

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

England & Wales · Charity number 1091066

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [04279837](#)

**Registered** 2002-03-13

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Baptist House Ltd  
129 Broadway  
Didcot  
OX11 8XD

**Phone** 01235517673

**Email** [office.administrator@scba.org.uk](mailto:office.administrator@scba.org.uk)

**Website** [www.scba.org.uk](http://www.scba.org.uk)

## Activities

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**Objects:** THE ADVANCEMENT OF THE CHRISTIAN RELIGION 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.

**Activities:** The Southern Counties Baptist Association is a registered charity that exists; for the advancement of the Christian religion especially by 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.

## Classification

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- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

## Geography

- **Area of benefit:** NOT DEFINED, IN PRACTICE OXFORDSHIRE.
- Throughout England

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£466,790	£570,523	-	-
2023-12-31	£948,443	£618,786	£2,785,526	8
2022-12-31	£405,224	£462,560	-	-
2021-12-31	£880,472	£432,185	£2,412,140	8
2020-12-31	£365,478	£476,383	-	-

## Trustees

Name	Role	Appointed
Andrew McCullie Johnson		2019-11-11
Ann Andrews		2024-11-04
Clare Kathleen Hooper		2023-07-01
Emma Katherine Foster Green ACA		2022-11-07
Janet Miriam Quarry		2023-11-06
REV ANTHONY CLARKE		
Rev Andrew John Perryman		2024-11-04
Rev Christopher James Walker		2023-11-06
Rev Christopher John Brockway		2023-05-17
Rev David Michael ford BA MA		2024-11-04
Rev Hayley Jayne Young		2023-07-01
Rev Jonathan Mark Keyworth		2022-11-07
Rev Matthew Robert Huckle		2023-11-06
Revd Dr Martin David Neville Hobgen MA PhD		2024-11-04

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

England & Wales - Charity number 1091066

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# Accounts

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Charity registration number 1091066 (England and Wales)

Company registration number 04279837

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**



**Caladine**

Chartered Certified Accountants

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees:</b>	Mr Andrew Johnson Rev'd Christopher Brockway Rev'd Anthony Clarke Ms Emma Green Rev'd Martin Hardwidge Rev'd Clare Hooper Rev'd Jonathan Keyworth Rev'd Hayley Young Rev'd Matthew Huckle Ms Janet Quarry Rev'd Christopher Walker Rev'd Andrew Perryman Rev'd David Ford Rev'd Dr Martin Hobgen Mrs Ann Andrews	
<b>Regional Ministry Team:</b>	Rev'd Hayley Young Rev'd Clare Hooper Rev'd Stephen Barber Rev'd Simon Gray Rev'd James Thomas	Regional Minister Co-Team Leader Regional Minister Co-Team Leader, Children, Youth & Families Regional Minister Regional Minister/Operations Lead (Interim Treasurer) Regional Minister, Mission Development
<b>Staff Team:</b>	Mrs Amy Allen	Administration Manager
<b>Charity number</b>	1091066	
<b>Company number</b>	04279837	
<b>Registered office and operational address</b>	Baptist House 129 Broadway Didcot Oxfordshire OX11 8XD	
<b>Independent examiner</b>	Colin Dadswell FCA FCCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	HSBC Bank plc 6 High Street Abingdon Oxfordshire OX11 8RP	

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The Trustees, who are also directors of the Association for the purposes of company law, are pleased to present their Annual report and financial statements of the charitable company for the period 1 January 2020 to 31 December 2024, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

#### **Objectives and activities**

The Southern Counties Baptist Association (also known as SCBA) is a registered charity (number 1091066). It was incorporated as a private limited company on 31 August 2001 and is governed by Articles and Memorandum of Association.

The objective of the charitable company is 'the advancement of the Christian faith especially by 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'.

The principal activities of the charitable company are the employment of Regional Ministers and administrative staff team, with 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 religion in a way which benefits Baptist churches and the communities in which 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 and BMS World Mission.

#### **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 religion and practice 'according to the principles of the Baptist denomination' and with the Objects of the charitable company. More detailed information about the activities and their success is provided in the "Achievements and Performance" section of this report.

The charitable company aims to:

#### *Short-term:*

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals in exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing Baptist Union approved training for Recognised Local Ministers.
- Encourage dialogue within churches or between churches and their local community.
- Encourage the SCBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission, Pioneering and other Association funds.
- Receive and consider reports from the SCBA Strategy Groups and the Regional Ministers, enabling the charitable company to maintain effective governance.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### *Long-term:*

- Make Safeguarding training available on a rolling programme, encouraging and enabling members of our churches to receive training at a reduced cost or free, and ensuring that ministers have completed Level 2 & 3 training.
- Ensure, through its Staff, Finance & Administration 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.
- 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 advice on issues having a potentially wide-ranging effect with a view to mitigating risk.

The aim of our charity is to inspire, connect and resource healthy churches in relationship for God's mission and this fully reflects the purposes the charity was set up to further. The team and trustees sought to achieve these aims in a number of ways, primarily providing support to the churches and their ministers to enable them to advance the Christian religion by public worship and their objects but also including granting assistance to churches seeking to improve their premises, encouraging churches to adopt robust safeguarding policies and practice, acting to provide help and support to churches seeking to improve their own governance and holding the Regional Ministers accountable for their support for churches seeking to advance the Christian religion in their communities.

The trustees review our aims, objectives and activities each year through appraisals of the team and the work they have carried out. In doing this, not only are we able to ensure our aims, objectives and activities remain focussed, but also that the team are carrying out their roles to the best of their abilities.

#### Significant activities of our Association included:

- Hosting events for ministers and leaders, including a three-day conference, to teach and to develop and deepen their relationship with God
- Providing Home Mission Grants to sustain churches and organisations for mission in their communities
- Providing support for our Association churches, ministers and leaders, including pastoral, safeguarding and financial support.
- Through different Association working groups, continuing to assess and develop the various aspects of our mission, including finance, safeguarding and leadership development.
- Identifying, partnering with and resourcing pioneer mission initiatives

The Association's volunteers have roles either as trustees on the Steering and Strategy Group; or as non-trustee members of one of the Association working groups. The Association also uses volunteers to carry out their safeguarding training sessions, who have been trained to fulfil this role.

#### **Achievements and performance**

The Association is made up of 143 member churches of the Association, mainly located in Berkshire, Dorset, Hampshire, the Isle of Wight, Oxfordshire and Wiltshire, covering thirteen counties in total. The Regional Ministers gave regular input to individual churches about good practice, backed up by the resources of the Baptist Union, as well as being involved in conflict resolution when necessary.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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For a number of years, the testing of the call to ministry has been carried out by a Ministerial Recognition Group formed as part of the South-West Partnership and was carried out with the Associations. However this process was reviewed during the year and it was decided to run this as a single association (with representation from another), as this would increase the flexibility and responsiveness of the process and save money for candidates. The Regional Ministers also oversee the development of ministers during their first three years of ministry. Six ministers became Fully Accredited Ministers and will be recognised at the Baptist Assembly in 2025, with ten Newly Accredited Ministers attending reflection sessions in February and September.

The Regional Ministry Team spent the year making contact with their allocated churches and ministers, giving advice and support where needed, as well as attending church meetings and leading or speaking at services, both online and in-person. They have continued to be in contact with all of the Association contacts through a monthly email with up-to-date information of what is happening both nationally and in the Association.

At the November AGM, Rev. David Ford was appointed as Association Treasurer.

The team and trustees continued to work on the Strategic Review carried out by Helen Cameron, and in particular the five strategic priorities: clusters, mission development, pioneering, children, youth and families, and leaders development; and the two main enabling priorities: the reserves policy and people strategy. In the summer of 2024, after months of prayerful discernment and careful consideration of the team structure, the Trustees concluded that the roles of Mission Development Lead and part-time General Regional Minister would no longer continue, with the outcome being that Rev Steve Barber and Rev Jim Thomas will be leaving the regional team in 2025.

Safeguarding Training continued throughout the year. The Safeguarding Training is run across the Association with a trained team of Safeguarding Trainers (all of whom are volunteers) in the light of the national policies and procedures. In 2024, 637 ministers, leaders and church members of SCBA churches were trained in level 2 and level 3 safeguarding by SCBA safeguarding trainers.

In the period 1st January 2024 to 31st December 2024, in addition to more general questions, SCBA supported a number of churches with safeguarding incidents. The continuing high number of contacts is anecdotally related to an increase in safeguarding training provision, an ongoing raising of awareness of what matters and an increase in societal stress. The Association Safeguarding Advisor, Keith Baldwin, left his role at the end of October. Whilst a new advisor is appointed Jo Hayes, the Safeguarding Lead for the South-East Baptist Association has been providing support and advice to SCBA churches.

Various events, training and meetings were held throughout the year. 101 Ministers and Leaders attended our three-day in Cheltenham conference held in February. This examined the theme of Covenant, with input from Rev. Lyn Green, Rev Chris Brockway, and Rev Anthony Clarke. The first day of the conference was an opportunity for a selection of our groups to meet up together, including the children, youth and family workers, newly accredited ministers, and chaplains.

In June a leaders' day, was attended by 67 ministers and leaders, led by Rev. Jo Williams, reflecting on how as churches we manage differences and handle conflict. In November, the leaders' day and AGM was attended by 74 leaders and ministers and was led by Dr. Helen Cameron, where the Project Violet requests for change were considered and churches were encouraged to reflect on their responses. The children, youth and families workers continued to meet in person in four different locations for support.

The Association made a difference to its beneficiaries in terms of support, advice and training when requested or offered. The Home Mission Group and the Staff, Finance and Administration Group also considered and advised on the applications for Home Mission grants from six churches and three para-church organisations. The Association has also made eighteen grants to individuals for education and development.

At the end of 2024, there were nine pioneers within SCBA. The pioneers were pastorally supported by an SCBA pioneering network and represented by a pioneering steering group.

At the end of 2024 there were 50 Children, Youth and Families workers employed by churches within the Association. These CYF workers are supported by Rev Clare Hooper and the work of the CYF Steering Group.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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In reviewing the achievements and performance of the Association during the reporting period, this has mainly been achieved through the number of ministers, leaders, members and churches who have interacted with the Association in some way, whether through events, training, or meeting with the Regional Ministry Team.

A number of positive and negative factors, both within and outside the charity's control, have affected achievements of its objectives. The continued employment of the Safeguarding Adviser has been an extremely positive factor, taking some of the pressure and work from the Regional Ministry Team. The working groups continue to evolve so that the varied aspects of the Association's work are covered. The working groups are currently: Staff, Finance and Administration; Children, Youth and Families; Safeguarding; Leadership and Ministerial Development; Mission Development; Home Mission; and Pioneering.

The Regional Team spend significant time engaging with local churches. However, there are also those churches who are difficult to contact, sometimes because they do not wish to have contact with the Association and are very independent. The restriction of finance and resources will continue to have a negative impact on the objectives in the future of the Association and the way the objectives are fulfilled.

In regard to fundraising activities, the Association has a major responsibility for encouraging churches to donate funds to the Baptist Union Home Mission Appeal but such encouragement is limited to drawing attention to the need and benefits during meetings and church visits, and on the SCBA website. The team has continued to be more proactive in this and are looking at producing more resources going forward. In 2024, the giving by SCBA churches slightly exceeded the target set for the Association by the Baptist Union although giving was down on 2023.

The Association is not permitted to raise funds to meet its operational or administrative costs, other than to meet the expenses of events, such as training. However, the Association does receive gifts for the Confidential Fund, established to relieve the hardship of ministers or spouses. A grant from the money raised for the Baptist Union Home Mission in 2023 was given to the Association to cover staff salaries and administrative costs in 2024, as well as to distribute to Home Mission grant recipients. This is the principal source of income to cover the operating costs of the Association. The Association did not use any material expenditure to raise income in the reporting period.

#### **Financial review**

During 2024 the overall funds of the Association decreased by £103,733 (2023: an increase of £419,211).

The Association had total funds at the year end of £2,681,793. The total funds were made up of unrestricted general funds of £2,263,420, designated funds of £19,688 and restricted funds of £398,685.

#### **Reserves policy and going concern**

The Association maintains reserves of £450,000 which currently represent approximately 9 months full running costs.

The trustees have recognised that, taking into account the size of the staff team, the Association will be running a deficit budget for a number of years which is likely to be with in the region of £135,000 a year unless additional funds accrue. The decision to reduce the size of the regional team will from 2026 reduce this deficit.

Given the existing level of unrestricted funds above and beyond that necessary to maintain the Association's reserves the trustees consider that the Association remains a going concern despite an excess of expenditure over income.

The Association incurred financial costs on the majority of its events. In 2024, SCBA charged for the Minister' and Leaders' Conference and the Leaders' Days, but additional costs including the speakers fee and staff mileage were covered by the Association. The cost of providing the safeguarding training was covered by the charge to those attending. Association support, events and training also incur the costs in Regional Ministry Team time and mileage.

In regard to investment performance, funds not required for immediate purposes were deployed with the Baptist Union Corporation Ltd, which employs an investment manager. The Baptist Union Trustees monitor investment performances through their Finance and Audit Committee.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The principal risk facing the Association is the current deficit budget. This has been fully identified by the trustees, through the Staff, Finance and Administration Group. The Association trustees and Regional Ministry Team continue to meet to discuss the Strategic Review and the way forward whilst working with a deficit budget. However, monies from closed churches are currently covering the deficit to some extent but cannot be relied on long-term.

The principal funding source to SCBA is from Home Mission giving from our Association churches, either through SCBA or directly to the Baptist Union. This is put into a 'shared pot' with the other Associations in the Union, and SCBA then receive a percentage of the total amount. An increase in giving to the Home Mission fund from SCBA churches may not directly result in an increased grant directly to SCBA.

#### **Risk management**

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied systems are in place to mitigate exposure to the major risks.

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

During 2025, the charitable company will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Christian religion and the enrichment of church and community life in the Southern Counties.

The Regional Ministry Team will plan to keep the regular activities in place. These activities include: the continuation of Safeguarding Training available to all churches and communities; supporting the member churches, both pastorally through the Regional Ministry Team, and for some, financially through grants; and hosting ministers' and leaders' events including a three-day conference and the AGM. The Board of Trustees will continue to work on the findings of the Strategic Review of the Association, particularly reviewing the current deficit.

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

The charitable company is governed by its Memorandum of Association and Articles of Association and Rules. The Objects of this charitable company are the advancement of the Christian religion 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.

The charity is an Incorporated Private Limited Company and is constituted of a board of fifteen trustees, who are also the Company's Directors, including the Moderator and the Treasurer, who oversee the works of the charity. The charity's members are the 140 churches within the Association, who have the right to appoint two representatives to attend and to vote at the general meeting of the Association.

The board of trustees consists of:

- The Regional Ministry Co-Team Leaders
- The Moderator appointed by the members of the Association
- The Treasurer appointed by the members of the Association
- A person appointed by Regent's Park College for such a term of office and in accordance with such procedures and rules as shall from time to time be decided by the College
- Twelve trustees appointed by the members of the Association (four trustees were appointed by vote at the AGM in November 2024)

Up to six trustees can be co-opted onto the trustee board, three of which will be co-opted solely to enable the trustee board to positively represent the age, sex and ethnic origin of the membership of the member churches.

The Association Moderator heads the Association, supported by the board of the trustees including the Association Treasurer. The Regional Ministry Co-Team Leaders are responsible for the team of three Regional Ministers and two support staff.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Andrew Johnson	
Rev'd Christopher Brockway	
Rev'd Anthony Clarke	
Mr Jason Collis	(Resigned 4 November 2024)
Ms Emma Green	
Rev'd Martin Hardwidge	
Rev'd Clare Hooper	
Rev'd Jonathan Keyworth	
Rev'd Hayley Young	
Rev'd Matthew Huckle	
Ms Janet Quarry	
Rev'd Christopher Walker	
Rev'd Andrew Perryman	(Appointed 4 November 2024)
Revd David Ford	(Appointed 4 November 2024)
Rev'd Dr Martin Hobgen	(Appointed 4 November 2024)
Mrs Ann Andrews	(Appointed 4 November 2024)

A structure of strategic and enabling groups is in place to support the various aspects of the Association. These areas are: Staff Finance and Administration; Leadership and Ministerial Development; Children, Youth and Families; Safeguarding; Pioneer Mission; Mission Development; and Home Mission. In line with the Memorandum and Articles, the majority of the decisions made by the charity as a whole will be made by the board of trustees, though on occasions, the other strategy groups or Regional Ministry Team will make decisions and inform the board of trustees of these decisions.


Prospective trustees are advised of the qualifications for serving as charity trustees and directors. They are invited to an informal discussion with the Moderator or Regional Ministry Co-Team Leaders to discuss the appointment. On appointment they are provided with an overview of the governing documents of instruments and activities of the charitable company, along with the Association policies and past trustee meeting minutes. Trustees are invited to various training sessions hosted by the Association or Baptist Union for its members, including Data Protection and Safeguarding.

The Regional Ministry Team are paid a stipend which is in line with the recommended stipend by the Baptist Union plus a percentage depending on their position in the team. Housing allowance and expenses are also paid on a monthly basis. The rest of the staff team are paid a salary, decided by the board of trustees, plus any out-of-pocket expenses. All volunteers within the Association are paid any out-of-pocket expenses, particularly for travel to and from meeting and events.

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 is set by the charitable company through the board of trustees and its finance group and is based upon the Baptist Union recommended stipend.

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 Union, are received by the charitable company and dispersed by its Grants Group, as well as being used for the running of the Association.

The Trustees' report was approved by the Board of Trustees.



Revd David Ford

Trustee

Dated: 02.06.2025

# **THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2024***

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The Trustees, who are also the directors of The Southern Counties Baptist Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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I report to the Trustees on my examination of the financial statements of The Southern Counties Baptist Association (the charity) for the year ended 31 December 2024.

#### **Responsibilities and basis of report**

As the Trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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


#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements 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 financial statements to be reached.



**Colin Dadswell FCA FCCA DChA**

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Date: 02/06/2025

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
<b>Income and endowments from:</b>						
Donations and legacies	3	899	-	5,050	5,949	13,903
Charitable activities	4	285,052	-	-	285,052	252,451
Investments	5	54,556	-	-	54,556	32,835
Other income	6	121,233	-	-	121,233	649,254
<b>Total income</b>		<b>461,740</b>	<b>-</b>	<b>5,050</b>	<b>466,790</b>	<b>948,443</b>
<b>Expenditure on:</b>						
Charitable activities	7	535,854	30,410	4,259	570,523	618,786
<b>Total expenditure</b>		<b>535,854</b>	<b>30,410</b>	<b>4,259</b>	<b>570,523</b>	<b>618,786</b>
Net gains/(losses) on investments	11	-	-	-	-	89,554
<b>Net income/(expenditure)</b>		<b>(74,114)</b>	<b>(30,410)</b>	<b>791</b>	<b>(103,733)</b>	<b>419,211</b>
Transfers between funds	20	(25,740)	25,020	720	-	-
<b>Net movement in funds</b>		<b>(99,854)</b>	<b>(5,390)</b>	<b>1,511</b>	<b>(103,733)</b>	<b>419,211</b>
<b>Reconciliation of funds:</b>						
Fund balances at 1 January 2024		2,363,274	25,078	397,174	2,785,526	2,366,315
<b>Fund balances at 31 December 2024</b>		<b>2,263,420</b>	<b>19,688</b>	<b>398,685</b>	<b>2,681,793</b>	<b>2,785,526</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
<b>Income and endowments from:</b>					
Donations and legacies	3	4,186	6,651	3,066	13,903
Charitable activities	4	252,451	-	-	252,451
Investments	5	32,835	-	-	32,835
Other income	6	640,835	-	8,419	649,254
<b>Total income</b>		<u>930,307</u>	<u>6,651</u>	<u>11,485</u>	<u>948,443</u>
<b>Expenditure on:</b>					
Charitable activities	7	553,763	57,626	7,397	618,786
<b>Total expenditure</b>		<u>553,763</u>	<u>57,626</u>	<u>7,397</u>	<u>618,786</u>
Net gains/(losses) on investments	11	89,554	-	-	89,554
<b>Net income/(expenditure)</b>		<u>466,098</u>	<u>(50,975)</u>	<u>4,088</u>	<u>419,211</u>
Transfers between funds	20	(65,127)	(24,941)	90,068	-
<b>Net movement in funds</b>		<u>400,971</u>	<u>(75,916)</u>	<u>94,156</u>	<u>419,211</u>
<b>Reconciliation of funds:</b>					
Fund balances at 1 January 2023		1,962,303	100,994	303,018	2,366,315
<b>Fund balances at 31 December 2023</b>		<u>2,363,274</u>	<u>25,078</u>	<u>397,174</u>	<u>2,785,526</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	14		1,411,201		943,850
Investments	15		12,020		12,020
			<u>1,423,221</u>		<u>955,870</u>
<b>Current assets</b>					
Debtors falling due after one year	16	94,550		139,965	
Debtors falling due within one year	16	30,559		36,160	
Cash at bank and in hand		1,199,055		1,703,117	
		<u>1,324,164</u>		<u>1,879,242</u>	
<b>Current liabilities</b>	17	(65,592)		(49,586)	
<b>Net current assets</b>			<u>1,258,572</u>		<u>1,829,656</u>
<b>Total assets less current liabilities</b>			<u>2,681,793</u>		<u>2,785,526</u>
<b>The funds of the charity</b>					
Restricted income funds	20		398,685		397,174
Unrestricted funds - general	22		2,263,420		2,363,274
Unrestricted funds - designated	21		19,688		25,078
			<u>2,681,793</u>		<u>2,785,526</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 02/06/2025



Revd David Ford  
Trustee

Company registration number 04279837 (England and Wales)

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	26		(83,340)		334,331
<b>Investing activities</b>					
Purchase of property, plant and equipment		(475,278)		(449,979)	
Proceeds from disposal of property, plant and equipment		-		347,936	
Proceeds from disposal of investment property		-		541,305	
Investment income received		54,556		32,835	
<b>Net cash (used in)/generated from investing activities</b>			(420,722)		472,097
<b>Financing activities</b>					
Repayment of borrowings		-		(50,000)	
<b>Net cash used in financing activities</b>			-		(50,000)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(504,062)		756,428
Cash and cash equivalents at beginning of year			1,703,117		946,689
<b>Cash and cash equivalents at end of year</b>			<u>1,199,055</u>		<u>1,703,117</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

#### Company information

The Southern Counties Baptist Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8XD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds - represent those funds which can be used in accordance with the Association's charitable objects at the discretion of the Trustees.

Designated funds - represent those funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted fund - can only be used for a particular restricted purpose within the charitable objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Income

Income is recognised in the Statement of Financial Activities when the Charitable Company has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and that the amount can be measured reliably.

- Donations are accounted for gross when received.
- Grants receivable are accounted for in the year in which they are receivable.
- Investment income is included in the financial statements in the year in which it is receivable.
- Event and Conference fees are accounted for in the period the event was held

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

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

- Expenditure on charitable activities represents expenditure in the furtherance of the object of the Association
- Grants payable are agreed on an annual basis and accounted for in the year in which they are committed

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure under £2,000 on office furniture and computer equipment is written off as incurred. Expenditure over £2,000 on a single item will be written off over 4 years.

Support costs are those that assist the work of the association but do not directly represent the charitable activities and include governance costs.

Governance costs comprise all costs involving the public accountability of the association and its compliance with regulation and good practice. These costs include costs relating to the statutory accounts and independent examination.

Support costs have been 100% allocated to the charitable activity.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Freehold Land - Nil, Freehold Buildings - Over 30 years
-----------------------------	---

Depreciation of buildings is based on an anticipated useful life of 30 years with a residual value equal to two thirds of the original cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided in the year of acquisition.

##### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies (Continued)

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.10 Financial instruments

The charity only has financial assets and 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.

###### Debtors

Loans are considered concessionary loans as they are made by the charity to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments. There is no interest charged on the loan amounts. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Other debtors are recognised at the settlement amount due.

###### Creditors

Creditors are recognised where the association 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.

Accruals and other creditors are recognised at their settlement amount due.

###### Provisions for liabilities

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

##### 1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 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 II 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.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Retirement benefits

###### Defined contribution pension plans

The Association operates 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 payments obligations. The contributions are recognised as an expense 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.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 2 Judgements and key sources of estimation uncertainty

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
- Accounting estimates and assumptions
- Recoverability of loans  
The recoverability of loans are assessed annually, and at the balance sheet date provisions for doubtful debts are provided based on prior year experiences.

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

3	Income from donations and legacies	Unrestricted funds general designated		Unrestricted funds		Restricted funds		Unrestricted funds general designated		Unrestricted funds		Restricted funds		Total	
		2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023	2023	2023
		£	£	£	£	£	£	£	£	£	£	£	£	£	£
	Donations and gifts	899	-	-	5,050	4,186	6,651	4,186	6,651	3,066	13,903				
	<b>Donations and gifts</b>														
	Church of the Year gifts	-	-	-	4,600	-	-	-	-	2,866	2,866				
	Confidential Fund donations	-	-	-	450	-	-	-	-	200	200				
	Rural Ministry Grant	-	-	-	-	-	6,651	-	6,651	-	6,651				
	Loan Termination Gifts (SCBA Loan Fund)	-	-	-	-	4,001	-	4,001	-	-	4,001				
	Other donations	899	-	-	-	185	-	185	-	-	185				
		899	-	-	5,050	4,186	6,651	4,186	6,651	3,066	13,903				

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Charitable activities</b>		
Preaching and other fees	3,380	4,574
SCBA leaders days and event fees	562	1,500
SCBA minister conference fees	20,235	19,792
BU grant for operational activities	253,829	216,689
Children, youth and family (including safeguarding training)	7,046	9,680
Other income	-	216
	<u>285,052</u>	<u>252,451</u>

#### 5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	-	4,909
Interest receivable on loans and cash deposits	54,155	27,525
Baptist Insurance dividends	401	401
	<u>54,556</u>	<u>32,835</u>

#### 6 Other income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Net gain on disposal of tangible fixed assets	-	-	-	-	8,419	8,419
Closure of redundant churches	121,233	-	121,233	640,835	-	640,835
	<u>121,233</u>	<u>-</u>	<u>121,233</u>	<u>640,835</u>	<u>-</u>	<u>640,835</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 7 Expenditure on charitable activities

	Charitable activities	Charitable activities
	2024	2023
	£	£
<b>Direct costs</b>		
Staff costs	326,260	343,012
Depreciation and impairment	7,927	4,994
Travel and accomodation	32,855	32,105
Training, leaders days and SCBA event costs	11,200	13,461
SCBA ministers conference	17,949	29,947
Confidential fund	3,191	3,158
CYF working group	5,759	2,421
Pioneer mission fund costs	11,600	12,729
	<u>416,741</u>	<u>441,827</u>
Grant funding of activities (see note 8)	111,786	135,301
<b>Share of support and governance costs (see note 9)</b>		
Support	31,722	33,266
Governance	10,274	8,392
	<u>570,523</u>	<u>618,786</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	535,854	553,763
Unrestricted funds - designated	30,410	57,626
Restricted funds	4,259	7,397
	<u>570,523</u>	<u>618,786</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 8 Grants payable

	Charitable activities 2024 £	Charitable activities 2023 £
Grants to institutions:		
Home Mission grants	92,109	118,565
Churches Together	2,460	2,460
Church of the year	3,089	4,176
Regents Park College	4,000	-
Warm spaces grant	-	6,100
Educational and sabbatical grants	6,670	4,000
Mission grants	2,000	-
Pastoral gifts	1,458	-
	<u>111,786</u>	<u>135,301</u>

### 9 Support costs allocated to activities

	2024 £	2023 £
Office costs (including IT and telephone)	5,437	3,757
Trustee and volunteer expenses	2,562	4,470
Staff book & study allowance	4,940	3,490
Insurance	6,656	4,790
Building hire	3,500	3,500
Baptist Union subscription	878	871
Communications team and other costs	7,749	12,388
Governance costs	10,274	8,392
	<u>41,996</u>	<u>41,658</u>
<u>Analysed between:</u>		
Charitable activities	<u>41,996</u>	<u>41,658</u>

	2024 £	2023 £
<b>Governance costs comprise:</b>		
Legal and professional	3,188	1,759
Accountancy & IE	4,260	4,140
Bank charges	677	521
Software and other subscriptions	996	845
Payroll fees	1,153	1,127
	<u>10,274</u>	<u>8,392</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 10 Trustees

Trustee Rev'd C Hooper and Trustee Rev'd H Young are employees of the charity as Regional Ministry Co-Team Leaders.

Rev'd C Hooper was paid a salary of £42,900 (2023: £27,375), a housing allowance of £15,000 (2023: £7,500) and benefitted from employer pension contributions totalling £5,432 (2023: £2,522).

Rev'd H Young was paid a salary of £42,900 (2023: £27,375), a housing allowance of £5,000 (2023: £7,500) and benefitted from employer pension contributions totalling £5,432 (2023: £2,522). From May 2024 onwards living accommodation was provided.

Please note that the 2023 comparative figures for salaries, housing allowance and pension contributions are for the 6 month period from July to December 2023 as both Rev'd Hooper and Rev'd Young only became trustees part way through the year.

The authority to employee trustees is contained within the charity's governing document.

During the year six trustees were reimbursed a total of £946 for travel and other expenses (2023: ten trustees were reimbursed a total of £2,896).

#### 11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Sale of investment properties	-	89,554

#### 12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 13 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Regional Ministers (full-time)	2	2
Regional Ministers (part-time)	3	3
Administrator (full-time)	1	1
Admin assistants (part-time)	1	2
Pioneer Missioner (part-time)	1	-
	8	8
	8	8

##### Employment costs

	2024 £	2023 £
Wages and salaries	211,575	218,068
Social security costs	16,403	15,568
Other pension costs	26,046	22,764
Housing costs	72,236	86,612
	326,260	343,012
	326,260	343,012

There were no employees whose annual remuneration was £60,000 or more.

#### 14 Property, plant and equipment

	Freehold land and buildings £
<b>Cost</b>	
At 1 January 2024	951,631
Additions	475,278
	1,426,909
At 31 December 2024	1,426,909
<b>Depreciation and impairment</b>	
At 1 January 2024	7,781
Depreciation charged in the year	7,927
	15,708
At 31 December 2024	15,708
<b>Carrying amount</b>	
At 31 December 2024	1,411,201
	1,411,201
At 31 December 2023	943,850
	943,850

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 15 Fixed asset investments

	Add investments 1 £
<b>Cost or valuation</b>	
At 1 January 2024 & 31 December 2024	12,020
<b>Carrying amount</b>	
At 31 December 2024	12,020
At 31 December 2023	12,020

There are no investments held outside the UK.

The equity investment relates to 2,404 ordinary £5 shares held in Baptist Insurance Company PLC (registered company number 00083597), a public company limited by shares. As these shares are not actively traded through Stock Markets, no Market Value can be obtained, resulting in the shares being valued at original cost.

#### 16 Trade and other receivables

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Loans to churches	14,500	21,052
Other receivables	1,423	4,194
Prepayments and accrued income	14,636	10,914
	<u>30,559</u>	<u>36,160</u>
<b>Amounts falling due after more than one year:</b>		
Loans to churches	94,550	139,965
<b>Total debtors</b>	<u>125,109</u>	<u>176,125</u>

As at 31 December 2024 total loans to churches amounted to £108,851 (2023: £161,017). No new loans were advanced to churches during the year.

#### 17 Current liabilities

	Notes	2024 £	2023 £
Deferred income	18	22,478	7,718
Other payables		38,914	37,628
Accruals and deferred income		4,200	4,240
		<u>65,592</u>	<u>49,586</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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<b>18</b>	<b>Deferred income</b>	<b>2024</b>	<b>2023</b>
		£	£
	Other deferred income	22,478	7,718
		<u>22,478</u>	<u>7,718</u>

Deferred income is included in the financial statements as follows:

	<b>2024</b>	<b>2023</b>
	£	£
Deferred income is included within:		
Current liabilities	22,478	7,718
	<u>22,478</u>	<u>7,718</u>
Movements in the year:		
Deferred income at 1 January 2024	7,718	5,795
Released from previous periods	(7,718)	(5,795)
Resources deferred in the year	22,478	7,718
	<u>22,478</u>	<u>7,718</u>
Deferred income at 31 December 2024	22,478	7,718
	<u>22,478</u>	<u>7,718</u>

Deferred income relates to payments received during the year for the Minister and Leaders Conference which takes place in the next year.

<b>19</b>	<b>Retirement benefit schemes</b>	<b>2024</b>	<b>2023</b>
		£	£
	<b>Defined contribution schemes</b>		
	Charge to profit or loss in respect of defined contribution schemes	26,046	22,764
		<u>26,046</u>	<u>22,764</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Confidential Fund	-	450	(1,170)	720	-
Church of the Year	2,152	4,600	(3,089)	-	3,663
Hill Street, Poole Property	395,022	-	-	-	395,022
	<u>397,174</u>	<u>5,050</u>	<u>(4,259)</u>	<u>720</u>	<u>398,685</u>
	<u><u>397,174</u></u>	<u><u>5,050</u></u>	<u><u>(4,259)</u></u>	<u><u>720</u></u>	<u><u>398,685</u></u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
Confidential Fund	-	200	(1,014)	814	-
Church of the Year	3,462	2,866	(4,176)	-	2,152
Hill Street, Poole Property	299,556	8,419	(2,207)	89,254	395,022
	<u>303,018</u>	<u>11,485</u>	<u>(7,397)</u>	<u>90,068</u>	<u>397,174</u>
	<u><u>303,018</u></u>	<u><u>11,485</u></u>	<u><u>(7,397)</u></u>	<u><u>90,068</u></u>	<u><u>397,174</u></u>

**Confidential fund** is to be used to support those in need in churches which were part of the former OEGBA.

**Church of the Year fund** receives donations from churches and distributes them to the annually nominated Church of the Year within the association.

**Hill Street, Poole Property** represents the net book value of a property passed to SCBA when the Church located at Hill Street, Poole, Dorset closed. The Church directed that the property should be used to facilitate pioneer mission in Hamworthy and thus has restricted use. During 2023 the original property was sold and a replacement purchased. The property is used to house a mission family currently undertaking this work.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 21 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Education & sabbatical grants	13,878	-	(4,670)	-	9,208
Abraham Trust (Confidential)	11,200	-	-	(720)	10,480
Pioneer mission funds	-	-	(25,740)	25,740	-
	<u>25,078</u>	<u>-</u>	<u>(30,410)</u>	<u>25,020</u>	<u>19,688</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
Education & sabbatical grants	17,878	-	(4,000)	-	13,878
Abraham Trust (Confidential)	11,200	-	-	-	11,200
Pension fund deficit reserve	71,916	-	-	(71,916)	-
Pioneer mission funds	-	6,651	(53,626)	46,975	-
	<u>100,994</u>	<u>6,651</u>	<u>(57,626)</u>	<u>(24,941)</u>	<u>25,078</u>

**Abraham Trust (Confidential) fund** is to be used to support those in need in churches which were part of the former OEGBA. Funds were transferred out in the year to cover the deficit on the Confidential restricted fund.

**Educational and sabbatical grants fund** represents amounts set aside to support individuals from member churches through sabbaticals and participation in other educational opportunities relating to Christian service or ministry.

**Pioneer mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
BI investment	12,020	-	-	-	-	12,020
Loan funds	636,215	-	-	-	-	636,215
General funds	1,715,039	461,740	(535,854)	(25,740)	-	1,615,185
	<u>2,363,274</u>	<u>461,740</u>	<u>(535,854)</u>	<u>(25,740)</u>	<u>-</u>	<u>2,263,420</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 December 2023</b>
	£	£	£	£	£	£
BI investment	12,020	-	-	-	-	12,020
Loan funds	636,215	-	-	-	-	636,215
General funds	1,314,068	930,307	(499,998)	(65,127)	89,554	1,768,804
	<u>1,962,303</u>	<u>930,307</u>	<u>(499,998)</u>	<u>(65,127)</u>	<u>89,554</u>	<u>2,417,039</u>

**General funds** are held to support ongoing activities of the company.

**BI investment** is a fund for the investment in the Baptist Insurance company.

**Loan funds** are held to enable loans to be made to member churches to support projects, typically building projects. This fund includes the Alden Memorial fund.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 23 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Fund balances at 31 December 2024 are represented by:</b>				
Property, plant and equipment	1,016,179	-	395,022	1,411,201
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,235,221	19,688	3,663	1,258,572
	<u>2,263,420</u>	<u>19,688</u>	<u>398,685</u>	<u>2,681,793</u>
	<u><u>2,263,420</u></u>	<u><u>19,688</u></u>	<u><u>398,685</u></u>	<u><u>2,681,793</u></u>
	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 31 December 2023 are represented by:</b>				
Property, plant and equipment	546,676	-	397,174	943,850
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,804,578	25,078	-	1,829,656
	<u>2,363,274</u>	<u>25,078</u>	<u>397,174</u>	<u>2,785,526</u>
	<u><u>2,363,274</u></u>	<u><u>25,078</u></u>	<u><u>397,174</u></u>	<u><u>2,785,526</u></u>

#### 24 Home Mission Giving

The arrangements for making Home Mission Gifts from churches to the Baptist Union were changed during 2005. A new joint account, SCBA/Baptist Union, was set up so that churches and the SCBA can transfer their gifts to this account, but only the Baptist Union has authority to withdraw funds. As the SCBA is not beneficially entitled to retain any of the monies given by the churches for Home Mission, these gifts are transferred directly to the Baptist Union and do not need to be included in the SCBA's Statement of Financial Activities.

Giving to Home Mission by churches and groups within the SCBA area was £330,593 (2023: £341,908).

#### 25 Related party transactions

Transactions with the trustees are disclosed in note 10. There were no other disclosable related party transactions during the year (2023 - none).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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26 Cash (absorbed by)/generated from operations	2024 £	2023 £
(Deficit)/surplus for the year	(103,733)	419,211
<b>Adjustments for:</b>		
Investment income recognised in statement of financial activities	(54,556)	(32,835)
Gain on disposal of property, plant and equipment	-	(8,419)
Gain on disposal of investment property	-	(89,554)
Depreciation and impairment of property, plant and equipment	7,927	4,994
<b>Movements in working capital:</b>		
Decrease in trade and other receivables	51,016	37,885
Increase in trade and other payables	1,246	1,126
Increase in deferred income	14,760	1,923
<b>Cash (absorbed by)/generated from operations</b>	<u>(83,340)</u>	<u>334,331</u>

### 27 Analysis of changes in net funds

The charity had no material debt during the year.

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

England & Wales - Charity number 1091066

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# Accounts

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Charity registration number 1091066

Company registration number 04279837 (England and Wales)

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**



**Caladine**

Chartered Certified Accountants

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees:</b>	Rev'd Judith Wheatley Rev'd Christopher Brockway Mr Andrew Johnson Mrs Ann Andrews Mr Peter Brookes Rev'd Anthony Clarke Mr Jason Collis Rev'd Simon Ford Ms Emma Green Rev'd Martin Hardwidge Rev'd Clare Hooper Rev'd Matthew Huckle Rev'd Jonathan Keyworth Rev'd Dr Colin Norris Ms Janet Quarry Rev'd Christopher Walker Rev'd Hayley Young	Interim Moderator of the Trustees (Until 31st March 2023) Moderator of the Trustees (Appointed 6th November 2023) Association Treasurer (Until 6th November 2023) (Until 6th November 2023) (Until 6th November 2023) Regent's Park College Representative  (Until 6th November 2023)   (Appointed 1st July 2023) (Appointed 6 November 2023)  Regional Ministry Team Leader (Until 31st Jan 2023) (Appointed 6th November 2023) (Appointed 6th November 2023) (Appointed 1st July 2023)
<b>Regional Ministry Team:</b>	Rev'd Hayley Young Rev'd Clare Hooper Rev'd Stephen Barber Rev'd Simon Gray Rev'd James Thomas	Regional Minister Co-Team Leader Regional Minister Co-Team Leader, Children, Youth & Families Regional Minister Regional Minister/Operations Lead (Interim Treasurer) Regional Minister, Mission Development
<b>Staff Team:</b>	Mrs Amy Allen Mr Keith Baldwin	Administration Manager Safeguarding Adviser
<b>Charity number</b>	1091066	
<b>Company number</b>	04279837	
<b>Registered office and operational address</b>	Baptist House 129 Broadway Didcot Oxfordshire OX11 8XD	
<b>Independent examiner</b>	Colin Dadswell FCA FCCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	HSBC Bank plc 6 High Street Abingdon Oxfordshire OX11 8RP	

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Trustees, who are also directors of the Association for the purposes of company law, are pleased to present their Annual report and financial statements of the charitable company for the period 1 January 2020 to 31 December 2023, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

### **Objectives and activities**

The Southern Counties Baptist Association (also known as SCBA) is a registered charity (number 1091066). It was incorporated as a private limited company on 31 August 2001 and is governed by Articles and Memorandum of Association.

The objective of the charitable company is 'the advancement of the Christian faith especially by 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'.

The principal activities of the charitable company are the employment of Regional Ministers and administrative staff team, with 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 religion in a way which benefits Baptist churches and the communities in which 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 and BMS World Mission.

### **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 religion and practice 'according to the principles of the Baptist denomination' and with the Objects of the charitable company. More detailed information about the activities and their success is provided in the "Achievements and Performance" section of this report.

The charitable company aims to:

*Short-term:*

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals in exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing Baptist Union approved training for Regionally Recognised Leaders and lay pastors.(our RRL formation fulfils BUGB requirements for Lay Pastors so they can be separately listed).
- Encourage dialogue within churches or between churches and their local community.
- Encourage the SCBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission, Pioneering and other Association funds.
- Receive and consider reports from the SCBA Strategy Groups and the Regional Ministers, enabling the charitable company to maintain effective governance.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### *Long-term:*

- Make Safeguarding training available on a rolling programme, encouraging and enabling members of our churches to receive training at a reduced cost or free, and ensuring that ministers have completed Level 2 & 3 training.
- Ensure, through its Staff, Finance & Administration 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.
- 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 advice on issues having a potentially wide-ranging effect with a view to mitigating risk.

The aim of our charity is to inspire, connect and resource healthy churches in relationship for God's mission and this fully reflects the purposes that the charity was set up to further. The team and trustees sought to achieve these aims in a number of ways, primarily providing support to the churches and their ministers to enable them to advance the Christian religion by public worship and their objects but also including granting assistance to churches seeking to improve their premises, encouraging churches to adopt robust safeguarding policies and practice, acting to provide help and support to churches seeking to improve their own governance and holding the Regional Ministers accountable for their support for churches seeking to advance the Christian religion in their communities.

The trustees review our aims, objectives and activities each year through appraisals of the team and the work that they have carried out. In doing this, not only are we able to ensure that our aims, objectives and activities remain focussed, but also that the team are carrying out their roles to the best of their abilities.

#### Significant Activities of our Association included:

- Hosting events for ministers and leaders, including a three-day conference, to teach and to develop and deepen their relationship with God
- Providing Home Mission Grants to sustain churches and organisation for mission in their communities
- Providing support for our Association churches, ministers and leaders, including pastoral, safeguarding and monetary.
- Through different Association working groups, continuing to assess and develop the various aspects of our mission, including finance, safeguarding and leadership development.
- Identifying, partnering with and resourcing pioneer mission initiatives

The Association's volunteers have roles either as trustees on the Steering and Strategy Group; or as non-trustee members of one of the Association working groups. The Association also uses volunteers to carry out their safeguarding training sessions, who are trained to a high standard to fulfil this role.

#### **Achievements and performance**

The Association is made up of 144 member churches of the Association, mainly located in Berkshire, Dorset, Hampshire, Isle of Wight, Oxfordshire and Wiltshire, covering thirteen counties in total. The Regional Ministers gave regular input to individual churches about good practice, backed up by the resources of the Baptist Union, as well as being involved in conflict resolution when necessary.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The testing of the call to ministry is carried out by a Ministerial Recognition Group formed as part of the South-West Partnership and was carried out with the four Associations. The Regional Ministers also oversee the development of ministers during their first three years of ministry. Four ministers became Fully Accredited Ministers and will be recognised at the Baptist Assembly in 2024, with ten Newly Accredited Ministers attending reflection sessions in February and September.

The Regional Ministry Team spent the year making contact with their allocated churches and ministers, giving advice and support where needed, as well as attending church meetings and leading or speaking at services, both online and in-person. They have continued to be in contact with all of the Association contacts through a monthly email with up-to-date information of what is happening both nationally and in the Association.

In January 2023, Revd Colin Norris left his role as Regional Minister Team Leader to pursue a portfolio ministry. Whilst the trustees reflected on what was needed in terms of leadership for the Regional Team, Rev. Clare Hooper became acting Team Leader. Then, following a rigorous application and interview process Rev. Clare Hooper and Rev. Hayley Young were appointed as Co-Team Leaders and took up their roles on the 1st July 2023.

Rev. Judith Wheatley retired in March 2023 and stepped down from her role as Interim Moderator. Rev. Chris Brockway was co-opted by the trustees as Interim Acting Moderator and following his appointment at the November AGM became Moderator.

The team and trustees continued to work on the Strategic Review carried out by Helen Cameron, and in particular the five strategic priorities: clusters, mission development, pioneering, children, youth and families, and leaders development; and the two main enabling priorities: the reserves policy and people strategy.

In-person Safeguarding Training continued throughout the year. The Safeguarding Training is run across the Association with a trained team of Safeguarding Trainers (all of whom are volunteers) in the light of the national policies and procedures. In 2023, 975 ministers, leaders and church members of SCBA churches were trained in level 2 and level 3 safeguarding by SCBA safeguarding trainers.

In the period 1st January 2023 to 31st December 2023, in addition to more general questions, SCBA supported 18 churches with safeguarding incidents. The continuing high number of contacts is anecdotally related to an increased in safeguarding training provision, an increased raising of awareness of what matters and an increase in societal stress. These are appropriately consulted on with SCBA leading to an increase in safeguarding matters.

Various events, training and meetings were held throughout the year. 111 Ministers and Leaders attended our three-day in Cheltenham conference held in February, led by Rev. Rosa Hunt. The first day of the conference was an opportunity for a selection of our groups to meet up together, including the children, youth and family workers, newly accredited ministers, and chaplains.

In March, an additional leaders' day and Extraordinary General Meeting was attended by 43 ministers and leaders, led by Revd Wale Hudson-Roberts, Justice Enabler for Baptists Together, who introduced the new 'Visions of Colour' anti-racism course for ministers and churches. In June a leaders' day, was attended by 54 ministers and leaders, led by Rev. Steve Tinning, for the Joint Public Issues Team, helping churches engage with some current political issues. In November, the leaders' day and AGM was attended by 76 leaders and ministers and was led by Rev. Lisa Kerry, speaking on 'Ministry in the Goldfish Bowl', examining issues around power and expectation in ministry. The children, youth and families workers continued to meet both online and in person for training and support.

The Association made a difference to its beneficiaries in terms of support, advice and training when requested or offered. Also, the Home Mission Group and the Staff, Finance and Administration Group vetted and advised on the applications for Home Mission grants from 9 churches and 4 para-church organisations, including consultation about the approach taken with representatives from South-West, West and South Wales Baptist Associations with whom we informally partner. The Association has also made six grants to individuals for education and development.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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At the end of 2023, there were 17 pioneers within SCBA. 8 were accredited Baptist Ministers (or MITs); 2 were RRLs; 7 had no Baptist accreditation. The pioneers were pastorally supported by an SCBA pioneering network and represented by a pioneering steering group.

At the end of 2023 there were 46 Children, Youth and Families workers employed by churches within the Association. These CYF workers are supported by Rev Clare Hooper and the work of the CYF Steering Group.

In reviewing the achievements and performance of the Association during the reporting period, this is mainly achieved through the number of ministers, leaders, members and churches who have interacted with the Association in some way, whether through events, training, or meeting with the Regional Ministry Team.

A number of positive and negative factors, both within and outside the charity's control, have affected achievements of its objectives. The continued employment of the Safeguarding Adviser has been an extremely positive factor, taking some of the pressure and work from the Regional Ministry Team. The working groups continue to evolve so that the varied aspects of the Association's work are covered. The working groups are currently: Staff, Finance and Administration; Children, Youth and Families; Safeguarding; Leadership and Ministerial Development; Mission Development; Home Mission; Pioneering and Communications.

The Regional Team spend significant time engaging with local churches. However, there are also those churches who are difficult to contact, sometimes because they do not wish to have contact with the Association and are very independent. The restriction of finance and resources will continue to have a negative impact on the objectives in the future of the Association and the way the objectives are fulfilled.

In regard to fundraising activities, the Association has a major responsibility for encouraging churches to donate funds to the Baptist Union Home Mission Appeal but such encouragement is limited to drawing attention to the need and benefits during meetings and church visits, on the SCBA website, and in letters from the Association Treasurer to the church treasurers. The team has sought to be more proactive in this and are looking at producing more resources going forward. In 2023, the giving by SCBA churches failed to reach the target set for the Association by the Baptist Union.

The Association is not permitted to raise funds to meet its operational or administrative costs, other than to meet the expenses of events, such as training. However, the Association does receive gifts for the Confidential Fund, established to relieve the hardship of ministers or spouses. A grant from the money raised for the Baptist Union Home Mission in 2022 was given to the Association to cover staff salaries and administrative costs in 2023, as well as to distribute to Home Mission grant recipients. This is the principal source of income to cover the operating costs of the Association. The Association did not use any material expenditure to raise income in the reporting period.

#### **Financial review**

During 2023 the overall funds of the Association increased by £419,211 (2022: a decrease of £45,825).

The Association had Unrestricted general funds of £2,363,274 at the period end and £397,174 restricted funds. The Association's general fund totalled £1,715,039 at the end of 2023. Funds of £636,215 are held as loan funds for interest free loans to churches, of which £161,017 was on loan. In addition there were designated funds amounting to £25,078.

#### **Reserves policy and going concern**

The Association maintains reserves of £450,000 which currently represent approximately 9 months full running costs.

The trustees have recognised that, taking into account the size of the staff team, the Association will be running a deficit budget for a number of years which is likely to be with in the region of £135,000 a year unless additional funds accrue.

Given the existing level of unrestricted funds above and beyond that necessary to maintain the Association's reserves the trustees consider the Association remains a going concern despite an excess of expenditure over income. However, since there is little prospect of a significant reduction in costs if the Association continues to operate at its current level, the trustees have engaged in the Strategic Review mentioned earlier.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The Association incurred financial costs on the majority of its events. In 2023, SCBA did charge for the Minister' and Leaders' Conference and the Leaders' Days, but additional costs including the speakers fee and staff mileage are covered by the Association. The cost of providing the safeguarding training was covered by the charge to those attending. Association support, events and training also incur the costs of the Regional Ministry Team time and mileage.

In regard to investment performance, funds not required for immediate purposes were deployed with the Baptist Union Corporation Ltd, which employs investment manager. The Baptist Union Trustees monitor investment performances through their Finance and Audit Committee.

The principal risk facing the Association is the current deficit budget. This has been fully identified but the trustees, through the Staff, Finance and Administration Group. The Association trustees and Regional Ministry Team continue to meet to discuss the Strategic Review and the way forward whilst working with a deficit budget. However, monies from closed church are currently covering the deficit to some extent but cannot be relied on long-term.

The principal funding source to SCBA is form Home Mission giving from out Association churches, either through SCBA or directly to the Baptist Union. This is then put into a 'shared pot' with the other Association in the Union, and SCBA then receive a percentage of the total amount. An increase in giving to the Home Mission fund from SCBA churches may not directly result in an increased grant directly to SCBA.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. SCBA have now paid off the pension debt that was owed for the Association. Debts to churches that had closed and who did not own a building to sell were also covered by SCBA. The Association has conducted research to establish other churches whose trustees would be liable to pay the pension debt if the church closed (and if a building sale will not cover the debt) and SCBA will also be able to cover these debts.

#### **Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Plans for Future Periods**

During 2024, the charitable company will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Christian religion and the enrichment of church and community life in the Southern Counties.

The Regional Ministry Team will plan to keep the regular activities in place. These activities include: the continuation of Safeguarding Training available to all churches and communities; supporting the member churches, both pastorally through the Regional Ministry Team, and for some, financially through grants; and hosting ministers' and leaders' events including a three-day conference and the AGM. The Board of Trustees will continue to work on the findings of the Strategic Review of the Association, particularly reviewing the current deficit.

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

The charitable company is governed by its Memorandum of Association and Articles of Association and Rules. The Objects of this charitable company are the advancement of the Christian religion 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.

The charity is an Incorporated Private Limited Company and is constituted of a board of eleven trustees, who are also the Company's Directors, including the Moderator and the Treasurer, who oversee the works of the charity. The charity's members are the 144 churches within the Association, who have the right to appoint two representatives to attend and to vote at the general meeting of the Association.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The board of Trustees consists of:

- The Regional Ministry Co-Team Leaders
- The Moderator appointed by the members of the Association
- The Treasurer appointed by the members of the Association
- A person appointed by Regent's Park College for such term of office and accordance with such procedures and rules as shall from time to time be decided by the College
- Seven trustees appointed by the members of the Association (four trustees were appointed by vote at the AGM in November 2023)

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Andrew Johnson	
Mrs Anne Andrews	(Resigned 6 November 2023)
Revd Christopher Brockway	(Appointed 17 May 2023)
Mr Peter Brookes	(Resigned 6 November 2023)
Rev'd Anthony Clarke	
Mr Jason Collis	
Rev'd Simon Ford	(Resigned 6 November 2023)
Ms Emma Green	
Rev'd Martin Hardwidge	
Revd Clare Hooper	(Appointed 1 July 2023)
Revd Jonathan Keyworth	
Rev'd Dr Colin Norris	(Resigned 31 January 2023)
Rev'd Judith Wheatley	(Resigned 31 March 2023)
Revd Hayley Young	(Appointed 1 July 2023)
Revd Matthew Huckle	(Appointed 6 November 2023)
Ms Janet Quarry	(Appointed 6 November 2023)
Revd Christopher Walker	(Appointed 6 November 2023)

Up to six trustees can be appointed on to the trustee board, three of which will be appointed solely to enable the trustee board to positively represent the age, sex and ethnic origin of the membership of the member churches.

The Association Moderator is at the head of the Association. Below this role are the rest of the board of the trustees including the Association Treasurer. The Regional Ministry Co-Team Leaders are responsible for the rest of the team of three Regional Ministers and two support staff. A structure of strategic and enabling groups is in place to support the various aspects of the Association. These areas are: Staff Finance and Administration; Leadership and Ministerial Development; Children, Youth and Families; Safeguarding; Pioneer Mission; Mission Development; Home Mission and Communication. In line with the Memorandum and Articles, the majority of the decisions made by the charity as a whole will be made by the board of trustees, though on occasions, the other strategy groups or Regional Ministry Team will make decisions and inform the board of trustees of these decisions.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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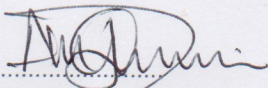
Prospective trustees are advised of the qualifications for serving as charity trustees and directors. They are invited to an informal discussion with the Moderator or Regional Ministry Co-Team Leaders to discuss the appointment. On appointment they are provided with an overview of the governing documents of instruments and activities of the charitable company, along with the Association policies and past trustee meeting minutes. Trustees are invited to various training sessions hosted by the Association or Baptist Union for its members, including Data Protection and Safeguarding.

The Regional Ministry Team are paid a stipend which is in line with the recommended stipend by the Baptist Union plus a percentage depending on their position in the team. Housing allowance and expenses are also paid on a monthly basis. The rest of the staff team are paid a salary, decided by the board of trustees, plus any out-of-pocket expenses. All volunteers within the Association are paid any out-of-pocket expenses, particularly for travel to and from meeting and events.

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 is set by the charitable company through the board of trustees and its finance group and is based upon the Baptist Union recommended stipend.

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 Union, are received by the charitable company and dispersed by its Grants Group, as well as used for the running of the Association. The Association also works informally in partnership with three other association within the Baptist Union: West of England Baptist Network, South West Baptist Association and South Wales Baptist Association. The partnership is mainly for mutual support, inspiration and advice in pursuing the aims and objectives of the Associations.

The Trustees' report was approved by the Board of Trustees.



.....  
**Mr Andrew Johnson**

Trustee

Dated: ..... 5 August 2024

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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The Trustees, who are also the directors of The Southern Counties Baptist Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 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 Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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I report to the Trustees on my examination of the financial statements of The Southern Counties Baptist Association (the Charity) for the year ended 31 December 2023.

#### **Responsibilities and basis of report**

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements to be reached.



**Colin Dadswell FCA FCCA DChA**

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Dated: 08/08/2024

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<b>Income and endowments from:</b>						
Donations and legacies	3	4,186	6,651	3,066	13,903	27,120
Charitable activities	4	252,451	-	-	252,451	351,581
Investments	5	32,835	-	-	32,835	12,912
Other income	6	640,835	-	8,419	649,254	39,731
<b>Total income</b>		<u>930,307</u>	<u>6,651</u>	<u>11,485</u>	<u>948,443</u>	<u>431,344</u>
<b>Expenditure on:</b>						
Charitable activities	7	553,763	57,626	7,397	618,786	530,934
<b>Total expenditure</b>		<u>553,763</u>	<u>57,626</u>	<u>7,397</u>	<u>618,786</u>	<u>530,934</u>
Net gains/(losses) on investments	12	<u>89,554</u>	<u>-</u>	<u>-</u>	<u>89,554</u>	<u>-</u>
<b>Net income/(expenditure)</b>		<u>466,098</u>	<u>(50,975)</u>	<u>4,088</u>	<u>419,211</u>	<u>(99,590)</u>
Transfers between funds	24	(65,127)	(24,941)	90,068	-	-
<b>Other recognised gains and losses:</b>						
Actuarial gains on defined benefit pension schemes		-	-	-	-	53,765
<b>Net movement in funds</b>	10	<u>400,971</u>	<u>(75,916)</u>	<u>94,156</u>	<u>419,211</u>	<u>(45,825)</u>
<b>Reconciliation of funds:</b>						
Fund balances at 1 January 2023		<u>1,962,303</u>	<u>100,994</u>	<u>303,018</u>	<u>2,366,315</u>	<u>2,412,140</u>
<b>Fund balances at 31 December 2023</b>		<u>2,363,274</u>	<u>25,078</u>	<u>397,174</u>	<u>2,785,526</u>	<u>2,366,315</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<b>Income and endowments from:</b>					
Donations and legacies	3	1,000	-	26,120	27,120
Charitable activities	4	351,581	-	-	351,581
Investments	5	12,912	-	-	12,912
Other income	6	39,731	-	-	39,731
<b>Total income</b>		405,224	-	26,120	431,344
<b>Expenditure on:</b>					
Charitable activities	7	462,560	39,656	28,718	530,934
<b>Total expenditure</b>		462,560	39,656	28,718	530,934
<b>Net income</b>		(57,336)	(39,656)	(2,598)	(99,590)
Transfers between funds	24	(38,266)	37,956	310	-
<b>Other recognised gains and losses:</b>					
Actuarial gains on defined benefit pension schemes		53,765	-	-	53,765
<b>Net movement in funds</b>	10	(41,837)	(1,700)	(2,288)	(45,825)
<b>Reconciliation of funds:</b>					
Fund balances at 1 January 2022		2,004,140	102,694	305,306	2,412,140
<b>Fund balances at 31 December 2022</b>		1,962,303	100,994	303,018	2,366,315

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	15		943,850		1,290,133
Investments	16		12,020		12,020
			<u>955,870</u>		<u>1,302,153</u>
<b>Current assets</b>					
Debtors falling due after one year	19	139,965		184,827	
Debtors falling due within one year	19	36,160		29,183	
Cash at bank and in hand		1,703,117		947,204	
		<u>1,879,242</u>		<u>1,161,214</u>	
<b>Current liabilities</b>	21	49,586		47,052	
Net current assets			<u>1,829,656</u>		<u>1,114,162</u>
<b>Total assets less current liabilities</b>			<u>2,785,526</u>		<u>2,416,315</u>
<b>Non-current liabilities</b>	20		-		(50,000)
<b>Net assets</b>			<u>2,785,526</u>		<u>2,366,315</u>
<b>The funds of the Charity</b>					
Restricted income funds	24		397,174		303,018
Unrestricted funds - general			2,363,274		1,962,303
Unrestricted funds - designated	25		25,078		100,994
			<u>2,785,526</u>		<u>2,366,315</u>

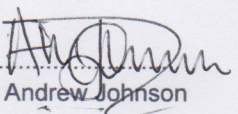
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 15th July 2024.....

  
 .....  
 Mr Andrew Johnson  
 Trustee

Company registration number 04279837 (England and Wales)

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	30		334,331		(98,249)
<b>Investing activities</b>					
Purchase of property, plant and equipment		(449,979)		(501,652)	
Proceeds from disposal of property, plant and equipment		347,936		-	
Proceeds from disposal of investment property		541,305		-	
Investment income received		32,835		12,912	
<b>Net cash generated from/(used in) investing activities</b>			472,097		(488,740)
<b>Financing activities</b>					
Repayment of borrowings		(50,000)		-	
<b>Net cash used in financing activities</b>			(50,000)		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			756,428		(586,989)
Cash and cash equivalents at beginning of year			946,689		1,533,678
<b>Cash and cash equivalents at end of year</b>			1,703,117		946,689
<b>Relating to:</b>					
Cash at bank and in hand			1,703,117		947,204
Bank overdrafts included in creditors payable within one year			-		(515)

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2023*

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### 1 Accounting policies

#### Company information

The Southern Counties Baptist Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8XD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds - represent those funds which can be used in accordance with the Association's charitable objects at the discretion of the Trustees.

Designated funds - represent those funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted fund - can only be used for a particular restricted purpose within the charitable objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Income

Income is recognised in the Statement of Financial Activities when the Charitable Company has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and that the amount can be measured reliably.

- Donations are accounted for gross when received.
- Grants receivable are accounted for in the year in which they are receivable.
- Investment income is included in the financial statements in the year in which it is receivable.
- Event and Conference fees are accounted for in the period the event was held

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

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

- Expenditure on charitable activities represents expenditure in the furtherance of the object of the Association
- Grants payable are agreed on an annual basis and accounted for in the year in which they are committed

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure under £2,000 on office furniture and computer equipment is written off as incurred. Expenditure over £2,000 on a single item will be written off over 4 years.

Support costs are those that assist the work of the association but do not directly represent the charitable activities and include governance costs.

Governance costs comprise all costs involving the public accountability of the association and its compliance with regulation and good practice. These costs include costs relating to the statutory accounts and independent examination.

Support costs have been 100% allocated to the charitable activity.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Freehold Land - Nil, Freehold Buildings - Over 30 years
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Depreciation of buildings is based on an anticipated useful life of 30 years with a residual value equal to two thirds of the original cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided in the year of acquisition.

##### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies (Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity only has financial assets and 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.

##### Debtors

Loans are considered concessionary loans as they are made by the charity to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments. There is no interest charged on the loan amounts. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Other debtors are recognised at the settlement amount due.

##### Creditors

Creditors are recognised where the association 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.

Accruals and other creditors are recognised at their settlement amount due.

##### Provisions for liabilities

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

#### 1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 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 II 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.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

##### Defined contribution pension plans

The Association operates 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 payments obligations. The contributions are recognised as an expense 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.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 2 Judgements and key sources of estimation uncertainty

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
- Accounting estimates and assumptions
- Recoverability of loan  
The recoverability of loans are assessed annually, and at the balance sheet date provisions for doubtful debts are provided based on prior year experiences.

#### 3 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Donations and gifts	4,186	6,651	3,066	13,903	27,120
<b>Donations and gifts</b>					
Church of the Year gifts	-	-	2,866	2,866	3,962
Confidential Fund donations	-	-	200	200	190
Rural Ministry Grant	-	6,651	-	6,651	21,968
Loan Termination Gifts (SCBA Loan Fund)	4,001	-	-	4,001	-
Other donations	185	-	-	185	1,000
	<u>4,186</u>	<u>6,651</u>	<u>3,066</u>	<u>13,903</u>	<u>27,120</u>

#### 4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Charitable activities</b>		
Preaching and other fees	4,574	2,939
Leaders' Days & SCBA Event fees	1,500	1,921
SCBA Ministers' Conference Fees	19,792	16,437
Baptist Union grant for Operational Activities	216,689	296,370
Children youth & family retreat and safeguarding training	1,270	12,270
Charitable rental income	8,410	16,945
Other income	216	4,699
	<u>252,451</u>	<u>351,581</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	4,909	-
Loan and General Funds on Deposit with BU	27,525	12,511
Baptist Insurance Co Ltd - Dividends	401	401
	<u>32,835</u>	<u>12,912</u>

### 6 Other income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Net gain on disposal of tangible fixed assets	-	8,419	8,419	-	-	-
Closure of Redundant Churches	640,835	-	640,835	39,731	-	39,731
	<u>640,835</u>	<u>8,419</u>	<u>649,254</u>	<u>39,731</u>	<u>-</u>	<u>39,731</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 7 Expenditure on charitable activities

	<b>Charitable activities</b>	Charitable activities
	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
<b>Direct costs</b>		
Staff costs	343,012	283,533
Depreciation and impairment	4,994	7,283
Travel and Accommodation	32,105	22,537
Leaders Days and SCBA Event Costs	13,461	8,293
SCBA Ministers Conference	29,947	19,153
Community Learning Tutor	-	4,000
Confidential Fund	3,158	500
CYF Working group	2,421	3,021
Pioneer Mission Fund Expenses	12,729	1,309
	<u>441,827</u>	<u>349,629</u>
Grant funding of activities (see note 8)	135,301	152,204
<b>Share of support and governance costs (see note 9)</b>		
Support	33,266	20,722
Governance	8,392	8,379
	<u>618,786</u>	<u>530,934</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	553,763	462,560
Unrestricted funds - designated	57,626	39,656
Restricted funds	7,397	28,718
	<u>618,786</u>	<u>530,934</u>

### 8 Grants payable

	<b>Charitable activities</b>	Charitable activities
	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Grants to institutions:		
Home Mission Grant	118,565	128,520
Churches Together Grants	2,460	2,220
Church of the year	4,176	4,264
Warm spaces Grant	6,100	15,500
Educational and Sabbatical Grant	4,000	1,700
	<u>135,301</u>	<u>152,204</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 9 Support costs allocated to activities

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Office Expenses and IT	1,094	1,349
Telephone	2,663	3,003
Volunteer Exp. and Fees	4,470	1,338
Staff Book & Study Allowance	3,490	1,052
Insurance	4,790	1,830
Building Hire	3,500	3,500
Baptist Union Subs	871	844
Interest on pension deficit	-	1,137
Other expenditure	12,388	6,669
Governance costs	8,392	8,379
	<u>41,658</u>	<u>29,101</u>
	<u><u>41,658</u></u>	<u><u>29,101</u></u>
<u>Analysed between:</u>		
Charitable activities	41,658	29,101
	<u><u>41,658</u></u>	<u><u>29,101</u></u>

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Governance costs comprise:</b>		
Legal and professional	1,759	1,566
Accountancy & IE	4,140	4,020
Bank Charges	521	350
Software and other subscriptions	845	1,325
Payroll fees	1,127	1,118
	<u>8,392</u>	<u>8,379</u>
	<u><u>8,392</u></u>	<u><u>8,379</u></u>

### 10 Net movement in funds

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned property, plant and equipment	4,994	7,283
Profit on disposal of property, plant and equipment	(8,419)	-
Profit on disposal of investment property	(89,554)	-
	<u><u>(89,554)</u></u>	<u><u>-</u></u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 11 Trustees

Trustee Rev'd Dr C Norris was paid a salary of £3,312 (2022: £37,271) and benefitted from employer pension contributions totalling £420 (2022: £6,415) for his work as the Regional Ministry Team Leader.  
Trustee Rev'd C Hooper was paid a salary of £27,375 (2022: £Nil) and benefitted from employer pension contributions totalling £2,522 (2022: £Nil) for her work as the Regional Ministry Co-Team Leader.  
Trustee Rev'd H Young was paid a salary of £27,375 (2022: £Nil) and benefitted from employer pension contributions totalling £2,522 (2022: £Nil) for her work as the Regional Ministry Co-Team Leader.  
The authority to employ employee Trustees is contained within the Charity's governing document.

During the year ten Trustees were reimbursed a total of £2,896 for travel and other expenses (2022: five Trustees were reimbursed a total of £1,215).

### 12 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Sale of investment properties	89,554	-

### 13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 14 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Full time Regional Ministers	2	3
Part time Regional Ministers	3	2
Full time Administrator	1	1
Part time Support Staff (Admin Assistants)	2	1
Dorset Missional Listener	-	2
Pioneer Missioner	-	1
	<hr/>	<hr/>
	8	10
	<hr/> <hr/>	<hr/> <hr/>

#### Employment costs

	2023 £	2022 £
Wages and salaries	218,068	201,209
Social security costs	15,568	11,872
Other pension costs	22,764	15,198
Housing costs	86,612	55,254
	<hr/>	<hr/>
	343,012	283,533
	<hr/> <hr/>	<hr/> <hr/>

There were no employees whose annual remuneration was £60,000 or more.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 15 Property, plant and equipment

	Freehold land and buildings £
<b>Cost</b>	
At 1 January 2023	1,310,903
Additions	449,979
Disposals	(357,500)
Transfer to investment property	(451,751)
	<hr/>
At 31 December 2023	951,631
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2023	20,770
Depreciation charged in the year	4,994
Eliminated in respect of disposals	(7,944)
Transfer to investment property	(10,039)
	<hr/>
At 31 December 2023	7,781
	<hr/>
<b>Carrying amount</b>	
At 31 December 2023	943,850
	<hr/> <hr/>
At 31 December 2022	1,290,133
	<hr/> <hr/>

### 16 Fixed asset investments

	Baptist Insurance Co PLC £
<b>Cost or valuation</b>	
At 1 January 2023 & 31 December 2023	12,020
	<hr/>
<b>Carrying amount</b>	
At 31 December 2023	12,020
	<hr/> <hr/>
At 31 December 2022	12,020
	<hr/> <hr/>

There are no Investments held outside the UK.

The equity investment relates to 2,404 ordinary £5 shares held in Baptist Insurance Company PLC (registered company number 00083597), a public company limited by shares. As these shares are not actively traded through Stock Markets, no Market Value can be obtained, resulting in the shares being valued at original cost.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 17 Investment property

	2023 £
<b>Fair value</b>	
At 1 January 2023	-
Transfers from owner-occupied property	451,751
Disposals	(451,751)
	<u>          </u>
At 31 December 2023	<u>          </u>

Investment property comprises a former manse at 47 Valence Crescent, Witney. The property had been let following a vacancy for two years and was transferred from fixed asset property at its net book value (cost less depreciation). The property was subsequently sold with a gain of £89,554.

### 18 Borrowings

	2023 £	2022 £
Bank overdrafts	-	515
Other loans	-	50,000
	<u>          </u>	<u>          </u>
	-	50,515
	<u>          </u>	<u>          </u>
Payable within one year	-	515
Payable after one year	-	50,000
	<u>          </u>	<u>          </u>

### 19 Trade and other receivables

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Loans to churches	21,052	26,462
Other receivables	4,194	-
Prepayments and accrued income	10,914	2,721
	<u>          </u>	<u>          </u>
	36,160	29,183
	<u>          </u>	<u>          </u>
<b>Amounts falling due after more than one year:</b>		
Loans to churches	139,965	184,827
	<u>          </u>	<u>          </u>
<b>Total debtors</b>	<u>          </u>	<u>          </u>
	176,125	214,010
	<u>          </u>	<u>          </u>

As at 31 December 2023 total loans to churches amounted to £161,017 (2022: £211,289). No new loans were advanced to churches during the year (2022: £43,550) and repayments of loans during the year amounted to £50,272 (2022: £27,271).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 20 Non-current liabilities

2023  
£

2022  
£

Borrowings	-	50,000
------------	---	--------

### 21 Current liabilities

Notes  
2023  
£

2022  
£

Bank overdrafts	18	-	515
Deferred income	22	7,718	5,795
Other payables		37,628	36,542
Accruals and deferred income		4,240	4,200
		49,586	47,052

### 22 Deferred income

2023  
£

2022  
£

Other deferred income	7,718	5,795
-----------------------	-------	-------

Deferred income is included in the financial statements as follows:

2023  
£

2022  
£

Deferred income is included within:

Current liabilities	7,718	5,795
---------------------	-------	-------

Movements in the year:

Deferred income at 1 January 2023	5,795	4,485
Released from previous periods	(5,795)	(4,485)
Resources deferred in the year	7,718	5,795

Deferred income at 31 December 2023	7,718	5,795
-------------------------------------	-------	-------

Deferred income relates to subscriptions received for the 2024 Minister and Leaders Conference prior to the balance sheet date.

### 23 Retirement benefit schemes

2023  
£

2022  
£

#### Defined contribution schemes

Charge to profit or loss in respect of defined contribution schemes	45,528	30,396
---	--------	--------

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 23 Retirement benefit schemes (Continued)

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

#### 24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Confidential Fund	-	200	(1,014)	814	-
Church of the Year	3,462	2,866	(4,176)	-	2,152
Hill Street, Poole Property	299,556	8,419	(2,207)	89,254	395,022
	<u>303,018</u>	<u>11,485</u>	<u>(7,397)</u>	<u>90,068</u>	<u>397,174</u>
	<u><u>303,018</u></u>	<u><u>11,485</u></u>	<u><u>(7,397)</u></u>	<u><u>90,068</u></u>	<u><u>397,174</u></u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
Confidential Fund	-	190	(500)	310	-
Church of the Year	3,764	3,962	(4,264)	-	3,462
Pioneer Mission Fund	-	21,968	(21,968)	-	-
Hill Street, Poole Property	301,542	-	(1,986)	-	299,556
	<u>305,306</u>	<u>26,120</u>	<u>(28,718)</u>	<u>310</u>	<u>303,018</u>
	<u><u>305,306</u></u>	<u><u>26,120</u></u>	<u><u>(28,718)</u></u>	<u><u>310</u></u>	<u><u>303,018</u></u>

**Church of the Year Fund** is to receive and distribute gifts received from churches for the annually nominated Church of the Year within the association.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister.

**Hill Street, Poole Property** represents the net book value of a property passed to SCBA when the Church located at Hill Street, Poole, Dorset closed. The Church directed that the property should be used to facilitate pioneer mission in Hamworthy and thus has restricted use. During the year the original property was sold and a replacement purchased. The property is used to house a mission family currently undertaking this work.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 25 Unrestricted funds - designated

These are unrestricted funds which are material to the Charity's activities.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Education & sabbatical grants	17,878	-	(4,000)	-	13,878
Abraham Trust (Confidential)	11,200	-	-	-	11,200
Pension fund deficit reserve	71,916	-	-	(71,916)	-
Pioneer mission funds	-	6,651	(53,626)	46,975	-
	<u>100,994</u>	<u>6,651</u>	<u>(57,626)</u>	<u>(24,941)</u>	<u>25,078</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
Education & Sabbatical Grants	19,578	-	(1,700)	-	17,878
Abraham Trust (Confidential)	11,200	-	-	-	11,200
Pension Fund Debt Reserve	71,916	-	-	-	71,916
Pioneer Mission Fund	-	-	(37,956)	37,956	-
	<u>102,694</u>	<u>-</u>	<u>(39,656)</u>	<u>37,956</u>	<u>100,994</u>

**Abraham Trust / Confidential Fund** is to be used to support those in need in churches which were part of the former OEGBA.

**Educational and Sabbatical Grants Fund** represents amounts set aside to support individuals from member churches through sabbaticals and participation in other educational opportunities relating to Christian service or ministry.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister. Some restricted funds were received for this work in the year and so the movement on the fund was moved and shown as restricted. Monies assigned by the Trustees to the project held in this fund were transferred to the restricted fund to cover the deficit in the year,

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 26 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Investment in Baptist Insurance Company	12,020	-	-	-	-	12,020
Loan Funds (including Alden Memorial)	636,215	-	-	-	-	636,215
General funds	1,314,068	930,307	(553,763)	(65,127)	89,554	1,715,039
	<u>1,962,303</u>	<u>930,307</u>	<u>(553,763)</u>	<u>(65,127)</u>	<u>89,554</u>	<u>2,363,274</u>
	<u><u>1,962,303</u></u>	<u><u>930,307</u></u>	<u><u>(553,763)</u></u>	<u><u>(65,127)</u></u>	<u><u>89,554</u></u>	<u><u>2,363,274</u></u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 December 2022</b>
	£	£	£	£	£	£
Investment in Baptist Insurance Company	12,020	-	-	-	-	12,020
Loan Funds (including Alden Memorial)	636,215	-	-	-	-	636,215
General funds	1,355,905	405,224	(408,795)	(38,266)	-	1,314,068
	<u>2,004,140</u>	<u>405,224</u>	<u>(408,795)</u>	<u>(38,266)</u>	<u>-</u>	<u>1,962,303</u>
	<u><u>2,004,140</u></u>	<u><u>405,224</u></u>	<u><u>(408,795)</u></u>	<u><u>(38,266)</u></u>	<u><u>-</u></u>	<u><u>1,962,303</u></u>

**General Funds** are held to support ongoing activities of the company.

**Loan Funds** are held to enable loans to be made to member churches to support projects, typically building projects.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 27 Analysis of net assets between funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 31 December 2023 are represented by:</b>				
Property, plant and equipment	546,676	-	397,174	943,850
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,804,578	25,078	-	1,829,656
	<u>2,363,274</u>	<u>25,078</u>	<u>397,174</u>	<u>2,785,526</u>

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Fund balances at 31 December 2022 are represented by:</b>				
Property, plant and equipment	940,577	-	349,556	1,290,133
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,009,706	100,994	3,462	1,114,162
Long term liabilities	-	-	(50,000)	(50,000)
	<u>1,962,303</u>	<u>100,994</u>	<u>303,018</u>	<u>2,366,315</u>

#### 28 Home Mission Giving

The arrangements for making Home Mission Gifts from churches to the Baptist Union were changed during 2005. A new joint account, SCBA/Baptist Union, was set up so that churches and the SCBA can transfer their gifts to this account, but only the Baptist Union has authority to withdraw funds. As the SCBA is not beneficially entitled to retain any of the monies given by the churches for Home Mission, these gifts are transferred directly to the Baptist Union and do not need to be included in the SCBA's Statement of Financial Activities.

Giving to Home Mission by churches and groups within the SCBA area was £341,908 (2022: £337,987).

#### 29 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

30 Cash generated from operations	2023 £	2022 £
Surplus/(deficit) for the year	419,211	(99,590)
Adjustments for:		
Investment income recognised in statement of financial activities	(32,835)	(12,912)
Gain on disposal of property, plant and equipment	(8,419)	-
Gain on disposal of investment property	(89,554)	-
Depreciation and impairment of property, plant and equipment	4,994	7,283
Difference between pension charge and cash contributions	-	(7,333)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	37,885	(15,957)
Increase in trade and other payables	1,126	28,950
Increase in deferred income	1,923	1,310
<b>Cash generated from/(absorbed by) operations</b>	<u>334,331</u>	<u>(98,249)</u>

### 31 Analysis of changes in net funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	947,204	755,913	1,703,117
Bank overdrafts	(515)	515	-
	<u>946,689</u>	<u>756,428</u>	<u>1,703,117</u>
Loans falling due after more than one year	(50,000)	50,000	-
	<u>896,689</u>	<u>806,428</u>	<u>1,703,117</u>

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

England & Wales - Charity number 1091066

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# Accounts

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Charity registration number 1091066

Company registration number 04279837 (England and Wales)

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**



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southern counties baptist association

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees:</b>	Rev'd Judith Wheatley Mr Andrew Johnson Mrs Ann Andrews Mr John Bragg Rev'd Christopher Brockway Mr Peter Brookes Rev'd Anthony Clarke Mr Jason Collis Rev'd Simon Ford Ms Emma Green Rev'd Martin Hardwidge Rev'd Clare Hooper Rev'd Jonathan Keyworth Rev'd Dr Colin Norris Rev'd Hayley Young	Interim Moderator of the Trustees (from January 2022) Association Treasurer  (Until 7th November 2022) (Appointed 17th May 2023)  Regent's Park College Representative  (Appointed 7th November 2022)  (Appointed 1st July 2023) (Appointed 7th November 2022) Regional Ministry Team Leader (Until 31st Jan 2023) (Appointed 1st July 2023)
<b>Regional Ministry Team:</b>	Rev'd Dr Colin Norris Rev'd Stephen Barber  Rev'd Simon Gray Rev'd Clare Hooper Rev'd Jonathan Hunt Rev'd James Thomas	Regional Ministry Team Leader Interim Regional Minister (until September 2022) Regional Minister (from Sep. 2022) Regional Minister/Operations Lead (from Sep. 2022) Regional Minister, Children, Youth & Families Regional Minister (until June 2022) Regional Minister, Mission Development (from Sep. 2022)
<b>Staff Team:</b>	Mrs Amy Allen Mr Keith Baldwin  Mrs Joy Cheang	Administration Manager Interim Safeguarding Adviser (from July 2022) Safeguarding Adviser (from November 2022) Safeguarding Adviser (until July 2022)
<b>Charity number</b>	1091066	
<b>Company number</b>	04279837	
<b>Registered office and operational address</b>	Baptist House 129 Broadway Didcot Oxfordshire OX11 8XD	
<b>Independent examiner</b>	Colin Dadswell FCA FCCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	HSBC Bank plc 186 Broadway Didcot OX11 8RP	

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees, who are also directors of the Association for the purposes of company law, are pleased to present their Annual report and financial statements of the charitable company for the period 1 January 2020 to 31 December 2022, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

#### **Objectives and activities**

The Southern Counties Baptist Association (also known as SCBA) is a registered charity (number 1091066). It was incorporated as a private limited company on 31 August 2001 and is governed by Articles and Memorandum of Association.

The objective of the charitable company is 'the advancement of the Christian faith especially by 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'.

The principal activities of the charitable company are the employment of Regional Ministers and administrative staff team, with 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 religion in a way which benefits Baptist churches and the communities in which 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 and BMS World Mission.

#### **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 religion and practice 'according to the principles of the Baptist denomination' and with the Objects of the charitable company. More detailed information about the activities and their success is provided in the "Achievements and Performance" section of this report.

The charitable company aims to:

#### *Short-term:*

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals in exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing Baptist Union approved training for Regionally Recognised Leaders and lay pastors.(our RRL formation fulfils BUGB requirements for Lay Pastors so they can be separately listed).
- Encourage dialogue within churches or between churches and their local community.
- Encourage the SCBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission, Pioneering and other Association funds.
- Receive and consider reports from the SCBA Strategy Groups and the Regional Ministers, enabling the charitable company to maintain effective governance.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### *Long-term:*

- Make Safeguarding training available on a rolling programme, encouraging and enabling members of our churches to receive training at a reduced cost or free, and ensuring that ministers have completed Level 2 & 3 training.
- Ensure, through its Staff, Finance & Administration 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.
- 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 advice on issues having a potentially wide-ranging effect with a view to mitigating risk.

The aim of our charity is to inspire, connect and resource healthy churches in relationship for God's mission and this fully reflects the purposes that the charity was set up to further. The team and trustees sought to achieve these aims in a number of ways, primarily providing support to the churches and their ministers to enable them to advance the Christian religion by public worship and their objects but also including granting assistance to churches seeking to improve their premises, encouraging churches to adopt robust safeguarding policies and practice, acting to provide help and support to churches seeking to improve their own governance and holding the Regional Ministers accountable for their support for churches seeking to advance the Christian religion in their communities.

The trustees review our aims, objectives and activities each year through appraisals of the team and the work that they have carried out. In doing this, not only are we able to ensure that our aims, objectives and activities remain focussed, but also that the team are carrying out their roles to the best of their abilities.

#### Significant Activities of our Association included:

- Hosting events for ministers and leaders, including a three-day conference, to teach and to develop and deepen their relationship with God
- Providing Home Mission Grants to sustain churches and organisation for mission in their communities
- Providing support for our Association churches, ministers and leaders, including pastoral, safeguarding and monetary.
- Through different Association working groups, continuing to assess and develop the various aspects of our mission, including finance, safeguarding and leadership development.
- Identifying, partnering with and resourcing pioneer mission initiatives

The Association's volunteers have roles either as trustees on the Steering and Strategy Group; or as non-trustee members of one of the Association working groups. The Association also uses volunteers to carry out their safeguarding training sessions, who are trained to a high standard to fulfil this role.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Achievements and performance**

The Association is made up of **148** member churches of the Association, mainly located in Berkshire, Dorset, Hampshire, Isle of Wight, Oxfordshire and Wiltshire, covering thirteen counties in total. The Regional Ministers gave regular input to individual churches about good practice, backed up by the resources of the Baptist Union, as well as being involved in conflict resolution when necessary.

The testing of the call to ministry is carried out by a Ministerial Recognition Group formed as part of the South West Partnership and was carried out online with the four Associations. The Regional Ministers also oversee the development of ministers during their first three years of ministry. Five ministers became Fully Accredited Ministers and will be recognised at the Baptist Assembly in 2023, with fourteen Newly Accredited Ministers attending online reflection session in February and September.

The Regional Ministry Team spent the year making contact with their allocated churches and ministers, giving advice and support where needed, as well as attending church meeting and leading or speaking at services, both online and in-person. This has continued to be in contact with all of the Association contacts through a monthly email with up-to-date information of what is happening both nationally and in the Association.

In June 2022, Revd Joth Hunt left his role as Regional Minister to take a role as Regional Minister Team Leader for South East Baptist Association. Following on from the strategic review, the trustees decided to restructure the roles, and following a day of interviews, Revd Stephen Barber was called as part-time Regional Minister for the north, whilst continuing to serve Orchard Baptist Church part-time; Revd Simon Gray was called as Regional Minister – part-time Operations Lead and part-time general for the south-east; and Revd James Thomas was called as part-time Regional Minister, Mission Development.

The team and trustees continued to work on the Strategic Review carried out by Helen Cameron, and in particular the five strategic priorities: clusters, mission development, pioneering, children, youth and families, and leaders development; and the two main enabling priorities: the reserves policy and people strategy. Helen Cameron led an Away Day for the team and trustees in March to work further on this.

In-person Safeguarding Training continued throughout the year. The Safeguarding Training is run across the Association with a trained team of Safeguarding Trainers (all of whom are volunteers) in the light of the national policies and procedures. In 2022, 1,292 ministers, leaders and church members of SCBA church were trained in level 2 and level 3 safeguarding by SCBA safeguarding trainers.

In the period 1st January 2022 to 31st December 2022, SCBA continued to receive a high number of contacts for safeguarding advice. This remains at a relatively high level and is thought to be related to an increase in safeguarding training provision (34 training days were held), the continued raising of awareness of safeguarding matters and an increase in societal stress. Confusion and concern around Gender Issues have also led to concerns for many churches. These issues are being considered by the National Team and it is hoped that helpful advice and information will be forthcoming. The Association Safeguarding Advisor is able to provide support to the churches, liaising with both the Regional Ministry Team and National Safeguarding Team as appropriate.

Various events, training and meetings were held throughout the year. 87 Ministers and Leaders attended our three-day in Cheltenham conference held in February, led by Revd Geoff Colmer. This was our first in-person three-day conference after Covid, and it was great to be back together. The first day of the conference was an opportunity for a selection of our groups to meet up together, including the children, youth and family workers, newly accredited ministers, and chaplains.

In June two leaders' days, one held in-person and one held online, were attended by 65 ministers and leaders, led by Jonas Kurlberg, speaking on 'Digital Theology'. In November. The leaders' day and AGM was attended by 83 leaders and ministers and was led by Hannah Fleming-Hill and Isabella Senior, speaking on 'Building for the Future: Equipping the Church for the Next Generation'. The children, youth and families workers continued to meet both online and in person for training and support.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The Association made a difference to its beneficiaries in terms of support, advice and training when requested or offered. Also, the Home Mission Group and the Staff, Finance and Administration Group vetted and advised on the applications for Home Mission grants from 11 churches and 4 para-church organisations, including consultation about the approach taken with representatives from South-West, West and South Wales Baptist Associations with whom we informally partner. The Association has also made a number of grants to individuals for education and development.

At the end of 2022, there were 22 pioneers within SCBA. 12 were accredited Baptist Ministers (or MiTs); 2 were RRLs; 8 had no Baptist accreditation. 6 were on the staff of an established church; 4 were seconded to other denominations or non-denominational projects; 5 operated as a church/CIO in their own right; 3 were effectively self-employed and had other income sources; 4 were supported directly by SCBA (either through stipend, housing or expenses). 6 of our pioneers were supported by a Home Mission grant. The pioneers were pastorally supported by an SCBA pioneering network and represented by a pioneering steering group.

In reviewing the achievements and performance of the Association during the reporting period, this is mainly achieved through the number of ministers, leaders, members and churches who have interacted with the Association in some way, whether through events, training, or meeting with the Regional Ministry Team.

A number of positive and negative factors, both within and outside the charity's control, have affected achievements of its objectives. The continued employment of the Safeguarding Adviser has been an extremely positive factor, taking some of the pressure and work from the Regional Ministry Team. The working groups continue to evolve so that the varied aspects of the Association's work are covered. The working groups are currently: Staff, Finance and Administration; Children, Youth and Families; Safeguarding; Leadership and Ministerial Development; Mission Development; Home Mission; Pioneering and Communications.

Since the new team has been in place, it has been easier to keep in touch with the 148 churches. However, there are also those churches who are difficult to contact, sometimes because they do not wish to have contact with the Association and are very independent. The restriction of finance and resources will continue to have a negative impact on the objectives in the future of the Association and the way the objectives are fulfilled.

In regard to fundraising activities, the Association has a major responsibility for encouraging churches to donate funds to the Baptist Union Home Mission Appeal but such encouragement is limited to drawing attention to the need and benefits during meetings and church visits, on the SCBA website, and in letters from the Association Treasurer to the church treasurers. In 2022, the giving by SCBA churches failed to reach the target set for the Association by the Baptist Union.

The Association is not permitted to raise funds to meet its operational or administrative costs, other than to meet the expenses of events, such as training. However, the Association does receive gifts for the Confidential Fund, established to relieve the hardship of ministers or spouses. A grant from the money raised for the Baptist Union Home Mission in 2021 was given to the Association to cover staff salaries and administrative costs in 2022, as well as to distribute to Home Mission grant recipients. This is the principal source of income to cover the operating costs of the Association. The Association did not use any material expenditure to raise income in the reporting period.

#### **Financial review**

During 2022 the overall funds of the Association decreased by £45,825 (2021: an increase of £456,496).

The Association had Unrestricted general funds of £1,962,303 at the period end and £303,018 restricted funds. The Association's general fund totalled £1,326,088 at the end of 2022. Funds of £636,215 are held as loan funds for interest free loans to churches, of which £211,289 was on loan. In addition there were designated funds amounting to £100,994.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **Reserves policy and going concern**

The Association maintains reserves of £450,000 which currently represent approximately 9 months full running costs.

The trustees have recognised that, taking into account the size of the staff team, the Association will be running a deficit budget for a number of years which is likely to be with in the region of £135,000 a year unless additional funds accrue.

Given the existing level of unrestricted funds above and beyond that necessary to maintain the Association's reserves the trustees consider the Association remains a going concern despite an excess of expenditure over income. However, since there is little prospect of a significant reduction in costs if the Association continues to operate at its current level, the trustees have engaged in the Strategic Review mentioned earlier.

The Association incurred financial costs on the majority of its events. In 2021, SCBA did not charge for any of its online events including the Minister' and Leaders' Conference and the Leaders' Day in June. It did charge those attending the AGM and Leaders' Day in-person in November, but additional costs included the speaker fee and staff mileage are covered by the Association. The Association did not charge for the online safeguarding training but the in-person training event at the end of the year was largely covered by the charge to those attending. Association support, events and training also incur the costs of the Regional Ministry Team time and mileage, though the mileage costs were largely reduced with the ongoing Covid restrictions until July 2021.

In regard to investment performance, funds not required for immediate purposes were deployed with the Baptist Union Corporation Ltd, which employs investment manager. The Baptist Union Trustees monitor investment performances through their Finance and Audit Committee.

The principal risk facing the Association is the current deficit budget. This has been fully identified but the trustees, through the Staff, Finance and Administration Group. The Association trustees and Regional Ministry Team continue to meet to discuss the Strategic Review and the way forward whilst working with a deficit budget. However, monies from closed church are currently covering the deficit to some extent but cannot be relied on long-term.

The principal funding source to SCBA is form Home Mission giving from out Association churches, either through SCBA or directly to the Baptist Union. This is then put into a 'shared pot' with the other Association in the union, and SCBA then receive a percentage of the total amount. An increase in giving to the Home Mission fund from SCBA churches may not directly result in an increased grant directly to SCBA.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. SCBA have now paid off the pension debt that was owed for the Association. Debts to churches that had closed and who did not own a building to sell were also covered by SCBA. The Association has conducted research to establish other churches whose trustees would be liable to pay the pension debt if the church closed (and if a building sale will not cover the debt) and SCBA will also be able to cover these debts.

#### **Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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

During 2023, the charitable company will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Christian religion and the enrichment of church and community life in the Southern Counties.

The Regional Ministry Team will plan to keep the regular activities in place. These activities include: the continuation of Safeguarding Training available to all churches and communities; supporting the member churches, both pastorally through the Regional Ministry Team, and for some, financially through grants; and hosting ministers' and leaders' events including a three-day conference and the AGM. The Board of Trustees will continue to work on the findings of the Strategic Review of the Association, particularly reviewing the current deficit.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Structure, governance and management

The charitable company is governed by its Memorandum of Association and Articles of Association and Rules. The Objects of this charitable company are the advancement of the Christian religion 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.

The charity is an Incorporated Private Limited Company and is constituted of a board of eleven trustees, who are also the Company's Directors, including the Moderator and the Treasurer, who oversee the works of the charity. The charity's members are the 148 churches within the Association, who have the right to appoint two representatives to attend and to vote at the general meeting of the Association.

The board of Trustees consists of:

- The Regional Ministry Team Leader
- The Moderator appointed by the members of the Association
- The Treasurer appointed by the members of the Association
- A person appointed by Regent's Park College for such term of office and accordance with such procedures and rules as shall from time to time be decided by the College
- Seven trustees appointed by the members of the Association (two further trustees were appointed by vote at the AGM in November 2022)

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Andrew Johnson

Mrs Anne Andrews

Mr John Bragg (Resigned 7 November 2022)

Revd Christopher Brockway (Appointed 17 May 2023)

Mr Peter Brookes

Rev'd Anthony Clarke

Mr Jason Collis

Rev'd Simon Ford

Ms Emma Green (Appointed 7 November 2022)

Rev'd Martin Hardwidge

Revd Clare Hooper (Appointed 1 July 2023)

Revd Jonathan Keyworth (Appointed 7 November 2022)

Rev'd Dr Colin Norris (Resigned 31 January 2023)

Rev'd Judith Wheatley (Appointed 19 January 2022 and resigned 31 March 2023)

Revd Hayley Young (Appointed 1 July 2023)

Up to six trustees can be appointed on to the trustee board, three of which will be appointed solely to enable the trustee board to positively represent the age, sex and ethnic origin of the membership of the member churches.

The Association Moderator is at the head of the Association. Below this role are the rest of the board of the trustees including the Association Treasurer. The Regional Ministry Team Leaders is responsible for the rest of the team of three Regional Ministers and three support staff. A structure of strategic and enabling groups is in place to support the various aspects of the Association. These areas are: Staff Finance and Administration; Leadership and Ministerial Development; Children, Youth and Families; Safeguarding; Pioneer Mission; Mission Development; Home Mission and Communication. In line with the Memorandum and Articles, the majority of the decisions made by the charity as a whole will be made by the board of trustees, though on occasions, the other strategy groups or Regional Ministry Team will make decisions and inform the board of trustees of these decisions.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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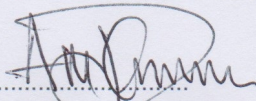
Prospective trustees are advised of the qualifications for serving as charity trustees and directors. They are invited to an informal discussion with the Moderator or Regional Ministry Team Leader to discuss the appointment. On appointment they are provided with an overview of the governing documents of instruments and activities of the charitable company, along with the Association policies and past trustee meeting minutes. Trustees are invited to various training sessions hosted by the Association or Baptist Union for its members, including Data Protection and Safeguarding.

The Regional Ministry Team are paid a stipend which is in line with the recommended stipend by the Baptist Union plus a percentage depending on their position in the team. Housing allowance and expenses are also paid on a monthly basis. The rest of the staff team are paid a salary, decided by the board of trustees, plus any out-of-pocket expenses. All volunteers within the Association are paid any out-of-pocket expenses, particularly for travel to and from meeting and events.

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 is set by the charitable company through the board of trustees and its finance group and is based upon the Baptist Union recommended stipend.

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 Union, are received by the charitable company and dispersed by its Grants Group, as well as used for the running of the Association. The Association also works informally in partnership with three other association within the Baptist Union: West of England Network, South West Baptist Association and South Wales Baptist Association. The partnership is mainly for mutual support, inspiration and advice in pursuing the aims and objectives of the Associations.

The Trustees' report was approved by the Board of Trustees.



Mr Andrew Johnson

Trustee

Dated: 13th September 2023

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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The Trustees, who are also the directors of The Southern Counties Baptist Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 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 Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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I report to the Trustees on my examination of the financial statements of The Southern Counties Baptist Association (the Charity) for the year ended 31 December 2022.

#### Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

#### Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements to be reached.



**Colin Dadswell FCA FCCA DChA**

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Dated: 22/09/2023

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

### Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b>Income from:</b>						
Donations and legacies	3	1,000	-	26,120	27,120	32,691
Charitable activities	4	351,581	-	-	351,581	251,577
Investments	6	12,912	-	-	12,912	8,466
Other income	5	39,731	-	-	39,731	587,738
<b>Total income</b>		<b>405,224</b>	<b>-</b>	<b>26,120</b>	<b>431,344</b>	<b>880,472</b>
<b>Expenditure on:</b>						
Charitable activities	7	462,560	39,656	28,718	530,934	432,185
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(57,336)</b>	<b>(39,656)</b>	<b>(2,598)</b>	<b>(99,590)</b>	<b>448,287</b>
Gross transfers between funds	21	(38,266)	37,956	310	-	-
<b>Net (expenditure)/income for the year/ Net (outgoing)/incoming resources</b>		<b>(95,602)</b>	<b>(1,700)</b>	<b>(2,288)</b>	<b>(99,590)</b>	<b>448,287</b>
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes		53,765	-	-	53,765	8,209
<b>Net movement in funds</b>		<b>(41,837)</b>	<b>(1,700)</b>	<b>(2,288)</b>	<b>(45,825)</b>	<b>456,496</b>
Fund balances at 1 January 2022		2,004,140	102,694	305,306	2,412,140	1,955,644
<b>Fund balances at 31 December 2022</b>		<b>1,962,303</b>	<b>100,994</b>	<b>303,018</b>	<b>2,366,315</b>	<b>2,412,140</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	3	-	180	32,511	32,691
Charitable activities	4	251,577	-	-	251,577
Investments	6	8,466	-	-	8,466
Other income	5	587,738	-	-	587,738
<b>Total income</b>		<b>847,781</b>	<b>180</b>	<b>32,511</b>	<b>880,472</b>
<b>Expenditure on:</b>					
Charitable activities	7	364,894	-	67,291	432,185
<b>Net (outgoing)/incoming resources before transfers</b>		<b>482,887</b>	<b>180</b>	<b>(34,780)</b>	<b>448,287</b>
Gross transfers between funds	21	(68,757)	(25,534)	94,291	-
<b>Net (expenditure)/income for the year/ Net (outgoing)/incoming resources</b>		<b>414,130</b>	<b>(25,354)</b>	<b>59,511</b>	<b>448,287</b>
<b>Other recognised gains and losses</b>					
Actuarial gain on defined benefit pension schemes		8,209	-	-	8,209
<b>Net movement in funds</b>		<b>422,339</b>	<b>(25,354)</b>	<b>59,511</b>	<b>456,496</b>
Fund balances at 1 January 2021		1,581,801	128,048	245,795	1,955,644
<b>Fund balances at 31 December 2021</b>		<b>2,004,140</b>	<b>102,694</b>	<b>305,306</b>	<b>2,412,140</b>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

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		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	13		1,290,133		795,763
Investments	14		12,020		12,020
			<hr/>		<hr/>
			1,302,153		807,783
<b>Current assets</b>					
Debtors falling due after one year	15	184,827		164,010	
Debtors falling due within one year	15	29,183		34,043	
Cash at bank and in hand		947,204		1,533,678	
		<hr/>		<hr/>	
		1,161,214		1,731,731	
<b>Current liabilities</b>	16	(47,052)		(16,276)	
		<hr/>		<hr/>	
Net current assets			1,114,162		1,715,455
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			2,416,315		2,523,238
<b>Non-current liabilities</b>	17		(50,000)		(50,000)
<b>Provisions for liabilities</b>			-		(61,098)
			<hr/>		<hr/>
<b>Net assets</b>			2,366,315		2,412,140
			<hr/> <hr/>		<hr/> <hr/>
<b>Income funds</b>					
Restricted funds	21		303,018		305,306
<u>Unrestricted funds</u>					
Designated funds	22	737,209		750,929	
General unrestricted funds		1,326,088		1,355,905	
		<hr/>		<hr/>	
			2,063,297		2,106,834
			<hr/>		<hr/>
			2,366,315		2,412,140
			<hr/> <hr/>		<hr/> <hr/>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

**AS AT 31 DECEMBER 2022**

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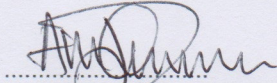
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 13 September 2023



Mr Andrew Johnson  
Trustee

Company registration number 04279837

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

##### Company information

The Southern Counties Baptist Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8XD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds - represent those funds which can be used in accordance with the Association's charitable objects at the discretion of the Trustees.

Designated funds - represent those funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted fund - can only be used for a particular restricted purpose within the charitable objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Income

Income is recognised in the Statement of Financial Activities when the Charitable Company has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and that the amount can be measured reliably.

- Donations are accounted for gross when received.
- Grants receivable are accounted for in the year in which they are receivable.
- Investment income is included in the financial statements in the year in which it is receivable.
- Event and Conference fees are accounted for in the period the event was held

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

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

- Expenditure on charitable activities represents expenditure in the furtherance of the object of the Association
- Grants payable are agreed on an annual basis and accounted for in the year in which they are committed

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure under £2,000 on office furniture and computer equipment is written off as incurred. Expenditure over £2,000 on a single item will be written off over 4 years.

Support costs are those that assist the work of the association but do not directly represent the charitable activities and include governance costs.

Governance costs comprise all costs involving the public accountability of the association and its compliance with regulation and good practice. These costs include costs relating to the statutory accounts and independent examination.

Support costs have been 100% allocated to the charitable activity.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Freehold Land - Nil, Freehold Buildings - Over 30 years
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Depreciation of buildings is based on an anticipated useful life of 30 years with a residual value equal to two thirds of the original cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided in the year of acquisition.

##### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### 1 Accounting policies (Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity only has financial assets and 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.

##### Debtors

Loans are considered concessionary loans as they are made by the charity to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments. There is no interest charged on the loan amounts. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Other debtors are recognised at the settlement amount due.

##### Creditors

Creditors are recognised where the association 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.

Accruals and other creditors are recognised at their settlement amount due.

##### Provisions for liabilities

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

#### 1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 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 II 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.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

##### 1.13 Retirement benefits

###### Multi Employer Pension Plan

Prior to 2012 pension provision was made through 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 recognises 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. The unwinding of the discount is recognised as a finance cost and any other change in the measurement of this liability is expensed to the Statement of Financial Activities

###### Defined contribution pension plans

The Association operates 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 payments obligations. The contributions are recognised as an expense 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.

#### 2 Judgements and key sources of estimation uncertainty

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: **see note 20 for further details.**
- Accounting estimates and assumptions
- Multi-employer defined benefit pension scheme: Baptist Union Staff Pension Scheme  
The Charity has an obligation to pay a deficit funding arrangement in respect of the multi-employer defined benefit 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.
- Recoverability of loan  
The recoverability of loans are assessed annually, and at the balance sheet date provisions for doubtful debts are provided based on prior year experiences.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	1,000	26,120	27,120
<b>Donations and gifts</b>			
Church of the Year gifts	-	3,962	3,962
Confidential Fund donations	-	190	190
Rural Ministry Grant	-	21,968	21,968
Other donations	1,000	-	1,000
	1,000	26,120	27,120

### For the year ended 31 December 2021

	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	180	32,511	32,691
<b>Donations and gifts</b>			
Church of the Year gifts	-	2,511	2,511
Confidential Fund donations	180	-	180
Rural Ministry Grant	-	30,000	30,000
	180	32,511	32,691

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Charitable activities

	2022 £	2021 £
Preaching and other fees	2,939	1,301
Leaders' Days & SCBA Event fees	1,921	2,108
SCBA Ministers' Conference Fees	16,437	-
Baptist Union grant for Operational Activities	296,370	244,670
Children youth & family retreat and safeguarding training	12,270	-
Charitable rental income	16,945	-
Other income	4,699	3,498
	<u>351,581</u>	<u>251,577</u>

### 5 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Closure of Redundant Churches	39,731	587,738
	<u>39,731</u>	<u>587,738</u>

### 6 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Loan and General Funds on Deposit with BU	12,511	8,065
Baptist Insurance Co Ltd - Dividends	401	401
	<u>12,912</u>	<u>8,466</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Charitable activities

	2022 £	2021 £
Staff costs	283,533	297,430
Depreciation and impairment	7,283	4,496
Travel and Accommodation	22,537	9,016
Leaders Days and SCBA Event Costs	8,293	1,708
SCBA Ministers Conference	19,153	-
Community Learning Tutor	4,000	4,000
Confidential Fund	500	-
CYF Working group	3,021	79
Pioneer Mission Fund Expenses	1,309	1,448
	<u>349,629</u>	<u>318,177</u>
Grant funding of activities (see note 8)	152,204	85,283
Share of support costs (see note 9)	20,722	20,055
Share of governance costs (see note 9)	8,379	8,670
	<u>530,934</u>	<u>432,185</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	462,560	364,894
Unrestricted funds - designated	39,656	-
Restricted funds	28,718	67,291
	<u>530,934</u>	<u>432,185</u>

### 8 Grants payable

	2022 £	2021 £
Grants to institutions:		
Home Mission Grant	128,520	82,583
Churches Together Grants	2,220	2,700
Church of the year	4,264	-
Warm spaces Grant	15,500	-
Educational and Sabbatical Grant	1,700	-
	<u>152,204</u>	<u>85,283</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Office Expenses and IT	1,349	-	1,349	981	-	981
Telephone	3,003	-	3,003	2,330	-	2,330
Volunteer Exp. and Fees	1,338	-	1,338	1,173	-	1,173
Staff Book & Study Allowance	1,052	-	1,052	1,102	-	1,102
Insurance	1,830	-	1,830	5,952	-	5,952
Building Hire	3,500	-	3,500	3,500	-	3,500
Baptist Union Subs	844	-	844	841	-	841
Interest on pension deficit	1,137	-	1,137	304	-	304
Other expenditure	6,669	-	6,669	3,872	-	3,872
Legal and professional	-	1,566	1,566	-	1,957	1,957
Accountancy & IE	-	4,020	4,020	-	4,260	4,260
Bank Charges	-	350	350	-	279	279
Software and other subscriptions	-	1,325	1,325	-	1,032	1,032
Payroll Fees	-	1,118	1,118	-	1,142	1,142
	<u>20,722</u>	<u>8,379</u>	<u>29,101</u>	<u>20,055</u>	<u>8,670</u>	<u>28,725</u>
<u>Analysed between</u>						
Charitable activities	<u>20,722</u>	<u>8,379</u>	<u>29,101</u>	<u>20,055</u>	<u>8,670</u>	<u>28,725</u>

### 10 Trustees

Trustee Rev'd Dr C Norris was paid a salary of £37,271 (2021: £36,250) and benefitted from employer pension contributions totalling £6,415 (2021: £6,389) for his work as the Regional Ministry Team Leader. The authority to employee Trustees is contained within the Charity's governing document.

During the year five Trustees were reimbursed a total of £1,215 for travel and other expenses (2021: five Trustees were reimbursed a total of £1,005).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 11 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Full time Regional Ministers	3	2
Part time Regional Ministers	2	1
Part time Administrator	-	1
Full time Administrator	1	-
Part time Support Staff (Admin Assistants)	1	1
Dorset Missional Listener	2	2
Pioneer Missioner	1	1
	<hr/>	<hr/>
	10	8
	<hr/> <hr/>	<hr/> <hr/>

#### Employment costs

	2022 £	2021 £
Wages and salaries	201,209	208,172
Social security costs	11,872	12,464
Other pension costs	15,198	27,172
Housing costs	55,254	49,622
	<hr/>	<hr/>
	283,533	297,430
	<hr/> <hr/>	<hr/> <hr/>

There were no employees whose annual remuneration was £60,000 or more.

### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 13 Property, plant and equipment

	<b>Freehold land and buildings £</b>
<b>Cost</b>	
At 1 January 2022	809,251
Additions	501,652
	<hr/>
At 31 December 2022	1,310,903
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2022	13,487
Depreciation charged in the year	7,283
	<hr/>
At 31 December 2022	20,770
	<hr/>
<b>Carrying amount</b>	
At 31 December 2022	1,290,133
	<hr/> <hr/>
At 31 December 2021	795,763
	<hr/> <hr/>

### 14 Fixed asset investments

	<b>Baptist Insurance Co PLC £</b>
<b>Cost or valuation</b>	
At 1 January 2022 & 31 December 2022	12,020
	<hr/>
<b>Carrying amount</b>	
At 31 December 2022	12,020
	<hr/> <hr/>
At 31 December 2021	12,020
	<hr/> <hr/>

There are no Investments held outside the UK.

The equity investment relates to 2,404 ordinary £5 shares held in Baptist Insurance Company PLC (registered company number 00083597), a public company limited by shares. As these shares are not actively traded through Stock Markets, no Market Value can be obtained, resulting in the shares being valued at original cost.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Trade and other receivables

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Loans to churches	26,462	31,000
Prepayments and accrued income	2,721	3,043
	<u>29,183</u>	<u>34,043</u>
	<u>29,183</u>	<u>34,043</u>
<b>Amounts falling due after more than one year:</b>		
Loans to churches	184,827	164,010
	<u>184,827</u>	<u>164,010</u>
<b>Total debtors</b>	<u>214,010</u>	<u>198,053</u>

As at 31 December 2022 total loans to churches amounted to £211,289 (2021: £195,010). New loans worth £43,550 were advanced to churches during the year (2021: £65,000) and repayments of loans during the year amounted to £27,271 (2021: £48,990)

### 16 Current liabilities

	2022	2021
	£	£
	<b>Notes</b>	
Bank overdrafts	515	-
Other taxation and social security	-	7,591
Deferred income	5,795	4,485
Other payables	36,542	-
Accruals and deferred income	4,200	4,200
	<u>47,052</u>	<u>16,276</u>
	<u>47,052</u>	<u>16,276</u>

### 17 Non-current liabilities

	2022	2021
	£	£
Borrowings	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

### 18 Provisions for liabilities

	2022	2021
	£	£
	<b>Notes</b>	
Retirement benefit obligations	-	61,098
	<u>-</u>	<u>61,098</u>
	<u>-</u>	<u>61,098</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 19 Deferred income

	2022 £	2021 £
Other deferred income	5,795	4,485
	<u>5,795</u>	<u>4,485</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	5,795	4,485
	<u>5,795</u>	<u>4,485</u>
Movements in the year:		
Deferred income at 1 January 2022	4,485	-
Released from previous periods	(4,485)	-
Resources deferred in the year	5,795	4,485
	<u>5,795</u>	<u>4,485</u>
Deferred income at 31 December 2022	5,795	4,485
	<u>5,795</u>	<u>4,485</u>

Deferred income relates to subscriptions received for the 2023 Minister and Leaders Conference prior to the balance sheet date.

### 20 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £15,198 (2021 - £27,172).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 20 Retirement benefit schemes (Continued)

##### Defined benefit schemes

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.

##### Valuation

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Association and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuations were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
<b>Assumed investment returns</b>	
Pre-retirement (gilt yield plus 1.75% pa)	2.95
Post retirement (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
<b>Deferred pension increases (based on RPI)</b>	
Pre April 2009	3.20
Post April 2009	2.50
<b>Pension increases</b>	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 20 Retirement benefit schemes (Continued)

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 is due to take place not later than as at 31 December 2022.

#### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the 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.

#### Movement in Balance Sheet liability

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

#### Key assumptions

	2022	2021
	%	%
Discount rate	5.7	2.0
Future increases to Minimum Pensionable Income	3.3	4.1

#### Amounts recognised in the income statement:

	2022	2021
	£	£
Net interest on defined benefit liability/(asset)	1,137	304

The amounts included in the statement of financial position arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2022	2021
	£	£
Present value of defined benefit obligations	-	61,098
Deficit in scheme	-	61,098

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 20 Retirement benefit schemes (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.

Movements in the present value of defined benefit obligations:

	<b>2022</b>
	<b>£</b>
Liabilities at 1 January 2022	61,098
Plan introductions, changes, curtailments and settlements	(53,765)
Contributions from scheme members	(8,470)
Interest cost	1,137
	<hr/>
At 31 December 2022	-
	<hr/> <hr/>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Confidential Fund	-	190	(500)	310	-
Church of the Year	3,764	3,962	(4,264)	-	3,462
Pioneer Mission Fund	-	21,968	(21,968)	-	-
Hill Street, Poole Property	301,542	-	(1,986)	-	299,556
	<u>305,306</u>	<u>26,120</u>	<u>(28,718)</u>	<u>310</u>	<u>303,018</u>

#### Movements for the year ended 31 December 2021

	Movement in funds				Balance at 31 December 2021
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Church of the Year	1,253	2,511	-	-	3,764
DFES Funds for Youth Work	1,014	-	(1,014)	-	-
Pioneer Mission Fund	-	30,000	(64,291)	34,291	-
Hill Street, Poole Property	243,528	-	(1,986)	60,000	301,542
	<u>245,795</u>	<u>32,511</u>	<u>(67,291)</u>	<u>94,291</u>	<u>305,306</u>

**Church of the Year Fund** is to receive and distribute gifts received from churches for the annually nominated Church of the Year within the association.

**DFES Grants** is to be used for the training of Youth Workers. (Residual monies given by DFES between 2005 and 2008). A proportion of the wages of Claire Hooper were allocated to this fund as she is involved in supporting youth workers. The fund is now closed.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister.

**Hill Street, Poole Property** represents the net book value less borrowings (£349,556 less £50,000) of a property passed to SCBA when the Church located at Hill Street, Poole, Dorset closed. The Church directed that the property should be used to facilitate pioneer mission in Hamworthy and thus has restricted use. The property is used to house a mission family currently undertaking this work.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 22 General and Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021		Movement in funds		Balance at 1 January 2022		Movement in funds		Balance at 31 December 2022			
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses		
<b>General Funds</b>												
General Fund	933,566	847,781	847,781	(364,894)	(68,757)	8,209	1,367,925	405,224	(462,560)	(38,266)	53,765	1,326,088
Investment in Baptist Insurance Company	12,020	-	-	-	-	-	-	-	-	-	-	-
Loan Funds (including Alden Memorial)	636,215	-	-	-	-	-	636,215	-	-	-	-	636,215
	<u>1,581,801</u>	<u>847,781</u>	<u>847,781</u>	<u>(364,894)</u>	<u>(68,757)</u>	<u>8,209</u>	<u>2,004,140</u>	<u>405,224</u>	<u>(462,560)</u>	<u>(38,266)</u>	<u>53,765</u>	<u>1,962,303</u>
<b>Designated Funds</b>												
Education & Sabbatical Grants	19,578	-	-	-	-	-	19,578	-	(1,700)	-	-	17,878
Abraham Trust (Confidential)	11,020	180	180	-	-	-	11,200	-	-	-	-	11,200
Pension Fund Debt Reserve	71,916	-	-	-	-	-	71,916	-	-	-	-	71,916
Pioneer Mission Fund	25,534	-	-	-	(25,534)	-	-	-	(37,956)	37,956	-	-
	<u>128,048</u>	<u>180</u>	<u>180</u>	<u>-</u>	<u>(25,534)</u>	<u>-</u>	<u>102,694</u>	<u>-</u>	<u>(39,656)</u>	<u>37,956</u>	<u>-</u>	<u>100,994</u>
<b>Total</b>	<u><b>1,709,849</b></u>	<u><b>847,961</b></u>	<u><b>847,961</b></u>	<u><b>(364,894)</b></u>	<u><b>(94,291)</b></u>	<u><b>8,209</b></u>	<u><b>2,106,834</b></u>	<u><b>405,224</b></u>	<u><b>(502,216)</b></u>	<u><b>(310)</b></u>	<u><b>53,765</b></u>	<u><b>2,063,297</b></u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 22 General and Designated funds (Continued)

**General Funds** are held to support ongoing activities of the company.

**Loan Funds** are held to enable loans to be made to member churches to support projects, typically building projects.

**Abraham Trust / Confidential Fund** is to be used to support those in need in churches which were part of the former OEGBA.

**Educational and Sabbatical Grants Fund** represents amounts set aside to support individuals from member churches through sabbaticals and participation in other educational opportunities relating to Christian service or ministry.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister. Some restricted funds were received for this work in the year and so the movement on the fund was moved and shown as restricted. Monies assigned by the Trustees to the project held in this fund were transferred to the restricted fund to cover the deficit in the year.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 23 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances are represented by:				
Property, plant and equipment	940,577	-	349,556	1,290,133
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,009,706	100,994	3,462	1,114,162
Long term liabilities	-	-	(50,000)	(50,000)
	<u>1,962,303</u>	<u>100,994</u>	<u>303,018</u>	<u>2,366,315</u>

### Analysis as at year ended 31 December 2021

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances are represented by:				
Property, plant and equipment	444,221	-	351,542	795,763
Investments	12,020	-	-	12,020
Current assets/(liabilities)	1,608,997	102,694	3,764	1,715,455
Long term liabilities	-	-	(50,000)	(50,000)
Provisions and pensions	(61,098)	-	-	(61,098)
	<u>2,004,140</u>	<u>102,694</u>	<u>305,306</u>	<u>2,412,140</u>

### 24 Home Mission Giving

The arrangements for making Home Mission Gifts from churches to the Baptist Union were changed during 2005. A new joint account, SCBA/Baptist Union, was set up so that churches and the SCBA can transfer their gifts to this account, but only the Baptist Union has authority to withdraw funds. As the SCBA is not beneficially entitled to retain any of the monies given by the churches for Home Mission, these gifts are transferred directly to the Baptist Union and do not need to be included in the SCBA's Statement of Financial Activities.

Giving to Home Mission by churches and groups within the SCBA area was £337,738 (2021: £345,987).

### 25 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

England & Wales - Charity number 1091066

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# Accounts

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Charity registration number 1091066

Company registration number 04279837 (England and Wales)

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



**Caladine**

Chartered Certified Accountants

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees:</b>	Rev'd Anne Carter Mr Andrew Johnson Mrs Ann Andrews Rev'd Stephen Barber Mr John Bragg Mr Peter Brookes Rev'd Anthony Clarke Mr Jason Collis Rev'd Nigel Cox Rev'd Simon Ford Rev'd Martin Hardwidge Rev'd Dr Colin Norris Rev'd Judith Wheatley	Moderator of the trustees (Until 8th November 2021) Association Treasurer  (Until 1st October 2021)  Regent's Park College Representative (Appointed 8th November 2021) (Until 8th November 2021)  Regional Ministry Team Leader (Appointed 19th January 2022)
<b>Regional Ministry Team:</b>	Rev'd Dr Colin Norris Rev'd Stephen Barber Rev'd Clare Hooper Rev'd Jonathan Hunt Rev'd David Llewellyn	Regional Ministry Team Leader Interim Regional Minister (from September 2021) Children, Youth & Families Missional Developer Regional Minister Regional Minister (Until July 2021)
<b>Staff Team:</b>	Mrs Amy Allen Mrs Joy Cheang Miss Alysen Merrill	Administration Manager Safeguarding Adviser Administration Support (Until September 2021)
<b>Charity number</b>	1091066	
<b>Company number</b>	04279837	
<b>Registered office and operational address</b>	Baptist House 129 Broadway Didcot Oxfordshire OX11 8XD	
<b>Independent examiner</b>	Colin Dadswell FCA ACCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	HSBC Bank plc 186 Broadway Didcot OX11 8RP	

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees, who are also directors of the Association for the purposes of company law, are pleased to present their Annual report and financial statements of the charitable company for the period 1 January 2020 to 31 December 2021, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

#### **Objectives and activities**

The Southern Counties Baptist Association (also known as SCBA) is a registered charity (number 1091066). It was incorporated as a private limited company on 31 August 2001 and is governed by Articles and Memorandum of Association.

The objective of the charitable company is 'the advancement of the Christian faith especially by 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'.

The principal activities of the charitable company are the employment of Regional Ministers and administrative staff team, with 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 religion in a way which benefits Baptist churches and the communities in which 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 and BMS World Mission.

#### **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 religion and practice 'according to the principles of the Baptist denomination' and with the Objects of the charitable company. More detailed information about the activities and their success is provided in the "*Achievements and Performance*" section of this report.

The charitable company aims to:

#### *Short-term:*

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals in exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing Baptist Union approved training for Regionally Recognised Leaders and lay pastors.(our RRL formation fulfils BUGB requirements for Lay Pastors so they can be separately listed).
- Encourage dialogue within churches or between churches and their local community.
- Encourage the SCBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission, Pioneering and other Association funds.
- Receive and consider reports from the SCBA Strategy Groups and the Regional Ministers, enabling the charitable company to maintain effective governance.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### *Long-term:*

- Make Safeguarding training available on a rolling programme, encouraging and enabling members of our churches to receive training at a reduced cost or free, and ensuring that ministers have completed Level 2 & 3 training.
- Ensure, through its Staff, Finance & Administration 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.
- 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 advice on issues having a potentially wide-ranging effect with a view to mitigating risk.

The aim of our charity is to inspire, connect and resource healthy churches in relationship for God's mission and this fully reflects the purposes that the charity was set up to further. The team and trustees sought to achieve these aims in a number of ways, primarily providing support to the churches and their ministers to enable them to advance the Christian religion by public worship and their objects but also including granting assistance to churches seeking to improve their premises, encouraging churches to adopt robust safeguarding policies and practice, acting to provide help and support to churches seeking to improve their own governance and holding the Regional Ministers accountable for their support for churches seeking to advance the Christian religion in their communities.

The trustees review our aims, objectives and activities each year through appraisals of the team and the work that they have carried out. In doing this, not only are we able to ensure that our aims, objectives and activities remain focussed, but also that the team are carrying out their roles to the best of their abilities.

### Significant Activities of our Association included:

- Hosting events for ministers and leaders, including a three-day conference, to teach and to develop and deepen their relationship with God
- Providing Home Mission Grants to sustain churches and organisation for mission in their communities
- Providing support for our Association churches, ministers and leaders, including pastoral, safeguarding and monetary.
- Through different Association working groups, continuing to assess and develop the various aspects of our mission, including finance, safeguarding and leadership development.
- Developing mission among children, youth and families through supportive networking events and training.
- Identifying, partnering with and resourcing pioneer mission initiatives

The Association's volunteers have roles either as trustees on the Steering and Strategy Group; or as non-trustee members of one of the Association working groups. The Association also uses volunteers to carry out their safeguarding training sessions, who are trained to a high standard to fulfil this role.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### **Achievements and performance**

The Association is made up of **148** member churches of the Association, mainly located in Berkshire, Dorset, Hampshire, Isle of Wight, Oxfordshire and Wiltshire, covering thirteen counties in total. The Regional Ministers gave regular input to individual churches about good practice, backed up by the resources of the Baptist Union, as well as being involved in conflict resolution when necessary.

This year has continued to be very different due to the Covid-19 pandemic. The Regional Ministry Team and staff continued to work from home until July and meetings and association days at the start of the year were held online. The Association have continued to carry out some meetings, particularly the Strategy Groups, online, even after the end of lockdown, to save on cost of travel expenses and time travelling.

The testing of the call to ministry is carried out by a Ministerial Recognition Group formed as part of the South West Partnership and was carried out online with the four Associations. The Regional Ministers also oversee the development of ministers during their first three years of ministry. Two ministers became Fully Accredited Ministers and will be recognised at the Baptist Assembly in 2022, with twelve Newly Accredited Ministers attending online reflection sessions in February and September.

The Regional Ministry Team spent the year making contact with their allocated churches and ministers, giving advice and support where needed, as well as attending church meetings and leading or speaking at services, both online and in-person. This has continued to be a vital part of the Regional Ministers' role during the lockdown and coming out of the lockdown. The Team have remained committed to producing monthly video reflections which have been sent out along with relevant Covid information in an email to all SCBA contacts.

In July 2021, Revd David Llewellyn left his role as Regional Minister to return to pastoral ministry in Wales. While a Strategic Review was being carried out, an Interim Regional Minister, Revd Stephen Barber, was seconded from Orchard Baptist Church on a part-time basis to cover the church support in the north of the Association.

The second half of the year was spent conducting a Strategic Review of the Association, facilitated by Helen Cameron, Research Fellow at the Centre for Baptist Studies at Regent's Park College. Helen spent time in conversation with the SCBA working groups, conducting focus groups of SCBA ministers and leaders, and facilitating questionnaires with the communities in the Association. From her research, Helen produced five strategic priorities: clusters, mission development, pioneering, children, youth and families, and leader development; and two main enabling priorities: reserves policy and people strategy. These priorities will now be used to focus on the work of the Association.

Online Safeguarding Training was made available to the Baptist family through a BUGB Training Video and online discussions for those who had not done the Safeguarding Training before. In-person Safeguarding Training commenced in November 2021. The Safeguarding Training is run across the Association with a trained team of Safeguarding Trainers (all of whom are volunteers) in the light of the national policies and procedures.

In the period 1st January 2021 to 31st December 2021, SCBA received a total of 128 safeguarding enquiries for advice. The continuing high number in contacts is anecdotally related to an increase in safeguarding training provision, rising awareness of good practice in safeguarding, and the impact of societal stress and anxiety associated with the Pandemic and lockdowns. These enquires have been appropriately followed up by SCBA through the work of the Safeguarding Adviser and wider regional team.

Various events, training and meetings were held throughout the year, both online and in person. 90 Ministers and Leaders attended our three-day online conference held in February, led by Revd Beth Powney and Revd Tim Fergusson. The first day of the conference, attended by 115 ministers and leaders, including Newly Accredited Minister and Children, Youth and Families Workers, was led by the 'Transforming Lives for Good' team on Emotional Rollercoaster Training, offering therapeutic responses, approaches and activities to explore emotional health.

126 ministers and leaders attended a morning in June via Zoom led by Ruth Rice from Renew Wellbeing, looking at mental health. In November, SBCA ministers and leaders were able to meet in person for the SCBA Annual General Meeting and Leaders' Day, attended by 100 members, led by Revd Stephen Gaukroger from Clarion Trust International speaking on 'The Post-Covid Church'.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The children, youth and families workers continued to meet online for training and support. The Mentoring Network continued in the Association for those ministers interested in or currently mentoring in our Association and 20 mentors attended an online mentoring workshop in September.

In response to the continued Covid Pandemic, an additional online event was held for SCBA ministers and leaders. The 'Emmaus Encounter' events were a space to have the opportunity to respond to the question "What Things" (the question Jesus asked the disciples on the road to Emmaus) in the light of the pandemic and to notice the difficulties and challenge, and to encounter Jesus afresh in preparation for the new journey that lays ahead.

The Association made a difference to its beneficiaries in terms of support, advice and training when requested or offered. Also, the Home Mission Group and the Staff, Finance and Administration Group vetted and advised on the applications for Home Mission grants from 9 churches and 4 para-church organisations, including consultation about the approach taken with representatives from South-West, West and South Wales Baptist Associations with whom we informally partner. The Association has also made a number of grants to individuals for education and development.

We currently have 13 Pioneer mission initiatives. Two of these have SCBA employed pioneers (Ben & Ez Lucas at Charlton Down and John Good at Hamworthy). Additional to this we support the work of Katie Crothers (a newly accredited non-stipended pioneer minister) at Larkhill by paying her expenses. 5 Other pioneering initiatives currently receive Home Mission support.

The achievements and performance of the Association during the reporting period are mainly enabled through ministers, leaders, members and churches interacting with the Association in some way, whether through events, training, or meeting with the Regional Ministry Team.

A number of positive and negative factors, both within and outside the charity's control, have affected achievements of its objectives. The continued employment of the Safeguarding Adviser has been an extremely positive factor, taking some of the pressure and work from the Regional Ministry Team. The working groups continue to evolve so that the varied aspects of the Association's work are covered. The working groups are currently: Staff, Finance and Administration; Children, Youth and Families; Safeguarding; Leadership and Ministerial Development; Mission Development; Home Mission; Pioneering and Communications. The Communications group has continued to work to promote activities and events in the Association, and the new SCBA website was launched in March 2021.

It is still a challenge, particularly with the resignation of David Llewellyn, to support 148 churches and also pioneer projects. There are also those churches who are difficult to contact, sometimes because they do not wish to have contact with the Association and are very independent. The restriction of finance and resources will continue to have a negative impact on the objectives in the future of the Association and the way the objectives are fulfilled.

In regard to fundraising activities, the Association has a major responsibility for encouraging churches to donate funds to the Baptist Union Home Mission Appeal but such encouragement is limited to drawing attention to the need and benefits during meetings and church visits, on the SCBA website, and in letters from the Association Treasurer to the church treasurers. In 2021, the giving by SCBA churches failed to reach the target set for the Association by the Baptist Union.

The Association is not permitted to raise funds to meet its operational or administrative costs, other than to meet the expenses of events, such as training. However, the Association does receive gifts for the Confidential Fund, established to relieve the hardship of ministers or spouses. A grant from the money raised for the Baptist Union Home Mission in 2020 was given to the Association to cover staff salaries and administrative costs in 2021, as well as to distribute to Home Mission grant recipients. This is the principal source of income to cover the operating costs of the Association. The Association did not use any material expenditure to raise income in the reporting period

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Financial review**

During 2021 the overall funds of the Association increased by £456,496 (2020: a decrease of £74,033).

The Association had Unrestricted General Funds of £2,004,140 at the period end and £305,306 restricted funds. The Association's general fund totalled £1,355,905 at the end of 2021. Funds of £636,215 are held as loan funds for interest free loans to churches, of which £195,010 was on loan. In addition there were designated funds amounting to £102,694.

#### **Reserves policy and going concern**

The Association maintains reserves of £450,000 which currently represent approximately 9 months full running costs.

The trustees have recognised that, taking into account the size of the staff team, the Association will be running a deficit budget for a number of years which is likely to be with in the region of £135,000 a year unless additional funds accrue.

Given the existing level of unrestricted funds above and beyond that necessary to maintain the Association's reserves the trustees consider the Association remains a going concern despite an excess of expenditure over income. However, since there is little prospect of a significant reduction in costs if the Association continues to operate at its current level, the trustees have engaged in the Strategic Review mentioned earlier.

The Association incurred financial costs on the majority of its events. In 2021, SCBA did not charge for any of its online events including the Minister' and Leaders' Conference and the Leaders' Day in June. It did charge those attending the AGM and Leaders' Day in-person in November, but additional costs included the speaker fee and staff mileage are covered by the Association. The Association did not charge for the online safeguarding training but the in-person training event at the end of the year was largely covered by the charge to those attending. Association support, events and training also incur the costs of the Regional Ministry Team time and mileage, though the mileage costs were largely reduced with the ongoing Covid restrictions until July 2021.

In regard to investment performance, funds not required for immediate purposes were deployed with the Baptist Union Corporation Ltd, which employs investment manager. The Baptist Union Trustees monitor investment performances through their Finance and Audit Committee.

The principal risk facing the Association is the current deficit budget. This has been fully identified by the trustees, through the Staff, Finance and Administration Group. The Association trustees and Regional Ministry Team continue to meet to discuss the Strategic Review and the way forward whilst working with a deficit budget. However, monies from closed church are currently covering the deficit to some extent but cannot be relied on long-term.

The principal funding source to SCBA is a grant allocation from the Baptist Union National Home Mission Appeal part of which is raised from our Association churches, either through SCBA or directly to the Baptist Union. Funds are raised from SCBA and the other 12 Regional Associations in the Union. SCBA receive a proportion of the total amount raised according to an agreed national formula. An increase in giving to the Home Mission fund from SCBA churches may not directly result in an increased grant directly to SCBA.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. SCBA have now paid off the pension debt that was owed for the Association. Debts to churches that had closed and who did not own a building to sell were also covered by SCBA. The Association has conducted research to establish other churches whose trustees would be liable to pay the pension debt if the church closed (and if a building sale will not cover the debt) and SCBA will also be able to cover these debts

#### **Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Plans for future periods

During 2022, the charitable company will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Christian religion and the enrichment of church and community life in the Southern Counties.

The Regional Ministry Team will plan to keep the regular activities in place. These activities include: the continuation of Safeguarding Training available to all churches and communities; supporting the member churches, both pastorally through the Regional Ministry Team, and for some, financially through grants; and hosting ministers' and leaders' events including a three-day conference and the AGM. The Board of Trustees will continue to work on the findings of the Strategic Review of the Association, particularly reviewing the current deficit.

#### Structure, governance and management

The charitable company is governed by its Memorandum of Association and Articles of Association and Rules. The Objects of this charitable company are the advancement of the Christian religion 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.

The charity is an Incorporated Private Limited Company and is constituted of a board eight trustees, who are also the Company Directors, including the Moderator and the Treasurer, who oversee the works of the charity. The charity's members are the 154 churches within the Association, who have the right to appoint two representatives to attend and vote at the general meeting of the Association.

The board of Trustees consists of:

- The Regional Ministry Team Leader
- The Moderator appointed by the members of the Association
- The Treasurer appointed by the members of the Association
- A person appointed by Regent's Park College for such term of office and accordance with such procedures and rules as shall from time to time be decided by the College
- Six trustees appointed by the members of the Association (one further trustee was appointed by vote at the AGM in November 2021)

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Rev'd Anne Carter	(Resigned 8 November 2021)
Mr Andrew Johnson	
Mrs Anne Andrews	
Rev'd Stephen Barber	(Resigned 1 October 2021)
Mr John Bragg	
Mr Peter Brookes	
Rev'd Anthony Clarke	
Mr Jason Collis	(Appointed 8 November 2021)
Rev'd Nigel Cox	(Resigned 8 November 2021)
Rev'd Simon Ford	
Rev'd Martin Hardwidge	
Rev'd Dr Colin Norris	
Rev'd Judith Wheatley	(Appointed 19 January 2022)

Up to six trustees can be appointed on to the trustee board, three of which will be appointed solely to enable the trustee board to positively represent the age, sex and ethnic origin of the membership of the member churches.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Association board of trustees includes two officers – a moderator and treasurer. The Regional Ministry Team Leader is responsible for the team of three Regional Ministers and three support staff. A structure of strategic and enabling groups is in place to support the various aspects of the Association. These areas are: Staff Finance and Administration; Leadership and Ministerial Development; Children, Youth and Families; Safeguarding; Pioneer Mission; Mission Development; Home Mission and Communication. In line with the Memorandum and Articles, the majority of the decisions made by the charity as a whole will be made by the board of trustees, though on occasions, the other strategy groups or Regional Ministry Team will make decisions and inform the board of trustees of these decisions.

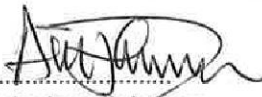
Prospective trustees are advised of the qualifications for serving as charity trustees and directors. They are invited to an informal discussion with the Moderator or Regional Ministry Team Leader to discuss the appointment. On appointment they are provided with an overview of the governing documents of instruments and activities of the charitable company, along with the Association policies and past trustee meeting minutes. Trustees are invited to various training sessions hosted by the Association or Baptist Union for its members, including Data Protection and Safeguarding.

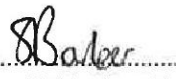
The Regional Ministry Team are paid a stipend which is in line with the recommended stipend by the Baptist Union plus a percentage depending on their position in the team. Housing allowance and expenses are also paid on a monthly basis. The rest of the staff team are paid a salary, decided by the board of trustees, plus any out-of-pocket expenses. All volunteers within the Association are paid any out-of-pocket expenses, particularly for travel to and from meeting and events.

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 is set by the charitable company through the board of trustees and its finance group and is based upon the Baptist Union recommended stipend.

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 Union, are received by the charitable company and dispersed by its Grants Group, as well as used for the running of the Association. The Association also works informally in partnership with three other association within the Baptist Union: West of England Network, South West Baptist Association and South Wales Baptist Association. The partnership is mainly for mutual support, inspiration and advice in pursuing the aims and objectives of the Associations.

The Trustees' report was approved by the Board of Trustees.

  
.....  
**Mr Andrew Johnson**  
Trustee  
Dated: 09/09/22

  
.....  
**Rev'd Stephen Barber**  
Trustee  
Dated: 09/09/22

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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The Trustees, who are also the directors of The Southern Counties Baptist Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 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 Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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I report to the Trustees on my examination of the financial statements of The Southern Counties Baptist Association (the Charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

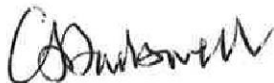
#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements to be reached.



**Colin Dadswell FCA ACCA DChA**

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Dated: 12 September 2022

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

### Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 as restated £
<b>Income from:</b>						
Donations and legacies	3	-	180	32,511	32,691	37,578
Charitable activities	4	251,577	-	-	251,577	311,410
Investments	5	8,466	-	-	8,466	16,490
Other income	6	587,738	-	-	587,738	-
<b>Total income</b>		<b>847,781</b>	<b>180</b>	<b>32,511</b>	<b>880,472</b>	<b>365,478</b>
<b>Expenditure on:</b>						
Charitable activities	7	364,894	-	67,291	432,185	478,369
<b>Net incoming/(outgoing) resources before transfers</b>		<b>482,887</b>	<b>180</b>	<b>(34,780)</b>	<b>448,287</b>	<b>(112,891)</b>
Gross transfers between funds	21	(68,757)	(25,534)	94,291	-	-
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<b>414,130</b>	<b>(25,354)</b>	<b>59,511</b>	<b>448,287</b>	<b>(112,891)</b>
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes		8,209	-	-	8,209	38,858
<b>Net movement in funds</b>		<b>422,339</b>	<b>(25,354)</b>	<b>59,511</b>	<b>456,496</b>	<b>(74,033)</b>
Fund balances at 1 January 2021		1,581,801	128,048	245,795	1,955,644	2,029,677
<b>Fund balances at 31 December 2021</b>		<b>2,004,140</b>	<b>102,694</b>	<b>305,306</b>	<b>2,412,140</b>	<b>1,955,644</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds general 2020	Unrestricted funds designated 2020	Restricted funds 2020	Total 2020 as restated £
	Notes	£	£	£	£
<b>Income from:</b>					
Donations and legacies	3	5,500	30,000	2,078	37,578
Charitable activities	4	311,410	-	-	311,410
Investments	5	16,490	-	-	16,490
<b>Total income</b>		<b>333,400</b>	<b>30,000</b>	<b>2,078</b>	<b>365,478</b>
<b>Expenditure on:</b>					
Charitable activities	7	393,119	77,846	7,404	478,369
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(59,719)</b>	<b>(47,846)</b>	<b>(5,326)</b>	<b>(112,891)</b>
Gross transfers between funds	21	75,570	23,190	(98,760)	-
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<b>15,851</b>	<b>(24,656)</b>	<b>(104,086)</b>	<b>(112,891)</b>
<b>Other recognised gains and losses</b>					
Actuarial gain on defined benefit pension schemes		38,858	-	-	38,858
<b>Net movement in funds</b>		<b>54,709</b>	<b>(24,656)</b>	<b>(104,086)</b>	<b>(74,033)</b>
Fund balances at 1 January 2020		1,527,092	152,704	349,881	2,029,677
<b>Fund balances at 31 December 2020</b>		<b>1,581,801</b>	<b>128,048</b>	<b>245,795</b>	<b>1,955,644</b>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021		2020 as restated	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	12		795,763		800,259
Investments	13		12,020		12,020
			<u>807,783</u>		<u>812,279</u>
<b>Current assets</b>					
Debtors falling due after one year	14	164,010		150,500	
Debtors falling due within one year	14	34,043		33,253	
Cash at bank and in hand		1,533,678		1,164,812	
		<u>1,731,731</u>		<u>1,348,565</u>	
<b>Current liabilities</b>	16	(16,276)		(71,895)	
Net current assets			<u>1,715,455</u>		<u>1,276,670</u>
<b>Total assets less current liabilities</b>			2,523,238		2,088,949
<b>Non-current liabilities</b>	17		(50,000)		(50,000)
<b>Provisions for liabilities</b>			(61,098)		(83,305)
<b>Net assets</b>			<u>2,412,140</u>		<u>1,955,644</u>
<b>Income funds</b>					
Restricted funds	21		305,306		245,795
<u>Unrestricted funds</u>					
Designated funds	22	102,694		128,048	
General unrestricted funds		2,004,140		1,581,801	
			<u>2,106,834</u>		<u>1,709,849</u>
			<u>2,412,140</u>		<u>1,955,644</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

**AS AT 31 DECEMBER 2021**

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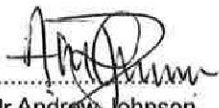
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 9th September 2022



Mr Andrew Johnson  
Trustee



Rev'd Stephen Barber  
Trustee

Company Registration No. 04279837

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	27		420,400		(131,861)
<b>Investing activities</b>					
Investment income received		8,466		16,490	
<b>Net cash generated from investing activities</b>			8,466		16,490
<b>Financing activities</b>					
Repayment of borrowings		(60,000)		-	
<b>Net cash used in financing activities</b>			(60,000)		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			368,866		(115,371)
Cash and cash equivalents at beginning of year			1,164,812		1,280,183
<b>Cash and cash equivalents at end of year</b>			1,533,678		1,164,812

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

The Southern Counties Baptist Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8XD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds - represent those funds which can be used in accordance with the Association's charitable objects at the discretion of the Trustees.

Designated funds - represent those funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted fund - can only be used for a particular restricted purpose within the charitable objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Income

Income is recognised in the Statement of Financial Activities when the Charitable Company has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and that the amount can be measured reliably.

- Donations are accounted for gross when received.
- Grants receivable are accounted for in the year in which they are receivable.
- Investment income is included in the financial statements in the year in which it is receivable.
- Event and Conference fees are accounted for in the period the event was held

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

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

- Expenditure on charitable activities represents expenditure in the furtherance of the object of the Association
- Grants payable are agreed on an annual basis and accounted for in the year in which they are committed

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure under £2,000 on office furniture and computer equipment is written off as incurred. Expenditure over £2,000 on a single item will be written off over 4 years.

Support costs are those that assist the work of the association but do not directly represent the charitable activities and include governance costs.

Governance costs comprise all costs involving the public accountability of the association and its compliance with regulation and good practice. These costs include costs relating to the statutory accounts and independent examination.

Support costs have been 100% allocated to the charitable activity.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Freehold Land - Nil, Freehold Buildings - Over 30 years
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Depreciation of buildings is based on an anticipated useful life of 30 years with a residual value equal to two thirds of the original cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided in the year of acquisition.

##### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies (Continued)

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.10 Financial instruments

The charity only has financial assets and 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.

###### Debtors

Loans are considered concessionary loans as they are made by the charity to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments. There is no interest charged on the loan amounts. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Other debtors are recognised at the settlement amount due.

###### Creditors

Creditors are recognised where the association 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.

Accruals and other creditors are recognised at their settlement amount due.

###### Provisions for liabilities

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

##### 1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 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 II 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.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies (Continued)

##### 1.13 Retirement benefits

###### Multi Employer Pension Plan

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

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions.

Where the plan is in deficit and where the association has agreed, with the plan, to participate in a funding arrangement the association recognises 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. The amount is expensed in profit or loss. The unwinding of the discount is recognised as a finance cost.

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 31 March 2015.

###### Defined contribution pension plans

The Association operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the association pays fixed contributions into a separate entity. Once the contributions have been paid the association has no further payment obligations. The contributions are recognised as an expense 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 association in independently administered fund.

#### 2 Judgements and key sources of estimation uncertainty

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: **see note 20 for further details.**
- Accounting estimates and assumptions
- Multi-employer defined benefit pension scheme: Baptist Union Staff Pension Scheme  
The Charity has an obligation to pay a deficit funding arrangement in respect of the multi-employer defined benefit 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.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Judgements and key sources of estimation uncertainty (Continued)

- Recoverability of loan

The recoverability of loans are assessed annually, and at the balance sheet date provisions for doubtful debts are provided based on prior year experiences.

### 3 Donations and legacies

	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Donations and gifts	180	32,511	32,691	37,578
<b>Donations and gifts</b>				
Church of the Year gifts	-	2,511	2,511	1,753
Confidential Fund donations	180	-	180	325
Rural Ministry Grant	-	30,000	30,000	30,000
Loan Termination Gifts (SCBA Loan Fund)	-	-	-	5,500
	180	32,511	32,691	37,578

### 4 Charitable activities

	2021 £	2020 £
Preaching and other fees	1,301	9,302
Leaders' Days & SCBA Event fees	2,108	2,695
SCBA Ministers' Conference Fees	-	22,223
Baptist Union grant for Operational Activities	244,670	276,348
Other income	3,498	842
	251,577	311,410

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 5 Investments

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Loan and General Funds on Deposit with BU	8,065	15,889
Baptist Insurance Co Ltd - Dividends	401	601
	<u>8,466</u>	<u>16,490</u>

### 6 Other income

	<b>Unrestricted funds general 2021 £</b>	<b>Total 2020 £</b>
Closure of Redundant Churches	587,738	-
	<u>587,738</u>	<u>-</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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

### 7 Charitable activities

	2021 £	2020 £
Staff costs	297,430	299,358
Depreciation and impairment	4,496	4,496
Travel and Accommodation	9,016	7,776
Leaders Days and SCBA Event Costs	1,708	2,750
SCBA Ministers Conference	-	23,411
Community Learning Tutor	4,000	2,000
Confidential Fund	-	750
CYF Working group	79	28
Education & Sabbatical Grants	-	4,200
Pioneer Mission Fund Expenses	1,448	12,597
	<u>318,177</u>	<u>357,366</u>
Grant funding of activities (see note 8)	85,283	91,788
Share of support costs (see note 9)	20,055	21,008
Share of governance costs (see note 9)	8,670	8,207
	<u>432,185</u>	<u>478,369</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	364,894	393,119
Unrestricted funds - designated	-	77,846
Restricted funds	67,291	7,404
	<u>432,185</u>	<u>478,369</u>

### 8 Grants payable

	2021 £	2020 £
Grants to institutions:		
Home Mission Grant	82,583	84,420
Churches Together Grants	2,700	2,700
Church of the year	-	4,668
	<u>85,283</u>	<u>91,788</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Support costs

	Support costs	Governance costs	Total Support costs 2021	Support costs	Governance costs	Total 2020
	£	£	£	£	£	£
Office Expenses and IT	981	-	981	1,711	-	1,711
Telephone	2,330	-	2,330	2,184	-	2,184
Volunteer Exp. and Fees	1,173	-	1,173	1,030	-	1,030
Staff Book & Study Allowance	1,102	-	1,102	688	-	688
Insurance	5,952	-	5,952	3,936	-	3,936
Building Hire	3,500	-	3,500	3,500	-	3,500
Baptist Union Subs	841	-	841	826	-	826
Interest on pension deficit	304	-	304	2,987	-	2,987
Other expenditure	3,872	-	3,872	4,146	-	4,146
Legal and professional	-	1,957	1,957	-	1,293	1,293
Accountancy & IE	-	4,260	4,260	-	4,200	4,200
Bank Charges	-	279	279	-	579	579
Software and other subscriptions	-	1,032	1,032	-	992	992
Payroll Fees	-	1,142	1,142	-	1,143	1,143
	<u>20,055</u>	<u>8,670</u>	<u>28,725</u>	<u>21,008</u>	<u>8,207</u>	<u>29,215</u>
<u>Analysed between</u>						
Charitable activities	<u>20,055</u>	<u>8,670</u>	<u>28,725</u>	<u>21,008</u>	<u>8,207</u>	<u>29,215</u>

### 10 Trustees

Trustee Rev'd Dr C Norris was paid a salary of £36,250 (2020: £36,000) and benefitted from employer pension contributions totalling £6,389 (2020: £4,527) for his work as the Regional Ministry Team Leader. The authority to employee Trustees is contained within the Charity's governing document.

During the year five Trustees were reimbursed a total of £1,005 for travel and other expenses (2020: six Trustees were reimbursed a total of £996).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 11 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time Regional Ministers	2	3
Part time Regional Ministers	1	1
Part time Administrator	1	1
Part time Support Staff (Admin Assistants)	1	2
Dorset Missional Listener	2	2
Pioneer Missioner	1	1
	<u>8</u>	<u>10</u>

##### Employment costs

	2021 £	2020 £
Wages and salaries	208,172	217,340
Social security costs	12,464	14,941
Other pension costs	27,172	19,342
Housing costs	49,622	47,735
	<u>297,430</u>	<u>299,358</u>

There were no employees whose annual remuneration was £60,000 or more.

#### 12 Property, plant and equipment

	Freehold land and buildings £
<b>Cost</b>	
At 1 January 2021	809,251
At 31 December 2021	<u>809,251</u>
<b>Depreciation and impairment</b>	
At 1 January 2021	8,992
Depreciation charged in the year	4,496
At 31 December 2021	<u>13,488</u>
<b>Carrying amount</b>	
At 31 December 2021	<u>795,763</u>
At 31 December 2020	<u>800,259</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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

### 13 Fixed asset investments

	Baptist Insurance Co PLC £
<b>Cost or valuation</b>	
At 1 January 2021 & 31 December 2021	12,020
<b>Carrying amount</b>	
At 31 December 2021	12,020
At 31 December 2020	12,020

There are no Investments held outside the UK.

The equity investment relates to 2,404 ordinary £5 shares held in Baptist Insurance Company PLC (registered company number 00083597), a public company limited by shares. As these shares are not actively traded through Stock Markets, no Market Value can be obtained, resulting in the shares being valued at original cost.

### 14 Trade and other receivables

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Loans to churches	31,000	28,500
Prepayments and accrued income	3,043	4,753
	<u>34,043</u>	<u>33,253</u>
<b>Amounts falling due after more than one year:</b>		
Loans to churches	164,010	150,500
<b>Total debtors</b>	<u>198,053</u>	<u>183,753</u>

As at 31 December 2021 total loans to churches amounted to £195,010 (2020: £179,000). New loans worth £65,000 were advanced to churches during the year (2020: £25,000) and repayments of loans during the year amounted to £48,990 (2020: £66,000)

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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

### 15 Borrowings

	2021 £	2020 £
Other loans	50,000	110,000
Payable within one year	-	60,000
Payable after one year	50,000	50,000

### 16 Current liabilities

	Notes	2021 £	2020 £
Borrowings		-	60,000
Other taxation and social security		7,591	-
Deferred income	19	4,485	-
Other payables		-	7,695
Accruals and deferred income		4,200	4,200
		<u>16,276</u>	<u>71,895</u>

### 17 Non-current liabilities

	2021 £	2020 £
Borrowings	50,000	50,000

### 18 Provisions for liabilities

	Notes	2021 £	2020 £
Retirement benefit obligations	20	61,098	83,305
		<u>61,098</u>	<u>83,305</u>

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

### 19 Deferred income

	2021 £	2020 £
Other deferred income	4,485	-

Deferred income is included in the financial statements as follows:

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 19 Deferred income (Continued)

	2021	2020
	£	£
Deferred income is included within:		
Current liabilities	4,485	-
	=====	=====
Movements in the year:		
Deferred income at 1 January 2021	-	-
Resources deferred in the year	4,485	-
	=====	=====
Deferred income at 31 December 2021	4,485	-
	=====	=====

Deferred income relates to subscriptions received for the 2022 Minister and Leaders Conference prior to the balance sheet date.

#### 20 Retirement benefit schemes

##### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £27,172 (2020 - £19,342).

##### Defined benefit schemes

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 SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20 Retirement benefit schemes (Continued)

##### Valuation

A formal valuation of the DB Plan as at 31 December 2019 was carried out by a professionally qualified Actuary using the Projected Unit Method. At the valuation date the market value of the DB Plan assets was £298 million, whilst the level of assets needed to pay benefits was £316m, giving a deficit of £18m (equivalent to a past service funding level of 94%). The Church and the other participating employers in the DB Plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuations were as follows:

Type of assumption	% pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
<b>Assumed investment returns</b>	
Pre-retirement (gilt yield plus 1.75% pa)	2.95
Post retirement (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income increases (CPI plus 0.5%)	3.20
<b>Deferred pension increases (based on RPI)</b>	
Pre April 2009	3.20
Post April 2009	2.50
<b>Pension increases</b>	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

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 is due to take place not later than as at 31 December 2022.

##### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan signed in September 2020, deficiency contributions are payable until June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

##### Movement in Balance Sheet liability

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20 Retirement benefit schemes (Continued)

##### Key assumptions

	2021	2020
	%	%
Discount rate	2.0	0.4
Future increases to Minimum Pensionable Income	4.1	3.0

##### Amounts recognised in the income statement:

	2021	2020
	£	£
Net interest on defined benefit liability/(asset)	304	2,987

The amounts included in the statement of financial position arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2021	2020
	£	£
Present value of defined benefit obligations	61,098	83,305
Deficit in scheme	61,098	83,305

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.

Movements in the present value of defined benefit obligations:

	2021
	£
Liabilities at 1 January 2021	83,304
Plan introductions, changes, curtailments and settlements	(8,209)
Contributions from scheme members	(14,301)
Interest cost	304
At 31 December 2021	61,098

This liability represents the present value of deficit contributions agreed at the balance sheet date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2021 £
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	
Church of the Year	1,253	2,511	-	-	3,764
DFES Funds for Youth Work	1,014	-	(1,014)	-	-
Pioneer Mission Fund	-	30,000	(64,291)	34,291	-
Hill Street, Poole Property	243,528	-	(1,986)	60,000	301,542
	<u>245,795</u>	<u>32,511</u>	<u>(67,291)</u>	<u>94,291</u>	<u>305,306</u>

### Movements for the year ended 31 December 2020

	Movement in funds				Balance at 31 December 2020 £
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	
Alden Memorial (Loans Repairs/ Extensions)	40,774	-	-	(40,774)	-
De La Mare	21,311	-	-	(21,311)	-
Confidential Fund	2,304	325	(750)	(1,879)	-
Fairford Trust (Education Grants)	34,796	-	-	(34,796)	-
Church of the Year	4,168	1,753	(4,668)	-	1,253
DFES Funds for Youth Work	1,014	-	-	-	1,014
Hill Street, Poole Property	245,514	-	(1,986)	-	243,528
	<u>349,881</u>	<u>2,078</u>	<u>(7,404)</u>	<u>(98,760)</u>	<u>245,795</u>

**Church of the Year Fund** is to receive and distribute gifts received from churches for the annually nominated Church of the Year within the association.

**DFES Grants** is to be used for the training of Youth Workers. (Residual monies given by DFES between 2005 and 2008). A proportion of the wages of Claire Hooper were allocated to this fund as she is involved in supporting youth workers. The fund is now closed.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister.

**Hill Street, Poole Property** represents the net book value less borrowings (£351,542 less £50,000) of a property passed to SCBA when the Church located at Hill Street, Poole, Dorset closed. The Church directed that the property should be used to facilitate pioneer mission in Hamworthy and thus has restricted use. The property is used to house a mission family currently undertaking this work.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 22 General and Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Movement in funds			Balance at 1 January 2021	Movement in funds			Balance at 31 December 2021		
		Incoming resources	Resources expended	Transfers		Incoming resources	Resources expended	Transfers			
	£	£	£	£	£	£	£	£	£		
<b>General Funds</b>											
General Fund	925,131	327,900	(393,119)	34,796	38,858	933,566	847,781	(364,894)	(68,757)	8,209	1,355,905
Investment in Baptist Insurance Company	12,020	-	-	-	-	12,020	-	-	-	-	12,020
Loan Funds (including Alden Memorial)	589,941	5,500	-	40,774	-	636,215	-	-	-	-	636,215
	1,527,092	333,400	(393,119)	75,570	38,858	1,581,801	847,781	(364,894)	(68,757)	8,209	2,004,140
<b>Designated Funds</b>											
Education & Sabbatical Grants	2,467	-	(4,200)	21,311	-	19,578	-	-	-	-	19,578
Abraham Trust (Confidential)	9,141	-	-	1,879	-	11,020	180	-	-	-	11,200
Pension Fund Debt Reserve	71,916	-	-	-	-	71,916	-	-	-	-	71,916
Pioneer Mission Fund	69,180	30,000	(73,646)	-	-	25,534	-	-	(25,534)	-	-
	152,704	30,000	(77,846)	23,190	-	128,048	180	-	(25,534)	-	102,694
<b>Total</b>	<b>1,679,796</b>	<b>363,400</b>	<b>(470,965)</b>	<b>98,760</b>	<b>38,858</b>	<b>1,709,849</b>	<b>847,961</b>	<b>(364,894)</b>	<b>(94,291)</b>	<b>8,209</b>	<b>2,106,834</b>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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

### 22 General and Designated funds (Continued)

**General Funds** are held to support ongoing activities of the company.

**Loan Funds** are held to enable loans to be made to member churches to support projects, typically building projects.

**Abraham Trust / Confidential Fund** is to be used to support those in need in churches which were part of the former OEGBA.

**Educational and Sabbatical Grants Fund** represents amounts set aside to support individuals from member churches through sabbaticals and participation in other educational opportunities relating to Christian service or ministry.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister. Some restricted funds were received for this work in the year and so the movement on the fund was moved and shown as restricted. Monies assigned by the Trustees to the project held in this fund were transferred to the restricted fund to cover the deficit in the year.

### 23 Analysis of net assets between funds

	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Property, plant and equipment	444,221		-		351,542		795,763		446,731		-		353,528		800,259	
Investments	12,020		-		-		12,020		12,020		-		-		12,020	
Current assets/(liabilities)	1,608,997		102,694		3,764		1,715,455		1,206,355		128,048		(57,733)		1,276,670	
Long term liabilities	-		-		(50,000)		(50,000)		-		-		(50,000)		(50,000)	
Provisions and pensions	(61,098)		-		-		(61,098)		(83,305)		-		-		(83,305)	
	2,004,140		102,694		305,306		2,412,140		1,581,801		128,048		245,795		1,955,644	

Fund balances are represented by:

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 24 Home Mission Giving

The arrangements for making Home Mission Gifts from churches to the Baptist Union were changed during 2005. A new joint account, SCBA/Baptist Union, was set up so that churches and the SCBA can transfer their gifts to this account, but only the Baptist Union has authority to withdraw funds. As the SCBA is not beneficially entitled to retain any of the monies given by the churches for Home Mission, these gifts are transferred directly to the Baptist Union and do not need to be included in the SCBA's Statement of Financial Activities.

Giving to Home Mission by churches and groups within the SCBA area was £345,987 (2020: £358,249).

### 25 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

### 26 Analysis of changes in net funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	1,164,812	368,866	1,533,678
Loans falling due within one year	(60,000)	60,000	-
Loans falling due after more than one year	(50,000)	-	(50,000)
	<u>1,054,812</u>	<u>428,866</u>	<u>1,483,678</u>

### 27 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	448,287	(112,891)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,466)	(16,490)
Depreciation and impairment of property, plant and equipment	4,496	4,496
Difference between pension charge and cash contributions	(13,997)	(7,553)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(14,299)	41,427
(Decrease) in trade and other payables	(104)	(40,850)
Increase in deferred income	4,485	-
<b>Cash generated from/(absorbed by) operations</b>	<u>420,402</u>	<u>(131,861)</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## RECONCILIATION ON ADOPTION OF FRS 102

AS AT 31 DECEMBER 2021

### 28 Prior period adjustment

#### Changes to the statement of financial position

	At 31 December 2020		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Fixed assets</b>			
Property, plant and equipment	446,731	353,528	800,259
<b>Creditors due within one year</b>			
Borrowings	-	(60,000)	(60,000)
<b>Creditors due after one year</b>			
Borrowings	-	(50,000)	(50,000)
	<u>          </u>	<u>          </u>	<u>          </u>
Net assets	1,712,116	243,528	1,955,644
	<u>          </u>	<u>          </u>	<u>          </u>
Capital funds			
Income funds			
Restricted funds	2,267	243,528	245,795
designated	128,048	-	128,048
Unrestricted funds	1,581,801	-	1,581,801
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total equity</b>	1,712,116	243,528	1,955,644
	<u>          </u>	<u>          </u>	<u>          </u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## RECONCILIATION ON ADOPTION OF FRS 102 (CONTINUED)

AS AT 31 DECEMBER 2021

### 28 Prior period adjustment (Continued)

#### Changes to the income statement

	Period ended 31 December 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Charitable activities	476,383	1,986	478,369
Net movement in funds	(72,047)	(1,986)	(74,033)

#### Introduction of Property asset and related loans

In 2019 the Church meeting at Hill Street, Poole, Dorset closed. Under normal circumstances the Church manse would be sold and proceeds divided equally between the Baptist Union Corporation (BUC) and Southern Counties Baptist Association (SCBA).

The trustees of SCBA have now been advised that, prior to closure, the trustees of Hill Street Church specifically directed that the property should be used to facilitate pioneer mission in Hamworthy, and its beneficial ownership be passed to SCBA.

Since 2019, the property in question has been sold as it was unsuitable and a replacement property was purchased using both the proceeds of the sale, plus 3 loans totalling £110,000. The replacement property cost £357,500.

The prior year adjustment relates to the year ended 31 December 2019 when the property should have been recognised as an asset along with the corresponding loans being shown as borrowings. The adjustment introduces the calculated net book value of property at 1 January 2021 (£353,528) and the loans outstanding (£110,000). The expenditure for 2021 has been amended to include the annual depreciation charge of £1,986 on the property.

As the use of the property has been restricted, its value minus the outstanding borrowings are disclosed as restricted.

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

England & Wales - Charity number 1091066

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# Accounts

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Charity Registration No. 1091066

Company Registration No. 04279837 (England and Wales)

**THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



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southern counties baptist association

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees:</b>	Rev'd Anne Carter Rev'd Nigel Cox Mr Andrew Johnson Mrs Ann Andrews Rev'd Stephen Barber Mr John Bragg Mr Peter Brookes Rev'd Anthony Clarke Rev'd Simon Ford Rev'd Martin Hardwidge Rev'd Dr Colin Norris	Moderator of the trustees Association Treasurer (until November 2020) Association Treasurer (from November 2020)  (Appointed 9 November 2020)  (Appointed 9 November 2020) Regent's Park College Representative  Regional Ministry Team Leader
<b>Regional Ministry Team:</b>	Rev'd Dr Colin Norris Rev'd Clare Hooper Rev'd Jonathan Hunt Rev'd David Llewellyn	Regional Ministry Team Leader Children, Youth & Families Missional Developer Regional Minister Regional Minister
<b>Staff Team:</b>	Mrs Amy Allen Mrs Joy Cheang Ms Andrea King Miss Alysén Merrill	Administration Manager Safeguarding Adviser (from December 2020) Safeguarding Officer (until September 2020) Administration Support
<b>Charity number</b>	1091066	
<b>Company number</b>	04279837	
<b>Registered office and operational address</b>	Baptist House 129 Broadway Didcot Oxfordshire OX11 8XD	
<b>Independent examiner</b>	Colin Dadswell FCA ACCA DChA Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
<b>Bankers</b>	HSBC Bank plc 186 Broadway Didcot OX11 8RP	

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees, who are also directors of the Association for the purposes of company law, are pleased to present their Annual report and financial statements of the charitable company for the period 1 January 2020 to 31 December 2020, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

#### **Objectives and activities**

The Southern Counties Baptist Association (also known as SCBA) is a registered charity (number 1091066). It was incorporated as a private limited company on 31 August 2001 and is governed by Articles and Memorandum of Association.

The objective of the charitable company is 'the advancement of the Christian faith especially by 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'.

The principal activities of the charitable company are the employment of Regional Ministers and administrative staff team, with 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 religion in a way which benefits Baptist churches and the communities in which 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 and BMS World Mission.

#### **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 religion and practice 'according to the principles of the Baptist denomination' and with the Objects of the charitable company. More detailed information about the activities and their success is provided in the "*Achievements and Performance*" section of this report.

The charitable company aims to:

#### *Short-term:*

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community.
- Assist churches and ministers that are seeking new ministries through the National Settlement process.
- Assist individuals in exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing Baptist Union approved training for Regionally Recognised Leaders and lay pastors.(our RRL formation fulfils BUGB requirements for Lay Pastors so they can be separately listed).
- Encourage dialogue within churches or between churches and their local community.
- Encourage the SCBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission, Pioneering and other Association funds.
- Receive and consider reports from the SCBA Strategy Groups and the Regional Ministers, enabling the charitable company to maintain effective governance.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### *Long-term:*

- Make Safeguarding training available on a rolling programme, encouraging and enabling members of our churches to receive training at a reduced cost or free, and ensuring that ministers have completed Level 2 & 3 training.
- Ensure, through its Staff, Finance & Administration 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.
- 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 advice on issues having a potentially wide-ranging effect with a view to mitigating risk.

The aim of our charity is to inspire, connect and resource healthy churches in relationship for God's mission and this fully reflects the purposes that the charity was set up to further. The team and trustees sought to achieve these aims in a number of ways, primarily providing support to the churches and their ministers to enable them to advance the Christian religion by public worship and their objects but also including granting assistance to churches seeking to improve their premises, encouraging churches to adopt robust safeguarding policies and practice, acting to provide help and support to churches seeking to improve their own governance and holding the Regional Ministers accountable for their support for churches seeking to advance the Christian religion in their communities.

The trustees review our aims, objectives and activities each year through appraisals of the team and the work that they have carried out. In doing this, not only are we able to ensure that our aims, objectives and activities remain focussed, but also that the team are carrying out their roles to the best of their abilities.

### Significant Activities of our Association included:

- Hosting events for ministers and leaders, including a three-day conference, to teach and to develop and deepen their relationship with God
- Providing Home Mission Grants to sustain churches and organisation for mission in their communities
- Providing support for our Association churches, ministers and leaders, including pastoral, safeguarding and monetary.
- Through different Association working groups, continuing to assess and develop the various aspects of our mission, including finance, safeguarding and leadership development.
- Identifying, partnering with and resourcing pioneer mission initiatives

The Association's volunteers have roles either as trustees on the Steering and Strategy Group; or as non-trustee members of one of the Association working groups. The Association also uses volunteers to carry out their safeguarding training sessions, who are trained to a high standard to fulfil this role. The trustees of the Association spent their Away Day in May discussing and reviewing the exciting pioneer work in the Association.

### **Achievements and performance**

The Association is made up of **154** member churches of the Association, mainly located in Berkshire, Dorset, Gloucestershire, Guernsey, Hampshire, Isle of Wight, Oxfordshire and Wiltshire, covering thirteen counties in total. The Regional Ministers gave regular input to individual churches about good practice, backed up by the resources of Baptist House, as well as being involved in conflict resolution when necessary.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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This year has been very different due to the Covid-19 pandemic. The Regional Ministry Team and staff began working from home on 16th March and the first nationwide lockdown started on 23rd March. This has also meant that meetings and association days were held online.

The SCBA participates in the Footsteps course run by Regent's Park College, Oxford University. The course was led by Revd Jane Day, Tutor in Community Learning, who came to the post on 1st July 2020. The College offers year-long courses to between 20 and 30 students, meeting once a month on Saturdays. As with many things in 2020, the 2019-20 course was put on hold when the first lockdown began but the year was completed during the Autumn term instead.

The testing of the call to ministry is carried out by a Ministerial Recognition Group formed as part of the South West Partnership and usually carried out at residential conferences within the four Associations. The Regional Ministers also oversee the development of ministers during their first three years of ministry. Four ministers became Fully Accredited Ministers and were recognised at the Baptist Assembly, with fifteen Newly Accredited Ministers gathering together for two reflection sessions in February and online in September.

The Regional Ministry Team spent the year making contact with their allocated churches and ministers, giving advice and support where needed, as well as attending church meetings and leading or speaking at services. This contact with the churches and ministers has been especially important in 2020 as the Regional Ministers supported them through their churches being closed during lockdown and needing to find different ways of 'doing church'. Since the first lockdown in March 2020, the Regional Ministry Team have recorded a weekly video reflection which is sent out along with relevant Covid information in an email to all SCBA contacts.

Safeguarding training is usually run across the Association with a trained team of Safeguarding Trainers (all of whom are volunteers) in the light of the national policies and procedures. Unfortunately face-to-face Safeguarding Training was halted in March 2020 because of the Covid restrictions. However, BUGB Online Safeguarding Training was produced and offered to our Association churches and communities from December 2020. In February 108 church staff and volunteers from our Association churches and communities attended a Spiritual Abuse Training Day, run by Dr Lisa Oakley, Associate Professor in Applied Psychology at Chester University and Revd Graham Criddle, minister of West Street Christian Fellowship.

Due to pressures in her other role with the NHS, Andrea King left her position as Safeguarding Officer in September 2020. After a review of the role, Joy Cheang took up the role of Safeguarding Adviser in December 2020.

In the period 1st January 2020 to 31st December 2020, SCBA received a total of 158 safeguarding contacts for advice. The continuing high numbers in contacts is anecdotally related to an increase in safeguarding training provision, an increased raising of awareness of what matters and an increase in societal stress. These are appropriately consulted on with SCBA leading to an increase in safeguarding matters.

Various events, training and meetings were held throughout the year, both in person and online. 124 Ministers & Leaders attended our three-day conference held in February, at a hotel in Cheltenham, led by Revd Glen Marshall, Co-Principal at Northern Baptist College. The conference also included additional sessions for 27 Chaplains/Sector Ministers and 12 Children, Youth and Families Workers, both exploring their roles in their communities.

As already mentioned, as an Association we had to find a way of hosting our meetings and association days online during the Covid restrictions. 92 Ministers and Leaders attended a Leaders' Morning in June via Zoom, led by Rachel Gardner, Director of Partnerships at Youthscape, speaking on "Developing Young Leaders". The SCBA Annual General Meeting and Leaders' Day was held over one morning on Zoom in November, attended by 71 members, with Revd Alex Harris, Minister of the Beacon Church, and part of the team at Firestarters. The children, youth and families workers continued to meet in the north and the south of the Association, and then, because of lockdown and the availability of Zoom, they met all together in October. Also in October, twenty-three women leaders met online to discuss, "How might SCBA be intentional in encouraging and supporting women in leadership?" led By Revd Clare Hooper and Revd Jane Day.

# **THE SOUTHERN COUNTIES BAPTIST ASSOCIATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The Mentoring Network has continued in the Association for those ministers interested in or currently mentoring in our Association and over 15 mentors attended an online mentoring workshop in October run by Revd Dr Colin Norris and Revd Jonathan Hunt.

In response to the Covid Pandemic and Restrictions, two additional online events were held for the SCBA ministers and leaders. In June, forty-four people gathered via Zoom for two hours for an SCBA Time of Reflection on what has been emerging from this period of Covid-19 lockdown. In August, 'Moving Forward After Lockdown' was a follow-up gathering of fifty people that sought to take the conversation further in the light of areas that were highlighted in the previous conversation in June.

The Association made a difference to its beneficiaries in terms of support, advice and training when requested or offered. Also, the Home Mission Group and the Staff, Finance & Administration Group vetted and advised on the applications for Home Mission grants from 9 churches and 4 para-church organisations, including consultation about the approach taken with representatives from South-West, West and South Wales Baptist Associations with whom we informally partner. The Association has also made a number of grants to individuals for education and development.

We currently have 13 pioneer mission initiatives. Two of these have SCBA employed pioneers (Ben & Ez Lucas at Charlton Down and John Good at Hamworthy). Additional to this we are now supporting the work of Katie Crothers (a newly accredited non-stipended pioneer minister) at Lark Hill by paying her expenses. 5 other pioneering initiatives currently receive Home Mission support.

The Association provided support to member churches and ministers during the year in pursuit of its objective of the advancement of the Christian faith. Also, with our objective in mind a programme of training events and educational seminars has taken place throughout the year as well as the Trustees and the Regional Ministry Team considering ways in which the Association's services to churches can be further developed.

In reviewing the achievements and performance of the Association during the reporting period, this is mainly achieved through the number of ministers, leaders, members and churches who have interacted with the Association in some way, whether through events, training, or meeting with the Regional Ministry Team.

A number of positive and negative factors, both within and outside the charity's control have affected the achievements of its objectives. The Association continues to benefit from the larger Regional Ministry Team which has meant that more churches have been supported. The continued employment of the Safeguarding Officer role and then the Safeguarding Adviser role has also been an extremely positive factor, taking some of the pressure and work from the Regional Ministry Team. The working groups continue to evolve so that the varied aspects of the Association's work are covered. The working groups are currently: Staff Finance and Administration; Children, Youth and Families; Safeguarding; Leadership and Ministerial Development; Mission Development; Home Mission; Pioneering; Communications and Justice. The Communications group has continued to work to promote activities and events in the Association, along with work on a new website which will be launched in 2021.

Even with a larger Regional Ministry Team, it is still a challenge to support 154 churches and also pioneer projects. There are also those churches who are difficult to contact, sometimes because they do not wish to have contact with the Association and are very independent. The restriction of finance and resources will continue to have a negative impact on the objectives in the future of the Association and the way the objectives are fulfilled.

In regard to fundraising activities, the Association has a major responsibility for encouraging churches to donate funds to the Baptist Home Mission Appeal but such encouragement is limited to drawing attention to the need and benefits during meetings and sermons, on its website, and in letters from the Treasurer. In 2020, the giving by SCBA churches failed to reach the target set for the Association by the Baptist Union.

The Association is not permitted to raise funds to meet its operational or administrative costs, other than to meet the expenses of events, such as training days. However, the Association does receive gifts for the Confidential Fund, established to relieve the hardship of retired ministers or spouses.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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A grant from the money raised for Baptist Home Mission in 2019 was given to the Association to cover staff salaries and administrative costs in 2020, as well as to distribute to Home Mission grant recipients. This is the principal source of income to cover the operating costs of the Association. The Association did not use any material expenditure to raise income in the reporting period.

#### **Financial review**

During 2020 the overall funds of the Association decreased by £72,047 (2019: a decrease of £173,992).

The Association had Unrestricted General Funds of £1,581,801 at the period end and £2,267 restricted funds. The Association's general fund totalled £933,566 at the end of 2020. Funds of £636,215 are held as loan funds for interest free loans to churches, of which £179,000 was on loan. In addition there were designated funds amounting to £128,048.

#### **Reserves policy and going concern**

The Association maintains reserves of £360,000 which currently represent approximately 9 months full running costs.

The trustees have recognised that, taking into account recent staff team development, the Association will be running a deficit budget for a number of years which is likely to be within the region of £135,000 a year unless additional funds accrue.

Given the existing level of unrestricted funds above and beyond that necessary to maintain the Association's reserves the Trustees consider the Association remains a going concern despite an excess of expenditure over income. However, since there is little prospect of a significant reduction in costs if the Association continues to operate at its current level, the Trustees are engaging in a thorough review of all our activities and commitments.

The Association incurred financial costs on the majority of its events. The Ministers' & Leaders' Conference is contributed towards by those attending, but additional costs including speaker fees and staff accommodation are covered by the Association. In 2020 SCBA did not charge attendees for the online Leaders' Days but there was still a cost to the Association for the speaker fees. The safeguarding training is largely covered by the charge of those attending. Association support, events and training also incur the costs of the Regional Ministry Team time and mileage, though the mileage costs were largely reduced when the team began working from home due to the Covid restrictions.

In regard to investment performance, funds not required for immediate purposes are deposited with the Baptist Union Corporation Ltd (BUC), which employs investment managers. The Baptist Union Trustees monitor investment performance through their Finance and Audit Committee.

The principal risk facing the Association is the current deficit budget. This has been fully identified by the trustees, through the Staff, Finance and Administration Group. The Association trustees and Regional Ministry Team continue to meet to discuss the Strategic Review and the way forward whilst working with a deficit budget.

The principal funding source to SCBA is from Home Mission giving from our Association churches, either through SCBA or directly to the Baptist Union of GB. This is then put into a "shared pot" with the other Associations in the union, and SCBA then receive a percentage of the total amount. An increase in giving to the Home Mission fund from SCBA churches may not directly result in an increased grant directly to SCBA.

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. SCBA have now paid off the pension debt that was owed for the Association. Debts to churches that had closed and who did not own a building to sell were also covered by SCBA. The Association has conducted research to establish other churches whose trustees would be liable to pay the pension debt if the church closed (and if a building sale will not cover the debt) and SCBA will also be able to cover these debts.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Plans for future periods

During 2021, the charitable company will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Christian religion and the enrichment of church and community life in the Southern Counties.

Though it is difficult to plan for the coming year, because of the uncertainty in the Covid restrictions, the Regional Ministry Team plan to keep the regular activities in place, but these may be online. These activities include: the continuation of Safeguarding Training (either online or later in the year in person) available to all churches and communities; supporting the member churches, both pastorally through the Regional Ministry Team, and, for some, financially through grants; and hosting ministers' and leaders' events including a three-day conference and the AGM. The Board of Trustees will continue to carry out a Strategic Review of the Association, particularly reviewing the current deficit.

### Structure, governance and management

The charitable company is governed by its Memorandum of Association and Articles of Association and Rules. The Objects of this charitable company are the advancement of the Christian religion 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.

The charity is an Incorporated Private Limited Company and is constituted of a board eight trustees, who are also the Company Directors, including the Moderator and the Treasurer, who oversee the works of the charity. The charity's members are the 154 churches within the Association, who have the right to appoint two representatives to attend and vote at the general meeting of the Association.

The board of Trustees consists of:

- The Regional Ministry Team Leader
- The Moderator appointed by the members of the Association
- The Treasurer appointed by the members of the Association
- A person appointed by Regent's Park College for such term of office and accordance with such procedures and rules as shall from time to time be decided by the College
- Six trustees appointed by the members of the Association (two further trustees were appointed by vote at the AGM in November 2020)

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Rev'd Anne Carter

Rev'd Nigel Cox

Mr Andrew Johnson

Mrs Anne Andrews

Rev'd Stephen Barber

(Appointed 9 November 2020)

Mr John Bragg

Mr Peter Brookes

(Appointed 9 November 2020)

Rev'd Anthony Clarke

Mrs Melvina Fawcett

(Resigned 9 November 2020)

Rev'd Simon Ford

Rev'd Martin Hardwidge

Rev'd Dr Colin Norris

Mrs Anne Lane

(Resigned 9 November 2020)

Up to six trustees can be appointed on to the trustee board, three of which will be appointed solely to enable the trustee board to positively represent the age, sex and ethnic origin of the membership of the member churches.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Association Moderator is at the head of the Association. Below this role are the rest of the board of the trustees including the Association Treasurer. The Regional Ministry Team Leader is responsible for the rest of the team of four Regional Ministers and three support staff. A structure of strategic and enabling groups is in place to support the various aspects of the Association. These areas are: Staff, Finance & Administration; Leadership & Ministerial Development; Children, Youth & Families; Safeguarding; Pioneer Mission; Mission Development; Home Mission; Communication and Justice. In line with the Memorandum and Articles, the majority of the decisions made by the charity as a whole will be made by the Board of Trustees, though on occasions, the other strategy groups or Regional Ministry Team will make decisions and inform the Board of Trustees of these decisions.

Prospective trustees are advised of the qualifications for serving as charity trustees and directors. They are invited to an informal discussion with the Moderator or Regional Ministry Team Leader to discuss the appointment. On appointment they are provided with an overview of the governing documents of instruments and activities of the charitable company, along with the Association policies and past trustee meeting minutes. Trustees are invited to the various training sessions hosted by the Association or Baptist Union for its members, including Data Protection and Safeguarding.

The Regional Ministry Team are paid a stipend which is in line with the recommended stipend by the Baptist Union plus a percentage depending on their position in the team. Housing allowance and expenses are also paid on a monthly basis. The rest of the staff team are paid a salary, decided by the Board of Trustees, plus any out of pocket expenses. All volunteers within the Association are paid any out of pocket expenses, particularly for travel to and from meetings and events.

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.

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 Union, are received by the charitable company and dispersed by its Grants Group, as well as used for the running of the Association. The Association also works informally in partnership with three other Association within the Baptist Union: West of England Baptist Association, South West Baptist Association and South Wales Baptist Association. The Partnership is mainly for mutual support, inspiration and advice in pursuing the aims and objectives of the Associations.

The Trustees' report was approved by the Board of Trustees.



.....  
**Rev'd Anne Carter**

Trustee

Dated: 14/7/21



.....  
**Mr Andrew Johnson**

Trustee

Dated: 14 July 2021

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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The Trustees, who are also the directors of The Southern Counties Baptist Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 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 Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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I report to the Trustees on my examination of the financial statements of The Southern Counties Baptist Association (the Charity) for the year ended 31 December 2020.

#### **Responsibilities and basis of report**

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements to be reached.



Colin Dadswell FCAACCA DChA

Caladine Limited  
Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Dated: 20/06/2021

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Current financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income from:</u></b>						
Donations and legacies	3	5,500	30,000	2,078	37,578	33,258
Charitable activities	4	311,410	-	-	311,410	324,513
Investments	5	16,490	-	-	16,490	13,691
<b>Total income</b>		<b>333,400</b>	<b>30,000</b>	<b>2,078</b>	<b>365,478</b>	<b>371,462</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	6	393,119	77,846	5,418	476,383	547,193
<b>Net outgoing resources before transfers</b>		<b>(59,719)</b>	<b>(47,846)</b>	<b>(3,340)</b>	<b>(110,905)</b>	<b>(175,731)</b>
Gross transfers between funds	17	75,570	23,190	(98,760)	-	-
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<b>15,851</b>	<b>(24,656)</b>	<b>(102,100)</b>	<b>(110,905)</b>	<b>(175,731)</b>
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes		38,858	-	-	38,858	1,739
<b>Net movement in funds</b>		<b>54,709</b>	<b>(24,656)</b>	<b>(102,100)</b>	<b>(72,047)</b>	<b>(173,992)</b>
Fund balances at 1 January 2020		1,527,092	152,704	104,367	1,784,163	1,958,155
<b>Fund balances at 31 December 2020</b>		<b>1,581,801</b>	<b>128,048</b>	<b>2,267</b>	<b>1,712,116</b>	<b>1,784,163</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	500	-	32,758	33,258
Charitable activities	4	324,513	-	-	324,513
Investments	5	12,312	97	1,282	13,691
<b>Total income</b>		<b>337,325</b>	<b>97</b>	<b>34,040</b>	<b>371,462</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	432,753	72,005	42,435	547,193
<b>Net outgoing resources before transfers</b>		<b>(95,428)</b>	<b>(71,908)</b>	<b>(8,395)</b>	<b>(175,731)</b>
Gross transfers between funds	17	(4,313)	-	4,313	-
<b>Net income/(expenditure) for the year/ Net incoming/(outgoing) resources</b>		<b>(99,741)</b>	<b>(71,908)</b>	<b>(4,082)</b>	<b>(175,731)</b>
<b>Other recognised gains and losses</b>					
Actuarial gain on defined benefit pension schemes		1,739	-	-	1,739
<b>Net movement in funds</b>		<b>(98,002)</b>	<b>(71,908)</b>	<b>(4,082)</b>	<b>(173,992)</b>
Fund balances at 1 January 2019		1,625,094	224,612	108,449	1,958,155
<b>Fund balances at 31 December 2019</b>		<b>1,527,092</b>	<b>152,704</b>	<b>104,367</b>	<b>1,784,163</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	11		446,731		449,241
Investments	12		12,020		12,020
			458,751		461,261
<b>Current assets</b>					
Debtors falling due after one year	13	150,500		187,000	
Debtors falling due within one year	13	33,253		38,180	
Cash at bank and in hand		1,164,812		1,280,183	
		1,348,565		1,505,363	
<b>Current liabilities</b>	14	(11,895)		(52,745)	
Net current assets			1,336,670		1,452,618
<b>Total assets less current liabilities</b>			1,795,421		1,913,879
<b>Provisions for liabilities</b>			(83,305)		(129,716)
<b>Net assets</b>			1,712,116		1,784,163
<b>Income funds</b>					
Restricted funds	17		2,267		104,367
<u>Unrestricted funds</u>					
Designated funds	18	128,048		152,704	
General unrestricted funds		1,581,801		1,527,092	
			1,709,849		1,679,796
			1,712,116		1,784,163

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

**AS AT 31 DECEMBER 2020**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

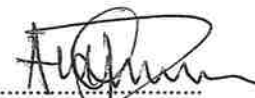
The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees

  
.....  
**Rev'd Anne Carter**  
Trustee  
Dated: 14/7/21

  
.....  
**Mr Andrew Johnson**  
Trustee  
Dated: 14 July 2021

Company Registration No. 04279837

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Company information

The Southern Counties Baptist Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Baptist House, 129 Broadway, Didcot, Oxfordshire, OX11 8XD.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds - represent those funds which can be used in accordance with the Association's charitable objects at the discretion of the Trustees.

Designated funds - represent those funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted fund - can only be used for a particular restricted purpose within the charitable objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Income

Income is recognised in the Statement of Financial Activities when the Charitable Company has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received; and that the amount can be measured reliably.

- Donations are accounted for gross when received.
- Grants receivable are accounted for in the year in which they are receivable.
- Investment income is included in the financial statements in the year in which it is receivable.
- Event and Conference fees are accounted for in the period the event was held

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (Continued)

##### 1.5 Expenditure

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

- Expenditure on charitable activities represents expenditure in the furtherance of the object of the Association
- Grants payable are agreed on an annual basis and accounted for in the year in which they are committed

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure under £2,000 on office furniture and computer equipment is written off as incurred. Expenditure over £2,000 on a single item will be written off over 4 years.

Support costs are those that assist the work of the association but do not directly represent the charitable activities and include governance costs.

Governance costs comprise all costs involving the public accountability of the association and its compliance with regulation and good practice. These costs include costs relating to the statutory accounts and independent examination.

Support costs have been 100% allocated to the charitable activity.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Freehold Land - Nil, Freehold Buildings - Over 30 years
-----------------------------	---

Depreciation of buildings is based on an anticipated useful life of 30 years with a residual value equal to two thirds of the original cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

No depreciation is provided in the year of acquisition.

##### 1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies (Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity only has financial assets and 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.

##### Debtors

Loans are considered concessionary loans as they are made by the charity to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments. There is no interest charged on the loan amounts. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Other debtors are recognised at the settlement amount due.

##### Creditors

Creditors are recognised where the association 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.

Accruals and other creditors are recognised at their settlement amount due.

##### Provisions for liabilities

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

#### 1.11 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 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 II 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.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (Continued)

##### 1.13 Retirement benefits

###### Multi Employer Pension Plan

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

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions.

Where the plan is in deficit and where the association has agreed, with the plan, to participate in a funding arrangement the association recognises 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. The amount is expensed in profit or loss. The unwinding of the discount is recognised as a finance cost.

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 31 March 2015.

###### Defined contribution pension plans

The Association operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the association pays fixed contributions into a separate entity. Once the contributions have been paid the association has no further payment obligations. The contributions are recognised as an expense 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 association in independently administered fund.

#### 2 Judgements and key sources of estimation uncertainty

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: **see note 16 for further details.**
- Accounting estimates and assumptions
- Multi-employer defined benefit pension scheme: Baptist Union Staff Pension Scheme  
The Charity has an obligation to pay a deficit funding arrangement in respect of the multi-employer defined benefit 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.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2 Judgements and key sources of estimation uncertainty (Continued)

- Recoverability of loan  
The recoverability of loans are assessed annually, and at the balance sheet date provisions for doubtful debts are provided based on prior year experiences.

#### 3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations and gifts	5,500	30,000	2,078	37,578	33,258
<b>Donations and gifts</b>					
Church of the Year gifts	-	-	1,753	1,753	4,668
Confidential Fund donations	-	-	325	325	590
Rural Ministry Grant	-	30,000	-	30,000	27,500
Loan Termination Gifts (SCBA Loan Fund)	5,500	-	-	5,500	500
	5,500	30,000	2,078	37,578	33,258

#### For the year ended 31 December 2019

	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	500	-	32,758	33,258
<b>Donations and gifts</b>				
Church of the Year gifts	-	-	4,668	4,668
Confidential Fund donations	-	-	590	590
Rural Ministry Grant	-	-	27,500	27,500
Loan Termination Gifts (SCBA Loan Fund)	500	-	-	500
	500	-	32,758	33,258

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Charitable activities

	2020 £	2019 £
Preaching and other fees	9,302	6,530
Leaders' Days & SCBA Event fees	2,695	9,526
SCBA Ministers' Conference Fees	22,223	20,113
Baptist Union grant for Operational Activities	276,348	281,794
Other income	842	6,550
	<u>311,410</u>	<u>324,513</u>

### 5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
Alden Memorial Fund	-	-	-	283	283
Abraham Trust - Confidential Fund	-	-	97	-	97
Fairford Trust - Educational Assistance	-	-	-	615	615
Loan and General Funds on Deposit with BU	15,889	11,911	-	-	11,911
Baptist Insurance Co Ltd - Dividends	601	401	-	-	401
De La Mare Fund	-	-	-	384	384
	<u>16,490</u>	<u>12,312</u>	<u>97</u>	<u>1,282</u>	<u>13,691</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Charitable activities

	2020 £	2019 £
Staff costs	299,358	298,373
Depreciation and impairment	2,510	2,510
Travel and Accommodation	7,776	23,409
Leaders Days and SCBA Event Costs	2,750	10,479
SCBA Ministers Conference	23,411	18,412
Community Learning Tutor	2,000	4,000
Confidential Fund	750	750
CYF Working group	28	1,225
Fairford Trust	-	750
Education & Sabbatical Grants	4,200	2,245
Pioneer Mission Fund Expenses	12,597	14,441
Rural Ministry Fund Expenses	-	5,697
Pension deficit settlement	-	26,101
	<u>355,380</u>	<u>408,392</u>
Grant funding of activities (see note 7)	91,788	104,437
Share of support costs (see note 8)	21,008	24,772
Share of governance costs (see note 8)	8,207	9,592
	<u>476,383</u>	<u>547,193</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	393,119	432,753
Unrestricted funds - designated	77,846	72,005
Restricted funds	5,418	42,435
	<u>476,383</u>	<u>547,193</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Grants payable

	2020 £	2019 £
Grants to institutions:		
Home Mission Grant	84,420	94,352
Churches Together Grants	2,700	2,700
Church of the year	4,668	-
Other	-	5,435
	<u>91,788</u>	<u>102,487</u>
 Grants to individuals	 -	 1,950
	<u>91,788</u>	<u>104,437</u>

### 8 Support costs

	Support costs £	Governance costs £	Total 2020 £	Support costs £	Governance costs £	Total 2019 £
Office Expenses and IT	1,711	-	1,711	2,767	-	2,767
Telephone	2,184	-	2,184	2,198	-	2,198
Volunteer Exp. and Fees	1,030	-	1,030	2,929	-	2,929
Staff Book & Study Allowance	688	-	688	43	-	43
Insurance	3,936	-	3,936	2,697	-	2,697
Building Hire	3,500	-	3,500	3,500	-	3,500
Baptist Union Subs	826	-	826	853	-	853
Interest on pension deficit	2,987	-	2,987	3,243	-	3,243
Other expenditure	4,146	-	4,146	6,542	-	6,542
 Legal and professional	 -	 1,293	 1,293	 -	 4,638	 4,638
Accountancy & IE	-	4,200	4,200	-	3,840	3,840
Bank Charges	-	579	579	-	-	-
Software and other subscriptions	-	992	992	-	-	-
Payroll Fees	-	1,143	1,143	-	1,114	1,114
	<u>21,008</u>	<u>8,207</u>	<u>29,215</u>	<u>24,772</u>	<u>9,592</u>	<u>34,364</u>
 <u>Analysed between</u>						
Charitable activities	<u>21,008</u>	<u>8,207</u>	<u>29,215</u>	<u>24,772</u>	<u>9,592</u>	<u>34,364</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 9 Trustees

Trustee Rev'd Dr C Norris was paid a salary of £36,000 (2019: £35,087) and benefitted from employer pension contributions totalling £4,527 (2019: £5,384) for his work as the Regional Ministry Team Leader. The authority to employ Trustees is contained within the Charity's governing document.

During the year, 6 Trustees were reimbursed a total of £996 for travel and other expenses.

#### 10 Employees

##### Number of employees

The average monthly number of employees during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Full time Regional Ministers	3	3
Part time Regional Ministers	1	2
Part time Administrator	1	1
Part time Support Staff (Admin Assistants)	2	2
Dorset Missional Listener	2	1
Pioneer Missioner	1	1
	<u>10</u>	<u>10</u>

##### Employment costs

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	217,340	216,561
Social security costs	14,941	16,968
Other pension costs	19,342	19,326
Housing costs	47,735	45,518
	<u>299,358</u>	<u>298,373</u>

There were no employees whose annual remuneration was £60,000 or more.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Property, plant and equipment

	<b>Freehold land and buildings £</b>
<b>Cost</b>	
At 1 January 2020	451,751
At 31 December 2020	<u>451,751</u>
<b>Depreciation and impairment</b>	
At 1 January 2020	2,510
Depreciation charged in the year	2,510
At 31 December 2020	<u>5,020</u>
<b>Carrying amount</b>	
At 31 December 2020	<u>446,731</u>
At 31 December 2019	<u>449,241</u>

### 12 Fixed asset investments

	<b>Baptist Insurance Co PLC £</b>
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	<u>12,020</u>
<b>Carrying amount</b>	
At 31 December 2020	<u>12,020</u>
At 31 December 2019	<u>12,020</u>

There are no Investments held outside the UK.

The equity investment relates to 2,404 ordinary £5 shares held in Baptist Insurance Company PLC (registered company number 00083597), a public company limited by shares. As these shares are not actively traded through Stock Markets, no Market Value can be obtained, resulting in the shares being valued at original cost.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Trade and other receivables

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Loans to churches	28,500	33,000
Prepayments and accrued income	4,753	5,180
	<u>33,253</u>	<u>38,180</u>
	<u><u>33,253</u></u>	<u><u>38,180</u></u>
<b>Amounts falling due after more than one year:</b>		
Loans to churches	150,500	187,000
	<u>150,500</u>	<u>187,000</u>
	<u><u>150,500</u></u>	<u><u>187,000</u></u>
<b>Total debtors</b>	<u>183,753</u>	<u>225,180</u>
	<u><u>183,753</u></u>	<u><u>225,180</u></u>

£25,000 of new loans to Churches were advanced during the year (2019: £nil) and £66,000 was received in repayments (2019: £35,450)

### 14 Current liabilities

	2020	2019
	£	£
Other taxation and social security	-	202
Prepaid income	-	5,530
Other payables	7,695	43,173
Accruals and deferred income	4,200	3,840
	<u>11,895</u>	<u>52,745</u>
	<u><u>11,895</u></u>	<u><u>52,745</u></u>

### 15 Provisions for liabilities

	Notes	2020	2019
		£	£
Retirement benefit obligations	16	83,305	129,716
		<u>83,305</u>	<u>129,716</u>
		<u><u>83,305</u></u>	<u><u>129,716</u></u>

A liability for the agreed pension scheme deficit plan has been included, in accordance with the Baptist Union Staff Pension Scheme Schedule of Contributions dated 16 December 2018.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 16 Retirement benefit schemes

##### **Defined contribution schemes**

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £19,342 (2019 - £19,326).

##### **Defined benefit schemes**

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

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficiency contributions (see below).

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Limited. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva plc. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. The further 4% contribution rate is reduced to 3% for Employer contributions made to the Segregated DC Arrangement.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

##### *Valuation*

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). The Association and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

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

### 16 Retirement benefit schemes (Continued)

#### Key assumptions

	2020	2019
	%	%
Discount rate	0.4	2.4
Future increases to Minimum Pensionable Income	3.0	3.3

The key financial assumptions underlying the valuations were as follows:

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

Post-retirement mortality in accordance with 80% of the S3NFA and S3NMA tables, with allowance for future improvements in mortality rates from 2013 in line with the CMI 2019 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females, with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022.

#### Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan.

Under the current Recovery Plan dated 30 September 2020, deficiency contributions are payable until 30 June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules. However, the Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 and 31 December 2020.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 16 Retirement benefit schemes (Continued)

##### Amounts recognised in the income statement:

	2020 £	2019 £
Net interest on defined benefit liability/(asset)	2,987	3,243

The amounts included in the statement of financial position arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2020 £	2019 £
Present value of defined benefit obligations	83,305	129,716
Deficit in scheme	83,305	129,716

##### Movements in the present value of defined benefit obligations:

	2020 £
Liabilities at 1 January 2020	129,716
Plan introductions, changes, curtailments and settlements	(38,858)
Contributions from scheme members	(10,540)
Interest cost	2,987
At 31 December 2020	83,305

This liability represents the present value of deficit contributions agreed at the balance sheet date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2020
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Alden Memorial (Loans Repairs/ Extensions)	40,774	-	-	(40,774)	-
De La Mare	21,311	-	-	(21,311)	-
Confidential Fund	2,304	325	(750)	(1,879)	-
Fairford Trust (Education Grants)	34,796	-	-	(34,796)	-
Church of the Year	4,168	1,753	(4,668)	-	1,253
DFES Funds for Youth Work	1,014	-	-	-	1,014
	<u>104,367</u>	<u>2,078</u>	<u>(5,418)</u>	<u>(98,760)</u>	<u>2,267</u>

#### Movements for the year ended 31 December 2019

	Movement in funds				Balance at 31 December 2019
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Alden Memorial (Loans Repairs/ Extensions)	40,491	283	-	-	40,774
De La Mare	20,927	384	-	-	21,311
Confidential Fund	2,464	590	(750)	-	2,304
Fairford Trust (Education Grants)	34,931	615	(750)	-	34,796
Church of the Year	4,935	4,668	(5,435)	-	4,168
DFES Funds for Youth Work	1,014	-	-	-	1,014
Rural Ministry	3,687	27,500	(35,500)	4,313	-
	<u>108,449</u>	<u>34,040</u>	<u>(42,435)</u>	<u>4,313</u>	<u>104,367</u>

During the year the Trustees undertook a thorough review of the background to all of the funds historically classified as restricted and, based on the outcome of that review, some funds have been reclassified:

**Robert Alden Memorial Fund** is to be used for Capital Loans and Grants Interest Free of up to £10,000 to churches which were part of the former Oxford and East Gloucestershire Baptist Association (OEGBA). Following the review, it was concluded that the remaining balance on this fund should be amalgamated with the SCBA Loan Fund which serves the purposes set out by the original donor. A transfer has duly been made to reflect this.

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### 17 Restricted funds (Continued)

**The De La Mare Fund** income to be used for the furtherance of Mission and where necessary to meet costs of book allowances for Regional Team. Following the review, it was concluded that the remaining balance on this fund should be amalgamated with the Education and Sabbatical Fund which will be extended to include other staff/trustee training and supervision expenditure to ensure the funds continue to serve the purposes set out by the original donor. A transfer has duly been made to reflect this.

**Fairford Trust** - following the review it was concluded that these funds were given for the whole mission of SCBA and should not be disclosed as restricted. A transfer has duly been made to reflect this.

**Confidential Fund (Abraham Trust)** is to be used to support those in need in churches which were part of the former OEGBA. As these funds serve the same purpose as the designated 'Confidential Fund' the remaining balance has been transferred to that fund.

**Church of the Year Fund** is to receive and distribute gifts received from churches for the annually nominated Church of the Year within the association.

**DFES Grants** is to be used for the training of Youth Workers. (Residual monies given by DFES between 2005 and 2008).

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18 General and Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					Movement in funds					
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£	£	£
<b>General Funds</b>											
General Fund	1,050,484	337,228	(432,753)	(31,567)	1,739	925,131	327,900	(393,119)	34,796	38,858	933,566
Investment in Baptist Insurance Company	12,020	-	-	-	-	12,020	-	-	-	-	12,020
Loan Funds (including Alden Memorial)	562,590	97	-	27,254	-	589,941	5,500	-	40,774	-	636,215
	<u>1,625,094</u>	<u>337,325</u>	<u>(432,753)</u>	<u>(4,313)</u>	<u>1,739</u>	<u>1,527,092</u>	<u>333,400</u>	<u>(393,119)</u>	<u>75,570</u>	<u>38,858</u>	<u>1,581,801</u>
<b>Designated Funds</b>											
Education & Sabbatical Grants	4,712	-	(2,245)	-	-	2,467	-	(4,200)	21,311	-	19,578
Abraham Trust (Confidential)	9,044	97	-	-	-	9,141	-	-	1,879	-	11,020
Pension Fund Debt Reserve	98,017	-	(26,101)	-	-	71,916	-	-	-	-	71,916
Pioneer Mission Fund	112,839	-	(43,659)	-	-	69,180	30,000	(73,646)	-	-	25,534
	<u>224,612</u>	<u>97</u>	<u>(72,005)</u>	<u>-</u>	<u>-</u>	<u>152,704</u>	<u>30,000</u>	<u>(77,846)</u>	<u>23,190</u>	<u>-</u>	<u>128,048</u>
<b>Total</b>	<u><u>1,849,706</u></u>	<u><u>337,422</u></u>	<u><u>(504,758)</u></u>	<u><u>(4,313)</u></u>	<u><u>1,739</u></u>	<u><u>1,679,796</u></u>	<u><u>363,400</u></u>	<u><u>(470,965)</u></u>	<u><u>98,760</u></u>	<u><u>38,858</u></u>	<u><u>1,709,849</u></u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 18 General and Designated funds (Continued)

**General Funds** are held to support ongoing activities of the company.

**Loan Funds** are held to enable loans to be made to member churches to support projects, typically building projects.

**Educational and Sabbatical Grants Fund** represents amounts set aside to support individuals from member churches through sabbaticals and participation in other educational opportunities relating to Christian service or ministry. The balance for 2009 for this and the Abraham Trust have been restated as designated funds, as the trustees do not feel that any restrictions were placed on the original gifts.

**Pioneer Mission** is a fund designated to support new and exciting ways of mission across the association. In conjunction with the appointment of a regional minister.

#### 19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances are represented by:								
Property, plant and equipment	446,731	-	-	446,731	449,241	-	-	449,241
Investments	12,020	-	-	12,020	12,020	-	-	12,020
Current assets/(liabilities)	1,206,355	128,048	2,267	1,336,670	1,195,010	152,704	104,904	1,452,618
Provisions and pensions	(83,305)	-	-	(83,305)	(129,716)	-	-	(129,716)
	<u>1,581,801</u>	<u>128,048</u>	<u>2,267</u>	<u>1,712,116</u>	<u>1,526,555</u>	<u>152,704</u>	<u>104,904</u>	<u>1,784,163</u>

# THE SOUTHERN COUNTIES BAPTIST ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### **20 Home Mission Giving**

The arrangements for making Home Mission Gifts from churches to the Baptist Union were changed during 2005. A new joint account, SCBA/Baptist Union, was set up so that churches and the SCBA can transfer their gifts to this account, but only the Baptist Union has authority to withdraw funds. As the SCBA is not beneficially entitled to retain any of the monies given by the churches for Home Mission, these gifts are transferred directly to the Baptist Union and do not need to be included in the SCBA's Statement of Financial Activities.

Giving to Home Mission by churches and groups within the SCBA area was 2020: £358,249 (2019: £394,057).

### **21 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).