

# EASTERN BAPTIST ASSOCIATION

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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TRUSTEES	<div> <div> Andrew Wade Elizabeth Powney Sean Fountain Alan Brand Barry Walton (Treasurer) (resigned 24/09/22) John Goddard Fiona Heddle (moderator) </div> <div> Andrew Openshaw (resigned 31/12/22) Vicky Baker Sandra Crawford Benjamin Plant (appointed 19/09/22) Richard Lewis (Treasurer) (appointed 24/09/22) Adrian Ward (appointed 12/11/22) </div> </div>
COMPANY SECRETARY	Hayley Beckett
REGIONAL MINISTERS	Elizabeth Powney Graeme Ross Claire Blatchford Gale Richards
REGISTERED OFFICE	2 Buchanan Gardens Wickford SS12 9QB
COMPANY REGISTRATION NUMBER	4221429
CHARITY REGISTRATION NUMBER	1089795
INDEPENDENT EXAMINER	Ian Shipley FCCA For and on behalf of: Prentis & Co LLP Chartered Accountants and Independent Examiners 115c Milton Road Cambridge, CB4 1XE
BANKERS	<div> CAF Bank Ltd 25 Kings Hill Ave Kings Hill West Malling Kent ME19 4JQ </div> <div> Shawbrook Lutea House Warley Hill Business Park Brentwood Essex CM13 3BE </div>
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## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

The Trustees, (who are also directors of the charity for the purposes of the Companies Act), present their annual report together with the financial statements of the charity for the year ending 31 December 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and 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) (Second edition, effective 1 January 2019).

## OBJECTIVES AND ACTIVITIES

The Trustees believe that advancement of the Christian faith, particularly as expressed through the Baptist movement, is of public benefit as it encourages social cohesion, provides an ethical framework for life and works itself out in the sacrificial giving of funds, time and effort by church members and attenders for the good of their own community and beyond.

As part of their work and witness, the Baptist Churches in membership with Eastern Baptist Association deliver a wide variety of activities which benefit the general public. These activities include: -

- promoting the study of religious teachings, practices, and scriptures
- support of religious office holders e.g., ministers, deacons and elders of member churches.
- promoting prayer, praise and provision of training events.
- pastoral support to ministers and church congregations.
- contributing to the spiritual and moral education of children and young people and the provision of training to comply with the legal requirements regarding safeguarding.

The Mission Statement of the Eastern Baptist Association is:

“Growing healthy churches in relationship for God’s mission in the East of England”.

This mission statement is actively facilitated and fulfilled through eight areas of focus, we realise that each year we do not expect to fully succeed in implementing all eight areas but rather focus on two or three areas each year. The eight areas of our strategy are:

- Growing Godly leaders.
- Stewarding shared resources.
- Enabling relevant training.
- Encouraging healthy churches.
- Exploring fruitful partnerships.
- Sharing inspirational ideas.
- Offering apostolic leadership.
- Advocating transformational justice

2022 began with us still facing challenges of the Covid-19 global pandemic. These challenges led us to continue offering a variety of ways to engage with activities that include, in person, via a virtual online platform, recorded and over the phone. As the year progressed more of the activities moved back to being in-person however additional options for people to engage are now considered as a matter of course meaning that our activities are accessible to a wider range of people.

Below are some specific examples of how some of our eight areas of focus have been achieved in this last year:

Diversity, Equality and Justice remained high on the Association’s priority list throughout 2022, ‘Magnify you@ the female minister’ mentoring programme saw the end of the initial programme and we have been encouraged by the amount of those that took part who have now moved on to leadership positions in larger churches or other regional associations. The association is looking at ways this type of programme can be used in other areas of ministry.

Following the Racial awareness training session attended towards the end of 2021 the trustees considered what actions the associations could take and developed three questions that could be asked of churches. These questions require churches to consider the makeup of their own memberships and ask whether the leadership reflects the diversity of the membership and encourages the churches to consider ways that this can change.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

During 2022 the association launched a local network called BUEN which encourages churches to consider the environment and ways that churches can engage with environmental awareness. This had led some churches registering with A Rocher and signing up to Eco Church scheme.

The regional team put high priority in pastorally supporting ministers from churches and made every effort to contact each individual minister to support and encourage them in addition to individual contacts the association facilitated some walking retreats with time to reflect, walk and chat with one another.

## ACHIEVEMENTS, PERFORMANCE AND DEVELOPMENTS

2022 as a whole has seen the regional team remain the same Revd Beth Powney as team leader and Revd Graeme Ross, Revd Gale Richards and Revd Claire Blatchford as regional ministers. During the year Graeme was granted a sabbatical and as the year closed Gale was granted hers which concludes in early 2023. Beth has indicated she will be retiring in 2023, the trustee board started to consider the way forward and decisions were made with regards to the role description and person specification of a new team leader. The process for this will happen in 2023.

Mrs Julie Eady continues as Finance officer, Mrs Hayley Beckett as Association Secretary and Mrs Diane Forsyth as Safeguarding Lead.

In September at our AGM there were also changes in our Trustee board.

Revd Barry Walton completed his term as Treasurer and the association appointed Mr Richard Lewis as his successor,

Three trustees completed their terms and were duly re-elected by the members. In addition, Mr Benjamin Plant was co-opted onto the council by the trustees. At the end of 2022 Revd Andrew Openshaw resigned from the trustee board due to geographical relocation and in the interim period up until the next AGM the trustees appointed Revd Adrian Ward as he successor.

The trustee board finished 2022 as below.

Revd Fiona Heddle – Moderator

Mr Richard Lewis - Treasurer

Revd Adrian Ward - Finance and Administration,

Revd John Goddard - Ministry,

Mr Andrew Wade - Communication,

Mrs Vicky Baker - Children and Families

Revd Sean Fountain – Healthy Churches

Revd Alan Brand – Justice Transformation

Revd Sandra Crawford as a co-opted member

Mr Benjamin Plant as a co-opted member.

Revd's Beth Powney (RMTL) as an ex-officio member of council.

The membership of the Association at the end of 2021 was 172 churches. This includes the closure of Church 123 and successful applications of 'Transform.church' and Love Purfleet.

Finance

The EBA have continued to provide three full time and one half time Regional Ministers for the Association despite the continued backdrop of falling income from the main income source. Resources expended on charitable activities were £334,195 (2021: £368,283) including governance. £113,694 (2021: £140,319) was awarded in Home Mission grants.

Principal Funding Sources

The charity's main source of income are the payments from the Baptist Union for both Operational Funding and Mission Payments which are calculated according to a funding formula which is applied to the total amount received by the BU for Home Mission from churches. Further income is received from investments, rental income and preaching fees.

In addition to these regular funding source, the association received £69,176 in May 2022 from the closure of Prickwillow Baptist Church to the General Fund. Additionally proceeds, £7,861, from the closure of Church 123 in March 2022 went to the Home Mission fund.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

Principal Expenditure

The majority of expenditure is directly related to the provision of 3.5 Regional Ministers which Council consider the minimum needed to service the needs of all the EBA churches over such a vast area. Provision includes amounts to maintain the property portfolio to a good standard of repair. The Regional Ministry team is supported by a Company Secretary for governance issues, and a Finance Officer. We also employ an EBA Safeguarding Officer for 12-15 hours per week.

Loans to churches have now been discontinued. The year-end amount owed by four churches was £24,791 (2021: £34,291).

The Ministers Training fund and Lay Ministry Training fund support Bursary applications. In 2022 eight Bursary grants were awarded worth £3,562. The New mission initiative fund provided three project grants totalling £12,144.

Total funds at the year-end including unrestricted, restricted and designated funds were £2,219,937 (2021: £2,139,396). EBA did not have to draw on reserves in 2022 having a surplus of £80,311 (2021: deficit £94,963). Total cash held at the year-end is £360,334 (2021: £669,269) for all funds.

Going forward we project a General fund budget for 2023 with a deficit of £124,000, which is to say £2,384 every week. We consider this necessary and appropriate to support the work of the Association and in funding particular three and half Regional Ministers. We project and support similar annual deficits in subsequent years but recognise that this use of reserves to cover ongoing shortfalls has the following implications. Reserves spent in this way cannot then be used to fund other activities and projects now or in the future. In the long term it can take many years to rebuild reserves, again reducing future possibilities and unless the funding structure for Associations is significantly revised, or other income streams can be developed, at that level of expenditure non-capital asset reserves available for ongoing deficits and not required for other purposes will be exhausted by the end of 2023.

Fund Raising

The Charity does not actively fundraise but does receive from time-to-time unsolicited gifts and donations from the general public. The Trustees do not employ professional or outside agencies to fundraise on its behalf and as such does not consider it necessary to be part of a voluntary scheme or standard. Following a change in BU guidelines, EBA is exploring ways to raise funds specifically for our own purposes.

Property Matters

The Company Secretary and the Treasurer together with the Finance and Administration Task Group oversee the property portfolio for the EBA. The Thetford house continues as the RM manse for area 1. The Wickford property (Buchanan Gardens) is the RM manse for area 3. The RM Manse in Earls Colne, under the terms of the finance arrangement for associations the BU are giving the EBA a supporting manse allowance of £1,551 (2021: £1,498) per month. The supporting rent allowance is now at market rate.

A new build property at Firethorn Court, Ely was purchased at a cost of £395K to accommodate the new part time RM. Cash reserves were used to support this purchase. The Melville Drive property tenancy ceased in August 2022 and this property was planned to be sold to offset the Ely purchase. However, market fluctuations, caused us to re-rent it out from January 2023 to generate income to support ministry and governance costs. Moving forward, all properties continue to be reviewed annually to maintain the five-year plan for routine maintenance and planned refurbishment of the five EBA properties.

Governance

At the start of 2022 the Charity Risk Assessment was reviewed, the section added which relates to the pandemic was updated but remains as part of the assessment. Trustees have also reviewed the association safeguarding policy and the association complaints policy.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

Ministerial Support

This year it was great to be able to hold our ministers conference in person for the first time since 2020. The conference was held in June at High Leigh Conference Centre with our new regional ministers, Claire and Gale taking the lead in the sessions. The Theme was 'walking together' and ministers explored what it means to walk together. The Regional Ministers have made it a priority to keep in contact with ministers from across the association via phone call, zoom calls and where possible in person. The regional team also provided a number of pre-recorded services on our YouTube channel for churches to make use of plus extra resources at Easter and Christmas.

Administration and Communication

The Association uses a variety methods of electronic communication methods, including a weekly prayer focus sent out by email, a MailChimp monthly bulletin and a weekly thought for the week. We also have a presence on Facebook as both a page and a community group which facilitates churches sharing events with other churches. 2023 will see a revamp of our website.

Church Support

The association continues to support churches when looking for a new minister and support churches who are not in a financial position to have a minister. The association also provides support for churches in developing policies that churches, as 'excepted charities' are required to have. In addition to this at our annual gathering the association ran a workshop on the responsibilities of trustees in a church context.

The association continues to work alongside the national Baptist Union in the recognition of people displaying skills and calling to take on the role of Minister. During 2022 the committee met with four candidates, two of whom were recommended onto training at college, two were affirmed as a Nationally Recognised ministers, two went forward to the national residential selection conference.

The Home Mission grants committee considered applications from nine churches and seven special ministries. Each application is considered on its own merit and if successful grants are awarded measured by an active mission action plan. The grants committee submitted its recommendations to the trustees and awarded grants to all churches and six of the special ministries these recommendations were agreed.

The Association recognises that churches look outside of their local area and often to other parts of the world to support organisations and individuals working with people or groups in other countries.

Ecumenical

The regional staff continue to relate to ecumenical structures in the region within the counties where they are based. Further Ecumenical work is supported by Denominational officers in the counties. This work is particularly important where Baptists are partners.

Risk Assessment

An annual risk assessment continues to take place in the areas required by the Charity Commission. This is completed at the beginning of each year.

Serious Incidents

There are no serious incidents that the Regional Ministers/Council are aware of that require reporting.

There have been no significant events affecting the Association's financial position since the end of the year. The trustees are aware of the current financial position and are taking steps to discuss and implement ways forward. There are no commitments or guarantees requiring disclosure.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

## STRUCTURE, GOVERNANCE AND MANAGEMENT

**Governing Document**

Eastern Baptist Association is a company limited by guarantee with charitable status which is governed by a Memorandum and Articles of Association.

**Appointment of Trustees (also known as Council members)**

The following revised process for appointing Council members was agreed at the EBA Assembly in June 2008:

1. Council will include the leaders of up to 10 Task Groups with the following remits or such alternative or additional remits as shall be determined by Council from time to time:

Administration	Mission Strategy
Finance	World Mission
Ministry	Young People
Mission Resourcing/Social Action	

Nominations for leaders of the Task Groups will be sought from the member Churches of the Association. A Nominating Group appointed by the Council will nominate a leader for each Task Group and will present the names of the nominees to the member Churches for appointment at the Association's Annual General Meeting. Any person thus appointed as a Task Group leader will be eligible for re-appointment unless that person has, immediately before such re-appointment, already served three consecutive periods of office.

2. The appointment of Task Group leaders will take effect for a term which expires at the third Annual General Meeting following their appointment. However, two of the Task Group leaders appointed by member Churches for the first time will be appointed for two years, three for three years and two for four years.
3. The Council will be entitled to fill any vacancy for a Task Group leader which occurs during a term of appointment. A person filling that vacancy will serve until the next Annual General Meeting of the Association.
4. Council will include the Moderator and Treasurer of the Association who will be appointed by a majority vote at a General Meeting of the Association following nomination by the Council.

**Trustee induction and training**

The Trustees seek to ensure that procedures are in place for Trustee induction and training by reference to guidance published by the Charity Commission.

**Organisational Structure**

The charity has a Council who meet a minimum of four times a year and are responsible for its strategic direction and policy. Regional ministers are appointed by the Trustees to manage the day to day operations of the charity.

**Risk Management**

In line with the requirements of the Charity Commission a risk assessment has been undertaken. A Charity Risk Assessment is undertaken in October each year, and a report submitted to Council. There were no issues arising.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## REPORT OF THE TRUSTEES

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Eastern Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

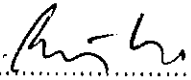
Company law and charity law require the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period.

In preparing those accounts, the Trustees are required to:

- (i) Select suitable accounting policies and apply them consistently;
- (ii) Observe the methods and principles of the Charities SORP;
- (iii) Make judgements and estimates that are reasonable and prudent;
- (iv) State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (v) Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the accounts 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.

This report was approved by the Board of Trustees and signed on its behalf.

  
.....  
Richard Lewis  
Trustee

18th July 2023.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF EASTERN BAPTIST ASSOCIATION

I report on the accounts of the charity for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

## RESPONSIBILITIES AND BASIS OF REPORT

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

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

## INDEPENDENT EXAMINER'S REPORT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in s.145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the charity as required by s.386 of the 2006 Act;
- (2) the accounts do not accord with those accounting records;
- (3) the accounts do not comply with the accounting requirements of s.396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



IAN SHIPLEY FCCA

FOR AND ON BEHALF OF:  
PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS &  
INDEPENDENT EXAMINERS

115c Milton Road  
Cambridge  
CB4 1XE

31st July 2023



## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES											
	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	2021 Total Funds £	
INCOME											
Grants and donations	2	240,850	-	138,927	379,777	124,382	-	107,004	231,386		
Investment income	3	34,729	-	-	34,729	41,934	-	-	41,934		
TOTAL INCOME		275,579	-	138,927	414,506	166,316	-	107,004	273,320		
EXPENDITURE											
Charitable activities	4	196,205	12,144	125,846	334,195	208,174	7,260	152,849	368,283		
TOTAL EXPENDITURE		196,205	12,144	125,846	334,195	208,174	7,260	152,849	368,283		
NET MOVEMENT IN FUNDS BEFORE TRANSFERS BETWEEN FUNDS											
		79,374	(12,144)	13,081	80,311	(41,858)	(7,260)	(45,845)	(94,963)		
TRANSFERS BETWEEN FUNDS	11-12	197,626	(198,085)	459	-	52,456	(78,456)	26,000	-		
NET MOVEMENT IN FUNDS FOR THE YEAR		277,000	(210,229)	13,540	80,311	10,598	(85,716)	(19,845)	(94,963)		
RECONCILIATION OF FUNDS											
TOTAL FUNDS AT 1ST JANUARY 2022		1,738,442	272,895	128,059	2,139,396	1,727,844	358,611	147,904	2,234,359		
TOTAL FUNDS AT 31ST DECEMBER 2022		2,015,442	62,666	141,599	2,219,707	1,738,442	272,895	128,059	2,139,396		

All the above results derived from continuing activities. There were no recognised gains or losses other than those stated above. Movement in funds are disclosed in notes 11 and 12 to the financial statements.

The notes on pages 11 to 21 form part of these financial statements.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## BALANCE SHEET


	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	7	1,470,120	1,122,250
Investments	8	380,204	380,204
<b>TOTAL FIXED ASSETS</b>		<b>1,850,324</b>	<b>1,502,454</b>
<b>CURRENT ASSETS</b>			
Debtors	9	27,731	34,291
Cash at bank and in hand		360,334	669,269
<b>TOTAL CURRENT ASSETS</b>		<b>388,065</b>	<b>703,560</b>
<b>LIABILITIES</b>			
Creditors: amounts falling due within one year	10	18,682	3,218
<b>NET CURRENT ASSETS</b>		<b>369,383</b>	<b>700,342</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,219,707</b>	<b>2,202,796</b>
Provisions for liabilities and charges	16	-	63,400
<b>NET ASSETS</b>		<b>2,219,707</b>	<b>2,139,396</b>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted Income Funds		2,015,442	1,738,442
Designated Income Funds	11	62,666	272,895
Restricted Income Funds	12	141,599	128,059
<b>TOTAL CHARITY FUNDS</b>		<b>2,219,707</b>	<b>2,139,396</b>

The trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of Section 477(1) of the Companies Act 2006. Members have not required the charitable company under Section 476 of the Companies Act 2006, to obtain an audit for the year ended 31 December 2022. The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 December 2022 and of its surplus for the year then ended in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the charitable company.

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the board on

18<sup>th</sup> July 2023

and signed on it behalf.

  
 Richard Lewis  
 Trustee

The notes on pages 11 to 21 form part of these financial statements.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## STATEMENT OF CASH FLOWS

	Notes	2022 £	2021 £
<b>CASH FROM OPERATING ACTIVITIES</b>			
<b>Net cash used in operating activities</b>	15	11,836	(134,685)
		-----	-----
<b>Cash flows from investing activities</b>			
Dividends, interest and rents		34,729	41,934
Purchase of fixed asset		(355,500)	(39,500)
		-----	-----
<b>Net cash provided by investing activities</b>		(320,771)	2,434
		-----	-----
Change in cash and cash equivalents in the year		(308,935)	(132,251)
Cash and cash equivalents at the beginning of the year		669,269	801,520
		-----	-----
<b>Cash and cash equivalents at the end of the year</b>		360,334	669,269
		-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES

## (a) BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second edition, issued October 2019, the Charities Act 2011 and The Companies Act 2006. The financial statements have been prepared on a going concern basis.

The Trustees are of the view that they hold sufficient liquid assets to meet operating costs in the medium term. The principle uncertainties are the future upkeep costs of the properties and potential pension scheme liabilities. Additional contributions to the pension scheme should mitigate the risk.

The charity constitutes a public benefit as defined by FRS 102.

The accounts are presented in sterling, the charity's functional currency.

## (b) FUND ACCOUNTING

Unrestricted Funds	are available for use at the discretion of the Council of the Association in furtherance of the objectives of the Association
Designated Funds	are funds set aside by the Association in order to undertake specific projects, or equalise anticipated major expenditure on maintenance of fixed assets in future years.
Restricted Funds	are monies subject to regulation by the donors of the funds as to their use.

## (c) INCOME

Income is recognised in the year in which the charity is entitled to the receipt, and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future year.

## (d) EXPENDITURE

Expenditure is included on an accruals basis at the time a liability is incurred. VAT is reported as part of the expenditure to which it relates.

## (e) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income as incurred.

## (f) OPERATING PROPERTIES

The Trustees recognise 4 properties as operating properties. They have been initially recognised at cost and the building proportion is depreciated over 100 years.

## (g) INVESTMENT PROPERTY

The trustees recognise property 40 Melville Drive as an investment property. This is revalued on a yearly basis using a third party source. The difference between the properties value at the year end is adjusted through the statement of financial activities.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES - continued

## (h) DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Office and computer equipment	20% straight line basis
Operating property	2% on property costs only

The charity has a policy to write off any capital items which cost less than £500 in the year in which the expense is incurred.

## (i) DEBTORS

Debtors are recognised at the settlement amount due after any discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

## (j) CREDITORS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing any trade discounts due.

## 2. GRANTS AND DONATIONS - CURRENT YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total Funds £
Baptist Union Grants	140,147	-	129,367	269,514
Other grants and donations	71,726	-	9,528	81,254
Preaching fees and expenses	9,307	-	32	9,339
Ministers Conference	9,840	-	-	9,840
Training courses	9,830	-	-	9,830
	240,850	-	138,927	379,777

## GRANTS AND DONATIONS - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 Total Funds £
Baptist Union Grants	113,432	-	104,706	218,138
Other grants and donations	1,868	-	2,298	4,166
Preaching fees and expenses	5,797	-	-	5,797
Ministers Conference	2,070	-	-	2,070
Gift Aid	300	-	-	300
Training courses	915	-	-	915
	124,382	-	107,004	231,386

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 3. INVESTMENT INCOME - CURRENT YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total Funds £
Bank interest	6,566	-	-	6,566
Baptist Insurance Company	801	-	-	801
Property rental	27,362	-	-	27,362
	-----	-----	-----	-----
	34,729	-	-	34,729
	-----	-----	-----	-----

## INVESTMENT INCOME - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 Total Funds £
Bank interest	8,157	-	-	8,157
Baptist Insurance Company	801	-	-	801
Property rental	32,976	-	-	32,976
	-----	-----	-----	-----
	41,934	-	-	41,934
	-----	-----	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

4 CHARITABLE ACTIVITIES - CURRENT YEAR					2022
		Unrestricted	Designated	Restricted	Total
		Funds	Funds	Funds	Funds
		£	£	£	£
Ministry	employment costs	119,387	-	-	119,387
	expenses	23,488	-	-	23,488
	Baptist deficit pension adjustment	(55,392)	-	-	(55,392)
	Safeguarding Officer	5,807	-	-	5,807
	Safeguarding officer expenses	317	-	-	317
	Manse regular expenses	9,343	-	-	9,343
	One off Manse expenses	9,717	-	-	9,717
	Manse rental	2,670	-	-	2,670
	Manse repairs/services/rental	3,095	-	-	3,095
	Mission	7,409	12,144	118,449	138,002
	Establishment	15,627	-	-	15,627
	Ministers conference	12,102	-	-	12,102
	Other expenditure	3,702	-	7,397	11,099
	EBA Assembly	437	-	-	437
	Youth expenses	204	-	-	204
	Depreciation	7,630	-	-	7,630
		-----	-----	-----	-----
		165,543	12,144	125,846	303,533
		-----	-----	-----	-----
Support Costs					2022
		Unrestricted	Designated	Restricted	Total
		Funds	Funds	Funds	Funds
		£	£	£	£
	Company secretary's salary	22,374	-	-	22,374
	Company secretary's expenses	2,998	-	-	2,998
	Independent examiner's fees	1,770	-	-	1,770
	Legal and statutory payments	3,520	-	-	3,520
		-----	-----	-----	-----
		30,662	-	-	30,662
		-----	-----	-----	-----
Total Charitable Activities		196,205	12,144	125,846	334,195
		-----	-----	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 4. CHARITABLE ACTIVITIES - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 Total Funds £
Ministry employment costs	94,008	-	-	94,008
expenses	10,319	-	-	10,319
Safeguarding Officer	5,110	-	-	5,110
Manse regular expenses	8,648	-	-	8,648
One off Manse expenses	21,538	-	-	21,538
Manse rental	1,437	-	-	1,437
Manse repairs/services/rental	3,268	-	-	3,268
Mission	8,741	1,000	147,763	157,504
Establishment	11,708	-	26	11,734
Ministers conference	4,024	-	-	4,024
Other expenditure	4,627	5,000	5,060	14,687
EBA Assembly	96	-	-	96
Depreciation	7,400	-	-	7,400
	<u>180,924</u>	<u>6,000</u>	<u>152,849</u>	<u>339,773</u>
Support Costs				2021 Total Funds £
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	
Company secretary's salary	22,066	-	-	22,066
Company secretary's expenses	2,762	-	-	2,762
Independent examiner's fees	1,423	-	-	1,423
Legal and statutory payments	999	1,260	-	2,259
	<u>27,250</u>	<u>1,260</u>	<u>-</u>	<u>28,510</u>
Total Charitable Activities	<u>208,174</u>	<u>7,260</u>	<u>152,849</u>	<u>368,283</u>

## 5 TRUSTEE AND STAFF REMUNERATION

The staff costs were:	2022	2021
Trustees (Regional Ministers) and support staff	£	£
Salaries	128,109	106,804
Social security costs	6,238	5,484
Pension costs	13,220	8,896
	<u>147,567</u>	<u>121,184</u>
Average weekly number of staff employed during the year:		
Full time	3	3
Part time	3	2
	<u>6</u>	<u>5</u>

Elizabeth Powney is a Regional Minister and also a trustee of the Association.  
 Clare Blatchford and Gale Richards are Regional Ministers and not Trustees.



## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 5 TRUSTEE AND STAFF REMUNERATION continued

No member of staff received remuneration of more than £60,000 during the year.

Four regional Ministers live in properties wholly owned by the Association. The Baptist Union pays market rent to the Association to cover the Station Road Manse.

Expenses totalling £7,566 (2021: £9,125) were reimbursed to the Trustees (regional Ministers and other Trustees).

The Trustees consider they are the key management and the Regional Ministers are remunerated. The total compensation received by key management including benefits is £36,703 (2021: £91,614).

6	NET INCOME FOR THE YEAR	2022 £	2021 £
	Net income for the year is stated after charging:		
	Independent examiner's fees	1,770	1,422
		-----	-----

## 7 TANGIBLE FIXED ASSETS - CURRENT YEAR

	Office and computer equipment £	Operating property £	Total £
COST			
Balance at 1 January 2022	3,779	1,144,450	1,148,229
Additions	-	355,500	355,500
	-----	-----	-----
Balance at 31 December 2022	3,779	1,499,950	1,503,729
	-----	-----	-----
DEPRECIATION			
Balance at 1 January 2022	3,779	22,200	25,979
Depreciation charge	-	7,630	7,630
	-----	-----	-----
Balance at 31 December 2022	3,779	29,830	33,609
	-----	-----	-----
NET BOOK VALUE			
At 31 December 2022	-	1,470,120	1,470,120
	-----	-----	-----

## TANGIBLE FIXED ASSETS - PRIOR YEAR

	Office and computer equipment £	Operating property £	Total £
COST			
Balance at 1 January 2021	3,779	1,104,950	1,108,729
Additions	-	39,500	39,500
	-----	-----	-----
Balance at 31 December 2021	3,779	1,144,450	1,148,229
	-----	-----	-----
DEPRECIATION			
Balance at 1 January 2021	3,779	14,800	18,579
Depreciation charge	-	7,400	7,400
	-----	-----	-----
Balance at 31 December 2021	3,779	22,200	25,979
	-----	-----	-----
NET BOOK VALUE			
At 31 December 2021	-	1,122,250	1,122,250
	-----	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

OPERATING PROPERTY NET BOOK VALUE		Book Value as at 31/12/2022 £	Book Value as at 31/12/2021 £
46 Churchill Road, Thetford		243,150	244,850
2 Buchanan Gardens, Wickford		347,480	349,860
17 Station Road		484,720	488,040
16 Firethorn Court		394,770	39,500
		<u>1,470,120</u>	<u>1,122,250</u>
8	INVESTMENTS - CURRENT YEAR	Freehold Property £	Unlisted investment £ Total £
	Market value at 1 January 2022	377,000	3,204 380,204
	Market value at 31 December 2022	<u>377,000</u>	<u>3,204</u> <u>380,204</u>
	INVESTMENTS - PRIOR YEAR	Freehold Property £	Unlisted investment £ Total £
	Market value at 1 January 2021	377,000	3,204 380,204
	Market value at 31 December 2021	<u>377,000</u>	<u>3,204</u> <u>380,204</u>
	Unlisted investment		2022 £ 2021 £
	Baptist Insurance Company shares		£ £
	Loan fund		801 801
	General fund		2,403 2,403
			<u>3,204</u> <u>3,204</u>
9	DEBTORS: Due within one year		2022 £ 2021 £
	Loans to Churches		24,791 34,291
	Trade debtors		420 -
	Other debtors		2,520 -
			<u>27,731</u> <u>34,291</u>
10	CREDITORS: Due within one year		2022 £ 2021 £
	Trade payables		1,572 1,868
	Accruals		1,560 1,350
	Deferred income		15,550 -
			<u>18,682</u> <u>3,218</u>

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

11.	DESIGNATED FUNDS - CURRENT YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Pension Reserve Fund	200,003	-	-	-	(200,003)	-
	Pioneer	5,000	-	-	-	(5,000)	-
	Mission	67,892	-	(12,144)	(12,144)	6,918	62,666
		<u>272,895</u>	<u>-</u>	<u>(12,144)</u>	<u>(12,144)</u>	<u>(198,085)</u>	<u>62,666</u>
	DESIGNATED FUNDS - PRIOR YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Pension Reserve Fund	253,459	-	-	-	(53,456)	200,003
	Pioneer	10,000	-	(5,000)	(5,000)	-	5,000
	Mission	95,152	-	(2,260)	(2,260)	(25,000)	67,892
		<u>358,611</u>	<u>-</u>	<u>(7,260)</u>	<u>(7,260)</u>	<u>(78,456)</u>	<u>272,895</u>
12.	RESTRICTED FUNDS - CURRENT YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Home Mission Fund	61,457	137,229	(115,195)	22,034	-	83,491
	Southminster Fund	51,600	284	(5,100)	(4,816)	(7,641)	39,143
	Lay Ministry Fund	1,654	-	-	-	7,771	9,425
	Ministers' Benevolent Fund	3,566	1,414	(1,989)	(575)	460	3,451
	Ministers Training Fund	9,782	-	(3,562)	(3,562)	(131)	6,089
		<u>128,059</u>	<u>138,927</u>	<u>(125,846)</u>	<u>13,081</u>	<u>459</u>	<u>141,599</u>
	RESTRICTED FUNDS - PRIOR YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Home Mission Fund	72,370	105,906	(141,819)	(35,913)	25,000	61,457
	Southminster Fund	51,600	-	-	-	-	51,600
	Lay Ministry Fund	9,295	105	(7,746)	(7,641)	-	1,654
	Ministers' Benevolent Fund	3,426	993	(1,853)	(860)	1,000	3,566
	Ministers Training Fund	11,213	-	(1,431)	(1,431)	-	9,782
		<u>147,904</u>	<u>107,004</u>	<u>(152,849)</u>	<u>(45,845)</u>	<u>26,000</u>	<u>128,059</u>

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 12. DESCRIPTION OF RESTRICTED FUNDS

Home Mission Fund - support grants to EBA churches or to special ministries

Southminster Fund - training for mentors of newly accredited ministers, gatherings for leaders of small churches.

Lay Ministry Training - training grants and support for non-ministerial leaders.

Ministers Benevolent Fund - support for church pastors where financial need arises.

Ministers Training Fund - combined Accredited Ministers Fund Bursary Fund in 2016.

13. ANALYSIS OF NET ASSETS - CURRENT YEAR	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,470,120	-	-	1,470,120
Investments	379,403	801	-	380,204
Net current assets	165,919	61,865	141,599	369,383
	2,015,442	62,666	141,599	2,219,707
ANALYSIS OF NET ASSETS - PRIOR YEAR	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,122,250	-	-	1,122,250
Investments	379,403	801	-	380,204
Net current assets	300,189	272,094	128,059	700,342
Provisions for liabilities and charges	(63,400)	-	-	(63,400)
	1,738,442	272,895	128,059	2,139,396

## 14. LIABILITY OF THE MEMBERS

The Association is limited by guarantee. In the event of the Association being wound up, the liability of the members is limited to £10.

## 15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period as per SOFA	80,311	(94,963)
Adjustments for:		
Dividends, interest and rents from investments	(34,729)	(41,934)
Depreciation	7,630	7,400
Decrease in debtors	6,560	9,500
Increase/(decrease) in creditors	15,464	682
Increase/(decrease) in pension provision	(63,400)	(15,370)
Net cash used in operating activities	11,836	(134,685)

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 16. PENSION SCHEME

The Charity is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Limited).

The Ministers are eligible to join the Scheme, which is not contracted out of the State Second Pension.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Unum Limited. Members of the Basic Section 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 Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The estimated deficit of the DB Plan at the valuation date was £18 million.

The key financial assumptions underlying the valuations were as follows:

<i>Type of assumption</i>	<i>% pa</i>
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (CPI plus 1.0% pa)	3.20
Assumed investment returns	
- Pre-retirement	2.95
- Post retirement	1.70
Deferred pension increases	
- Pre April 2009	3.20
- Post April 2009	2.50
Pension increases	2.70

In the year ended 31 December 2022, the Scheme signed an agreement with the insurance company Just Group to secure DB Plan members' pension benefits.

The Baptist Union and the Trustees have agreed that deficit recovery contributions from each participating employer in the DB Plan will reduce to just £1 per month from August 2022 until June 2026.

As part of the agreement to reduce contributions in this way, the Baptist Union has agreed to put £3m aside in an escrow account which could be used to provide additional funds to meet the liabilities of the Scheme if required. This additional money helps to provide further security to the Scheme.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

## NOTES TO THE ACCOUNTS

## 16. PENSION SCHEME - continued

As there are a large number of contributing employers participating in the scheme the charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly it was required to charge to the Statement of Financial Activities its annual employer contributions paid which are £20,239 (2021: £23,286) before accounting for movements in provision.

The charity is then required to account for the additional liability for deficit recovery. As explained above, this provision is currently estimated to be £Nil.

	2022	2021
	£	£
Pension provision	-	63,400
	-----	-----