



ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

The Heart of England Baptist Association
Registered Charity Number: 1080529 Registered Company Number: 00238738
Registered Office: 480 Chester Road, Sutton Coldfield, B73 5BP

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

CONTENTS

	Page
Report of the Trustees	1 – 8
Independent Auditors Report	9 – 12
Statement of Financial Activities	13
Balance Sheet	14 – 15
Statement of Cash Flow	16
Notes to the Financial Statements	17 – 44
Appendix 1 – Grants paid	45
Appendix 2 – Properties held as custodian or holding Trustee	46 - 49

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023, 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 (FRS102).'

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, the principle value being Companionship. 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 is part of the family of Baptist organisations serving the needs of many of the Baptist churches in Great Britain, working particularly closely with the Baptist Union of Great Britain (BUGB). 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) and Directors of the CST Corporate Trustee Limited (11454313). They are joint Trustee with two others of Selly Park Baptist Church Manse (516796).

The charitable company aims to:

- Co-operate with churches directly and through working groups by providing information and support and by passing appropriate resolutions to enable building development projects, 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 Baptist 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 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 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.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

- 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 professional, including 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.

During the year, Revd Duncan MacLean retired from the role of Moderator of the Association and Board of Trustees, and Mrs Judith Miller was elected by the Trustees to replace him. Two churches closed during the year: Kinsham, a small chapel in fellowship but not membership of HEBA, and Croxton Independent Methodist Church in Staffordshire – another small cause which came into membership when the Independent Methodists joined BUGB.

The Trustees reviewed and updated their Recruitment and Equality, Diversity and Inclusion Policy documents during the year. One Serious Incident Report was made to the Charity Commission, relating to events at a church which might have resulted in reputational damage to the Association.

Following the work of their Budget Review Group during 2023, the Trustees established an Association Review Task & Finish Group to consider and consult on the future of the Association. This Group undertook a Consultation amongst member churches and is working on the responses. The Group reports directly to the Trustees.

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:

- 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; and
- encouraging churches - through the annual Ministers' Conference, theological reflection days, interaction with Regional Ministers and other staff - to engage effectively and serve God and their local communities.

Achievements and Performance

The Trustees have sought to support their staff as they use and continue to equip the Association Office. Members of the staff teamwork from the office each Wednesday and other times as appropriate, and use of the office for meetings of groups of volunteers as well as appropriate outside groups has been encouraged and is increasing.

The Trustees support three Regional Ministers (RMs) in their work through the provision of assistance in housing, in training and in permitting them to take sabbatical leave. They also encourage them through prayer and receive appropriate reports as they engage with church leadership teams, congregations and ministers, including helping with the movement of ministers and pastors and offering mediation and comfort to members and ministers. Each of the Regional Ministers are members of National Baptist Groups and they, along with other staff and volunteers, attended gatherings in person and on-line during the year. This year the Regional Minister Team Leader took sabbatical leave and the Association Administrator was granted sabbatical leave of one month in recognition of her long service to the Association.

The Trustees also continued to support online and in person training, meetings and conferences during the year, including a Ministers' Conference where the speaker was the General Secretary of the Baptist Union of Great Britain. The staff joined with the staff of the East Midland Baptist Association for a retreat during Easter Week. The Regional Ministers facilitated equality and diversity training for accredited ministers on behalf of BUGB, supported an Eco-

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

church day hosted by Fernhill Heath Baptist Church and staff also supported the Women's Conference and regular meetings for theological reflection. They particularly encouraged the Women's Justice Task Group during the year. The Baptist Assembly was held in Telford and HEBA churches and staff gave significant help to this successful event.

The charitable company, through its Regional Ministers, continued to support ecumenical work across the whole area of the Association, for example, all RMs serve on ecumenical bodies in the region during the year. The Trustees ecumenical and Baptist partners continue to collaborate in supporting the ministry of Revd Susan Myatt, Baptist Minister Amongst the Deaf, financially and through prayer.

During the year, the Ministerial Recognition Group commended three people for training to become 'fully accredited Baptist ministers' and two people to train as 'nationally recognised pastors'. Three 'newly accredited ministers' were interviewed and commended to the Baptist Union for transfer to the 'fully accredited ministry' list.

Twelve ministers settled into new ministries in HEBA during 2023, three moved to ministries outside of HEBA and three ministers retired. Two 'retired ministers' lunches' were held. These were organised for HEBA by Rev Darren Smith, and attended by over 30 thirty people.

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. During 2023, the charitable company provided safeguarding training for 1003 individuals from 70 churches/organisations at 40 Level 2 training events and 20 Level 3 training events. Revd Duncan MacLean served as Trustee for Safeguarding and Mr Keith Baldwin continued to serve as Safeguarding Officer and also delivered training. The Trustees are grateful to all the volunteer trainers who provide excellent training to the churches of the Association.

The charitable company, through its Grants Group, provided grants to 17 churches and projects, 5 grants to individuals and 8 grants to organisations (see appendix 1). Having considered the budgetary constraints of the Association and the need to contract the grant funds available to churches, the new system of grant application and allocation was instigated during this year.

The work of the Grants Group is directly overseen by the Finance Group, which ensured that all funds were being held and spent appropriately. They reviewed budgets at each meeting and oversaw the work of the Budget Review Group during the year. This work encouraged the Trustees to start a full review of the priorities and structure of the charitable company, including a consultation with ministers and churches. The Group was pleased to welcome a new Treasurer, Mrs Mercy Otieno, who was affirmed as a Trustee in 2023 and chairs the Finance Group.

The charitable company's book-keeping service to member churches continued, and at the end of the year was undertaking book-keeping for two churches. The Payroll Service offered to churches and projects also continued, and at the end of the year, payroll services were being undertaken for 58 churches/projects (83 individuals).

The charitable company, through its Trust Working Group (TWG), gave consideration and practical assistance to over 30 churches involved in building purchase, disposal and development; changing their legal structure and amending their structure. It continued to offer support to churches with dilapidated burial grounds, and undertook substantial work at one 'orphan' burial ground to prevent . The creation of electronic trust digests was not completed until early in 2024, and the TWG was grateful to the Trustee who has worked diligently on this project. They are also grateful to solicitors from Shakespeare Martineau who attend each meeting of the Group.

During the year, the following of the previous year's targets were started/completed

- undertaking a review to establish the resonance of the strategic priorities, values etc with the member churches – to be completed during 2024;
- Complete review of Terms of Reference of Working Group – to be completed during 2024;
- Focus on our core value of Companionship – an ongoing aim;
- Continue working towards reducing the large budget deficit – an ongoing aim;
- Board recruitment – an ongoing aim; and
- Further develop the Justice Hub, launch women's year of justice, develop young people's involvement – an ongoing aim.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

Risk Review

The charitable company continued to review its Risk Management Matrix at least three times a year. The full migration of IT services to the cloud enabled staff to work effectively from home and also reduced the risk posed by having all back up recording on hardware.

Significant risks identified during the year were:

- Destruction of equipment, data breaches etc;
- Staff working alone in office or other venues;
- Reduced income;
- Costs vastly exceeding income;
- Funds placed by churches withdrawn simultaneously;
- Failure of financial management;
- Not being able to appoint to essential roles;
- Key staff suddenly unavailable;
- Safeguarding incident leading to reputational damage; and
- Failure to comply with DP/GDPR legislation.

Financial Review

During 2023 the overall funds of the Association increased by £35,000 to £2,741,317 (£2,706,317 in 2022).

General fund income was £416,488. Expenditure totalled £481,058 resulting in a loss of £64,570. Net gains on investment assets totalled £109,310 reflecting improved performance in the financial markets during the year. The General Fund at the year-end was £608,652 which also reflects a gain on the sale of the freehold property at Endeavour Place, Stourport of £90,000.

The Net Movement on Designated Funds was £12,295 excess of expenditure over income. 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 £733,534.

Other income and expenditure in the Restricted Funds primarily relate to income and expenditure for the Retired Ministers and Missionaries Housing Fund, the Atch Lench Baptist Trust expenditure for mission, and the Helen Youth Fund. The Atch Lench Baptist Trust Fund and the Helen Youth Fund have now been totally utilised and are subsequently closed. There have been no loans from the Heart of England Loan Fund. A decision was taken by the Trustees to re-open the fund for use in 2024. The net movement across the restricted funds was a slight increase of £2,555. At the year end the balances across the restricted funds was £1,399,131.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1200 employers. See Note 26 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.

During the year, the portfolio return (total return basis) was 7.77%, against the portfolio benchmark return of 9.59%. 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.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

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 (£0.147m), 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 £0.613m are required. Excluding fixed assets and restricted funds the Association's free reserves improved from a negative £0.216m in 2022 to a positive £0.025m in 2023. This was as a result of the sales of a property in the year and an improved investment performance. This positive movement is an encouragement and although still below our required level of reserves, it is in line with the Trustees' intentional strategy to utilise the reserves on a managed basis whilst ensuring capacity to generate sufficient funds in the future. During the year, other extenuating events outside of the Association's control, including significant reduction in income and inflationary cost increases, continued to impact on the Association's finances. The Trustees continue to seek to redress reserves to acceptable levels through the sales of properties, undertaking a review of the future costs and structure of the Association, cash levels and improved investment performance.

Plans for future periods

During 2023, 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:

- The Association Review: continue to consult within the constituency, draw together the responses and reflect on the results with a view to making appropriate changes;
- Complete the review of Terms of Reference of Working Groups;
- Update Health & Safety documentation and procedures for the new office;
- Review Data Protection documentation;
- Continue working towards reducing the large budget deficit;
- Engage in further Board recruitment;
- Further develop the Justice Hub, developing young people's involvement; and
- Update and implement communication strategy.

Structure, Governance, Management

The charitable company is governed by its Articles of Association and Rules of 20 April 2022.

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 six meetings during 2023.

The Trustees use their Skills Audit in the process of recruiting new members of the board out of member churches. Churches and individuals can nominate prospective Trustees, who 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,

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

after this, they still wish to serve, the churches of the Association are invited to affirm the nominees by email or letter to the Administrator/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.

Trustees at 31 December 2023

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

The Revd Duncan MacLean (to 22 April 2023)	Moderator (resigned as Trustee 12 March 2024)
Mrs Judith Miller (from 22 April 2023)	Moderator
Mrs Mercy Mbajah (Appointed 20 January 2023)	Treasurer
The Revd Adrian Argile	Regional Minister – Team Leader
The Revd Glenford Gordon	Affirmed by the members of the charitable company (resigned 13 January 2024)
Mrs Joanne Green	Affirmed by the members of the charitable company
Revd Terry Lockyer	Affirmed by the members of the charitable company
Revd Antony Maude	Affirmed by the members of the charitable company
The Revd Dr Edward Pillar	Affirmed by the members of the charitable company
The Revd Amy Wearing	Affirmed by the members of the charitable company

Association Information

Registered Charity Number	1080529
Registered Company Number	00238738
Registered Office	480 Chester Road, Sutton Coldfield, West Midlands, B73 5BP
Other Office Holders	
Company Secretary/Administrator	Miss Karen Martindale
Regional Ministers serving the Association during 2023	The Revd Adrian Argile The Revd David Ellis The Revd Neil Le Tissier
Legal Advisors	Shakespeare Martineau Waterfront House, Waterfront Plaza, Nottingham, NG2 3DQ
Auditor	MHA Moorgate House, 201 Silbury Boulevard, Milton Keynes, MK9 1LZ
Bankers	HSBC Bank plc, 186 Broadway, Didcot, OX11 8RP
Stockbrokers/Investment Advisors	Redmayne-Bentley LLP, 9 Bond Court, Leeds, LS1 2JZ

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

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 the charitable company.

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) and Directors of the CST Corporate Trustee Limited (11454313). The Trustees are joint Trustee with two individuals of Selly Park Baptist Church Manse (516796).

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.

Persons of Significant Control (PSC) Register

The charitable company has established a Register and there is currently no PSC recorded thereon.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

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; and
- 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

A resolution to reappoint MHA as independent auditor was approved at the Annual General Meeting.

This report was approved by the Board on 23 May 2024.

Signed



Mrs Judith Miller
Moderator of the Association

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

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

Opinion

We have audited the financial statements of The Heart of England Baptist Association (the 'Charitable Company') for the year ended 31 December 2023 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 2023 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.

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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; and
- 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:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; and
- 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.

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

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

Responsibilities of Trustees

As explained more fully in the Trustee's Responsibilities Statement, page 8 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 an understanding of the legal and regulatory frameworks that the Charity 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 amongst the engagement team regarding how and where fraud might occur in the Charity 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 or bias.

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. This description forms part of our Auditors' Report.

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

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

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.



Elizabeth Newell BA (Hons) FCA (Senior Statutory Auditor)

for and on behalf of

MHA

Chartered Accountants
Statutory Auditors

Milton Keynes, United Kingdom

Date: 29 May 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	314,386	-	314,386	231,962
Charitable activities	5	57,774	-	57,774	41,726
Investments	6	165,123	9,185	174,308	122,433
Other income	7	12,863	-	12,863	45,010
Total income		550,146	9,185	559,331	441,131
Expenditure on:					
Raising funds	8,9	126,619	-	126,619	55,776
Charitable activities	10	476,657	30,365	507,022	576,608
Total expenditure		603,276	30,365	633,641	632,384
Net gains/(losses) on investments	16	109,310	-	109,310	(368,377)
Net income/(expenditure)		56,180	(21,180)	35,000	(559,630)
Transfers between funds	21	(23,735)	23,735	-	-
Net movement in funds before other recognised gains/(losses)		32,445	2,555	35,000	(559,630)
Other recognised gains:					
Other gains	26	-	-	-	72,660
Net movement in funds		32,445	2,555	35,000	(486,970)
Reconciliation of funds:					
Total funds brought forward		1,309,741	1,396,576	2,706,317	3,193,287
Net movement in funds		32,445	2,555	35,000	(486,970)
Total funds carried forward		1,342,186	1,399,131	2,741,317	2,706,317

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

The notes on pages 17 to 44 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	1,316,374	1,526,483
Investments	16	2,931,484	2,720,475
		<u>4,247,858</u>	<u>4,246,958</u>
Current assets			
Debtors	17	150,856	144,907
Investments	18	910,343	80,315
Cash at bank and in hand	24	801,502	492,809
		<u>1,862,701</u>	<u>718,031</u>
Creditors: amounts falling due within one year	19	(3,369,242)	(2,254,672)
Net current liabilities		<u>(1,506,541)</u>	<u>(1,536,641)</u>
Total assets less current liabilities		<u>2,741,317</u>	<u>2,710,317</u>
Creditors: amounts falling due after more than one year	20	-	(4,000)
Total net assets		<u><u>2,741,317</u></u>	<u><u>2,706,317</u></u>
Charity funds			
Restricted funds	21	1,399,131	1,396,576
Unrestricted funds	21	1,342,186	1,309,741
Total funds		<u><u>2,741,317</u></u>	<u><u>2,706,317</u></u>


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

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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:


.....
Mrs Judith Miller
Trustee and Moderator of the Association

Date: 23rd May 2024

The notes on pages 17 to 44 form part of these financial statements.

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities (note 23)	772,447	(190,270)
Cash flows from investing activities		
Dividends, interests and rents from investments	174,308	122,433
Proceeds from the sale of tangible fixed assets	300,000	-
Purchase of tangible fixed assets	(6,335)	(393,145)
Proceeds from sale of investments	111,082	111,145
Purchase of investments	-	(185,382)
Net cash provided by/(used in) investing activities	579,055	(344,949)
Cash flows from financing activities		
Deficiency payments against pension liability	-	(10,468)
Net cash used in financing activities	-	(10,468)
Change in cash and cash equivalents in the year	1,351,502	(545,687)
Cash and cash equivalents at the beginning of the year	600,794	1,146,481
Cash and cash equivalents at the end of the year	1,952,296	600,794

The notes on pages 17 to 44 form part of these financial statements

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Heart of England Baptist Association is a private Company (limited by guarantee) incorporated in England and Wales, registration number 00238738, and is also a registered Charity in England and Wales, registration number 1080529. The registered office is 480 Chester Road, Sutton Coldfield, Birmingham, B73 5BP.

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 6. 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.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered budgets, cash flows and the impact of subsequent event. The Trustees are satisfied that the Charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.5 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

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 Charity 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.

No value is attributed to burial grounds owned by the Company as the original cost is not known and due to the nature of the asset it is not considered possible to determine a fair value.

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	-	10% Straight-line
Computer equipment	-	33% Straight-line

* The depreciation charge for freehold property is £nil due to the residual value of the properties being assessed at a value at least equal to cost.

No depreciation is charged on the freehold land.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

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 net of any trade discounts due.

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

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

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

2.13 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

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.

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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Critical accounting estimates and areas of judgement (continued)

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 funds 2023 £	Total funds 2023 £
Donations	62,202	62,202
Home Mission Fund Grant	118,526	118,526
Home Mission Grant for mission	133,658	133,658
	<hr/> 314,386 <hr/>	<hr/> 314,386 <hr/>
	 Unrestricted funds 2022 £	 Total funds 2022 £
Donations	5,343	5,343
Home Mission Fund Grant	106,511	106,511
Home Mission Grant for mission	120,108	120,108
	<hr/> 231,962 <hr/>	<hr/> 231,962 <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Minister's Conference	13,934	13,934
Other activities	43,840	43,840
Total 2023	<u>57,774</u>	<u>57,774</u>
	Unrestricted funds 2022 £	Total funds 2022 £
Minister's Conference	12,022	12,022
Other activities	29,704	29,704
Total 2022	<u>41,726</u>	<u>41,726</u>

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Retired Minister Housing Income	-	8,865	8,865
Dividends and bond interest	165,123	-	165,123
Interest on loans	-	320	320
Total 2023	<u>165,123</u>	<u>9,185</u>	<u>174,308</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Investment income (continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Retired Minister Housing Income	1,610	5,108	6,718
Dividends and bond interest	115,395	-	115,395
Interest on loans	-	320	320
Total 2022	117,005	5,428	122,433

7. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £
Payroll service	11,361	11,361
Other activities	1,502	1,502
Total 2023	12,863	12,863

	Unrestricted funds 2022 £	Total funds 2022 £
Payroll service	12,986	12,986
Other activities	32,024	32,024
Total 2022	45,010	45,010

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £
Payroll scheme expenses	10,026	10,026
Interest on funds held for churches	99,804	99,804
Total 2023	<u>109,830</u>	<u>109,830</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Payroll scheme expenses	9,379	9,379
Interest on funds held for churches	31,516	31,516
Total 2022	<u>40,895</u>	<u>40,895</u>

9. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £
Investment management fees	16,789	16,789

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. Investment management costs (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Investment management fees	14,881	14,881

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Regional Ministry Team	164,485	-	164,485
Grants	139,015	12,517	151,532
Subscriptions	6,440	-	6,440
Minister's Conference	14,498	-	14,498
Association Activities	152,219	17,848	170,067
Total 2023	476,657	30,365	507,022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Regional Ministry Team	157,190	-	157,190
Grants	140,369	15,321	155,690
Subscriptions	4,536	-	4,536
Minister's Conference	13,604	-	13,604
Association Activities	237,628	7,960	245,588
Total 2022	553,327	23,281	576,608

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Regional Ministry Team	164,485	-	-	164,485
Grants	-	151,532	-	151,532
Subscriptions	6,440	-	-	6,440
Minister's Conference	14,498	-	-	14,498
Association Activities	17,848	-	152,219	170,067
Total 2023	203,271	151,532	152,219	507,022

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Regional Ministry Team	157,190	-	-	157,190
Grants	-	155,690	-	155,690
Subscriptions	4,536	-	-	4,536
Minister's Conference	13,604	-	-	13,604
Association Activities	7,960	-	237,628	245,588
Total 2022	183,290	155,690	237,628	576,608

A detailed analysis of grants paid during the year is included at Appendix 1.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Regional Ministry Team 2023 £	Subscriptions 2023 £	Minister's Conference 2023 £	Association Activities 2023 £	Total funds 2023 £
Staff costs	128,648	-	-	-	128,648
Minister's conference	-	-	14,498	-	14,498
Regional Ministry Team	35,837	-	-	-	35,837
Subscriptions	-	6,440	-	-	6,440
Association activities	-	-	-	17,848	17,848
Total 2023	164,485	6,440	14,498	17,848	203,271
	Regional Ministry Team 2022 £	Subscriptions 2022 £	Minister's Conference 2022 £	Association Activities 2022 £	Total funds 2022 £
Staff costs	125,122	-	-	-	125,122
Minister's conference	-	-	13,604	-	13,604
Regional Ministry Team	30,540	-	-	-	30,540
Subscriptions	-	4,536	-	-	4,536
Association activities	-	-	-	7,960	7,960
Finance cost (pension deficit)	1,528	-	-	-	1,528
Total 2022	157,190	4,536	13,604	7,960	183,290

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	122,670	119,770
Depreciation	6,444	5,945
Payroll scheme expenses	1,552	1,387
Premises costs and administration	17,746	19,588
Other staff costs including training	17,086	11,410
Property	657	15,619
Working groups	1,371	2,976
IT	9,725	12,908
Board expenses	675	1,331
Legal and professional	15,062	(7,867)
Other	29,431	36,561
Audit and accountancy fees	19,800	18,000
Profit on disposal of fixed asset held for sale	(90,000)	-
	152,219	237,628

12. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £16,500 (2022: £15,000), and non audit services of £3,300 (2022: £3,000).

13. Staff costs

	2023 £	2022 £
Wages and salaries	212,372	207,727
Social security costs	15,031	13,522
Pension costs (note 26)	23,915	23,643
	251,318	244,892

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

13. Staff costs (continued)

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

2023	2022
No.	No.
8	8
<u><u>8</u></u>	<u><u>8</u></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 £45,038 (2022: £42,268) and expenses were £3,395 (2022: £1,501).

Key Management Personnel of the Charity are considered to be the Trustees. No other Trustee received any remuneration.

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022: Nil), except as disclosed above.

During the year ended 31 December 2023, expenses totalling £675 were reimbursed or paid directly to 5 Trustees (2022: £1,331 to 4 Trustees).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2023	1,511,733	19,061	16,798	1,547,592
Additions	-	4,857	1,478	6,335
Disposals	(210,000)	-	-	(210,000)
At 31 December 2023	1,301,733	23,918	18,276	1,343,927
Depreciation				
At 1 January 2023	-	10,985	10,124	21,109
Charge for the year	-	2,267	4,177	6,444
At 31 December 2023	-	13,252	14,301	27,553
Net book value				
At 31 December 2023	1,301,733	10,666	3,975	1,316,374
At 31 December 2022	1,511,733	8,076	6,674	1,526,483

16. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 January 2023	2,692,805	27,670	2,720,475
Additions	-	212,781	212,781
Disposals	(111,082)	-	(111,082)
Revaluations	109,310	-	109,310
At 31 December 2023	2,691,033	240,451	2,931,484

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. Fixed asset investments (continued)

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.

17. Debtors

	2023	2022
	£	£
Trade debtors	8,265	10,195
Other debtors	122,599	130,347
Prepayments and accrued income	19,992	4,365
	150,856	144,907

Included within other debtors are loans to churches of £122,599 (2022: £130,347) which are generally expected to be received after one year.

18. Current asset investments

	2023	2022
	£	£
Deposits held on behalf of churches	910,343	80,315

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,119	7,975
Other taxation and social security	9,686	6,476
Other creditors	3,354,606	2,183,951
Accruals and deferred income	3,831	56,270
	3,369,242	2,254,672

Included within other creditors is an amount of £3,350,606 (2022: £2,183,951) held on behalf of certain churches and the Cannon Street Trust. The churches are required to give due notice before withdrawal of these amounts.

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

	2023	2022
	£	£
Other creditors	-	4,000

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 Clee View, Bridgnorth.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 December 2023 £
Designated funds						
Church Resources Fund	41,634	-	-	-	-	41,634
Minister's Resources Fund	34,643	-	(1,588)	-	-	33,055
Regional Ministry Fund	186,543	-	-	-	-	186,543
Mission Development	346,793	-	(60,778)	50,071	-	336,086
Monkspath Fund	90,387	-	-	-	-	90,387
Mission Grant Funds	-	133,658	(74,399)	(59,259)	-	-
Pension reserve	45,829	-	-	-	-	45,829
	<u>745,829</u>	<u>133,658</u>	<u>(136,765)</u>	<u>(9,188)</u>	<u>-</u>	<u>733,534</u>
General funds						
General Funds	<u>563,912</u>	<u>416,488</u>	<u>(466,511)</u>	<u>(14,547)</u>	<u>109,310</u>	<u>608,652</u>
Total Unrestricted funds	<u>1,309,741</u>	<u>550,146</u>	<u>(603,276)</u>	<u>(23,735)</u>	<u>109,310</u>	<u>1,342,186</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 December 2023 £
Restricted funds						
Atch Lench Baptist Trust	1,748	-	(10,936)	9,188	-	-
Heart of England Loan Fund	850,863	-	-	-	-	850,863
Helen Youth Fund	1,581	-	(1,581)	-	-	-
Retired Ministers & Missionaries Housing Fund	523,451	8,865	(2,762)	-	-	529,554
Westmancote Baptist Trust	12,390	-	-	-	-	12,390
Benevolent Fund	219	320	(15,086)	14,547	-	-
Flood Fund	6,324	-	-	-	-	6,324
	<u>1,396,576</u>	<u>9,185</u>	<u>(30,365)</u>	<u>23,735</u>	<u>-</u>	<u>1,399,131</u>
Total of funds	<u><u>2,706,317</u></u>	<u><u>559,331</u></u>	<u><u>(633,641)</u></u>	<u><u>-</u></u>	<u><u>109,310</u></u>	<u><u>2,741,317</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 December 2022 £
Designated funds						
Church Resources Fund	41,934	-	(300)	-	-	41,634
Minister's Resources Fund	36,955	-	(2,312)	-	-	34,643
Regional Ministry Fund	186,543	-	-	-	-	186,543
Mission Development	364,017	-	(55,921)	38,697	-	346,793
Monkspath Fund	90,387	-	-	-	-	90,387
Mission Grant Funds	-	120,108	(81,411)	(38,697)	-	-
Pension reserve	45,829	-	-	-	-	45,829
	<u>765,665</u>	<u>120,108</u>	<u>(139,944)</u>	<u>-</u>	<u>-</u>	<u>745,829</u>
General funds						
General Funds	<u>1,013,193</u>	<u>315,595</u>	<u>(469,159)</u>	<u>-</u>	<u>(295,717)</u>	<u>563,912</u>
Total Unrestricted funds	<u>1,778,858</u>	<u>435,703</u>	<u>(609,103)</u>	<u>-</u>	<u>(295,717)</u>	<u>1,309,741</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 December 2022 £
Restricted funds						
Atch Lench Baptist Trust	17,069	-	(15,321)	-	-	1,748
Heart of England Loan Fund	850,863	-	-	-	-	850,863
Helen Youth Fund	1,581	-	-	-	-	1,581
Retired Ministers & Missionaries Housing Fund	525,474	5,108	(7,131)	-	-	523,451
Westmancote Baptist Trust	12,390	-	-	-	-	12,390
Benevolent Fund	728	320	(829)	-	-	219
Flood Fund	6,324	-	-	-	-	6,324
	<u>1,414,429</u>	<u>5,428</u>	<u>(23,281)</u>	<u>-</u>	<u>-</u>	<u>1,396,576</u>
Total of funds	<u>3,193,287</u>	<u>441,131</u>	<u>(632,384)</u>	<u>-</u>	<u>(295,717)</u>	<u>2,706,317</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,316,374	-	1,316,374
Fixed asset investments	2,931,484	-	2,931,484
Current assets	(2,891,036)	4,753,737	1,862,701
Creditors due within one year	(14,636)	(3,354,606)	(3,369,242)
Total 2023	1,342,186	1,399,131	2,741,317

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,526,483	-	1,526,483
Fixed asset investments	2,720,475	-	2,720,475
Current assets	(2,866,496)	3,584,527	718,031
Creditors due within one year	(70,721)	(2,183,951)	(2,254,672)
Creditors due in more than one year	-	(4,000)	(4,000)
Total 2022	1,309,741	1,396,576	2,706,317

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	35,000	(559,630)
Adjustments for:		
Depreciation charges (note 15)	6,444	5,945
(Gains)/losses on investments (note 16)	(109,310)	368,377
Dividends, interests and rents from investments (note 6)	(174,308)	(122,433)
Profit on the sale of fixed assets (note 11)	(90,000)	-
Decrease in debtors (note 17)	3,535	27,412
Increase in creditors (note 19)	1,101,086	88,531
Defined benefit scheme finance cost adjustment (note 26)	-	1,528
Net cash provided by/(used in) operating activities	772,447	(190,270)

24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	801,502	492,809
Notice deposits (less than 3 months)	1,150,794	107,985
Total cash and cash equivalents	1,952,296	600,794

25. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	492,809	308,693	801,502
Liquid investments	107,985	1,042,809	1,150,794
	600,794	1,351,502	1,952,296

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

26. Pension commitments

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

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

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

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

The Regional Ministers and members of the Association staff team are eligible to join the Scheme.

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:

	BPS DB Plan	BUSPS
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%

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

26. Pension commitments (continued)

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

	2023 £	2022 £
Balance Sheet liability at the start of the year	-	81,600
Minus deficiency contributions paid	-	(10,468)
Interest cost (recognised in SoFA)	-	1,528
Remaining charge to Balance Sheet liability* (recognised in SoFA)	-	(72,660)
	<u>-</u>	<u>-</u>

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

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. Following the 2019 valuation a Recovery Plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

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

The Baptist Pension Scheme, pension authorities and actuaries met in December 2023 and confirmed a statement of contributions has been agreed and there is no deficit in the plan.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The key financial assumptions underlying the valuations were as follows:

Type of assumption	BPS % pa	BUSPS % pa
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	2.70	2.15

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

The next actuarial valuation of the DB Plan within the Scheme will commence in 2023 to reflect the position as at 31 December 2022.

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 SoFA charge for the year represents the employer contributions payable. The total pension cost for the Charity in the year were £23,915 (2022: £23,643) for the BPS.

27. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	1,656	414
Later than 1 year and not later than 5 years	1,242	4,554
	<u>2,898</u>	<u>4,968</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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 part of the Baptist Union. Grants of £242,700 (2022: £226,619) 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.

The CST Corporate Trustee Limited

The CST Corporate Trustee Limited is a trust corporation constituted as a Company limited by guarantee of which The Heart of England Baptist Association is the sole member and director.

Included within other creditors is an amount of £1,352,670 (2022: £464,424) held on behalf of the Cannon Street Trust.

The Cannon Street Baptist Chapel Trust

The following church buildings, all within Birmingham, except Smethwick, are held on the CST (1877) according to the terms of that 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 and Manse
Small Heath Baptist Church
Smethwick Baptist Church
Stratford Road Baptist Church

The Heart of England Baptist Association is in the process of transferring the trusteeship of the churches held on the Cannon Street Trust to The CST Corporate Trustee Limited.

The properties already transferred are:-

Birmingham Central Baptist Church
City Road Baptist Church
Small Heath Baptist Church
Smethwick Baptist Church

Umberslade Endowment Charity

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

Appendix 1 - Grants Paid during the year

Grants to Churches	Designated from Missions		Designated	Restricted	2023 Total	2022 Total
	Unrestricted	Grant				
Alvechurch					-	300
Baddeley Edge		9,143			9,143	7,796
Bearwood	1,000				1,000	-
Black Country Urban Industrial Mission		6,188			6,188	6,188
Castle Bromwich		4,417			4,417	-
Chelmsley Wood		1,325			1,325	2,475
Cornerstone, Oswestry		-			-	3,713
Darkhouse		5,963			5,963	6,000
Delves, Walsall		6,625			6,625	4,125
Ewyas Harold		2,267			2,267	3,589
Far Forest		14,656		1,748	16,404	15,321
Gateway to Hope		-			-	6,188
George Road Community Church		6,625			6,625	4,873
Glebe Farm Pioneer		16,404			16,404	15,321
Keele University LEP		6,000			6,000	5,500
Limbrick Wood, Coventry		-			-	3,300
Newport			-		-	330
Radford Semele	-				-	425
Rising Brook re. Pioneer Grant		5,000			5,000	8,692
Six Ways re. Castle Vale Project			-		-	4,125
Six Ways re. Castle Vale Project		15,669			15,669	15,629
Walsgrave	1,000				1,000	-
Warley		-			-	1,021
Wednesbury		5,963			5,963	8,251
Wolston		6,625			6,625	3,611
Wolvey			-		-	1,000
Yardley Wood		2,500			2,500	2,500
Grants to Individuals						
Rev. Alison McKay	250				250	-
Rev. Kirsteen Macaulay	500				500	500
Rev. Peter Maycock (Queens Foundation)	500				500	1,000
Rev. Simon Harry	88				88	312
Rev. Leone Martin	500				500	500
Madlen Purcell (Helen Youth Fund)				1,081	1,081	-
Caitlin Norman (Helen Youth Fund)				500	500	-
Grants to Organisations						
B.C.C.E. & C.L.A.S.P.			669		669	638
Churches together in Shropshire			2,000		2,000	2,000
Churches together in Hereford			750		750	750
Birmingham Churches Together			3,216		3,216	-
Faith at Work in Worcestershire			6,500		6,500	4,875
Telford Christians Together			4,400		4,400	8,092
Urban Expression			7,570		7,570	-
West Mids FE Chaplaincy			3,000		3,000	1,500
Workcare			-		-	5,250
Ministry among the Deaf Expenses	28,594				28,594	24,457
	32,432	115,370	28,105	3,329	179,236	180,147

THE HEART OF ENGLAND BAPTIST ASSOCIATION

APPENDIX 2: PROPERTIES FOR WHICH HEBA WAS OWNER/HOLDING TRUSTEE 31.12.2023

C = Conservation area L = Listed

Name	Details
Acocks Green L	Chapel, School Hall, Manse
Alvechurch C	Chapel, Schoolrooms, land at rear, Manse
Attleborough	Church, other properties, Manse
Ashmore Park	Chapel, Hall
Austrey L	Church Buildings
Baddeley Edge	Chapel
Baptist Church Centre Handsworth	Church
Barnt Green	Chapel, land at rear
Bearwood	Church and School Hall
Bedworth	Chapel and School Hall, Manse
Bilston	Church and halls, Manse
Binley Woods (LEP)	Manse
Bridgnorth L	Chapel, Offices
Brierley Hill	Chapel, Schoolrooms, Burial ground
Bromsgrove	Chapel and School Hall Manse
Butt Lane, Stoke-on-Trent	Chapel and School Hall
Cannon Street Memorial	Manse and house
Carters Lane	Chapel and School hall
Castle Hill, Warwick C	Church, other properties, Manse
Catshill	Chapel and halls, burial ground, Manse
Cedar Church, Kingstanding	Chapel and Hall
Chadsmoor	Chapel, Schoolrooms

Chase	Chuch
Chelmsley Wood	Church Centre, Manse
Chester Road,	Chapel, Manse
Chorley	Chapel, Burial Ground
Cristchurch LEP, Hall Green	Chapel, Hall, Manse
City Road	Manse
Darkhouse	Chapel, School Hall and small burial ground Graveyard, Bell St
Dawley	Church, School Hall and Burial Ground, Manse
Donnington Wood	Chapel
Edward Rd L	Chapel and Schoolrooms
Erdington, Six Ways	Chapel, School Halls, Manse
Ewyas Harold	Church, Manse and Land adjoining
Far Forest	Church
Fenton	Chapel and School Hall
Fordhouses Wolverhampton	Chapel and School Hall, Manse
Four Oaks	Chapel and Halls, House
George Road Community Church	Church and hall
Grace Community Church	Church building and land abutting church
Grenfell	Chapel, Land adjoining, House
Hope Stourbridge	Chapel, School Hall, Manse
Hanley, Stoke-on-Trent	Church Centre
Harborne	Church and Halls, other properties, Manse
Hearsall	Manse
Kenilworth	Church
Highgate	Church, hall and flat above.
Hockley Heath	Church Hall, land Adjoining
Kings Community Church	Church and Schoolroom

Kings Norton	Chapel, School Hall and land adjoining, Manse
Ledbury L	Church, Manse and additional house
Lentons Lane, Coventry	Church, School Hall, additional land, Manse
Limbrick Wood	Church and Hall, Manse
Londonderry	Church and hall
Longbridge	Chapel and Hall, Manse
Longford	Salem: School Halls Union Place: 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, Manse
Newbridge	Chapel, School Hall, Manse
Newcastle-under-Lyme	Church
New Life, Kings Heath	Church, Manse and 2 houses
Newport	Church Building and site
Northfield	Church and halls, manse, Other land
Olton	Offices
Oswestry C	Church Building
Overslade	Church Hall
Perry Beeches	Chapel
Providence	Chapel, and burial ground, Manse
Polesworth	Church, School Hall and burial ground
Pontesbury	Chapel and Burial Ground, Manse
Rugby L	Chapel and School Halls
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 (co-trustee)
Shrewsbury C	Claremont site (C): Chapel Crowmoor site: Church
Stechford	Chapel, Manse
Stoke Baptist Church	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 Burial Ground	CC Order 2004. Co-Trustees with Official Custodian
Wolston C	Chapel, Burial Ground
Word of Spirit and Life Church,	Church
Yardley	School Hall, Manse
Yardley Wood	Chapel, Manse