365</b>                                   | <b>2,836</b>                                     | <b>222,752</b>                        |

**Analysis of support costs**

|   | <b>Total<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2019<br/>£</b> |
|---|---------------------------------------|---------------------------------------|
| Staff costs                                   | 107,802                               | 105,062                               |
| Depreciation                                  | 2,444                                 | 2,332                                 |
| Regional Ministry Team                        | 150                                   | -                                     |
| Payroll scheme expenses                       | 1,170                                 | 877                                   |
| Premises costs and administration             | 27,873                                | 64,138                                |
| Other staff costs including training          | 3,787                                 | 6,853                                 |
| Property                                      | 12,109                                | 2,374                                 |
| Working groups                                | 1,186                                 | 1,482                                 |
| IT  | 4,831                                 | 5,932                                 |
| Board expenses                                | 1,380                                 | 2,503                                 |
| Legal and professional                        | 4,589                                 | 11,685                                |
| Other   | 4,580                                 | 8,858                                 |
| Audit and accountancy fees                    | 6,178                                 | 11,430                                |
| Loss on disposal of fixed asset held for sale | -                                     | 42,500                                |
| <b>Total 2020</b>                             | <b>178,079</b>                        | <b>266,026</b>                        |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £10,200 (2019: £7,074), and non audit services of £1,808 (2019: £1,200).

#### 12. Staff costs

|                         | 2020<br>£      | 2019<br>£      |
|-------------------------|----------------|----------------|
| Wages and salaries      | 216,386        | 211,992        |
| Social security costs   | 18,637         | 13,426         |
| Pension costs (note 25) | 25,599         | 24,263         |
|                         | <u>260,622</u> | <u>249,681</u> |

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

| 2020<br>No. | 2019<br>No. |
|-------------|-------------|
| <u>9</u>    | <u>9</u>    |

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

During the year the Rev A Argile, a Trustee of the charitable company, received remuneration for his role as Regional Minister Team Leader and travel expenses in connection with that role. He was not remunerated for Trustee duties. The cost to the Charity of the remuneration (gross pay plus employer's national insurance and pension) was £44,183 (2019: £44,601) and expenses were £3,263. (2019: £5,754).

Key management personnel of the Charity are considered to be the Trustees. No other Trustee receives any remuneration.

#### 13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019: £Nil), except as disclosed above.

During the year ended 31 December 2020, expenses totalling £1,380 were reimbursed or paid directly to 7 Trustees (2019: £2,503 to 7 Trustees).

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**14. Tangible fixed assets**

|                          | Freehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|--------------------------|---------------------------|-------------------------------|----------------------------|------------|
| <b>Cost or valuation</b> |                           |                               |                            |            |
| At 1 January 2020        | 1,305,876                 | 34,152                        | 8,071                      | 1,348,099  |
| Additions                | 294,000                   | -                             | 2,797                      | 296,797    |
| At 31 December 2020      | 1,599,876                 | 34,152                        | 10,868                     | 1,644,896  |
| <b>Depreciation</b>      |                           |                               |                            |            |
| At 1 January 2020        | -                         | 27,126                        | 7,036                      | 34,162     |
| Charge for the year      | -                         | 1,480                         | 964                        | 2,444      |
| At 31 December 2020      | -                         | 28,606                        | 8,000                      | 36,606     |
| <b>Net book value</b>    |                           |                               |                            |            |
| At 31 December 2020      | 1,599,876                 | 5,546                         | 2,868                      | 1,608,290  |
| At 31 December 2019      | 1,305,876                 | 7,026                         | 1,035                      | 1,313,937  |



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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**15. Fixed asset investments**

|                            | Listed<br>investments<br>£ | Other fixed<br>asset<br>investments<br>£ | Total<br>£       |
|----------------------------|----------------------------|--|------------------|
| <b>Cost or valuation</b>   |                            |  |                  |
| At 1 January 2020          | 3,175,002                  | 81,412                                   | 3,256,414        |
| Additions                  | 68,998                     | -  | 68,998           |
| Disposals                  | (175,306)                  | -  | (175,306)        |
| Revaluations               | (238,176)                  | -  | (238,176)        |
| Amounts written off        | -                          | 27,352                                   | 27,352           |
| Foreign exchange movement  | -                          | 6,105                                    | 6,105            |
| <b>At 31 December 2020</b> | <b>2,830,518</b>           | <b>114,869</b>                           | <b>2,945,387</b> |
| <b>Net book value</b>      |                            |  |                  |
| <b>At 31 December 2020</b> | <b>2,830,518</b>           | <b>114,869</b>                           | <b>2,945,387</b> |
| <i>At 31 December 2019</i> | <i>3,175,002</i>           | <i>81,412</i>                            | <i>3,256,414</i> |

All fixed asset investments are held in the UK.

**Subsidiary undertaking**

The CST Corporate Trustee Limited (Company number 11454313), a Company limited by guarantee, is a subsidiary by virtue of the Charity being the sole member.

Its sole purpose is to act as a corporate Trustee in respect of the assets of the Cannon Street Trust.

The subsidiary is not material to the group and has therefore not been included in the financial statements.

**16. Debtors**

|                                | 2020<br>£      | 2019<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 1,418          | 240            |
| Other debtors                  | 193,558        | 214,228        |
| Prepayments and accrued income | 13,150         | 19,270         |
|                                | <b>208,126</b> | <b>233,738</b> |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**16. Debtors (continued)**

Included within other debtors are loans to churches of £193,558 (2019: £214,228) which are generally expected to be received after one year.

**17. Current asset investments**

|                                     | <b>2020</b>    | <i>2019</i>    |
|-------------------------------------|----------------|----------------|
|                                     | <b>£</b>       | <b>£</b>       |
| Deposits held on behalf of churches | <b>301,678</b> | <i>211,250</i> |

**18. Creditors: Amounts falling due within one year**

|                                    | <b>2020</b>      | <i>As restated</i><br><i>2019</i> |
|------------------------------------|------------------|-----------------------------------|
|                                    | <b>£</b>         | <b>£</b>                          |
| Trade creditors                    | <b>(2,671)</b>   | <i>(2,671)</i>                    |
| Other taxation and social security | <b>7,305</b>     | <i>5,389</i>                      |
| Other creditors                    | <b>2,023,568</b> | <i>2,168,726</i>                  |
| Accruals and deferred income       | <b>44,230</b>    | <i>47,413</i>                     |
|                                    | <b>2,072,432</b> | <i>2,218,857</i>                  |

Included within other creditors is an amount of £2,023,568 (2019: £2,168,726) held on behalf of certain churches and the Cannon Street Trust. The churches are required to give due notice before withdrawal of these amounts.

**19. Creditors: Amounts falling due after more than one year**

|                 | <b>2020</b>  | <i>2019</i>  |
|-----------------|--------------|--------------|
|                 | <b>£</b>     | <b>£</b>     |
| Other creditors | <b>4,000</b> | <i>4,000</i> |

Other creditors represents a contribution to Retired Housing which is an equity contribution by the tenants which is repayable on the sale of the property at Cleve View, Bridgnorth.

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 20. Prior year adjustments

The Cannon Street Baptist Chapel Trust is governed by a trust deed of 1877 and subsequent Charity Commission schemes. HEBA has acted as trustee of the Trust and its assets which must be applied in accordance with the terms of the Trust. The majority of the assets of the trust are properties but as some properties have been disposed over the years there is also an element of cash funds. Historically the cash funds have been recognised in the financial statements of HEBA as a restricted fund, restricted to the purposes of the Cannon Street Trust. HEBA is currently in the process of transferring the trusteeship of the Cannon Street Trust to the CST Corporate Trustee Limited (a subsidiary of HEBA) and in doing so it has been identified that the cash funds should not form part of the funds of HEBA.

As a consequence, a prior year adjustment has been made to remove the restricted funds of £462,375 from HEBA's financial statements and to recognise the cash funds held by HEBA as a liability owing to the Trust (similar to the position where HEBA holds monies on behalf of churches in the region. This adjustment has no impact on the statement of financial activities for either year other than to restate the funds brought forward.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**21. Statement of funds**

**Statement of funds - current year**

|   | As<br>restated<br>Balance<br>at 1<br>January<br>2020<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>in/(out)<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2020<br>£ |
|---|---|----------------|------------------|----------------------------|-------------------------|---|
| <b>Designated funds</b>                             |   |                |                  |                            |                         |   |
| Church Resources Fund                               | 44,734  | -              | -                | -                          | -                       | 44,734                                    |
| Minister's Resources<br>Fund                        | 38,205  | -              | -                | -                          | -                       | 38,205                                    |
| Regional Ministry Fund                              | 186,738   | -              | (150)            | -                          | -                       | 186,588                                   |
| Mission Development                                 | 351,762   | 294,000        | (112,047)        | (40,436)                   | -                       | 493,279                                   |
| Monkspath Fund                                      | 90,387  | -              | -                | -                          | -                       | 90,387                                    |
| Mission Grant Funds                                 | -   | 136,994        | (177,430)        | 40,436                     | -                       | -   |
| Pension reserve                                     | 66,429  | -              | -                | -                          | -                       | 66,429                                    |
|   | <u>778,255</u>  | <u>430,994</u> | <u>(289,627)</u> | <u>-</u>                   | <u>-</u>                | <u>919,622</u>                            |
| <b>General funds</b>                                |   |                |                  |                            |                         |   |
| General Funds                                       | 1,195,934   | 305,733        | (427,077)        | -                          | (191,102)               | 883,488                                   |
|   | <u>1,195,934</u>  | <u>305,733</u> | <u>(427,077)</u> | <u>-</u>                   | <u>(191,102)</u>        | <u>883,488</u>                            |
| <b>Total Unrestricted funds</b>                     | <u>1,974,189</u>  | <u>736,727</u> | <u>(716,704)</u> | <u>-</u>                   | <u>(191,102)</u>        | <u>1,803,110</u>                          |
| <b>Restricted funds</b>                             |   |                |                  |                            |                         |   |
| Atch Lench Baptist Trust                            | 28,443  | -              | -                | -                          | -                       | 28,443                                    |
| Heart of England Loan<br>Fund                       | 850,863   | -              | -                | -                          | -                       | 850,863                                   |
| Helen Youth Fund                                    | 1,581   | -              | -                | -                          | -                       | 1,581                                     |
| Retired Ministers &<br>Missionaries Housing<br>Fund | 528,154   | 7,901          | (3,357)          | -                          | -                       | 532,698                                   |
| Westmancote Baptist<br>Trust                        | 12,390  | -              | -                | -                          | -                       | 12,390                                    |
| Benevolent Fund                                     | 1,355   | 540            | (1,057)          | -                          | -                       | 838                                       |
| Flood Fund  | -   | 8,324          | (2,000)          | -                          | -                       | 6,324                                     |
|   | <u>1,422,786</u>  | <u>16,765</u>  | <u>(6,414)</u>   | <u>-</u>                   | <u>-</u>                | <u>1,433,137</u>                          |
| <b>Total of funds</b>                               | <u>3,396,975</u>  | <u>753,492</u> | <u>(723,118)</u> | <u>-</u>                   | <u>(191,102)</u>        | <u>3,236,247</u>                          |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**21. Statement of funds (continued)**

**Statement of funds - prior year**

|  | <i>As restated<br/>Balance at<br/>1 January<br/>2019<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>in/(out)<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>As<br/>restated<br/>Balance at<br/>31<br/>December<br/>2019<br/>£</i> |
|--|--|---------------------|--------------------------|-------------------------------------|----------------------------------|--|
| <b>Designated funds</b>                          |  |                     |                          |                                     |                                  |  |
| Church Resources Fund                            | 48,735   | -                   | (4,001)                  | -                                   | -                                | 44,734   |
| Minister's Resources Fund                        | 88,205   | -                   | -                        | (50,000)                            | -                                | 38,205   |
| Regional Ministry Fund                           | 186,738  | -                   | -                        | -                                   | -                                | 186,738  |
| Mission Development                              | 438,700  | -                   | (136,938)                | 50,000                              | -                                | 351,762  |
| Monkspath Fund                                   | 90,387   | -                   | -                        | -                                   | -                                | 90,387   |
| Mission Grant Funds                              | -  | 149,215             | (180,056)                | 30,841                              | -                                | -  |
| Pension reserve                                  | 66,429   | -                   | -                        | -                                   | -                                | 66,429   |
|  | <u>919,194</u>   | <u>149,215</u>      | <u>(320,995)</u>         | <u>30,841</u>                       | <u>-</u>                         | <u>778,255</u>   |
| <b>General funds</b>                             |  |                     |                          |                                     |                                  |  |
| General Funds                                    | <u>1,100,885</u>   | <u>350,558</u>      | <u>(538,498)</u>         | <u>(30,841)</u>                     | <u>313,830</u>                   | <u>1,195,934</u>   |
| <b>Total Unrestricted funds</b>                  | <u>2,020,079</u>   | <u>499,773</u>      | <u>(859,493)</u>         | <u>-</u>                            | <u>313,830</u>                   | <u>1,974,189</u>   |
| <b>Restricted funds</b>                          |  |                     |                          |                                     |                                  |  |
| Atch Lench Baptist Trust                         | 28,443   | -                   | -                        | -                                   | -                                | 28,443   |
| Heart of England Loan Fund                       | 850,863  | -                   | -                        | -                                   | -                                | 850,863  |
| Helen Youth Fund                                 | 3,581  | -                   | (2,000)                  | -                                   | -                                | 1,581  |
| Retired Ministers &<br>Missionaries Housing Fund | 529,112  | 1,323               | (2,281)                  | -                                   | -                                | 528,154  |
| Westmancote Baptist Trust                        | 12,390   | -                   | -                        | -                                   | -                                | 12,390   |
| Benevolent Fund                                  | -  | 1,355               | -                        | -                                   | -                                | 1,355  |
|  | <u>1,424,389</u>   | <u>2,678</u>        | <u>(4,281)</u>           | <u>-</u>                            | <u>-</u>                         | <u>1,422,786</u>   |
| <b>Total of funds</b>                            | <u>3,444,468</u>   | <u>502,451</u>      | <u>(863,774)</u>         | <u>-</u>                            | <u>313,830</u>                   | <u>3,396,975</u>   |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**22. Analysis of net assets between funds****Analysis of net assets between funds - current period**

|  | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--|--|--|---------------------------------------|
| Tangible fixed assets                  | 1,091,687                                    | 516,603                                    | <b>1,608,290</b>                      |
| Fixed asset investments                | 863,256                                      | 2,082,131                                  | <b>2,945,387</b>                      |
| Current assets                         | -  | 861,971                                    | <b>861,971</b>                        |
| Creditors due within one year          | (48,864)                                     | (2,023,568)                                | <b>(2,072,432)</b>                    |
| Creditors due in more than one year    | -  | (4,000)                                    | <b>(4,000)</b>                        |
| Provisions for liabilities and charges | (102,969)                                    | -  | <b>(102,969)</b>                      |
| <b>Total</b>                           | <b>1,803,110</b>                             | <b>1,433,137</b>                           | <b>3,236,247</b>                      |

**Analysis of net assets between funds - prior period**

|  | <i>As restated<br/>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>As restated<br/>Restricted<br/>funds<br/>2019<br/>£</i> | <i>As restated<br/>Total funds<br/>2019<br/>£</i> |
|--|--|--|---|
| Tangible fixed assets                  | 793,183  | 520,754  | 1,313,937   |
| Fixed asset investments                | 1,391,471  | 1,864,943  | 3,256,414   |
| Current assets                         | -  | 1,209,815  | 1,209,815   |
| Creditors due within one year          | (50,131)   | (2,168,726)  | (2,218,857)                                       |
| Creditors due in more than one year    | -  | (4,000)  | (4,000)   |
| Provisions for liabilities and charges | (160,334)  | -  | (160,334)   |
| <b>Total</b>                           | <b>1,974,189</b>   | <b>1,422,786</b>   | <b>3,396,975</b>                                  |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**23. Reconciliation of net movement in funds to net cash flow from operating activities**

|  | 2020<br>£        | 2019<br>£        |
|--|------------------|------------------|
| Net income for the period (as per Statement of Financial Activities) | (207,801)        | (49,604)         |
| <b>Adjustments for:</b>  |                  |                  |
| Depreciation charges   | 2,444            | 2,332            |
| Gains/(losses) on investments  | 238,175          | (311,719)        |
| Dividends, interests and rents from investments                      | (126,581)        | (48,906)         |
| Decrease in debtors  | 25,612           | 201,666          |
| Decrease in creditors  | (146,425)        | (26,680)         |
| Defined benefit scheme finance cost adjustment                       | 2,724            | 3,971            |
| <b>Net cash provided by/(used in) operating activities</b>           | <b>(211,852)</b> | <b>(328,940)</b> |

**24. Analysis of cash and cash equivalents**

|  | 2020<br>£      | 2019<br>£        |
|--|----------------|------------------|
| Cash in hand                           | 300,276        | 249,254          |
| Notice deposits (less than 3 months)   | 468,438        | 808,235          |
| <b>Total cash and cash equivalents</b> | <b>768,714</b> | <b>1,057,489</b> |

**25. Analysis of changes in net debt**

|                          | At 1<br>January<br>2020<br>£ | Cash flows<br>£  | At 31<br>December<br>2020<br>£ |
|--------------------------|------------------------------|------------------|--------------------------------|
| Cash at bank and in hand | 764,827                      | (412,660)        | 352,167                        |
| Liquid investments       | 292,662                      | 123,885          | 416,547                        |
|                          | <b>1,057,489</b>             | <b>(288,775)</b> | <b>768,714</b>                 |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 26. Pension commitments

The Heart of England Baptist Association is an employer participating in the Baptist Pension Scheme ("the BPS"), and prior to the current and previous year-end was also participating in the Baptist Union Staff Pension Scheme ("the BUSPS"). The BPS is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The BUSPS has now wound up but was also a separate legal entity administered by the Pension Trustee.

From January 2012, the pension provision for the Ministers has been made through the Defined Contribution (DC) Plan within the BPS. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for BPS members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

- In the BPS, 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; and
- In the BUSPS, a pension of one seventieth of a member's average salary over the last three years of pensionable service.

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925, and the BUSPS started in 1969. Both schemes were closed to future accrual of defined benefits on 31 December 2011. The BUSPS completed winding-up on 18 September 2019.

The table below summarises the main results of the most recent actuarial valuations of the BUSPS and the Defined Benefit (DB) Plan in the BPS. These valuations were performed by a professionally qualified Actuary using the Projected Unit Method:

|                                   | <b>BPS DB Plan</b> | <b>BUSPS</b>             |
|-----------------------------------|--------------------|--------------------------|
| Date of valuation                 | 31 December 2019   | 1 January 2017           |
| Date of next valuation            | 31 December 2022   | N/A scheme is in wind-up |
| Market value of scheme assets (A) | £298m              | £10.3m                   |
| Technical provisions (B)          | £316m              | £16.2m                   |
| Deficit [(B) - (A)]               | £18m               | £5.9m                    |
| Funding level [(A) / (B)]         | 94%                | 64%                      |

As a result of the valuations, in addition to the contributions to the DC Plan set out above, the following deficiency contributions were agreed:

For the BPS, the standard rate of deficiency contributions payable remains at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income/Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020. In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31 December 2020. The current Recovery Plan dated 30 September 2020 envisages deficiency contributions continuing until 30 June 2026.



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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**26. Pension commitments (continued)**

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

|   | <b>2020</b>     | <b>2019</b>     |
|---|-----------------|-----------------|
|   | <b>£</b>        | <b>£</b>        |
| Balance sheet liability at year start                             | <b>160,334</b>  | <b>173,922</b>  |
| Minus deficiency contributions paid                               | <b>(13,016)</b> | <b>(16,995)</b> |
| Interest cost (recognised in SoFA)                                | <b>2,724</b>    | <b>3,971</b>    |
| Remaining change to balance sheet liability* (recognised in SoFA) | <b>(47,073)</b> | <b>(564)</b>    |
| Balance sheet liability at year end                               | <b>102,969</b>  | <b>160,334</b>  |

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

For the BUSPS, previously agreed contributions of £759,000 pa (payable from 1 January 2016 and increasing each January in line with RPI inflation) were due until 31 January 2018. Following this, a lump sum payment of £2,734,062 was paid in February 2018 and further contributions were made to ensure the Scheme had sufficient assets to secure the BUSPS benefits in full with an insurer. The total contributions were split between the sponsoring employers in line with their estimated share of the BUSPS's liabilities. These significant contributions were part of a plan to wind up the BUSPS. The Scheme formally triggered wind-up on 31 August 2018, and wind-up was completed in September 2019. As part of this, the benefits for BUSPS members who are also active members of the BPS were increased to offset the fact that their BUSPS benefits will no longer increase in future in line with changes in their salary. An additional contribution was also been made to the DC Plan within the BPS for members who are yet to retire and have a BPS DC fund. In practice the Association paid money to BUGB in 2018 which was intended to cover all of the Association's outstanding commitments to the BUSPS, and a portion of this money (to the extent it was not required to secure the benefits in full and cover outstanding costs) was returned to the Association by BUGB in 2019.

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**26. Pension commitments (continued)**

The key financial assumptions underlying the valuations were as follows:

| Type of assumption                              | <b>BPS<br/>% pa</b> | <b>BUSPS<br/>% pa</b> |
|---|---------------------|-----------------------|
| RPI price inflation assumption                  | 3.20                | 3.45                  |
| CPI price inflation assumption                  | 2.70                | 2.70                  |
| Minimum Pensionable Income Increases (BPS only) | 3.20                | N/A                   |
| Pensionable Salary increase (BUSPS only)        | N/A                 | 3.70                  |
| Assumed investment returns                      |                     |                       |
| - Pre-retirement                                | 2.95                | 3.50                  |
| - Post retirement                               | 1.70                | 2.25                  |
| Deferred pension increases                      |                     |                       |
| - Pre April 2009                                | 3.20                | 3.45                  |
| - Post April 2009                               | 2.50                | 2.50                  |
| Pension increases                               |                     |                       |
| - Pre April 2006                                | 2.70                | 3.25                  |
| - Post April 2006                               | 2.80                | 2.15                  |

As there are numbers of contributing employers participating in both the BPS and the BUSPS, the Charity is unable to identify its share of the underlying assets and liabilities of the schemes. Accordingly, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the Charity in the year were £25,599 (2019: £24,263) for the BPS.

**27. Operating lease commitments**

At 31 December 2020 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|--|-------------------|-------------------|
| Not later than 1 year                        | <b>25,110</b>     | 26,083            |
| Later than 1 year and not later than 5 years | <b>1,113</b>      | 27,041            |
|  | <b>26,223</b>     | 53,124            |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 28. Related party transactions

The charity is a member of the Baptist Union of Great Britain and is in receipt of grants from the Home Mission Fund which is for of the Baptist Union. Grants of £259,480 (2019: £282,538) were received in this respect.

Trustees of the Charity are drawn from the membership of the local Baptist Churches and there are therefore, from time to time, grant awards made to benefit either the individual or the church. There is a formal process in relation to grant applications which helps to ensure that any conflict of interest is mitigated by the exclusion of the conflicted individual in the decision making process.

During the previous year a laptop was sold to Tim Fergusson at its residual value of £67.

The CST Corporate Trustee Limited

The CST Corporate Trustee Limited is a trust corporation constituted as a company limited by guarantee of which HEBA is the sole member and director.

Umberslade Endowment Charity

The Trustees of HEBA are also Trustees of the above named Charity which is registered with the Charity Commission. There are no transactions between the two entities but HEBA oversees the activity of the Charity.

The Cannon Street Baptist Chapel Trust

HEBA is in the process of transferring the trusteeship of the Cannon Street Trust to The CST Corporate Trustee Limited.

The following church buildings, all within Birmingham, except Smethwick, are owned by the Cannon Street Trust. The buildings are occupied by the churches on the equivalent of fully insuring and repairing leases at a peppercorn rent. The 'leases' expire when the churches no longer require the property.

Birmingham Central Baptist Church

Cannon Street Memorial Church

Castle Bromwich Baptist Church and Manse

Church of the Redeemer

City Road Baptist Church

People's Chapel

Small Heath Baptist Church

Smethwick Baptist Church

Stratford Road Baptist Church

#### 29. Controlling party

The Charity is ultimately controlled by the Board of Trustees.

#### 30. Company limited by guarantee

The Charity is a Company limited by guarantee and does not have share capital.

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Appendix 1 – Grants paid during the year**

|                              | Unrestricted | Designated<br>from<br>Mission<br>Grant | Designated | Restricted | 2020 Total | 2019 Total |
|------------------------------|--------------|--|------------|------------|------------|------------|
| <b>Grants to Churches</b>    |              |  |            |            |            |            |
| Alvechurch BC                | -            | -                                      | -          | -          | -          | 1,000      |
| Baddeley Edge                | -            | 8,100                                  | -          | -          | 8,100      | 8,794      |
| Bewdley                      | -            | -                                      | -          | -          | -          | 500        |
| Boymeadow re Flood fund      | -            | -                                      | -          | 1,500      | 1,500      | -          |
| Bromsgrove                   | -            | -                                      | 4,167      | -          | 4,167      | 6,667      |
| Cannon St Memorial BC        | -            | -                                      | -          | -          | -          | 1,000      |
| Chelmsley Wood               | -            | 4,800                                  | -          | -          | 4,800      | 5,863      |
| Cornerstone, Oswestry        | -            | 6,480                                  | -          | -          | 6,480      | 6,332      |
| Darkhouse                    | -            | 6,000                                  | -          | -          | 6,000      | -          |
| Dawley                       | -            | 8,769                                  | -          | -          | 8,769      | 8,567      |
| Delves, Walsall              | -            | 3,000                                  | -          | -          | 3,000      | 5,863      |
| Droitwich Spa                | -            | -                                      | -          | -          | -          | 2,736      |
| Emmaus                       | -            | -                                      | -          | -          | -          | 4,690      |
| Ewyas Harold                 | -            | 6,264                                  | -          | -          | 6,264      | 6,120      |
| Foleshill, Coventry          | -            | -                                      | -          | -          | -          | 4,167      |
| Gateway to Hope              | -            | 6,000                                  | -          | -          | 6,000      | 5,276      |
| George Road Community Church | -            | 7,500                                  | -          | -          | 7,500      | 5,863      |
| Glebe Farm                   | -            | -                                      | 9,583      | -          | 9,583      | 10,802     |
| Green Lane, Walsall          | -            | 12,000                                 | 2,917      | -          | 14,917     | 9,575      |
| Keele University LEP         | -            | 6,000                                  | -          | -          | 6,000      | 4,750      |
| Kings Community Church       | -            | -                                      | 4,000      | -          | 4,000      | 6,000      |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Appendix 1 – Grants paid during the year**

|   | Unrestricted | Designated<br>from<br>Mission<br>Grant | Designated | Restricted | 2020 Total | 2019<br>Total |
|---|--------------|--|------------|------------|------------|---------------|
| Lentons Lane,<br>Coventry                     | -            | -                                      | -          | -          | -          | 5,862         |
| Limbrick Wood,<br>Coventry                    | -            | 10,800                                 | -          | -          | 10,800     | 10,552        |
| Londonderry                                   | -            | 9,000                                  | -          | -          | 9,000      | 10,966        |
| Madeley                                       | -            | 8,400                                  | -          | -          | 8,400      | 8,208         |
| New Hope                                      | -            | -                                      | 3,000      | -          | 3,000      | -             |
| Newport                                       | -            | 9,600                                  | -          | -          | 9,600      | 10,552        |
| Rising Brook re<br>Pioneer Grant              | -            | 17,917                                 | 2,500      | -          | 20,417     | -             |
| Rising Brook re<br>Ministry among the<br>Deaf | -            | 24,000                                 | -          | -          | 24,000     | 32,283        |
| Sandon Road                                   | -            | -                                      | 4,666      | -          | 4,666      | 7,000         |
| Shrewsbury BC                                 | -            | -                                      | -          | -          | -          | 3,000         |
| Six Ways                                      | -            | -                                      | 6,372      | -          | 6,372      | 6,084         |
| Six Ways re Castle<br>Vale Project            | -            | 12,000                                 | -          | -          | 12,000     | 11,725        |
| Smethwick re BCUIM                            | -            | 9,600                                  | -          | -          | 9,600      | 8,983         |
| South Street                                  | -            | 10,200                                 | 2,478      | -          | 12,678     | 26,061        |
| Stafford, The Green                           | -            | -                                      | -          | -          | -          | 4,690         |
| Stoke   | -            | 6,000                                  | 6,900      | -          | 12,900     | 13,863        |
| Upton BC re Flood<br>fund                     | -            | -                                      | -          | 500        | 500        | 4,000         |
| Warley  | -            | -                                      | 5,500      | -          | 5,500      | 9,000         |
| Wade Street                                   | -            | -                                      | -          | -          | -          | -             |

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**THE HEART OF ENGLAND BAPTIST ASSOCIATION****(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Appendix 1 – Grants paid during the year**

1,600

|                                    | Unrestricted | Designated<br>from<br>Mission<br>Grant | Designated | Restricted | 2020 Total | 2019<br>Total |
|------------------------------------|--------------|--|------------|------------|------------|---------------|
| Wednesbury                         | -            | 6,000                                  | -          | -          | 6,000      | 5,863         |
| Wolston                            | -            | 3,000                                  | -          | -          | 3,000      | 3,000         |
| Yardley Wood                       | -            | -                                      | -          | -          | -          | -             |
| Other Grants (below<br>£1,000)     | -            | -                                      | -          | -          | -          | 500           |
| <b>Grants to<br/>Individuals</b>   |              |  |            |            |            |               |
| Helen Youth Fund                   | -            | -                                      | -          | -          | -          | 2,000         |
| Ministers in training              | -            | -                                      | -          | -          | -          | 4,945         |
| Rev'd N.Bennett                    | 500          | -                                      | -          | -          | 500        | -             |
|                                    |              | -                                      | -          |            |            |               |
| <b>Grants to<br/>Organisations</b> |              |  |            |            |            |               |
| Churches Ind Group<br>Bham         | -            | -                                      | 1,000      | -          | 1,000      | 1,000         |
| Faith at Work in<br>Worcs          | -            | -                                      | 4,750      | -          | 4,750      | 6,000         |
| Kidderminster BC                   | -            | -                                      | 500        | -          | 500        | -             |
| Urban Expression                   | -            | -                                      | 7,450      | -          | 7,450      | 11,250        |
| West Mids FE<br>Chaplaincy         | -            | -                                      | 4,555      | -          | 4,555      | 4,555         |
| Workcare                           | -            | -                                      | 7,000      | -          | 7,000      | -             |
| Shropshire Hope                    | -            | -                                      | -          | -          | -          | 250           |
| Telford Christian<br>Council       | -            | -                                      | 8,000      | -          | 8,000      | 2,000         |
| Heart of England<br>Revival        | -            | -                                      | -          | -          | -          | 1,000         |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Appendix 1 – Grants paid during the year

|  |              |                |               |              |                |                |
|--|--------------|----------------|---------------|--------------|----------------|----------------|
| Regents Park<br>College -Sam<br>Sharpe | -            | -              | -             | -            | -              | 2,500          |
| Keele University<br>Manse 21           | -            | -              | -             | -            | -              | 1,300          |
| Ministry among Deaf<br>Exps            | 1,429        | -              | -             | -            | 1,429          | 3,283          |
| HEBA Women<br>Minister's Day           | -            | -              | 440           | -            | 440            | -              |
| <b>Total</b>                           | <b>1,929</b> | <b>201,430</b> | <b>85,778</b> | <b>2,000</b> | <b>291,137</b> | <b>328,440</b> |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Appendix 2

#### Properties Held as Custodian or Holding Trustee on behalf of Others at 31 December 2020.

**CST** = *Cannon Street Trust*

**C** = Conservation area    **L** = Listed

| Name                                 | Details  |
|--------------------------------------|--|
| Acocks Green<br>L                    | Chapel, School Hall<br>Manse                         |
| Alvechurch<br>C                      | Chapel, Schoolrooms, land at rear<br>Manse           |
| Attleborough                         | Church, other properties<br>Manse                    |
| Ashmore Park                         | Chapel, Hall   |
| Austrey<br>L                         | Church Buildings                                     |
| Baddeley Edge                        | Chapel   |
| Baptist Church Centre Handsworth     | Church   |
| Barnt Green                          | Chapel, land at rear<br>Manse                        |
| Bearwood                             | Church and School Hall                               |
| Bedworth                             | Chapel and School Hall<br>Manse                      |
| Bilston                              | Church and halls<br>Manse                            |
| Binley Woods (LEP)                   | Manse  |
| Birmingham Central Baptist Church    | Church   |
| <b>CST</b>                           | Land Adjoining car park                              |
| Bridgnorth<br>L                      | Chapel<br>Offices 7 West Castle Street               |
| Brierley Hill                        | Chapel, Schoolrooms, Burial ground<br>Manse          |
| Bromsgrove                           | Chapel and School Hall<br>Manse                      |
| Butt Lane, Stoke-on-Trent            | Chapel and School Hall                               |
| Cannon Street Memorial<br><b>CST</b> | Church Building<br>House<br>Manse                    |
| Carters Lane                         | Chapel and School hall<br>Manse                      |
| Castle Bromwich<br><b>CST</b>        | Church, Manse  |
| Castle Hill, Warwick<br>C            | Church and additional properties in Warwick<br>Manse |



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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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|   |   |
|---|---|
| Catshill                                    | Chapel and halls, burial ground<br>Manse                                    |
| Cedar Church, Kingstanding                  | Chapel and Hall   |
| Chadsmoor                                   | Chapel, Schoolrooms   |
| Chase                                       | Church  |
| Chelmsley Wood                              | Church Centre<br>Manse  |
| Chester Road,                               | Chapel<br>Manse   |
| Chorley                                     | Chapel<br>Burial Ground   |
| Church of the Redeemer<br><b>CST</b>        | Properties in Monument Road   |
| City Road<br><b>CST</b>                     | Church<br>Manse   |
| Darkhouse                                   | Chapel, School Hall and small burial ground<br>Graveyard, Bell St           |
| Dawley                                      | Church, School Hall and Burial Ground<br>Manse                              |
| Donnington Wood                             | Chapel  |
| Edward Rd                                   | Chapel and Schoolrooms  |
| L   |   |
| Erdington, Six Ways                         | Chapel, School Halls<br>Manse   |
| Ewyas Harold                                | Church<br>Manse and Land adjoining  |
| Far Forest                                  | Church  |
| Fenton                                      | Chapel and School Hall  |
| Fordhouses Wolverhampton                    | Chapel and School Hall<br>Manse   |
| Four Oaks                                   | Chapel and Halls<br>House   |
| George Road Community Church                | Church Site   |
| Grace Community Church,<br>Grenfell         | Church building and land abutting church<br>Chapel, Land adjoining<br>House |
| Hall Green (occupied by<br>Cristchurch LEP) | Chapel, Hall<br>Manse   |
| Hope Stourbridge                            | Chapel, School Hall<br>Manse  |
| Hanley, Stoke-on-Trent                      | Church Centre   |
| Harborne                                    | Church and Halls adjoining plus other properties<br>Manse                   |
| Hearsall                                    | Manse   |
| Heart of England Revival Church             | Church  |
| Kenilworth                                  |   |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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|                          |   |
|--------------------------|---|
| Highgate                 | Chapel and Hall   |
| Hockley Heath            | Church Hall,<br>Land Adjoining  |
| Kings Community Church   | Church and Schoolroom   |
| Kings Norton             | Chapel and School Hall and land adjoining<br>Manse  |
| Ledbury                  | Church  |
| L                        | Manse and additional house  |
| Lentons Lane, Coventry   | Church and School Hall plus additional land<br>Manse  |
| Limbrick Wood            | Church, Hall<br>Manse   |
| Londonderry              | Church and hall   |
| Longbridge               | Chapel and Hall<br>Manse  |
| Longford                 | Salem:<br>School Halls (Chapel sold) Leased expiring 2030<br>Union Place:<br>Church, hall and burial ground |
| Ludlow                   | Church Centre   |
| Netherton, Ebenezer      | Chapel and Schoolroom   |
| Lodge Farm, Netherton    | Church Hall   |
| Messiah, Netherton       | Burial Ground   |
| New Christ Church, Aston | Chapel<br>Manse   |
| Newbridge                | Chapel, School Hall<br>Manse  |
| Newcastle-under-Lyme     | Church  |
| New Life,<br>Kings Heath | Church<br>Manse and 2 houses  |
| Newport                  | Church Building and site  |
| Northfield               | Church and halls<br>Other land on site  |
| Olton                    | Offices 85 Warwick Road   |
| Oswestry                 | Church Building   |
| C                        |   |
| Overslade                | Church Hall   |
| Peoples Chapel           | Church  |
| <b>CST</b>               | Manse   |
| Perry Beeches            | Chapel  |
| Providence               | Chapel, and burial ground<br>Manse  |
| Polesworth               | Church, School Hall and burial ground   |
| Pontesbury               | Chapel and Burial Ground<br>Manse   |

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## THE HEART OF ENGLAND BAPTIST ASSOCIATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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|                                 |            |  |
|---------------------------------|------------|--|
| Rugby                           |            | Chapel and School Halls                            |
| L                               |            |  |
| St Peter's Worcester            |            | Church   |
|                                 |            | Manse,   |
| Saltley                         |            | Chapel   |
|                                 |            | Manse  |
| Sandon Road, Stafford           |            | Chapel and School Hall                             |
|                                 |            | 2 Houses   |
| Selly Park                      |            | Chapel and School Hall                             |
|                                 |            | Manse  |
| Shrewsbury                      |            | Claremont site: Chapel                             |
| C                               |            | Crowmoor site:                                     |
| Small Heath                     |            | Church and halls                                   |
| <b>CST</b>                      |            |  |
| Smethwick                       | <b>CST</b> | Church   |
| Stechford                       |            | Chapel   |
|                                 |            | Manse  |
| Stoke Baptist Church            |            | Church   |
|                                 |            | Manse  |
| Stratford Road                  | <b>CST</b> | Church   |
| Tabernacle Wolverhampton        |            | Chapel and School halls, car park                  |
|                                 |            | Manse  |
| Tamworth                        |            | Chapel   |
| Walsall, The Delves             |            | Site, Chapel, Church Hall                          |
|                                 |            | Manse  |
| Walsgrave                       |            | Chapel and School Hall                             |
|                                 |            | Manse  |
| Warley                          |            | Chapel and School Halls and land adjoining         |
|                                 |            | Manse  |
| Wednesbury                      |            | Chapel,  |
|                                 |            | Manse  |
| West Bromwich                   |            | Chapel, Manse                                      |
| Westmancote Baptist Trust       |            | CC Order 2004. Co-Trustees with Official Custodian |
| Wolston                         |            | Chapel, Burial Ground                              |
| C                               |            |  |
| Word of Spirit and Life Church, |            | Church   |
| Yardley                         |            | School Hall  |
|                                 |            | Manse  |
| Yardley Wood                    |            | Chapel and extensions                              |
|                                 |            | Manse  |