

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales · Charity number 1092443

Details

Other names WEBA

Status Registered

Legal form Charitable company

Company number [04326752](#)

Registered 2002-06-14

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

Contact

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Activities

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 advancement of the Christian faith, 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.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE GLOUCESTERSHIRE, BRISTOL, SOMERSET, WILTSHIRE AND SWINDON
- Bath And North East Somerset
- Bristol City
- Gloucestershire
- North Somerset
- Somerset
- South Gloucestershire
- Swindon
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£609,945	£502,706	£2,049,249	6
2023-12-31	£326,578	£493,258	-	-
2022-12-31	£441,529	£531,811	-	-
2021-12-31	£400,280	£457,331	-	-
2020-12-31	£523,952	£448,335	£2,195,727	8

Trustees

Name	Role	Appointed
Dr Stephen Finamore		2024-09-12
Ian Tallamy		2024-07-22
Kay Reuben		2023-03-24
Paul Jacobs		2022-12-08
Peter Morden		2023-09-01
Peter Needham		2024-09-12
Rev Andrew Caldwell		2025-08-01
Rev Markelian Mico		2024-09-12

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales - Charity number 1092443

Accounts



West of England Baptist Association
(A Company limited by Guarantee) Operating as **Webnet**

ANNUAL REPORT & ACCOUNTS

for the year ended 31 December 2024

Registered in England Company number: 04326752

Charity number: 1092443.



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Report of the trustees for the year ended 31 December 2024

The trustees are pleased to present their report with financial statements of the charity for the year ended 31 December 2024. Throughout this document, The West of England Baptist Association is referred to by its current operating name “Webnet”.

Reference and administrative information set out on page 10 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP FRS 102) and in accordance with the special provisions for small companies under the Companies Act 2006.

Objectives and Activities

Public Benefit

The trustees have considered the Commission’s guidance on public benefit under the Charities Act 2011 and the specific guidance on charities for the advancement of religion.

Objects of the charity

The principal object of the charity continues to be the advancement of the Christian faith, 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.

In fulfilling the objects of the Association trustees devised a purpose statement a few years ago which remains core to programmes and activities: -

“Webnet is a fellowship of Baptist Churches Encouraging each other and Growing healthy congregations by Enriching relationships, developing ministry and Enabling fruitful mission”.

Achievements and Performance

The network represents and serves Baptist churches and communities worshipping and working in the west of England, seeking to encourage our congregations in their mission as God’s people and to support them in the equipping of missional disciples.

Introduction – The most exciting and the most challenging of times.

Whatever the future holds, 2024 was noted as *both* the most exciting *and* the most challenging of times to be involved in Christian leadership within living memory. Whilst the overall church landscape, across the UK, continues to be one of numerical decline and evident disunity, the number of green shoots of growth grew in number and became more apparent.

Our regional ministry team ended 2023 praying the ‘trickle becomes a flood’, which was a recognition of the increasing number of people becoming Christians and being built into our churches. The trickle continued throughout the year – not yet a flood, but certainly a bigger trickle. Our Leaders Day in November saw a gathering of 100 leaders eager to explore what Justin Brierley (our key speaker) described as “The Surprising Rebirth of Belief on God”.

The Webnet regional ministry team became more focused on the challenge to deepen personal discipleship across every one of our churches. We do not know whether the contested environment of the UK will result in a greater oppression of the Christian gospel, a widespread revival of Christianity, or both, but the need for our churches to be ready is clear. If every one of churches becomes a greenhouse for the nurture of faith in Jesus Christ as Lord and Saviour, we shall be best equipped for the unknown future as we can.

Trusting our Cornerstone foundations.

Whilst the previous year was marked by the need to strengthen our foundations, 2024 was one of faith and trust. Following our Webnet churches adopting a basis of faith in 2023, we have witnessed a renewed confidence in the proclamation of the gospel across a growing number of our churches.

Hillfields Church, Bristol, continued to witness an extra-ordinary number of people finding salvation in Jesus Christ and being baptised as a result. A small but growing number of our other churches ended the year with an expectation of someone becoming a Christian on a weekly basis. The number of baptisms reported across our churches rose again. What was the secret? The constant threads are 'proclaiming the gospel as it is' and 'encouraging people to share their faith in Jesus with others'.

It must be said preceding this, churches are more often being blessed, by the arrival of new believers who have already encountered Jesus and are seeking out a church family as a result.

Revitalising Local Churches.

By 2024 we reached just over 30 (25%) of our churches engage with our Re:Imagine process. Re:Imagine is Missional Learning Community for church Leadership Teams focuses the attention of a local church leadership team on both the need and practice of becoming missional. In other words, 'being missional rather than simply doing mission'. When we compared how many baptisms took place within the three years pre and post engaging with the process it was doubled. The transition churches embark on through the Re:Imagine process, is neither quick, nor easy, but we are very encouraged by these findings. Growing healthy churches is resulting in existing disciples deepening their roots in God and reaching more people in Jesus' name, as a result.

We continue also to bring new life to churches on the brink of closure. We began to develop what has become an opportunity for a church to appoint a Missional Steering Group in 2010 at Kings Stanley BC. We have now seen 10 of our churches reach a point of needing to take this root. We rejoice in the fact all ten churches were facing the spectre of closing, but none adopting the MSG route none have done so.

Supporting and strengthening local leaders.

We continue to both support and strengthen local leaders and leadership teams in a variety of ways. The Webnet RM team offer their support for six months for any church entering a pastoral vacancy situation, to work through 'Transitions', which helps a local leadership team address their future needs, in order to pursue the mission of God where they are. Almost always our local churches take up this opportunity.

The Baptists Together Settlement Process is struggling to provide the appropriately equipped Ministers sufficiently. The bottom line is an insufficient number of Ministers for our churches to consider. We are addressing this by helping our churches find such people. Our 2024 Leaders Conference was a great success. Stephen Walker Williams addressed

the theme: 'Be Who You Are – Identity, Holiness and Leadership Today'.

Our two Leaders Days: with Rachel Jordan-Wolf 'Raising Confidence in the Gospel' in May and Justin Brierley 'The Surprising Rebirth of Belief in God' in November, were both greatly appreciated by all attending.

Both Invest and EMD (run by Bristol Baptist College, led by Lindsay Caplen) continue to help equip local leaders, as well as provide a growing base of leadership across our churches.

Planting the Gospel.

Whether old or new, our pioneering and planting ministries are always seeking to reach new places, or new people's in contextually appropriate ways. We are very thankful to God for those who by virtue of being well established (but continue to pioneer) do not get a mention here.

'Shalom House, Gloucester, the innovative partnership between Webnet and ECM (European Christian Mission) continues to grow deeper in Gloucester. Their key focus is on multiplication of disciple making disciples – people learning to become more like Jesus. The learning is now being shared with other local churches. We continue to explore the potential of other similar partnerships.

Salt House, Portishead & Pill has the vision to empower disciples to live as ambassadors of Jesus in every sphere of life, so that every person in the community has repeated opportunities to respond to the love of Christ. Salt House continue to seek to develop a network of simple churches—gathering in homes, cafes, outdoors etc. The churches of the network gather monthly to share testimony, teaching/preaching, gathered worship etc... They are currently looking at leasing a premises to serve as a 'hub' for mission.

We are always exploring opportunities to work with people who are called by God to plant. It is exciting that some of our churches have been talking about planting.

We are working to encourage, support, mentor, train those seeking to plant or pioneer. We have recently identified new pioneer planting opportunities and will walk alongside those involved as they consider their next steps.

Rising To New Challenges

We continue to work with Hong Kong folk from across our region. Through our Hong Kong Network facilitator (Candy Choy), we are working alongside churches to help develop understanding about Hong Kong culture, and about the challenges many Hong Kong people experience as they adapt to life in the UK. The network facilitator is also seeking to ensure that best practise can be shared so that together we can grow our ability to welcome, integrate, disciple, pastorally support and evangelise. Webnet are involved in planning a regional Baptist led residential Hong Kong Mission and Ministry event in 2025. Candy is also directly pastorally supporting Hong Kong people through language courses, marriage courses, Bible studies and Alpha and has recently been involved in baptisms amongst Hong Kong people. Since people are most open to think about life and faith when they are in a new context, this is a precious opportunity amongst the Hong Kong people – a *kairos* moment.

Mission Grants to churches

Mission Grants to churches giving to Partnership in Mission made it possible for us to give £103,143 (2023 - £110,245) in grants to churches, developing missional communities,

chaplains, ecumenical bodies, and the support of individuals being resourced and enabled to better engage in God's mission throughout the west of England.

Partnership in Mission giving is helping equip Ministers in Training and Newly Accredited Ministers. It is also equipping and enabling the development of individuals in our churches through the Invest process, leadership teams through Re:imagine, and provided support for the Free Church Chaplain at Bristol University during 2024.

Thanksgiving

Looking back over 2024, we have so much to praise God for. Whilst we sing about God's faithfulness, it has also been our lived experience. We are ever mindful we are, first and foremost, a network of *churches*. At any one time, any group of churches will reflect the range of the realities of human life, from birth to death. However, we are struck by the increase in hopefulness in God for the future, which appears to be the case for the majority with another increase in the number of people being baptised, across the board. Both our Regional Ministry team and our wider staff team have continued to enjoy a healthy sense of team together and we pray this will continue to grow and develop despite changes afoot. Towards the end of the year Gary Woodall announced he had been called to become the Senior Pastor for Corsham Baptist Church, after 10 years as a Webnet RM and Nigel Coles has announced his plans to retire from being our Webnet Regional Team Leader in the summer of 2025.

Our trustees are a voluntary workforce who have brought encouragement, hard work and a commitment to partnership throughout. As we watch the headlines in the news media, we remain grateful to God for our partnership in the gospel. Together we ended the year full of hope and anticipation for our future, trusting in the faithfulness of our great God.

Financial review

The charity has claimed exemption from preparing consolidated accounts as permitted by the Statement of Recommended Practice (SORP FRS102) and Accounting Regulations, as the income of the group is below the relevant threshold of £1,000,000. Individual accounts for each entity in the group have been prepared with the West of England Baptist Trust Company Limited being independently examined and West of England Baptist Payroll Company Limited being subject to an accountant's report. Copies of the accounts are available from the charity's registered office.

The statement of financial activities for the year is set out on page 14. The charity reports an overall surplus (net movement of funds) for the year of £148,706 (2023 - £145,451 deficit).

The Association's main source of income changed in 2024. Previously the main income was in the form of the "Home Mission" grant from the Baptist Union of Great Britain (BUGB). Individual Baptist churches give to a central appeal from BUGB which is aggregated with other general income as the BUGB "Common Purse". This is distributed between central Baptist activities and the 13 local Associations. In 2023 Webnet received £170,913 (52% of total income).

The 'flow of funds' changed in 2024 so that the Individual Baptist church gave directly to Webnet under the 'Partnership in Mission'. We received £166,145 from PIM giving in 2024 (27% of total income). As part of this change the association now make a contribution to BUGB towards the costs of providing their support services to churches in the region. This was £14,000 in 2024.

We received a balancing grant from BUGB relating to the 2023 Home Mission giving of £17,735. A grant of £25,000 was received from Bristol Baptist Fund (2023 - £15,000).

The two main calls on the total income are Grants to Churches and the Association's own costs which are largely personnel related (see notes 5-7 pages 21 - 24). Income from church giving (BUGB grants in previous years and now direct giving) has fallen over recent years mainly due to churches' reduced contributions to the Home Mission & Partnership in Mission Appeals.

Despite this, Webnet has sought to maintain a consistent level of grant and Regional Ministry support to churches to help them achieve their objectives. This has been done by (a) seeking income sources in addition to the BUGB grant, (b) releasing funds from designated accounts, and (c) releasing funds from reserves, mainly expendable endowment.

The Unrestricted Funds reported a net deficit before funds transfers of £154,267 (2023 – deficit £173,286).

There were significant funds movements in the year. The sale of a manse at Emerson's Green resulted in a reduction in the Programme-Related Investment, with the proceeds and original investment designated for a future manse in Emerson's Green.

The Trustees are indebted to the substantial support provided by the many volunteers but are unable to put any financial evaluation into the accounts because it is unable to quantify such assistance.

Subsidiary companies

The subsidiary trust company which is non-profit making, provides support to the churches

regarding church and manse properties held in trust. Several of our churches are faced with important decisions as to what to do with their existing buildings, particularly where there are restrictions because of listed building status. The board members of the Trust company continue to give unstintingly of their time and experience in assisting those churches under their care.

The subsidiary payroll company provides a full payroll service for churches that wish to outsource their payroll to a trusted provider. This important service, provided to churches across the country, is seen as best practice amongst other Associations in the Baptist Union.

We are grateful for the support provided to the subsidiary companies by volunteers who give valued specialist advice both to the Trust Officer and the churches in relation to their buildings.

Related parties

The charity is a member of the Baptist Union of Great Britain from which significant grant funding is received and details of this are set out in the notes to the financial statements. See also under 'Organisation' for details of relationships with subsidiary companies.

Investment performance

The Webnet portfolio is held by the Trust Company, in order to minimize the management fees and to improve performance and is managed in line with our Investment Policy (see below).

The value of the portfolio rose in 2024 by around 6% after rising by 5% in 2023. However, during May 2024 £40,000 was realised from the portfolio to meet a cash flow shortfall, the actual value of the portfolio therefore fell by £8,652 to £510,805. The overall income return was 2.5% (2023 - 2.8%).

Principal Financial Management Policies

Reserves Policy

Webnet has a substantial reserve held in expendable endowment. These are funds that have been gifted to the charity that are capital in nature, but not restricted. Appropriately allocating them to an expendable endowment fund allows the trustees to utilise the capital funds to generate income or to invest in strategic opportunities to serve the ongoing needs and purposes of Webnet, or if necessary to convert the funds to general funds as needed. Webnet also needs an operating reserve in the general fund to meet current liabilities. The Trustees have adopted the following wording as the Reserves Policy:

It is the policy of Webnet to hold reserves as expendable endowment for use in serving the association churches and for Webnet strategic development. It is also Webnet policy to maintain the General Fund at no less than £50,000.

The free reserves of the charity at the year-end are £149,655 (2023 - £84,705) and are the same as those held in General Funds. Free reserves are calculated to be the total funds of Webnet less those funds that are restricted, endowed, designated or otherwise committed.

Investment policy

The charity has the power to make any investment that the trustees see fit. The investment policy is a balanced one of income and growth to contribute income for the day to day needs of the charity coupled with capital growth to maintain and increase over time the value of the portfolio to protect the charity against inflation and to ensure the charity has the ability to meet major capital projects should it be needed, particularly church planting opportunities. The investment policy follows the ethical guidelines prescribed by the Baptist Union and is reviewed annually.

Reference and administrative information

Constitution

The West of England Baptist Association is a company limited by guarantee and a registered charity governed by its memorandum and articles of association and byelaws.

Registered as: West of England Baptist Association
Charity number: 1092443.

Company number: 04326752

Directors and trustees

Paul Jacobs – Chairman from July 2024
Nigel Coles – Regional Minister & Team Leader
Stephen Finamore – Appointed July 2024
Mico Markelian – Appointed July 2024
Peter Morden
Kay Reuben
Ian Tallamy – Appointed October 2024
Peter Needham – Appointed July 2024
Steven Christian – Chairman until resignation July 2024
Steven Chandanam – Resigned July 2024
Graham Sims – Resigned July 2024
Rebecca Allison – Resigned December 2024

Regional Ministry Team
Nigel Coles, Alisdair Longwill, Gary Woodall (to Feb 2025) and Lindsay Caplen

Company Secretary
Ian Tallamy

Registered Office
Little Stoke Baptist Church, Kingsway, Little Stoke, Bristol. BS34 6JW.

Independent examiner Joshua Kingston BSc ACA,
Burton Sweet Limited, Chartered Accountants, The Clock Tower, Farleigh Court, Flax
Bourton, Bristol BS48 1UR

Bankers
CAF Bank Limited, Kings Hill, West Malling, Kent. ME19 4TA
HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3BA

Solicitors
Clarke Willmott, Blackbrook Gate, Blackbrook Park Avenue, Taunton TA1 2PG

Investment Advisors
Brewin Dolphin Limited, 12 Smithfield Street, London, EC1A 9BD

Structure, Governance and Management

Recruitment and Appointment of Trustees

The Directors of the charitable company (“Webnet” or “West of England Baptist Association”) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees or the Executive. As set out in the Bye-Laws pursuant to the Articles of Association, the Officers of the Association, Moderator, Company Secretary, Honorary Treasurer and Regional Ministers shall be nominated by the trustees, following consultation with member churches, to the Annual General Meeting. Periods of service shall be decided by the trustees and notified to the AGM. The Company Secretary is a non-voting trustee.

Appointment or re-appointment of trustees is subject to nomination from appropriate geographical groups of churches for submission to the AGM. Members shall serve for four years. The Executive has the power to co-opt additional members.

Training has been organised for Trustees and all new trustees are provided with details of their roles and responsibilities and when necessary, the trustees receive training on their responsibilities.

Organisation

The charity is governed by a Board of Trustees, (the executive) who meet regularly to discuss fulfilment of aims, objectives and purpose statement of the Association. The trustees operate in between meetings through two teams that report directly to the trustees. Each team has its own terms of reference for dealing with various aspects of Association life and each has its own Team leader:-

Finance Sub-Group: Moderator – Peter Needham (Treasurer)

Staff Advisory Group: Moderator – Peter Morden

The trustees and teams are supported by a small number of part-time staff who perform various administrative duties. At the Annual General Meeting, all churches that make up the Association have the opportunity to send delegates and approve agenda business.

The West of England Baptist Trust Company Limited (WEBTC) acts as ultimate trustee for the Association churches which are in trust with it. Webnet has the sole right to appoint WEBTC trustees. The WEBTC board consists of directors who are also directors of Webnet plus independent directors. The objects of the WEBTC charitable company are to act as custodian trustee, and in conjunction with the respective managing trustees, take responsibility for the property and investment portfolios, held in trust, on behalf of churches in Bristol, North Somerset and South Gloucestershire, Wiltshire, Swindon, and East Somerset for WEBTC areas. Webnet also has a wholly owned subsidiary company, The West of England Baptist Payroll Company Limited which handles the payroll service on behalf of churches. This is a non-profit making company whose costs are met from subscriptions paid by churches that use the service. The Webnet trustees following recommendation from the Finance team appoint the directors of this company.

Statement of trustees' responsibilities

The trustees (who are also directors of West of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees and signed on their behalf by:

I Tallamy

Company Secretary

Dated

Independent examiner's report to the trustees of West of England Baptist Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Joshua Kingston BSc ACA
Burton Sweet Limited Chartered Accountants
The Clock Tower
5 Farleigh Court, Old Weston Road Flax
Bourton Bristol
BS48 1UR

Date:

Statement of financial activities
For the year ended 31 December 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
INCOME FROM:						
Donations	2	211,308	265,153	-	476,461	235,434
Investments	3	16,666	989	-	17,655	18,001
Charitable activities	4	68,910	-	-	68,910	73,143
Profit on sale of fixed assets (property)		46,919	-	-	46,919	-
Total Income		343,803	266,142	-	609,945	326,578
EXPENDITURE ON:						
Charitable activities	5	498,070	4,636	-	502,706	493,258
Total Expenditure		498,070	4,636	-	502,706	493,258
Investment gains/(losses)	12	-	-	41,467	41,467	21,229
Net income/expenditure		(154,267)	261,506	41,467	148,706	(145,451)
Transfers between funds	17	40,000	-	(40,000)	-	-
Net Movement in Funds		(114,267)	261,506	1,467	148,706	(145,451)
Reconciliation of Funds						
Total funds brought forward 1 January 2024	17	1,271,602	35,524	593,417	1,900,543	2,045,994
Total Funds at 31 December 2024	17	1,157,335	297,030	594,884	2,049,249	1,900,543

The comparative Statement of Financial Activities can be seen in note 9

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

**Summary income and expenditure account
For the year ended 31 December 2024**

	Total 2024 £	Total 2023 £
Total Income	609,945	326,578
Total Expenditure	(502,706)	(493,258)
Transfers (to)/from endowment funds	40,000	100,000
Net income/(expenditure) for the year	<u>147,239</u>	<u>(66,680)</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

Balance Sheet
As at 31 December 2024

		Total 2024 £	Total 2023 £
Fixed assets	Note		
Tangible assets	11a	489,492	490,535
Investments	12	522,686	521,219
Programme-related investments	13	598,023	841,203
		<u>1,610,201</u>	<u>1,852,957</u>
Current assets			
Debtors	14	381,269	9,352
Cash at bank and in hand	15	90,787	73,673
		<u>472,056</u>	<u>83,025</u>
Creditors: amounts falling due within one year	16	(33,008)	(35,439)
Net current assets		<u>439,048</u>	<u>47,586</u>
Total assets less current liabilities		<u>2,049,249</u>	<u>1,900,543</u>
Net Assets		<u>2,049,249</u>	<u>1,900,543</u>
The funds of the charity:			
Unrestricted funds:			
General	18	149,655	84,705
Designated	18	1,007,680	1,186,897
		<u>1,157,335</u>	<u>1,271,602</u>
Restricted	18	297,030	35,524
Endowment	18	594,884	593,417
Total funds		<u>2,049,249</u>	<u>1,900,543</u>

For the year ended 31st December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the trustees on2025 and signed on their behalf by:

.....

Paul Jacobs
Chair of Trustees
Company number: 04326752
Charity number: 1092443

The accompanying notes form an integral part of these financial statements.

Cash flow statement

For the year ended 31 December 2024

	Note	2024 £	2023 £
Net cash inflow from operating activities	22	34,522	(191,695)
Non-operational cash flows:			
Investing activities			
Payments for tangible fixed assets		-	(4,167)
Proceeds from sales of tangible fixed assets		46,919	-
Investment income		17,655	18,001
Investment withdrawals		40,000	131,568
Increase in amount owed from WEBTC		(367,354)	-
		<hr style="width: 100%; border: 0.5px solid black;"/> (228,258)	<hr style="width: 100%; border: 0.5px solid black;"/> (46,293)
Financing activities			
Loan repayments received		245,372	64,310
		<hr style="width: 100%; border: 0.5px solid black;"/> 245,372	<hr style="width: 100%; border: 0.5px solid black;"/> 64,310
Net cash inflow/(outflow) for the year	23	<hr style="width: 100%; border: 0.5px solid black;"/> 17,114	<hr style="width: 100%; border: 0.5px solid black;"/> 18,017

Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

Notes to financial statements

For the year ended 31 December 2024

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. This has been determined by the Trustees after consideration of the effects of the wider economy on the association.

The association constitutes a public benefit entity as defined by FRS 102.

a) Income

Income from grants, donations and other voluntary income are recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be measured reliably. Legacies are recognised when it is probable that they will be received and the amount can be measured with sufficient reliability.

b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Expenditure relates primarily to staffing and support costs required to enable the charity to serve the Baptist Church communities in the West of England. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, new church planting, buildings, youth work, training, payroll service and finance. In addition, the charity makes a number of grant payments to Baptist churches and to support different ministries including the Churches Together bodies across the region.

Governance Costs

Governance costs are associated with constitutional and statutory requirements, including those costs associated with the strategic management of the charity's activities. These are included within support costs.

c) Grants

There are effectively three kinds of Home Mission Grants:

- Mission through Ministry Grants (awarded to established churches)
- Special Ministry Grants (awarded to developing new expressions of church & missional communities)
- Mission Project Grants (one-off grants awarded as seed funding for a mission project)

The association is free to decide how much to budget for grants to churches etc. out of the income received from the national Home Mission appeal and other income sources. It can then award Home Mission grants as it chooses. The relevant forms are issued at the beginning of the year and various churches/new expressions of church etc. can then submit a grant application. Once these have been received back and collated, the association Home Mission Grants Awards Group meets to consider all the applications. This group make provisional decisions regarding the awarding of grants; these are then brought to the association Trustees for ratification; and the final step (which offers the element of accountability to our association partners) is the presentation of the proposed grants to the inter-association Partnership for their consideration and eventual approval (for WEBA the inter-association partners are South Wales Baptist Association; South West Baptist Association; and Southern Counties Baptist Association).

d) Pension costs

The charity makes contributions to the Baptist Pension Scheme (formerly Baptist Minister's Pension Trust Limited). Pension costs are charged to the Statement of Financial Activities as incurred. Please see note 7 for more details on the policy used.

1 Accounting policies (*Continued*)

e) Tangible Fixed Assets

Tangible fixed assets are stated initially at cost less subsequent depreciation.

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

Office equipment – 25%

No depreciation is charged on freehold property or land as in the opinion of the trustees the properties have a long useful life. An assessment for indications of impairment is made on an annual basis.

f) Investments

Investments held as fixed assets are stated at their market value as at the balance sheet date. Differences in market values from the previous year are accounted for as unrealised gains or losses.

Investments are managed on behalf of the company on a discretionary basis by Brewin Dolphin (formerly Charles Stanley) to achieve a balanced return from income and capital growth, whilst accepting a moderate level of risk. Investment Guidelines, determining the strategic distribution of funds are agreed by the trustees periodically. Brewin Dolphin may exceed these guidelines, but only after seeking the authority of the trustees. The trustees also follow the Baptist Union of Great Britain Investment Policy for ethical investments which restricts investment in companies with significant trading interests in armaments, alcohol, gambling or tobacco, where “significant” is taken to mean greater than 5%.

Brewin Dolphin are not responsible for the management of the company’s tangible fixed assets, loans granted or cash held directly in the name of the company.

Income from investments is accounted for when receivable.

g) Programme related investments

Support loans are made to churches or individuals to help them achieve their charitable objectives where they line up with those of the charity. Interest is paid at a rate agreed by the trustees. They are recognised at the amount outstanding to the charity at the end of the year.

The properties are rented out to other organisations with similar charitable objects as those of the charity. They are valued in the accounts at cost. The trustees review the properties annually for indicators of impairment. The trustees do not consider it appropriate to depreciate the assets as, over time, the assets are being held at less than their market worth.

h) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects;
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity.
- *Permanent endowment* - was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The capital of the scheme restricted the use of the fund to the churches within the South Gloucestershire area.
- *Expendable endowment* - represents donations given towards the capital of the charity of which the purpose of the fund is to generate income for the on-going work of the Association. The trustees have the power to convert these funds to general funds.

Expenditure which meets these criteria is charged to the funds.

Further explanation of the nature and purpose of each fund is included in note 17.

i) Current assets

Amounts owing to the Association at 31 December in respect of fees, rents or other income are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Association. Subsequently, they are measured at the level of cash or other consideration expected to be received.

1 Accounting policies (Continued)**j) Current liabilities**

Creditors and provisions are recognised when the Association has a present obligation arising 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.

Liabilities are measured on recognition at their historical cost and then subsequently at the best estimate of the amount required to settle the obligation at the reporting date.

k) Gains and losses

All gains and losses are taken to the SoFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or purchase value if purchased during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Income from Donations

The following donations, legacies and grants were receivable during the year:-

	Unrestricted	Restricted	Endowment	Total 2024	Total 2023
	£	£	£	£	£
Home Mission Funding	17,735	-	-	17,735	170,913
Donations	2,428	500	-	2,928	29,824
Partnership in Mission	166,145	-	-	166,145	10,414
Other grants	25,000	264,653	-	289,653	23,316
WeBox Appeal	-	-	-	-	967
	<u>211,308</u>	<u>265,153</u>	<u>-</u>	<u>476,461</u>	<u>235,434</u>

All income from donations in 2023 was unrestricted, save £967 of restricted income from Willow Garden.

The charity has a close relationship with the Baptist Union of Great Britain (which is also a charity) and receives significant funding from it. The Home Mission funding is a share of the monies donated to the Baptist Union of Great Britain by churches in the area covered by the Association.

Grants for Churches Together within the Association area and for special projects are now allocated separately following a restructuring of the way in which the Baptist Union Home Mission grants are distributed.

3 Income from Investments

	Unrestricted	Restricted	Endowment	Total 2024	Total 2023
	£	£	£	£	£
Income from investments	13,810	-	-	13,810	17,089
Bank and other interest	2,856	989	-	3,845	912
	<u>16,666</u>	<u>989</u>	<u>-</u>	<u>17,655</u>	<u>18,001</u>

All income from investments in 2023 was unrestricted, save £811 of restricted income from investments.

4 Income from charitable activities

	Unrestricted £	Restricted £	Endowment £	Total 2024 £	Total 2023 £
					Restated
Church income re Regional Ministers Management charges - Payroll and Trust Companies	3,553	-	-	3,553	7,916
Programme related investment income	16,200	-	-	16,200	16,200
Delegate fees	18,804	-	-	18,804	30,158
Gospel resources	23,808	-	-	23,808	14,686
Secondment of staff	2,054	-	-	2,054	-
	4,491	-	-	4,491	4,183
	<u>68,910</u>	<u>-</u>	<u>-</u>	<u>68,910</u>	<u>73,143</u>

All income from charitable activities in 2023 was unrestricted.

5 Expenditure on Charitable activities

	Unrestricted £	Restricted £	Endowment £	Total 2024 £
Assemblies, Conferences & Events	24,655	-	-	24,655
Employees (see note 7)	329,989	304	-	330,293
Home Mission and other grants (see note 6)	94,852	-	-	94,852
Management & administration	11,678	2,838	-	14,516
Depreciation	1,043	-	-	1,043
Property costs	18,252	-	-	18,252
Subscriptions	770	75	-	845
Independent examination	3,960	-	-	3,960
Legal & professional fees	12,853	1,419	-	14,272
Trustees expenses (included in note 7)	18	-	-	18
	<u>498,070</u>	<u>4,636</u>	<u>-</u>	<u>502,706</u>

	Unrestricted £	Restricted £	Endowment £	Total 2023 £
Assemblies, Conferences & Events	38,755	85	-	38,840
Employees (see note 7)	311,667	-	-	311,667
Home Mission and other grants (see note 6)	96,575	-	-	96,575
Management & administration	9,844	2,845	-	12,689
Depreciation	1,514	-	-	1,514
Property costs	17,906	-	-	17,906
Subscriptions	826	75	-	901
Independent examination	3,720	-	-	3,720
Legal & professional fees	9,427	-	-	9,427
Trustees expenses (included in note 7)	19	-	-	19
	<u>490,253</u>	<u>3,005</u>	<u>-</u>	<u>493,258</u>

6 Analysis of grants

	Total 2024 £	Total 2023 £
<i>Home Mission Grants:</i>		
Backwell Baptist Church	5,156	-
Bristol University Chaplaincy	4,300	2,575
Hillfields	17,143	2,857
Hope BC, Highbridge	5,000	5,000
Jacob's Well	3,300	2,002
Knowle West	10,413	15,620
Lawn Community Church	1,000	4,000
Leckhampton	-	7,810
Little Stoke	1,000	6,300
Locking Castle	3,000	-
Melksham	-	4,667
Nailsworth	-	4,000
Open House	10,000	10,000
Sheep Street	-	6,000
Victoria Park	11,000	7,000
Welton	7,810	7,810
<i>Other General Fund Grants</i>		
Churches Together in Greater Bristol	880	800
Churches Together Somerset	850	1,484
BU Common Purse (Home Mission)	14,000	8,650
Main Home Mission programme	<u>94,852</u>	<u>96,575</u>
<i>Funding for Pioneering Work:</i>		
Bussage	7,810	7,810
Portishead	7,810	7,810
Hong Kong community	8,401	7,810
Re:imagine	-	2,000
	<u>24,021</u>	<u>25,430</u>

The trustees are dedicated to providing funding for the pioneering ministry undertaken in Bussage, Portishead and for the Hong Kong community. As with other ministries of this kind, this work is funded through Home Mission Fund, however it is delivered by the Webnet Regional Ministry Team.

6 Analysis of grants (continued)

	Total 2024 £	Total 2023 £
<i>Sources of Funding:</i>		
From Baptist Home Mission support	103,143	120,895
	<u>103,143</u>	<u>120,895</u>

7 Staff costs and Trustee expenses

	Other staff £	Key management £	2024 £	2023 £
Regional Ministers' remuneration:-				
Revd. Nigel Coles - Trustee	-	42,900	42,900	39,750
Social Security costs (trustees)	-	4,716	4,716	4,346
Trustee Pension costs (see note below)	-	5,051	5,051	4,688
Housing costs	-	10,075	10,075	9,335
Council tax, water, telephone	-	3,764	3,764	3,351
Total Trustees' remuneration	-	66,506	66,506	61,470
Staff Salaries	80,890	102,823	183,713	165,715
Social Security costs (staff)	(8,494)	10,771	2,277	8,934
Other Staff Pension costs (see note below)	5,247	12,694	17,941	16,075
Housing costs	-	31,362	31,362	20,175
Training - courses, conferences, assemblies	-	1,776	1,776	2,671
Council tax, water, telephone	-	5,601	5,601	10,866
Expenses and other costs	2,658	18,459	21,117	25,761
	<u>80,301</u>	<u>249,992</u>	<u>330,293</u>	<u>311,667</u>

The Memorandum of Association of the charity, approved by the Charity Commission, provides for remuneration and benefits to be paid to those persons appointed as Regional Ministers of the charity. Remuneration is paid to the Regional Ministers as fully accredited Baptist ministers of the Baptist Union of Great Britain to exchange information, provide advice and support to churches and their respective ministers and leaders enabling the charity to further its Objects.

<i>Pension Costs to SOFA</i>		2024 £	2023 £
Regional Ministers' pension contributions:-			
Revd. Nigel Coles - Trustee	Baptist Pension Scheme	5,051	4,688
Staff	Baptist Pension Scheme	17,941	16,075
		<u>22,992</u>	<u>20,763</u>

7 Staff costs and Trustee expenses (continued)**Staff numbers and key management personnel**

	2024	2023
The average number of full-time equivalent employees (including part-time staff) during the year as follows:		
Regional Ministers	3.8	3.8
Office Administrative Manager & Trust Officer	1.2	1.2
Finance	0.3	0.3
Other Administration, Support & Outreach	0.7	0.7
	6.0	6.0

The actual number of staff during the year was 9 (2023 - 9).

The key management personnel were defined as the Trustees and the Regional Ministry team, the total employment benefits paid to this group amounted to £245,971 (2023 - £233,181). This includes gross salary, housing allowance, employer's national insurance and pension contributions. Other benefits received are detailed above.

In 2023 and 2022, no employee received remuneration of more than £60,000 per annum, excluding employer's national insurance and employer's pension.

Trustee expenses

	2024	2023
	£	£
Trustee expenses	18	19

One trustee was reimbursed travel expenses in the current and prior year.

8 Taxation

No corporation tax has been provided in these accounts because the income of the charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

9 Statement of Financial Activities for the year ended 31 December 2023

	Unrestricted	Restricted	Endowment	Total 2023
	£	£	£	£
INCOME FROM:				
Donations	226,542	8,892	-	235,434
Investments	17,190	811	-	18,001
Charitable activities	73,143	-	-	73,143
Total Income	<u>316,875</u>	<u>9,703</u>	<u>-</u>	<u>326,578</u>
EXPENDITURE ON:				
Charitable activities	490,161	3,097	-	493,258
Total Expenditure	<u>490,161</u>	<u>3,097</u>	<u>-</u>	<u>493,258</u>
Investment gains/(losses)	-	-	21,229	21,229
Net Income/(expenditure)	<u>(173,286)</u>	<u>6,606</u>	<u>21,229</u>	<u>(145,451)</u>
Transfer between funds	100,000	-	(100,000)	-
Net Movement in Funds	<u>(73,286)</u>	<u>6,606</u>	<u>(78,771)</u>	<u>(145,451)</u>
Reconciliation of Funds				
Total funds brought forward 1 January 2023	1,344,888	28,918	672,188	2,045,994
Total Funds at 31 December 2023	<u>1,271,602</u>	<u>35,524</u>	<u>593,417</u>	<u>1,900,543</u>

10 Net income for the year

		2024	2023
		£	£
This is stated after charging:			
Independent Examiner's fees:			
Accounts preparation		2,130	2,000
Independent examination	- current year	1,830	1,720
	- under/(over)provided in prior year	-	-
Depreciation		<u>1,043</u>	<u>1,514</u>

11 Fixed Assets

a) Tangible fixed assets

	Freehold Property	Office Equipment	Total
Cost	£	£	£
Beginning of the year	487,410	8,532	495,942
	<u>487,410</u>	<u>8,532</u>	<u>495,942</u>
Depreciation			
Beginning of year	-	5,407	5,407
Charge for the period	-	1,043	1,043
End of year	-	6,450	6,450
Net book value			
31 December 2024	<u>487,410</u>	<u>2,082</u>	<u>489,492</u>
31 December 2023	<u>487,410</u>	<u>3,125</u>	<u>490,535</u>

b) Association Property

	2024	2023
	£	£
Land at Emersons Green	176,490	176,490
Manse at 3 The Hawthorns, Bussage, Stockwood Church	300,270	300,270
	10,650	10,650
	<u>487,410</u>	<u>487,410</u>

12 Investments

	2024	2023
	£	£
Market value at beginning of year	521,219	592,685
Acquisitions at cost	56,365	136,842
Sale proceeds from disposals	(66,664)	(163,546)
Gains in the period	41,467	31,551
Increase/(decrease) in cash balances	(29,701)	(76,313)
Market value as at 31 December	<u>522,686</u>	<u>521,219</u>

Investments at market value comprise:-

	2024	2023
	£	£
UK equities	84,235	90,363
UK fixed interest securities	40,048	35,629
UK other investments	48,837	62,487
Overseas equities	279,713	269,228
Overseas fixed interest	50,435	57,805
Cash balances - WEBTC	11,859	898
Cash balances - Charles Stanley/Brewin Dolphin	7,558	4,808
Wholly Owned Trading Subsidiary	1	1
	<u>522,686</u>	<u>521,219</u>
Historical cost at 31 December	<u>431,675</u>	<u>466,882</u>

West of England Baptist Association is the principal and legal holder of these investments, they are managed by West of England Baptist Trust Company Limited as custodian trustees.

13 Programme-related investments

	Support Loans	Properties and cash	Total
	£	£	£
Balance at 1 January 2024	187,451	653,752	841,203
Sale of manse at Emerson's Green	-	(231,323)	(231,323)
Additions and interest	2,192	-	2,192
Loan repayments	(11,416)	(2,633)	(14,049)
Balance at 31 December 2024	<u>178,227</u>	<u>419,796</u>	<u>598,023</u>

Programme related investment properties have been purchased when the charity has come across an opportunity to extend their charitable activities with a partner organisation, either immediately or in the future.

	2024	2023
	£	£
The following properties are held currently:		
Manse at 1 Bishop Road, Emersons Green	-	233,956
61 Sion Road Bedminster	211,161	211,161
Woodside House, Stroud	208,635	208,635
	<u>419,796</u>	<u>653,752</u>

The Manse at 1 Bishop Road in Emerson's Green was jointly owned by Webnet and the local Church. In the year the property was sold the proceeds were shared between the Church and the Association according to the equity share. The proportion of funds relating to Webnet is being held in a designated account (EGCC manse fund) for the future purchase of a manse.

The house at 61 Sion Road was purchased after the local church was about to close, to provide a base for a new ministry to begin. The house is currently being rented from the Association by Youth with a Mission to assist with their work amongst young people in the local area.

Woodside House, Stroud shares a common boundary with the Farmhill Church was purchased during 2015 to provide a base for new missionary work within the area. It is currently rented to a Christian charity operating a drug rehabilitation centre.

14 Debtors

	2024	2023
	£	£
Prepayments and accrued income	7,782	5,001
Other debtors	6,133	4,351
Inter-company balances	367,354	-
	<u>381,269</u>	<u>9,352</u>

15 Cash at bank and in hand

	2024	2023
	£	£
HSBC Bank	1,830	1,313
CAF Cash/Gold	68,239	56,785
COIF Charity Fund	16,314	15,325
Undeposited funds	4,404	250
	<u>90,787</u>	<u>73,673</u>

16 Creditors

	2024	2023
Amounts falling due within one year	£	£
Other creditors	15,444	19,832
Accruals and deferred income	17,564	15,607
	<u>33,008</u>	<u>35,439</u>

17 Statement of Funds**Current Year**

	At 1 January 2024	Income	Expenditure	Other Movements & Transfers	At 31 December 2024
	£	£	£	£	£
Unrestricted					
General fund	84,705	159,923	(402,175)	307,202	149,655
Designated					
Fixed assets	303,395	-	(1,043)	-	302,352
Programme-related investments	841,203	-	-	(243,180)	598,023
Painswick	14,943	-	-	-	14,943
Partnership In Mission	20,184	183,880	(94,852)	(24,022)	85,190
Tilshead Fund	7,172	-	-	-	7,172
Total unrestricted funds	<u>1,271,602</u>	<u>343,803</u>	<u>(498,070)</u>	<u>40,000</u>	<u>1,157,335</u>
Restricted					
Seventy-two	463	-	(268)	-	195
Willow Garden	6,033	1,123	(2,792)	-	4,364
Leighterton & Culkerton	17,802	989	-	-	18,791
Stockwood Church	10,650	-	-	-	10,650
EPCC manse fund	-	263,530	(1,001)	-	262,529
Evangelical Baptists	576	500	(575)	-	501
Total restricted funds	<u>35,524</u>	<u>266,142</u>	<u>(4,636)</u>	<u>-</u>	<u>297,030</u>
Expendable endowment					
Income fund	416,927	-	-	1,467	418,394
	<u>416,927</u>	<u>-</u>	<u>-</u>	<u>1,467</u>	<u>418,394</u>
Permanent endowment					
Avening Fund	176,490	-	-	-	176,490
Total Endowment	<u>176,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,490</u>
Total Endowment	<u>593,417</u>	<u>-</u>	<u>-</u>	<u>1,467</u>	<u>594,884</u>
TOTAL FUNDS	<u>1,900,543</u>	<u>609,945</u>	<u>(502,706)</u>	<u>41,467</u>	<u>2,049,249</u>

17 Statement of Funds (continued)

Prior Year	At 1 January	Income	Expenditure	Other	At 31
	2023			Movements	December
	£	£	£	& Transfers	2023
				£	£
Unrestricted					
General fund	51,014	316,875	(479,777)	196,593	84,705
Designated					
Fixed assets	300,742	-	(1,514)	4,167	303,395
Programme-related investments	941,963	-	-	(100,760)	841,203
Painswick	14,943	-	-	-	14,943
Partnership In Mission	28,834	-	(8,650)	-	20,184
Tilshead Fund	7,392	-	(220)	-	7,172
Total unrestricted	1,344,888	316,875	(490,161)	100,000	1,271,602
Restricted					
Seventy-two	670	-	(207)	-	463
Willow Garden	607	8,316	(2,890)	-	6,033
Leighterton & Culkerton	16,991	811	-	-	17,802
Stockwood Church	10,650	-	-	-	10,650
Evangelical Baptists	-	576	-	-	576
Total restricted	28,918	9,703	(3,097)	-	35,524
Expendable endowment					
Income fund	495,698	-	-	(78,771)	416,927
	495,698	-	-	(78,771)	416,927
Permanent endowment					
Avening Fund	176,490	-	-	-	176,490
Total Endowment	176,490	-	-	-	176,490
Total Endowment	672,188	-	-	(78,771)	593,417
TOTAL FUNDS	2,045,994	326,578	(493,258)	21,229	1,900,543

During the year the trustees have taken the opportunity to further analyse their funds as follows:

General Fund (unrestricted)

This represents the free funds of the charity which are not designated for particular purposes, following the re-distribution of the funds held by the Association.

Fixed Asset Fund (designated)

This fund exists to support the Association in funding the fixed assets it needs to carry out its charitable objects. It includes equipment, the manse at Bussage and the portion of land held at Emersons Green not held within endowment funds (see notes 18 and 19).

Programme-related Investments Fund (designated)

This fund exists to provide support to the churches and individuals within the Association, for purposes approved by the Executive of the charity. This support includes loan finance to property projects, local churches and in special cases, individuals. Interest on loans is subject to negotiation, but at a rate not greater than that charged by the Baptist Union Corporation Limited.

17 Statement of Funds (continued)

Held for programme-related Investments Fund (designated)

This fund represents cash set aside for programme-related investments. The trustees wanted to retain the balance of cash resulting from the sale of Emerson's Green manse, a property-related investment, to ensure it is available for similar future investments.

Painswick Fund (designated)

This fund was created from the closure of the United Church at Painswick and represents the balance of the funds held previously from the sale of the old chapel. A new initiative to re-establish a Baptist presence is being funded from this fund. This fund is no longer in use and will be released in 2024.

Partnership In Mission (designated)

This fund has been established to enable church planting and other pioneering activities within the Association.

Tilshead Fund (designated)

This fund has been set aside from the proceeds of the former Tilshead Baptist church to help fund outreach activity in the surrounding area in partnership with other local Baptist Churches.

Pension deficit fund (designated)

This fund relates to agreed payments the Association owes the Baptist Union Pension scheme over the coming years as described in note 7 above. The fund has been set aside separately such that free reserves can be shown separately to the pension catch up payments. No deficit remains at the 2022 year-end.

Seventy-two (restricted)

Seventy-Two is a network and catalyst for mission across the Baptist Union of Great Britain. Webnet has taken the lead in the programme and records and manages the income and expenditure as a Restricted Fund. Income has come directly from other Associations or from the Baptist Union itself and is used to cover employment and other overheads running the programme or on specific Seventy-Two projects.

Willow Gardens Fund (restricted)

This fund records amounts received and expended for Willow Gardens, Portishead. Willow Gardens hosts regular outdoor Christian worship, primarily amongst those who would not otherwise engage with church. It is a welcoming space for everyone to garden, chat, grow and belong.

Leighterton & Culkerton (restricted)

This capital fund, held under a trust created in July 1947, exists to provide income for the Leighterton & Culkerton churches in Gloucestershire. Both churches have now closed so the income of the fund may be used for Colportage and Evangelistic work in the surrounding villages and district.

Stockwood Church Fund (restricted)

This fund represents the cost of the Stockwood Church which is governed by an ultimate trust dated June 1977. Should the church close and the premises sold, the proceeds will be shared between the Association and Bristol City Mission Society.

EGCC manse fund (restricted)

These are the proceeds of the Emersons Green manse sale, restricted to be used to buy a manse for EGCC.

Evangelical Baptists (restricted)

Evangelical Baptists are a grouping of Baptist churches and Ministers, comprised from all our Baptist associations, in which Webnet is taking a lead.

Income Fund (Expendable endowment)

This fund holds the charitable company's investments, all of which are held in with Brewin Dolphin Limited. The purpose of the fund is to generate income for the on-going work of the Association. The fund is held as part of the company's reserve and all or part of it may be transferred to unrestricted funds by decision of the trustees. At the year-end the General fund was below its agreed minimum, so an additional transfer back has been used to restore the General Fund.

17 Statement of Funds (continued)**Avening Fund** (Permanent Endowment)

This endowment fund was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The scheme restricted the use of the capital in the fund to the provision of premises of churches within the South Gloucestershire area. This includes the land at Emerson's Green.

18 Assets analysed between funds**Current Year**

	Unrestricted	Restricted	Endowment	Total 2024
	£	£	£	£
Tangible Fixed assets	302,352	10,650	176,490	489,492
Programme-related investments	598,023	-	-	598,023
Investments	104,292	-	418,394	522,686
Net current assets	152,668	286,380	-	439,048
	<u>1,157,335</u>	<u>297,030</u>	<u>594,884</u>	<u>2,049,249</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	302,352	302,352
Programme-related investments	-	598,023	598,023
Investments	61,993	42,299	104,292
Net current assets	87,662	65,006	152,668
	<u>149,655</u>	<u>1,007,680</u>	<u>1,157,335</u>

Prior Year

	Unrestricted	Restricted	Endowment	Total 2023
	£	£	£	£
Tangible Fixed assets	303,395	10,650	176,490	490,535
Programme-related investments	841,203	-	-	841,203
Investments	104,292	-	416,927	521,219
Net current assets	22,712	24,874	-	47,586
	<u>1,271,602</u>	<u>35,524</u>	<u>593,417</u>	<u>1,900,543</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	303,395	303,395
Programme-related investments	-	841,203	841,203
Investments	61,993	42,299	104,292
Net current assets	22,712	-	22,712
	<u>84,705</u>	<u>1,186,897</u>	<u>1,271,602</u>

19 Share capital

The company is limited by guarantee and therefore has no share capital.

20 Capital expenditure commitments

At the time of production of this Annual Report and Accounts no capital expenditure has been authorised.

21 Related party transactions

During the period, West of England Baptist Association was the parent company of West of England Baptist Payroll Company Limited.

During the year Management charges amounting to £7,200 (2023 - £7,200) towards the administrative costs were paid to the Association. The company paid a donation of £1,424 (2023 - £17,929) to the charity during the year.

The West of England Baptist Trust Company is a wholly owed subsidiary of the West of England Baptist Association. The charity administers the Association's investments on its behalf. During the year, the Association received dividends and income of £13,810 (2023 - £17,089). At the year end, the Trust Company held investments of £522,788 (2023 - £520,321), and a cash balance of £898 (2023 - £898). The Trust Company also paid the Association £9,000 (2023 - £9,000) towards administrative costs during the year.

During the year donations of £nil were received from Trustees (2023 - £nil).

Details of trustees' remuneration and trustees' expenses reimbursed are shown in note 7.

There were no other related party transactions during the year.

22 Reconciliation of net movement in funds to net cash inflow from operating activities

	2024 £	2023 £
Statement of Financial Activities: Net movement in funds	148,706	(145,451)
Investment income	(19,847)	(20,424)
Profit on sale of fixed assets	(46,919)	-
Investment gains	(41,467)	(21,229)
Depreciation	1,043	1,514
(Decrease) / increase in creditors: current liabilities	(2,431)	2,247
Decrease / (increase) in debtors	(4,563)	(8,352)
Net cash (outflow)/inflow from operating activities	<u>34,522</u>	<u>(191,695)</u>

23 Analysis of changes in cash during the year

	2024 £	2023 £	Change £
Cash at bank and in hand	<u>90,787</u>	<u>73,673</u>	<u>17,114</u>
	2023 £	2022 £	Change £
Cash at bank and in hand	<u>73,673</u>	<u>55,656</u>	<u>18,017</u>

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales - Charity number 1092443

Accounts



West of England Baptist Association
(A Company limited by Guarantee) Operating as **Webnet**

ANNUAL REPORT & ACCOUNTS

for the year ended 31 December 2023

Registered in England Company number: 04326752

Charity number: 1092443.



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Report of the trustees for the year ended 31 December 2023

The trustees are pleased to present their report with financial statements of the charity for the year ended 31 December 2023. Throughout this document, The West of England Baptist Association is referred to by its current operating name "Webnet".

Reference and administrative information set out on page 9 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP FRS 102) and in accordance with the special provisions for small companies under the Companies Act 2006.

Objectives and Activities

Public Benefit

The trustees have considered the Commission's guidance on public benefit under the Charities Act 2011 and the specific guidance on charities for the advancement of religion.

Objects of the charity

The principal object of the charity continues to be the advancement of the Christian faith, 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.

In fulfilling the objects of the Association trustees devised a purpose statement a few years ago which remains core to programmes and activities: -

"Webnet is a fellowship of Baptist Churches Encouraging each other and Growing healthy congregations by Enriching relationships, developing ministry and Enabling fruitful mission".

Achievements and Performance

The network represents and serves Baptist churches and communities worshipping and working in the west of England, seeking to encourage our congregations in their mission as God's people and to support them in the equipping of missional disciples.

Introduction – A rapidly changing landscape.

We are living in a rapidly changing context. The facts of the 2021 census revealed less than half of the population described themselves as "Christian" for the very first time. The decline in just one decade, from 59.3% in 2011, to 46.2% in 2021 is an indication of the accelerated decline we are witnessing. As Baptist Christians, whose origins grew out of a hostile context, we find ourselves, once again, asking what the future holds for the Church, of every denomination and stream, across the UK. Our principal object remains 'the advancement of the Christian faith' and what was once almost enshrined in the law of our land is now regarded as marginal in many places.

As Baptists it is arguable whether we, above every Christian stream, should be least surprised and best equipped to respond to an increasingly contested culture. However, we acknowledge we have been as wrong footed as everyone else. The Webnet Trustees remain committed to discerning the will and purposes of God in this generation, whatever the

environment, and providing a supportive and encouraging framework for every one of our member churches. Our commitment is to pursue the pathways that God reveals, irrespective of whether we appear to have the resources, or not. On top of the decline in identification with our Christian faith, a further component of the cultural context is a mistrust of formal institutions of any kind, whether they be educational, legal, or religious.

Our Baptist Union is in crisis, along with every other mainline Christian denomination. A reading of church history informs us crisis precedes renewal. Whilst this is our prayer, it is never automatic. There is no tipping point to be reached, which is followed by revival. We are in God's hands and being confident of this, we place our faith and trust in Him.

Strengthening Our Foundations.

The Consultation on Human Sexuality conducted by BUGB during 2023 was hugely distracting and threatened to divert us from our focus on growing disciples of Jesus. Webnet has not changed in our desire and commitment to be biblically faithful and honouring of our Lord and Saviour Jesus Christ. Towards achieving this, in practice, it was considered necessary to strengthen our foundations in various ways.

Our annual gathering of churches agreed to Webnet adopting a basis of faith, which served to re-affirm our historical position as a network of 'believers churches'. This was agreed following a longer period of consultation and conversation across our network.

Furthermore, following several years of concern and conversation, our churches also agreed to Partnership in Mission to become our new primary funding mechanism. In this way we hope to strengthen the two primary emphases, which the Home Mission Fund was originally intended to support, for our present and future: namely the provision of support for our churches and Ministers, as well as support for localised mission through our churches.

Our continuing concern for the support for localised mission through our churches remains under threat due to the inevitable decline in financial resources, which follows numerical decline. Our Webnet Trustees have remained committed to resource this and have sought to maintain the level of local mission grants awarded from when the 50:50 split was abandoned nationally. Consequently, during 2023 Webnet gave 66% of the BUGB HM grant received in mission grants.

Transitioning Local Churches.

We are continuing to prioritise partnering with and equipping our local churches to transition, towards becoming missional in everything they do and not simply 'doing' mission after everything else has been attended to, in light of the ever-changing missionary context that surrounds us.

Re:imagine: our Missional Learning Community for church Leadership Teams focuses the attention of a local church leadership team on both the need and practice of becoming missional. Re:imagine is an 18-month process whereby, working in partnership together, we help encourage and equip local church leaders to lead their churches into effective leadership and discipleship practices that help them to fully engage in the mission of God where they are. Four churches (Chew Magna; Lawn, Swindon; Leckhampton, Cheltenham; and Little Stoke, Bristol), having begun the process in the previous year continued throughout 2023. A further three churches (Hope, Highbridge; Rodbourne, Swindon; and Salem, Cheltenham) began Re:imagine at the residential first Hub in October.

Supporting Local Leaders.

As a network we take seriously the need to develop leadership across our network. Over the past year we have done this in several ways. Core to this is mutual encouragement and support through the network of cluster groups of fellow pastoral leaders. We have supported pastoral leaders through a number of pastoral leader's days including sessions to explore

the theological and pastoral response to sexuality. Our annual leaders' conference was well attended, and many found this time as spiritually refreshing as we focused on the book of Revelation. As a network we are looking at developing further leadership with our churches for them to become missionally engaged and disciple making.

During the year we continued our partnership with our regional partners (SwBA, SWBA, SCBA) in holding two MRC interviews. The Webnet MRC continued to monitor newly accredited Ministers (NAMs).

Growing Disciples of Jesus.

We are continuing to develop a clear focus on disciple making in all our training for individuals and churches. This is revealed in our development of the following areas: During 2023 we had six participants on the Invest program. We are thankful for Dave Kingswood who oversees the Invest program. We have been in consultation regarding expanding and developing Invest for the future.

We have strong links with Bristol Baptist College. Several of our RM's play an active role in the life and ministry of the college. Together we are seeking to train able evangelical disciple leaders. There are several NAMs who are training and developing missional life in congregation contexts.

As a network we have over 25 CYF workers, part-time or full-time. To support these key leaders during the year we developed a core CYF team who oversees pastoral support, gatherings, and information sharing.

Planting the Gospel.

Pioneers and planters are looking at how we might best shape a context for flourishing and discipleship in today's rapidly changing world, although we recognise, in some ways, we are all called to pioneer as we follow Jesus, the author and pioneer of our faith *wherever* he leads. Whether old or new, our pioneering and planting ministries are always seeking to reach new places, or new people's in contextually appropriate ways. In April 2023, a partnership between Webnet and European Christian Mission (ECM) enabled Rita Rimkiene to establish 'Shalom House' at her home in Gloucester. They share food, do life together, learn more about following Jesus and about their identity in Christ. We are exploring the potential of other similar partnerships...

Paul and Barbara Revill accepted a call to work alongside Andrew and Lindsay Caplen at Salt House, Portishead & Pill starting in October 2023. Engagement with discipleship is strong; numbers growing and the community diverse, including from Hong Kong. The aim: to empower disciples to live as ambassadors of Jesus in every sphere of life, so that every person in the community has repeated opportunities to respond to the love of Christ. The vision: for a network of simple churches gathering in homes, cafes, outdoors etc. to meet monthly to share testimony, teaching/preaching, gathered worship etc...

Rising To New Challenges.

We are receiving a growing number of Hong Kong folk across our region. Some are believers, some are exploring faith. It is a joy that so many are finding communities of welcome amongst our Webnet churches! Candy Choy, our Webnet Hong Kong Network facilitator is working alongside many of our churches developing understanding about Hong Kong culture, and about the challenges many Hong Kong people experience as they adapt to life in the UK. Alongside others in Webnet, Candy is developing a Hong Kong ministries network amongst our churches so that insights and best practise can be shared, ensuring that as a Baptist network, we can grow our ability to effectively welcome, integrate, disciple, pastorally support and evangelise. Webnet are involved in planning an event for 2025

potentially involving BMS World Mission and others. The aim will be to network Hong People from across the region, to worship together and consider how God might be leading in terms of evangelism, discipleship, and mission. In addition to this, Candy is helping several churches with translation and preaching in Cantonese. She is also directly pastorally supporting Hong Kong people through language courses, marriage courses, Bible studies and Alpha. Since people are most open to think about life and faith when they are in a new context, this is a precious opportunity – a *kairos* moment. This work is therefore both timely and vital. It also needs to continue to grow.

Mission Grants to churches

Mission Grants to churches giving to Home Mission made it possible for us to give £110,245 (2022 - £125,718) in grants to churches, developing missional communities, chaplaincy, ecumenical bodies, and the support of individuals being resourced and enabled to better engage in God's mission throughout the west of England.

Home Mission giving is helping equip Ministers in Training and Newly Accredited Ministers. It is also equipping and enabling the development of individuals in our churches through the Invest process, leadership teams through Re:imagine, and provided support for the Free Church Chaplain at Bristol University during 2023.

Gratitude

We remain extremely thankful to God for all the churches and church communities within Webnet. We have always been partners in mission, so it was highly appropriate our new primary funding mechanism (Partnership in Mission) reflects *who* we are, as well as *what* we do.

It is our local churches who continue to pray, discern and move forward in God's mission within their local community and people networks, to advance our Christian faith and the Webnet staff and Regional Ministers have the privilege of helping facilitate and encourage them, as well as providing some of the essential governance support.

Some of the challenges of our wider society (financial, cost of living and energy crises) were reflected in our churches during 2023. However, despite the obvious implications of an aging demographic having less physical energy and fixed incomes, we have so much for which to be grateful to God for. Across our region we have been noticing a trickle of new believers and the prayer we ended 2023 with was for this trickle to become a flood.

We are thankful, also, for our Trustees, for their diligence and time as they continue developing Webnet in various ways, aligning our resources with our mission and purpose as we partner in mission together as a network of churches.

As always, we are grateful for our staff team and all that they bring to the network.

Financial review

The charity has claimed exemption from preparing consolidated accounts as permitted by the Statement of Recommended Practice (SORP FRS102) and Accounting Regulations, as the income of the group is below the relevant threshold of £1,000,000. Individual accounts for each entity in the group have been prepared with the West of England Baptist Trust Company Limited being independently examined and West of England Baptist Payroll Company Limited being subject to an accountant's report. Copies of the accounts are available from the charity's registered office.

The statement of financial activities for the year is set out on page 13. The charity reports an overall deficit (net movement of funds) for the year of £145,451 (2022 - £90,282 deficit).

The Association's main source of income is the "Home Mission" grant from the Baptist Union of Great Britain (BUGB). Individual Baptist churches give to a central appeal from BUGB which is aggregated with other general income as the BUGB "Common Purse". This is distributed between central Baptist activities and the 13 local Associations. In 2023 Webnet received £170,913 (52% of income) compared with 2022 receipt of £232,492 (66% of income). The grant fell this year resulted from BUGB having a deficit against the budget in the Common Purse for 2022, which was balanced by reducing the granted amount to Webnet in quarter one of 2023. A grant of £15,000 was received from Baptist Insurance Company (2022 - £30,000).

The two main calls on the total income are Grants to Churches and the Association's own costs which are largely personnel related (see notes 5-7 pages 23 - 25). Central grants have fallen over recent years mainly due to churches' reduced contributions to the annual Home Mission Appeal.

Despite this, Webnet has sought to maintain a consistent level of grant and Regional Ministry support to churches to help them achieve their objectives. This has been done by (a) seeking income sources in addition to the BUGB grant, (b) releasing funds from designated accounts, and (c) releasing funds from reserves, mainly expendable endowment. Total grants expended fell in 2023 to £96,575 (2022 - £125,784).

The Unrestricted Funds reported a net deficit before funds transfers of £173,286 (2022 - £82,355).

There were significant funds movements in the year. £93,875 was released back into General Funds through sale of 25% of a house, purchased in 2022 in a developing area of Swindon to enable a new mission opportunity, to the Salters Trust. The General Fund was kept above its agreed minimum of £50,000 by a further transfer from Expendable Endowment.

The Trustees are indebted to the substantial support provided by the many volunteers but are unable to put any financial evaluation into the accounts because it is unable to quantify such assistance.

Subsidiary companies

The subsidiary trust company which is non-profit making, provides support to the churches regarding church and manse properties held in trust. Several of our churches are faced with important decisions as to what to do with their existing buildings, particularly where there are restrictions because of listed building status. The board members of the Trust company continue to give unstintingly of their time and experience in assisting those churches under their care.

The subsidiary payroll company provides a full payroll service for churches that wish to outsource their payroll to a trusted provider. This important service, provided to churches across the country, is seen as best practice amongst other Associations in the Baptist Union.

We are grateful for the support provided to the subsidiary companies by volunteers who give valued specialist advice both to the Trust Officer and the churches in relation to their buildings.

Related parties

The charity is a member of the Baptist Union of Great Britain from which significant grant funding is received and details of this are set out in the notes to the financial statements. See also under 'Organisation' for details of relationships with subsidiary companies.

Investment performance

The Webnet portfolio is held by the Trust Company, in order to minimize the management fees and to improve performance and is managed in line with our Investment Policy (see below).

The value of the portfolio rose in 2023 by around 5% after falling by 10% in 2022. However, during December 2023 £100,000 was realised from the portfolio to meet a cash flow shortfall, the actual value of the portfolio therefore fell by £71,466 to £521,219. The overall income return was 2.8% (2022 2.5%).

Principal Financial Management Policies

Reserves Policy

Webnet has a substantial reserve held in expendable endowment. These are funds that have been gifted to the charity that are capital in nature, but not restricted. Appropriately allocating them to an expendable endowment fund allows the trustees to utilise the capital funds to generate income or to invest in strategic opportunities to serve the ongoing needs and purposes of Webnet, or if necessary to convert the funds to general funds as needed. Webnet also needs an operating reserve in the general fund to meet current liabilities. The Trustees have adopted the following wording as the Reserves Policy:

It is the policy of Webnet to hold reserves as expendable endowment for use in serving the association churches and for Webnet strategic development. It is also Webnet policy to maintain the General Fund at no less than £50,000.

The free reserves of the charity at the year-end are £84,705 (2022 - £51,014) and are the same as those held in General Funds. Free reserves are calculated to be the total funds of Webnet less those funds that are restricted, endowed, designated or otherwise committed.

Investment policy

The charity has the power to make any investment that the trustees see fit. The investment policy is a balanced one of income and growth to contribute income for the day to day needs of the charity coupled with capital growth to maintain and increase over time the value of the portfolio to protect the charity against inflation and to ensure the charity has the ability to meet major capital projects should it be needed, particularly church planting opportunities. The investment policy follows the ethical guidelines prescribed by the Baptist Union and is reviewed annually.

Reference and administrative information

Constitution

The West of England Baptist Association is a company limited by guarantee and a registered charity governed by its memorandum and articles of association and byelaws.

Registered as: West of England Baptist Association
Charity number: 1092443.

Company number: 04326752

Directors and trustees

Steven Christian – Chairman
Philip Poole – Honorary Treasurer – Resigned July 2023
Nigel Coles – Regional Minister & Team Leader
Rebecca Allison
Steven Chandanam
Roslyn Durrant – Resigned October 2023
Stephen Finamore – Resigned July 2023
Paul Jacobs
Peter Morden – Appointed September 2023
Kay Reuben – Appointed March 2023
Paul Salmons – Resigned December 2023
Graham Sims

Regional Ministry Team
Nigel Coles, Alisdair Longwill, Gary Woodall and Lindsay Caplen

Company Secretary
Paul Salmons

Registered Office
Little Stoke Baptist Church, Kingsway, Little Stoke, Bristol. BS34 6JW.

Independent examiner Joshua Kingston BSc ACA,
Burton Sweet Limited, Chartered Accountants, The Clock Tower, Farleigh Court, Flax
Bourton, Bristol BS48 1UR

Bankers
CAF Bank Limited, Kings Hill, West Malling, Kent. ME19 4TA
HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3BA

Solicitors
Clarke Willmott, Blackbrook Gate, Blackbrook Park Avenue, Taunton TA1 2PG

Investment Advisors
Brewin Dolphin Limited, 12 Smithfield Street, London, EC1A 9BD

Structure, Governance and Management

Recruitment and Appointment of Trustees

The Directors of the charitable company (“Webnet” or “West of England Baptist Association”) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees or the Executive. As set out in the Bye-Laws pursuant to the Articles of Association, the Officers of the Association, Moderator, Company Secretary, Honorary Treasurer and Regional Ministers shall be nominated by the trustees, following consultation with member churches, to the Annual General Meeting. Periods of service shall be decided by the trustees and notified to the AGM. The Company Secretary is a non-voting trustee.

Appointment or re-appointment of trustees is subject to nomination from appropriate geographical groups of churches for submission to the AGM. Members shall serve for four years. The Executive has the power to co-opt additional members.

Training has been organised for Trustees and all new trustees are provided with details of their roles and responsibilities and when necessary, the trustees receive training on their responsibilities.

Organisation

The charity is governed by a Board of Trustees, (the executive) who meet regularly to discuss fulfilment of aims, objectives and purpose statement of the Association. The trustees operate in between meetings through two teams that report directly to the trustees. Each team has its own terms of reference for dealing with various aspects of Association life and each has its own Team leader:-

Finance Sub-Group: Moderator – Philip Poole/Honorary Treasurer

Staff Advisory Group: Moderator – Graham Sims

The trustees and teams are supported by a small number of part-time staff who perform various administrative duties. At the Annual General Meeting, all churches that make up the Association have the opportunity to send delegates and approve agenda business.

The West of England Baptist Trust Company Limited (WEBTC) acts as ultimate trustee for the Association churches which are in trust with it. Webnet has the sole right to appoint WEBTC trustees. The WEBTC board consists of directors who are also directors of Webnet plus independent directors. The objects of the WEBTC charitable company are to act as custodian trustee, and in conjunction with the respective managing trustees, take responsibility for the property and investment portfolios, held in trust, on behalf of churches in Bristol, North Somerset and South Gloucestershire, Wiltshire, Swindon, and East Somerset for WEBTC areas. Webnet also has a wholly owned subsidiary company, The West of England Baptist Payroll Company Limited which handles the payroll service on behalf of churches. This is a non-profit making company whose costs are met from subscriptions paid by churches that use the service. The Webnet trustees following recommendation from the Finance team appoint the directors of this company.

Statement of trustees' responsibilities

The trustees (who are also directors of West of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees and signed on their behalf by:

Steven Christian

Chair of Trustees

Dated 2024

Independent examiner's report to the trustees of West of England Baptist Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Joshua Kingston BSc ACA
 Burton Sweet Limited Chartered Accountants
 The Clock Tower
 5 Farleigh Court, Old Weston Road Flax
 Bourton Bristol
 BS48 1UR

Date: 2024

Statement of financial activities
For the year ended 31 December 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
INCOME FROM:						
Donations	2	226,542	8,892	-	235,434	344,298
Investments	3	17,190	811	-	18,001	21,282
Charitable activities	4	73,143	-	-	73,143	75,949
Total Income		316,875	9,703	-	326,578	441,529
EXPENDITURE ON:						
Charitable activities	5	490,161	3,097	-	493,258	526,821
Total Expenditure		490,161	3,097	-	493,258	526,821
Investment gains/(losses)	12	-	-	21,229	21,229	(67,705)
Net income/expenditure		(173,286)	6,606	21,229	(145,451)	(152,997)
Transfers between funds	17	100,000	-	(100,000)	-	-
Pension liability movements	17	-	-	-	-	62,715
Net Movement in Funds		(73,286)	6,606	(78,771)	(145,451)	(90,282)
Reconciliation of Funds						
Total funds brought forward 1 January 2023	17	1,344,888	28,918	672,188	2,045,994	2,136,276
Total Funds at 31 December 2023	17	1,271,602	35,524	593,417	1,900,543	2,045,994

The comparative Statement of Financial Activities can be seen in note 9

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

**Summary income and expenditure account
For the year ended 31 December 2023**

	Total 2023 £	Total 2022 £
Total Income	326,578	441,529
Total Expenditure	(493,258)	(526,821)
Pension liability movements	-	62,715
Transfers (to)/from endowment funds	100,000	234,800
Net income/(expenditure) for the year	<u>(66,680)</u>	<u>212,223</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

Balance Sheet

As at 31 December 2023

	Note	Total 2023 £	Total 2022 £
Fixed assets			
Tangible assets	11a	490,535	487,882
Investments	12	521,219	592,685
Programme-related investments	13	841,203	941,963
		<hr/> 1,852,957	<hr/> 2,022,530
Current assets			
Debtors	14	9,352	1,000
Cash at bank and in hand	15	73,673	55,656
		<hr/> 83,025	<hr/> 56,656
Creditors: amounts falling due within one year	16	(35,439)	(33,192)
Net current assets		<hr/> 47,586	<hr/> 23,464
Total assets less current liabilities		<hr/> 1,900,543	<hr/> 2,045,994
Net Assets		<hr/> <u>1,900,543</u>	<hr/> <u>2,045,994</u>
The funds of the charity:			
Unrestricted funds:			
General	18	84,705	51,014
Designated	18	1,186,897	1,293,874
		<hr/> 1,271,602	<hr/> 1,344,888
Restricted	18	35,524	28,918
Endowment	18	593,417	672,188
Total funds		<hr/> <u>1,900,543</u>	<hr/> <u>2,045,994</u>

For the year ended 31st December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the trustees on2024 and signed on their behalf by:

.....
 Steven Christian
 Chair of Trustees

Company number: 04326752

Charity number: 1092443

Notes to financial statements

For the year ended 31 December 2023

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. This has been determined by the Trustees after consideration of the effects of the wider economy on the association.

The association constitutes a public benefit entity as defined by FRS 102.

a) Income

Income from grants, donations and other voluntary income are recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be measured reliably. Legacies are recognised when it is probable that they will be received and the amount can be measured with sufficient reliability.

b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Expenditure relates primarily to staffing and support costs required to enable the charity to serve the Baptist Church communities in the West of England. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, new church planting, buildings, youth work, training, payroll service and finance. In addition, the charity makes a number of grant payments to Baptist churches and to support different ministries including the Churches Together bodies across the region.

Governance Costs

Governance costs are associated with constitutional and statutory requirements, including those costs associated with the strategic management of the charity's activities. These are included within support costs.

c) Grants

There are effectively three kinds of Home Mission Grants:

- Mission through Ministry Grants (awarded to established churches)
- Special Ministry Grants (awarded to developing new expressions of church & missional communities)
- Mission Project Grants (one-off grants awarded as seed funding for a mission project)

The association is free to decide how much to budget for grants to churches etc. out of the income received from the national Home Mission appeal and other income sources. It can then award Home Mission grants as it chooses. The relevant forms are issued at the beginning of the year and various churches/new expressions of church etc. can then submit a grant application. Once these have been received back and collated, the association Home Mission Grants Awards Group meets to consider all the applications. This group make provisional decisions regarding the awarding of grants; these are then brought to the association Trustees for ratification; and the final step (which offers the element of accountability to our association partners) is the presentation of the proposed grants to the inter-association Partnership for their consideration and eventual approval (for WEBA the inter-association partners are South Wales Baptist Association; South West Baptist Association; and Southern Counties Baptist Association).

d) Pension costs

The charity makes contributions to the Baptist Pension Scheme (formerly Baptist Minister's Pension Trust Limited). Pension costs are charged to the Statement of Financial Activities as incurred. Please see note 7 for more details on the policy used.

1 Accounting policies (Continued)

e) Tangible Fixed Assets

Tangible fixed assets are stated initially at cost less subsequent depreciation.

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

Office equipment – 25%

No depreciation is charged on freehold property or land as in the opinion of the trustees the properties have a long useful life. An assessment for indications of impairment is made on an annual basis.

f) Investments

Investments held as fixed assets are stated at their market value as at the balance sheet date. Differences in market values from the previous year are accounted for as unrealised gains or losses.

Investments are managed on behalf of the company on a discretionary basis by Brewin Dolphin (formerly Charles Stanley) to achieve a balanced return from income and capital growth, whilst accepting a moderate level of risk. Investment Guidelines, determining the strategic distribution of funds are agreed by the trustees periodically. Brewin Dolphin may exceed these guidelines, but only after seeking the authority of the trustees. The trustees also follow the Baptist Union of Great Britain Investment Policy for ethical investments which restricts investment in companies with significant trading interests in armaments, alcohol, gambling or tobacco, where “significant” is taken to mean greater than 5%.

Brewin Dolphin are not responsible for the management of the company’s tangible fixed assets, loans granted or cash held directly in the name of the company.

Income from investments is accounted for when receivable.

g) Programme related investments

Support loans are made to churches or individuals to help them achieve their charitable objectives where they line up with those of the charity. Interest is paid at a rate agreed by the trustees. They are recognised at the amount outstanding to the charity at the end of the year.

The properties are rented out to other organisations with similar charitable objects as those of the charity. They are valued in the accounts at cost. The trustees review the properties annually for indicators of impairment. The trustees do not consider it appropriate to depreciate the assets as, over time, the assets are being held at less than their market worth.

h) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects;
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity.
- *Permanent endowment* - was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The capital of the scheme restricted the use of the fund to the churches within the South Gloucestershire area.
- *Expendable endowment* - represents donations given towards the capital of the charity of which the purpose of the fund is to generate income for the on-going work of the Association. The trustees have the power to convert these funds to general funds.

Expenditure which meets these criteria is charged to the funds.

Further explanation of the nature and purpose of each fund is included in note 17.

i) Current assets

Amounts owing to the Association at 31 December in respect of fees, rents or other income are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Association. Subsequently, they are measured at the level of cash or other consideration expected to be received.

1 Accounting policies (Continued)**j) Current liabilities**

Creditors and provisions are recognised when the Association has a present obligation arising 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.

Liabilities are measured on recognition at their historical cost and then subsequently at the best estimate of the amount required to settle the obligation at the reporting date.

k) Gains and losses

All gains and losses are taken to the SoFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or purchase value if purchased during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Income from Donations

The following donations, legacies and grants were receivable during the year:-

	Unrestricted £	Restricted £	Endowment £	Total 2023 £	Total 2022 £ Restated
Home Mission Funding	170,913	-	-	170,913	232,492
Donations	29,248	576	-	29,824	30,709
Partnership for Mission	10,414	-	-	10,414	14,006
Other grants	15,000	8,316	-	23,316	51,334
WeBox Appeal	967	-	-	967	7,441
Willow Garden - Portishead	-	-	-	-	8,316
	<u>226,542</u>	<u>8,892</u>	<u>-</u>	<u>235,434</u>	<u>344,298</u>

All income from donations in 2022 was unrestricted, save £3,400 of restricted income from Willow Garden.

The charity has a close relationship with the Baptist Union of Great Britain (which is also a charity) and receives significant funding from it. The Home Mission funding is a share of the monies donated to the Baptist Union of Great Britain by churches in the area covered by the Association.

Grants for Churches Together within the Association area and for special projects are now allocated separately following a restructuring of the way in which the Baptist Union Home Mission grants are distributed.

3 Income from Investments

	Unrestricted £	Restricted £	Endowment £	Total 2023 £	Total 2022 £
Income from investments	17,089	-	-	17,089	19,236
Bank and other interest	101	811	-	912	2,046
	<u>17,190</u>	<u>811</u>	<u>-</u>	<u>18,001</u>	<u>21,282</u>

All income from investments in 2022 was unrestricted, save £179 of restricted income from investments.

4 Income from charitable activities

	Unrestricted	Restricted	Endowment	Total 2023	Total 2022
	£	£	£	£	£
Church income re Regional Ministers	12,099	-	-	12,099	6,884
Management charges - Payroll and Trust Companies	16,200	-	-	16,200	16,200
Programme related investment income	30,158	-	-	30,158	28,480
Delegate fees	14,686	-	-	14,686	2,663
Ministers conference	-	-	-	-	853
Committees & conferences	-	-	-	-	20,869
	<u>73,143</u>	<u>-</u>	<u>-</u>	<u>73,143</u>	<u>75,949</u>

All income from charitable activities in 2022 was unrestricted.

5 Expenditure on Charitable activities

	Unrestricted	Restricted	Endowment	Total 2023
	£	£	£	£
Assemblies, Conferences & Events	21,697	85	-	21,782
Employees (see note 7)	311,575	92	-	311,667
Home Mission and other grants (see note 6)	96,575	-	-	96,575
Hospitality	17,058	-	-	17,058
Management & administration	9,844	2,845	-	12,689
Depreciation	1,514	-	-	1,514
Property costs	17,906	-	-	17,906
Subscriptions	826	75	-	901
Independent examination	3,720	-	-	3,720
Legal & professional fees	9,427	-	-	9,427
Trustees expenses (included in note 7)	19	-	-	19
	<u>490,161</u>	<u>3,097</u>	<u>-</u>	<u>493,258</u>

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
Assemblies, Conferences & Events	24,800	-	-	24,800
Employees (see note 7)	311,166	-	-	311,166
Home Mission and other grants (see note 6)	122,991	2,793	-	125,784
Hospitality	3,581	-	-	3,581
Management & administration	16,002	-	-	16,002
Depreciation	472	-	-	472
Property costs	27,780	-	-	27,780
Subscriptions	1,017	-	-	1,017
WeBox	7,281	-	-	7,281
Seventy-two	-	3,723	-	3,723
Independent examination	3,552	-	-	3,552
Legal & professional fees	1,520	-	-	1,520
Trustees expenses (included in note 7)	143	-	-	143
	<u>520,305</u>	<u>6,516</u>	<u>-</u>	<u>526,821</u>

6 Analysis of grants

	Total 2023 £	Total 2022 £
<i>Home Mission Grants:</i>		
Bristol University Chaplaincy	2,575	4,116
Brunswick	-	2,640
City Road	-	9,140
Hillfields	2,857	-
Hope BC, Highbridge	5,000	-
Jacob's Well	2,002	1,500
Knowle West	15,620	14,604
Lawn Community Church	4,000	-
Leckhampton	7,810	3,254
Little Stoke	6,300	7,296
Locking Castle	-	6,996
Melksham	4,667	14,004
Nailsworth	4,000	4,000
Open House	10,000	7,300
Sheep Street	6,000	8,004
The Stowe	-	6,000
Victoria Park	7,000	2,915
Welton	7,810	6,996
<i>Funding for Pioneering Work:</i>		
Bussage	-	7,300
Portishead	-	7,300
<i>Other Grants:</i>		
Churches Together in Greater Bristol	800	-
Churches Together Somerset	1,484	-
Grant from Tilshead Fund	-	1,126
BU Common Purse (Home Mission)	8,650	-
Pastoral Support	-	1,000
Renew Wellbeing	-	7,500
Willow Garden - Portishead	-	2,793
Total grants	96,575	125,784
	Total 2023 £	Total 2022 £
Home Mission Fund Webnet projects expenditure		
Bussage	7,810	-
Portishead	7,810	-
Hong Kong community	6,700	-
Re:imagine	2,000	-
	24,320	-

The trustees are dedicated to providing funding for the pioneering ministry undertaken in Bussage, Portishead and for the Hong Kong community. As with other ministries of this kind, this work is funded through Home Mission Fund, however it is delivered by the Webnet Regional Ministry Team.

6 Analysis of grants (continued)

	Total 2023 £	Total 2022 £
<i>Sources of Funding:</i>		
From Baptist Home Mission support	120,895	114,865
From other churches to support specific work	-	7,000
From Tilshead fund	-	1,126
From income restricted to Willow Garden - Portishead	-	2,793
	<u>120,895</u>	<u>125,784</u>

7 Staff costs and Trustee expenses

	Other staff £	Key management £	2023 £	2022 £
Regional Ministers' remuneration:-				Restated
Revd. Nigel Coles - Trustee	-	39,750	39,750	37,840
Social Security costs (trustees)	-	4,346	4,346	3,130
Trustee Pension costs (see note below)	-	4,688	4,688	7,746
Housing costs	-	9,335	9,335	8,719
Council tax, water, telephone	-	3,351	3,351	3,565
Total Trustees' remuneration	-	61,470	61,470	61,000
Staff Salaries	68,401	97,314	165,715	166,843
Social Security costs (staff)	2,850	6,084	8,934	10,846
Other Staff Pension costs (see note below)	4,246	11,829	16,075	21,050
Housing costs	-	20,175	20,175	18,193
Training - courses, conferences, assemblies	-	2,671	2,671	9,443
Council tax, water, telephone	-	10,866	10,866	8,665
Expenses and other costs	2,989	22,772	25,761	15,126
	<u>78,486</u>	<u>233,181</u>	<u>311,667</u>	<u>311,166</u>

The Memorandum of Association of the charity, approved by the Charity Commission, provides for remuneration and benefits to be paid to those persons appointed as Regional Ministers of the charity. Remuneration is paid to the Regional Ministers as fully accredited Baptist ministers of the Baptist Union of Great Britain to exchange information, provide advice and support to churches and their respective ministers and leaders enabling the charity to further its Objects.

		2023 £	2022 £
<i>Pension Costs to SOFA</i>			
Regional Ministers' pension contributions:-			
Revd. Nigel Coles - Trustee	Baptist Pension Scheme	4,688	7,746
Staff	Baptist Pension Scheme	16,075	21,050
Pension deficit movement	Baptist Pension Scheme	-	(985)
		<u>20,763</u>	<u>27,811</u>

Staff numbers and key management personnel

	2023	2022
The average number of full-time equivalent employees (including part-time staff) during the year as follows:		
Regional Ministers	3.8	3.9
Office Administrative Manager & Trust Officer	1.2	0.9
Finance	0.3	0.3
Other Administration, Support & Outreach	0.7	1.4
	<u>6.0</u>	<u>6.5</u>

The actual number of staff during the year was 9 (2022 - 8.5).

7 Staff costs and Trustee expenses (continued)

The key management personnel were defined as the Trustees and the Regional Ministry team, the total employment benefits paid to this group amounted to £233,181 (2022 - £194,215). This includes gross salary, housing allowance, employer's national insurance and pension contributions. Other benefits received are detailed above.

In 2023 and 2022, no employee received remuneration of more than £60,000 per annum, excluding employer's national insurance and employer's pension.

Trustee expenses

	2023	2022
	£	£
Trustee expenses	19	143

One trustee was reimbursed travel expenses in the current and prior year.

Pensions

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.

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 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 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. 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 Minister(s) and some members of church staff are eligible to join the scheme.

Actuarial valuation as at 31 December 2019

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.

7 Staff costs and Trustee expenses (continued)

Pensions- (continued)

The key assumptions underlying the valuation were as follows:

Type of financial assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (above CPI)	0.50
Assumed investment returns	
Pre-retirement	2.95
Post retirement	1.70
Deferred pension increases	
Pre-April 2009	3.20
Post April 2009	2.50
Pension increases	
Main scheme pension	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%.

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

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. Movement in Balance Sheet liability is not applicable this year as the pension liability has been written off.

8 Taxation

No corporation tax has been provided in these accounts because the income of the charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

9 Statement of Financial Activities for the year ended 31 December 2022

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
INCOME FROM:				
Donations	340,898	3,400	-	344,298
Investments	21,103	179	-	21,282
Charitable activities	75,949	-	-	75,949
Total Income	<u>437,950</u>	<u>3,579</u>	<u>-</u>	<u>441,529</u>
EXPENDITURE ON:				
Charitable activities	520,305	6,516	-	526,821
Total Expenditure	<u>520,305</u>	<u>6,516</u>	<u>-</u>	<u>526,821</u>
Investment gains/(losses)	-	-	(67,705)	(67,705)
Net Income/(expenditure)	<u>(82,355)</u>	<u>(2,937)</u>	<u>(67,705)</u>	<u>(152,997)</u>
Transfer between funds	234,800	-	(234,800)	-
Pension liability movements	62,715	-	-	62,715
Net Movement in Funds	<u>215,160</u>	<u>(2,937)</u>	<u>(302,505)</u>	<u>(90,282)</u>
Reconciliation of Funds				
Total funds brought forward 1 January 2021	1,129,728	31,855	974,693	2,136,276
Total Funds at 31 December 2021	<u>1,344,888</u>	<u>28,918</u>	<u>672,188</u>	<u>2,045,994</u>

10 Net income for the year

		2023	2022
		£	£
This is stated after charging:			
Independent Examiner's fees:			
Accounts preparation		2,000	1,880
Independent examination	- current year	1,720	1,552
	- under/(over)provided in prior year	-	120
Depreciation		<u>1,514</u>	<u>472</u>

11 Fixed Assets

a) Tangible fixed assets

The movement in the year was as follows:-

	Freehold Property £	Office Equipment £	Total £
Cost			
Beginning of the year	488,631	19,300	507,931
Additions	-	4,167	4,167
Disposals	(1,221)	(14,935)	(16,156)
	<u>487,410</u>	<u>8,532</u>	<u>495,942</u>
Depreciation			
Beginning of year	1,221	18,828	20,049
Charge for the period	-	1,514	1,514
Depreciation on disposal	(1,221)	(14,935)	(16,156)
End of year	<u>-</u>	<u>5,407</u>	<u>5,407</u>
Net book value			
31 December 2023	<u>487,410</u>	<u>3,125</u>	<u>490,535</u>
31 December 2022	<u>487,410</u>	<u>472</u>	<u>487,882</u>

b) Association Property

	2023 £	2022 £
Land at Emersons Green	176,490	176,490
Manse at 3 The Hawthorns, Bussage, Stockwood Church	300,270	300,270
	<u>10,650</u>	<u>10,650</u>
	<u>487,410</u>	<u>487,410</u>

12 Investments

	2023 £	2022 £
Market value at beginning of year	592,685	820,632
Acquisitions at cost	136,842	598,531
Sale proceeds from disposals	(163,546)	(554,021)
Gains in the period		
- Realised gains	1,893	19,745
- Net unrealised gains	29,658	(128,049)
Increase/(decrease) in cash balances	(76,313)	(164,153)
Market value as at 31 December	<u>521,219</u>	<u>592,685</u>

Investments at market value comprise:-

	2023 £	2022 £
UK equities	90,363	132,845
UK fixed interest securities	35,629	97,416
UK other investments	62,487	90,385
Overseas equities	269,228	267,461
Overseas fixed interest	57,805	-
Cash balances - WEBTC	898	(7,303)
Cash balances - Charles Stanley/Brewin Dolphin	4,808	11,880
Wholly Owned Trading Subsidiary	1	1
	<u>521,219</u>	<u>592,685</u>
Historical cost at 31 December	<u>466,882</u>	<u>563,401</u>

West of England Baptist Association is the principal and legal holder of these investments, they are managed by West of England Baptist Trust Company Limited as custodian trustees.

13 Programme-related investments

	Support		
	Loans	Properties	Total
	£	£	£
Balance at 1 January 2023	286,319	655,644	941,963
Transfer of property value to Emersons Green BC	-	(1,892)	(1,892)
Additions and interest	2,423	-	2,423
Loan repayments	(101,291)	-	(101,291)
Balance at 31 December 2023	<u>187,451</u>	<u>653,752</u>	<u>841,203</u>

Programme related investment properties have been purchased when the charity has come across an opportunity to extend their charitable activities with a partner organisation, either immediately or in the future.

	2023	2022
	£	£
The following properties are held currently:		
Manse at 1 Bishop Road, Emersons Green	233,956	235,848
61 Sion Road Bedminster	211,161	211,161
Woodside House, Stroud	208,635	208,635
	<u>653,752</u>	<u>655,644</u>

The Manse at 1 Bishop Road in Emerson's Green currently houses a church minister. The property is being acquired by the church under the Housing for Mission scheme agreement signed during 2011, whereby a proportion of the rent is being used to acquire further equity in the property. Should this property be sold the proceeds will be shared between the Church and the Association according to the equity share. The property was originally partly acquired for a purchase price of £290,164 using Avening fund proceeds. The current church equity is 19.37% £56,212 (2022 - £54,319).

The house at 61 Sion Road was purchased after the local church was about to close, to provide a base for a new ministry to begin. The house is currently being rented from the Association by Youth with a Mission to assist with their work amongst young people in the local area.

Woodside House, Stroud shares a common boundary with the Farmhill Church was purchased during 2015 to provide a base for new missionary work within the area. It is currently rented to a Christian charity operating a drug rehabilitation centre.

14 Debtors

	2023	2022
	£	£
Accrued income	5,001	1,000
Other debtors	4,351	-
	<u>9,352</u>	<u>1,000</u>

15 Cash at bank and in hand

	2023	2022
	£	£
HSBC Bank	1,313	10,961
CAF Cash/Gold	56,785	30,350
COIF Charity Fund	15,325	14,514
Undeposited funds	250	(169)
	<u>73,673</u>	<u>55,656</u>

16 Creditors

	2023	2022
Amounts falling due within one year	£	£
Other Creditors	19,832	4,028
Accruals and deferred income	15,607	29,164
Pension deficit liability	-	-
	<u>35,439</u>	<u>33,192</u>

17 Statement of Funds**Current Year**

	At 1 January			Other	At 31
	2023	Income	Expenditure	Movements	December
	£	£	£	& Transfers	2023
				£	£
Unrestricted					
General fund	51,014	316,875	(479,777)	196,593	84,705
Designated					
Fixed assets	300,742	-	(1,514)	4,167	303,395
Programme-related investments	941,963	-	-	(100,760)	841,203
Painswick	14,943	-	-	-	14,943
Partnership In Mission	28,834	-	(8,650)	-	20,184
Tilshead Fund	7,392	-	(220)	-	7,172
Pension deficit fund	-	-	-	-	-
Total unrestricted funds	1,344,888	316,875	(490,161)	100,000	1,271,602
Restricted					
Seventy-two	670	-	(207)	-	463
Willow Garden	607	8,316	(2,890)	-	6,033
Leighterton & Culkerton	16,991	811	-	-	17,802
Stockwood Church	10,650	-	-	-	10,650
Evangelical Baptists	-	576	-	-	576
Total restricted funds	28,918	9,703	(3,097)	-	35,524
Expendable endowment					
Income fund	495,698	-	-	(78,771)	416,927
	495,698	-	-	(78,771)	416,927
Permanent endowment					
Avening Fund	176,490	-	-	-	176,490
Total Endowment	176,490	-	-	-	176,490
Total Endowment	672,188	-	-	(78,771)	593,417
TOTAL FUNDS	2,045,994	326,578	(493,258)	21,229	1,900,543

17 Statement of Funds (continued)

Prior Year	At 1 January			Other Movements & Transfers	At 31 December 2022
	2022	Income	Expenditure		
	£	£	£		
Unrestricted					
General fund	52,731	421,707	(517,927)	94,503	51,014
Designated					
Fixed assets	301,414	-	-	(672)	300,742
Programme-related investments	775,794	-	-	166,169	941,963
Painswick	14,943	-	-	-	14,943
Partnership In Mission	40,028	14,006	-	(25,200)	28,834
Tilshhead Fund	8,518	-	(1,126)	-	7,392
Pension deficit fund	(63,700)	2,237	(1,252)	62,715	-
Total unrestricted	1,129,728	437,950	(520,305)	297,515	1,344,888
Restricted					
Seventy-two	4,393	-	(3,723)	-	670
Willow Garden	-	3,400	(2,793)	-	607
Leighterton & Culkerton	16,812	179	-	-	16,991
Stockwood Church	10,650	-	-	-	10,650
Total restricted	31,855	3,579	(6,516)	-	28,918
Expendable endowment					
Income fund	798,403	-	-	(302,705)	495,698
	798,403	-	-	(302,705)	495,698
Permanent endowment					
Avening Fund	176,290	-	-	200	176,490
Total Endowment	176,290	-	-	200	176,490
Total Endowment	974,693	-	-	(302,505)	672,188
TOTAL FUNDS	2,136,276	441,529	(526,821)	(4,990)	2,045,994

During the year the trustees have taken the opportunity to further analyse their funds as follows:

General Fund (unrestricted)

This represents the free funds of the charity which are not designated for particular purposes, following the re-distribution of the funds held by the Association.

Fixed Asset Fund (designated)

This fund exists to support the Association in funding the fixed assets it needs to carry out its charitable objects. It includes equipment, the manse at Bussage and the portion of land held at Emersons Green not held within endowment funds (see notes 18 and 19).

Programme-related Investments Fund (designated)

This fund exists to provide support to the churches and individuals within the Association, for purposes approved by the Executive of the charity. This support includes loan finance to property projects, local churches and in special cases, individuals. Interest on loans is subject to negotiation, but at a rate not greater than that charged by the Baptist Union Corporation Limited.

Painswick Fund (designated)

This fund was created from the closure of the United Church at Painswick and represents the balance of the funds held previously from the sale of the old chapel. A new initiative to re-establish a Baptist presence is being funded from this fund. This fund is no longer in use and will be released in 2024.

Partnership In Mission (designated)

This fund has been established to enable church planting and other pioneering activities within the Association.

17 Statement of Funds (continued)**Tilshead Fund** (designated)

This fund has been set aside from the proceeds of the former Tilshead Baptist church to help fund outreach activity in the surrounding area in partnership with other local Baptist Churches.

Pension deficit fund (designated)

This fund relates to agreed payments the Association owes the Baptist Union Pension scheme over the coming years as described in note 7 above. The fund has been set aside separately such that free reserves can be shown separately to the pension catch up payments. No deficit remains at the 2022 year-end.

Seventy-two (restricted)

Seventy-Two is a network and catalyst for mission across the Baptist Union of Great Britain. Webnet has taken the lead in the programme and records and manages the income and expenditure as a Restricted Fund. Income has come directly from other Associations or from the Baptist Union itself and is used to cover employment and other overheads running the programme or on specific Seventy-Two projects.

Willow Gardens Fund (restricted)

This fund records amounts received and expended for Willow Gardens, Portishead. Willow Gardens hosts regular outdoor Christian worship, primarily amongst those who would not otherwise engage with church. It is a welcoming space for everyone to garden, chat, grow and belong.

Leighterton & Culkerton (restricted)

This capital fund, held under a trust created in July 1947, exists to provide income for the Leighterton & Culkerton churches in Gloucestershire. Both churches have now closed so the income of the fund may be used for Colportage and Evangelistic work in the surrounding villages and district.

Stockwood Church Fund (restricted)

This fund represents the cost of the Stockwood Church which is governed by an ultimate trust dated June 1977. Should the church close and the premises sold, the proceeds will be shared between the Association and Bristol City Mission Society.

Evangelical Baptists (restricted)

Evangelical Baptists are a grouping of Baptist churches and Ministers, comprised from all our Baptist associations, in which Webnet is taking a lead.

Income Fund (Expendable endowment)

This fund holds the charitable company's investments, all of which are held in with Brewin Dolphin Limited. The purpose of the fund is to generate income for the on-going work of the Association. The fund is held as part of the company's reserve and all or part of it may be transferred to unrestricted funds by decision of the trustees. At the year-end the General fund was below its agreed minimum, so an additional transfer back has been used to restore the General Fund.

Avening Fund (Permanent Endowment)

This endowment fund was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The scheme restricted the use of the capital in the fund to the provision of premises of churches within the South Gloucestershire area. This is the land at Emerson's Green.

18 Assets analysed between funds**Current Year**

	Unrestricted	Restricted	Endowment	Total 2023
	£	£	£	£
Tangible Fixed assets	303,395	10,650	176,490	490,535
Programme-related investments	841,203	-	-	841,203
Investments	104,292	-	416,927	521,219
Net current assets	22,712	24,874	-	47,586
	1,271,602	35,524	593,417	1,900,543

18 Assets analysed between funds (continued)**Unrestricted: analysed between funds**

	General £	Designated £	Total £
Tangible Fixed assets	-	303,395	303,395
Programme-related investments	-	841,203	841,203
Investments	61,993	42,299	104,292
Net current assets	22,712	-	22,712
	<u>84,705</u>	<u>1,186,897</u>	<u>1,271,602</u>

Prior Year	Unrestricted £	Restricted £	Endowment £	Total 2022 £
Tangible Fixed assets	300,742	10,650	176,490	487,882
Programme-related investments	941,963	-	-	941,963
Investments	693	3,985	588,007	592,685
Net current assets	101,490	14,283	(92,309)	23,464
	<u>1,344,888</u>	<u>28,918</u>	<u>672,188</u>	<u>2,045,994</u>

Unrestricted: analysed between funds

	General £	Designated £	Total £
Tangible Fixed assets	-	300,742	300,742
Programme-related investments	-	941,963	941,963
Investments	-	693	693
Net current assets	51,014	50,476	101,490
	<u>51,014</u>	<u>1,293,874</u>	<u>1,344,888</u>

19 Share capital

The company is limited by guarantee and therefore has no share capital.

20 Capital expenditure commitments

At the time of production of this Annual Report and Accounts no capital expenditure has been authorised.

21 Related party transactions

During the period, West of England Baptist Association was the parent company of West of England Baptist Payroll Company Limited.

During the year Management charges amounting to £7,200 (2022 - £7,200) towards the administrative costs were paid to the Association. The company paid a donation of £17,929 (2022 - £29,053) to the charity during the year.

The West of England Baptist Trust Company is a wholly owned subsidiary of the West of England Baptist Association. The charity administers the Association's investments on its behalf. During the year, the Association received dividends and income of £17,089 (2022 - £19,057). At the year end, the Trust Company held investments of £520,321 (2022 - £588,007), and a cash balance of £898 (2022 - (£7,304)). The Trust Company also paid the Association £9,000 (2022 - £9,000) towards administrative costs during the year.

During the year donations of £nil were received from Trustees (2022 - £nil).

Details of trustees' remuneration and trustees' expenses reimbursed are shown in note 7.

There were no other related party transactions during the year.

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales - Charity number 1092443

Accounts



West of England Baptist Association
(A Company limited by Guarantee)
Operating as **Webnet**

ANNUAL REPORT & ACCOUNTS

for the year ended 31 December 2022

Registered in England Company number: 04326752

Charity number: 1092443



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Report of the trustees for the year ended 31 December 2022

The trustees are pleased to present their report with financial statements of the charity for the year ended 31 December 2022. Throughout this document The West of England Baptist Association is referred to by its current operating name "Webnet".

Reference and administrative information set out on page 10 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP FRS 102) and in accordance with the special provisions for small companies under the Companies Act 2006.

Objectives and Activities

Public Benefit

The trustees have considered the Commission's guidance on public benefit under the Charities Act 2011 and the specific guidance on charities for the advancement of religion.

Objects of the charity

The principal object of the charity continues to be the advancement of the Christian faith, 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.

In fulfilling the objects of the Association trustees devised a purpose statement a few years ago which remains core to programmes and activities: -

"Webnet is a fellowship of Baptist Churches Encouraging each other and Growing healthy congregations by Enriching relationships, developing ministry and Enabling fruitful mission".

Achievements and Performance

The network represents and serves Baptist churches and communities worshipping and working in the west of England, seeking to encourage our congregations in their mission as God's people and to support them in the equipping of missional disciples.

Context

In the aftermath of the Covid pandemic churches in Webnet continued to use creative and digital ways to meet the spiritual needs of their communities and to share the Good News of Jesus both in person and online.

Although many churches saw a decline in the number of people present in Sunday services and the regular commitment of volunteers, others saw an uptake of explorer courses like The Alpha Course, as well as community engagement as people were able to meet in person again without restrictions.

The economic crisis brought on by the pandemic, plus the war in Ukraine which prompted the energy crisis, have negatively impacted churches in terms of finance, but as ever churches in Webnet rose to the occasion by providing support for Food Banks, opening Warm Spaces and supporting people pastorally through these crises.

Webnet staff returned to working at the Webnet Hub, and in-person events and meetings to support Webnet churches resumed.

Cultivating a Culture for Discipleship

Cultivating a Culture for Discipleship was our overarching theme for the year, in recognition of the challenges and opportunities churches and individuals face in growing towards Christian maturity, especially in challenging times.

Partnership in Mission

Our annual gathering of churches adopted the proposal Partnership in Mission becomes our primary funding mechanism. This is designed to both continue our previous commitment to our Baptist family, both the Baptist Union of Great Britain (BUGB) central resources, as well as mission and ministry needs across the regions, and enhance our ability to deliver mission grants across the Webnet region through our network of churches.

The full implementation of this has been delayed at the request of the BUGB trustees.

Gospel planting

The three new initiatives launched in 2022, Open House Community Church, Southside and our Hong Kong Network, all reported good and positive growth.

Both Open House Community Church and Southside have consolidated regular attendances of over fifty people. Open House has a significant number of people under 40, which is especially encouraging.

Webnet called Candy Choy in February 2022 to facilitate Kingdom relationships and networks amongst immigrants from Hong Kong, local churches and other organisations. Several discipleship groups have been established, and Candy has provided pastoral support, translation services, opportunities to network, a Hong Kong 'Alpha' course and she is also supporting/advising church leaders seeking to integrate Hong Kongers into their congregations.

Several churches in Webnet celebrated baptisms in 2021. Hillfields Church had a significant number of baptisms because of continued growth through people becoming Christians.

We continue to pray for gospel planting opportunities, across our region, particularly where there is no church with a sizeable local population.

Eco Network

In its bid to become an eco-association, Webnet trustees adopted an environment policy in December. This includes commitments to reduce its own ecological impact and a target of achieving net-zero carbon by 2030.

The policy also places a duty on Webnet to provide encouragement and resources to help its associated churches become more sustainable, and in particular to work towards the Arocha eco-church awards.

Equipping Missional Disciples

We continued to work with disciples, leaders, leadership teams, churches and missional communities, to help equip us as a network to embody the kingdom of God in the here and now as carriers of God's future.

Re:Imagine

Our learning community for leadership teams continues to be a transformative tool in helping churches to develop and see growth in terms of lives changed by Jesus in their communities. In 2022 a further 4 teams began the Re:Imagine process and we continue to journey with those who engaged with the process over previous years. At present we have two cohorts of leadership teams who are fully engaged with the Re:Imagine learning community.

Invest

Invest is a Missional Leadership programme run by Webnet, overseen by Dave Kingswood. It involves church leaders identifying people they would like to invest in for a church in their leadership development. Five churches have invested in 8 'Investors' this past year. They have focused on several different areas of missional leadership development in their local churches.

Equipping Missional Disciples

EMD is a partnership between Webnet and Bristol Baptist College. It is a modular course designed to develop theologically informed, appropriately equipped and culturally aware leaders/emerging leaders for today's ever-changing context. Gifted speakers and facilitators have helped participants grow as 'whole life' missional disciples learning together and sharing stories of where God is at work.

Albania Partnership and WEBox

Our relationship with Baptist Churches in Albania continued to develop in 2022 through a combination of individual churches in Webnet supporting and visiting churches there, and our annual WEBox appeal. 1000 WEBoxes filled with gifts for children were taken to Albania and £3000 was raised and donated to provide Christmas food hampers for the poorest families known to our partner churches there.

Retired Ministers

We are blessed to have several retired ministers in our region, many of whom continue to serve in their communities, as well as continually develop in their discipleship. Regional Ministers seek to gather these together for the Retired Ministers' Annual Lunch, which this year took place in April.

Chaplaincy

In 2022 we had 8 active Chaplains ministering in our region. Alisdair Longwill seeks to gather these together once per term for support and shared learning. In recent years these have been virtual gatherings; however, the plan is to resume in person meetings.

Mission Grants to churches

Mission Grants to churches giving to Home Mission made it possible for us to give £125,784 in grants to churches, developing missional communities, chaplaincy, ecumenical bodies, and the support of individuals being resourced and enabled to better engage in God's mission throughout the west of England.

Home Mission giving is helping equip Ministers in Training and Newly Accredited Ministers. It is also equipping and enabling the development of individuals in our churches through the Invest process, leadership teams through Re:Imagine, and provided support for the Free Church Chaplain at Bristol University during 2022.

Webnet CYF (Webnet Children Youth and Families)

Throughout the Webnet region we have approximately 25+ CYF workers. Some work part-time and others full-time. Throughout 2022 we have met online and in person on seven occasions. A WhatsApp group is running in which the group can share request and resources with each other. We're delighted to have Heulwen Evans as the group administrator and Becky Allison as the Webnet representative on the BUGB CYF Roundtable. Our representative on the BUGB Young Leaders Roundtable is Danny Brown.

MRC

There are two MRC groups: The Webnet MRC who oversee NAMs and their commendation, and The Regional Partnership MRC who oversee applications for accredited Baptist Ministry. During this last year the Regional Partnership held two MRC interview sessions. There were four new candidates from the Webnet region. There were two people commended by the Webnet MRC after completing their NAM's period successfully. Webnet staff are responsible for the administration of the Partnership MRC.

Settlement

Settlement team nationally no longer meets very frequently, with Accredited Ministers now able to apply to churches in vacancy online. Webnet are providing a settlement process, which is seeking to harness the best of the old and new together.

Gratitude

We are hugely grateful to all the churches and church communities in Webnet who pray, discern and take steps in God's mission to advance the Christian faith for God's glory here in the West of England.

We're thankful too for our Trustees, for their diligence and time as they continue developing Webnet in a number of ways, aligning our resources with our mission and purpose as we partner in mission together as a network of churches.

As always, we're grateful for our staff team and all that they bring to the network.

Financial review

The charity has claimed exemption from preparing consolidated accounts as permitted by the Statement of Recommended Practice (SORP FRS102) and Accounting Regulations, as the income of the group is below the relevant threshold of £1,000,000. Individual accounts for each entity in the group have been prepared with the West of England Baptist Trust Company Limited being independently examined and West of England Baptist Payroll Company Limited being subject to an accountant's report. Copies of the accounts are available from the charity's registered office.

The statement of financial activities for the year is set out on page 14. The charity reports an overall deficit (net movement of funds) for the year of £90,282 (2021 59,451 deficit).

The Association's main source of income is the "Home Mission" grant from the Baptist Union of Great Britain (BUGB). Individual Baptist churches give to an central appeal from BUGB which is aggregated with other general Income as the BUGB "Common Purse". This is distributed between central Baptist activities and the 13 local Associations. In 2022 Webnet received £232,492 (66% of income) compared with 2021 receipt of £178,233 (76% of income). The increase was assisted by BUGB having a surplus in 2021, £12,473 of which was granted to Webnet during 2022, and by a grant of £30,000 from Baptist Insurance Company.

The two main calls on the total income are Grants to Churches and the Association's own costs which are largely personnel related (see note 7 pages 21 - 23). Central grants have fallen over recent years mainly due to churches' reduced contributions to the annual Home Mission Appeal.

Despite this, Webnet has sought to maintain a consistent level of grant and Regional Ministry support to churches to help them achieve their objectives. This has been done by (a) seeking income sources in addition to the BUGB grant, (b) releasing funds from designated accounts, and (c) releasing funds from reserves, mainly expendable endowment. Total grants rose in 2022 to £125,784 (2021 £113,663).

The Unrestricted Funds reported a net deficit of before funds transfers and changes in pensions liability of £82,355 (2021 £117,541).

There were significant funds movements in the year, the BUGB pension scheme finally cleared its deficit in the year and is in the process of buying out the liabilities of the pre-2003 Defined Benefit Scheme, as a result the designated Pension Liability Fund released £62,715. The Association also released funds from Expendable Endowments to take a part share in a house in a developing area of Swindon to enable a new mission opportunity. The General Fund was kept above its agreed minimum of £50,000 by a further transfer from Expendable Endowment.

The Trustees are indebted to the substantial support provided by the many volunteers but are unable to put any financial evaluation into the accounts because it is unable to quantify such assistance.

Subsidiary companies

The subsidiary trust company which is non-profit making, provides support to the churches regarding church and manse properties held in trust. The subsidiary payroll company provides a full payroll service for churches that wish to outsource their payroll to a trusted provider. Several of our churches are faced with important decisions as to what to do with their existing buildings, particularly where there are restrictions because of listed building status. The board members of the Trust companies continue to give unstintingly of their time and experience in assisting those churches under their care. The Payroll Company has continued to grow under the expert attention of their staff, the service has been extended to both churches and staff of other Associations. This is an increasingly important service provided to churches and seen as best practice amongst other Associations in the Baptist Union.

We are grateful for the support provided to the subsidiary companies by volunteers who give valued specialist advice both to the Trust Officer and the churches in relation to their buildings.

Related parties

The charity is a member of the Baptist Union of Great Britain from which significant grant funding is received and details of this are set out in the notes to the financial statements. See also under 'Organisation' for details of relationships with subsidiary companies.

Investment performance

The Webnet portfolio is held by the Trust Company, in order to minimize the management fees and to improve performance. The investment environment was poor in 2022 resulting in a reduction in the value of the portfolio of £67,705 (2021 gain £66,296). Shares were also sold to enable the release of expendable endowment referred to in the financial review above.

The overall income return was 2.5% of the average value of the portfolio through the year and is managed in line with our Investment Policy (see below). During the year the investment managers were changed from Charles Stanley to Brewin Dolphin.

Principal Financial Management Policies

Reserves Policy

Webnet has a substantial reserve held in expendable endowment. These are funds that have been gifted to the charity that are capital in nature, but not restricted. Appropriately allocating them to an expendable endowment fund allows the trustees to utilise the capital funds to generate income or to invest in strategic opportunities to serve the ongoing needs and purposes of webnet, or if necessary to convert the funds to general funds as needed. Webnet also needs an operating reserve in the general fund to meet current liabilities. The Trustees have adopted the following wording as the Reserves Policy:

it is the policy of webnet to hold reserves as expendable endowment for use in serving the association churches and for webnet strategic development. It is also webnet policy to maintain the General Fund at no less than £50,000.

The free reserves of the charity at the year-end are £51,014 and are the same as those held in General Funds. Free reserves are calculated to be the total funds of webnet less those funds that are restricted, endowed, designated or otherwise committed.

Investment policy

The charity has the power to make any investment that the trustees see fit. The investment policy is a balanced one of income and growth to contribute income for the day to day needs of the charity coupled with capital growth to maintain and increase over time the value of the portfolio to protect the charity against inflation and to ensure the charity has the ability to meet major capital projects should it be needed, particularly church planting opportunities. The investment policy follows the ethical guidelines prescribed by the Baptist Union and is reviewed annually.

Reference and administrative information

Constitution

The West of England Baptist Association is a company limited by guarantee and a registered charity governed by its memorandum and articles of association and byelaws.

Registered as: West of England Baptist Association Charity
number: 1092443

Company number: 04326752

Directors and trustees

Trustees/Executives

Steven Christian - Chairman

Philip Poole – Honorary Treasurer

Nigel Coles – Regional Minister & Team Leader

Rebecca Allison (appointed 8 December 2022), Steven Chandanam (appointed 8 December 2022), Roslyn Durrant, Stephen Finamore, Paul Jacobs (appointed 8 December 2022), Todd Nightingale (resigned 8 December 2022), Kay Reuben (appointed 24 March 2023), Paul Rhodes (resigned 11 July 2022), Paul Salmons, Graham Sims, Susan Woodley (resigned 11 July 2022)

Regional Ministry Team

Nigel Coles, Alisdair Longwill, Gary Woodall and Lindsay Caplen

Company Secretary

Paul Salmons

Registered Office

Little Stoke Baptist Church, Kingsway, Little Stoke, Bristol. BS34 6JW.

Independent examiner Joshua Kingston BSc ACA,

Burton Sweet Limited, Chartered Accountants, The Clock Tower, Farleigh Court, Flax Bourton, Bristol BS48 1UR

Bankers

CAF Bank Limited, Kings Hill, West Malling, Kent. ME19 4TA

HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3BA

Solicitors

Clarke Willmott, Blackbrook Gate, Blackbrook Park Avenue, Taunton TA 1 2PG

Investment Advisors

Brewin Dolphin Limited, 12 Smithfield Street, London, EC1A 9BD

Structure, Governance and Management

Recruitment and Appointment of Trustees

The Directors of the charitable company ("Webnet" or "West of England Baptist Association") are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees or the Executive. As set out in the Bye-Laws pursuant to the Articles of Association, the Officers of the Association, Moderator, Company Secretary, Honorary Treasurer and Regional Ministers shall be nominated by the trustees, following consultation with member churches, to the Annual General Meeting. Periods of service shall be decided by the trustees and notified to the AGM. The Company Secretary is a non-voting trustee.

Appointment or re-appointment of trustees is subject to nomination from appropriate geographical groups of churches for submission to the AGM. Members shall serve for four years. The Executive has the power to co-opt additional members.

Training has been organised for Trustees and all new trustees are provided with details of their roles and responsibilities and when necessary the trustees receive training on their responsibilities.

Organisation

The charity is governed by a Board of Trustees, (the executive) who meet regularly to discuss fulfilment of aims, objectives and purpose statement of the Association. The trustees operate in between meetings through two teams that report directly to the trustees. Each team has its own terms of reference for dealing with various aspects of Association life and each has its own Team leader:-

Finance Sub-Group: Moderator – Philip Poole
Staff Advisory Group: Moderator – Graham Sims

The trustees and teams are supported by a small number of part-time staff who perform various administration duties. At the Annual General Meeting, all churches that make up the Association have the opportunity to send delegates and approve agenda business. The West of England Baptist Trust Company Limited (WEBTC) acts as ultimate trustee for the Association churches which are in trust with it. Webnet has the sole right to appoint WEBTC trustees. The WEBTC board consists of directors who are also directors of Webnet plus independent directors. The objects of the WEBTC charitable company is to act as custodian trustee, and in conjunction with the respective managing trustees, take responsibility for the property and investment portfolios, held in trust, on behalf of churches in Bristol, North Somerset and South Gloucestershire, Wiltshire, Swindon, and East Somerset for WEBTC areas. Webnet also has a wholly owned subsidiary company, The West of England Baptist Payroll Company Limited which handles the payroll service on behalf of churches. This is a non-profit making company whose costs are met from subscriptions paid by churches that use the service. The Webnet trustees following recommendation from the Finance team appoint the directors of this company.

Statement of trustees' responsibilities

The trustees (who are also directors of West of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees and signed on their behalf by:



P Salmons

Company Secretary

Dated 30 June 2023

Independent examiner's report to the trustees of West of England Baptist Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

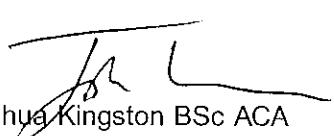
Independent examiner's statement

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

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

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

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



Joshua Kingston BSc ACA
Burton Sweet Limited Chartered Accountants
The Clock Tower
5 Farleigh Court, Old Weston Road
Flax Bourton Bristol
BS48 1UR

Date: 30 June 2023

Statement of financial activities
For the year ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
INCOME FROM:						
Donations	2	340,898	3,400	-	344,298	233,221
Investments	3	21,103	179	-	21,282	19,022
Charitable activities	4	75,949	-	-	75,949	81,741
Total Income		437,950	3,579	-	441,529	333,984
EXPENDITURE ON:						
Charitable activities	5	520,305	6,516	-	526,821	457,331
Total Expenditure		520,305	6,516	-	526,821	457,331
Investment gains/(losses)	12	-	-	(67,705)	(67,705)	66,296
Net income/expenditure		(82,355)	(2,937)	(67,705)	(152,997)	(57,051)
Transfers between funds	17	234,800	-	(234,800)	-	-
Pension liability movements	17	62,715	-	-	62,715	(2,400)
Net Movement in Funds		215,160	(2,937)	(302,505)	(90,282)	(59,451)
Reconciliation of Funds						
Total funds brought forward 1 January 2022	17	1,129,728	31,855	974,693	2,136,276	2,195,727
Total Funds at 31 December 2022	17	1,344,888	28,918	672,188	2,045,994	2,136,276

The comparative Statement of Financial Activities can be seen in note 9

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

Summary income and expenditure account
For the year ended 31 December 2022

	Total 2022 £	Total 2021 £
Total Income	441,529	333,984
Total Expenditure	(526,821)	(457,331)
Pension liability movements	62,715	(2,400)
Transfers (to)/from endowment funds	-	60,000
Net income/(expenditure) for the year	<u>(22,577)</u>	<u>(65,747)</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

Balance Sheet
As at 31 December 2022

		Total 2022 £	Total 2021 £
Fixed assets	Note		
Tangible assets	11a	487,882	488,354
Investments	12	592,685	820,632
Programme-related investments	13	941,963	775,794
		<u>2,022,530</u>	<u>2,084,780</u>
Current assets			
Debtors	14	1,000	1,000
Cash at bank and in hand	15	55,656	139,733
		<u>56,656</u>	<u>140,733</u>
Creditors: amounts falling due within one year	16	(33,192)	(39,332)
Net current assets		<u>23,464</u>	<u>101,401</u>
Total assets less current liabilities		<u>2,045,994</u>	<u>2,186,181</u>
Creditors: amounts falling due after one year			
Pension deficit liability		-	(49,905)
Net Assets		<u>2,045,994</u>	<u>2,136,276</u>
The funds of the charity:			
Unrestricted funds:			
General	18	51,014	52,731
Designated	18	1,293,874	1,076,997
		<u>1,344,888</u>	<u>1,129,728</u>
Restricted	18	28,918	31,855
Endowment	18	672,188	974,693
Total funds		<u>2,045,994</u>	<u>2,136,276</u>

For the year ended 31st December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the trustees on June 30, 2023 and signed on their behalf by:



Rev Steven Christian
 Chair of Trustees

Notes to financial statements
31 December 2022

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. This has been determined by the Trustees after consideration of the effects of the wider economy on the association.

The association constitutes a public benefit entity as defined by FRS 102.

a) Income

Income from grants, donations and other voluntary income are recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be measured reliably. Legacies are recognised when it is probable that they will be received and the amount can be measured with sufficient reliability.

b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Expenditure relates primarily to staffing and support costs required to enable the charity to serve the Baptist Church communities in the West of England. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, new church planting, buildings, youth work, training, payroll service and finance. In addition, the charity makes a number of grant payments to Baptist churches and to support different ministries including the Churches Together bodies across the region.

Governance Costs

Governance costs are associated with constitutional and statutory requirements, including those costs associated with the strategic management of the charity's activities. These are included within support costs.

c) Grants

There are effectively three kinds of Home Mission Grants:

- Mission through Ministry Grants (awarded to established churches)
- Special Ministry Grants (awarded to developing new expressions of church & missional communities)
- Mission Project Grants (one-off grants awarded as seed funding for a mission project)

The association is free to decide how much to budget for grants to churches etc. out of the income received from the national Home Mission appeal and other income sources. It can then award Home Mission grants as it chooses. The relevant forms are issued at the beginning of the year and various churches/new expressions of church etc. can then submit a grant application. Once these have been received back and collated, the association Home Mission Grants Awards Group meets to consider all the applications. This group make provisional decisions regarding the awarding of grants; these are then brought to the association Trustees for ratification; and the final step (which offers the element of accountability to our association partners) is the presentation of the proposed grants to the inter-association Partnership for their consideration and eventual approval (for WEBA the inter-association partners are South Wales Baptist Association; South West Baptist Association; and Southern Counties Baptist Association).

d) Pension costs

The charity makes contributions to the Baptist Pension Scheme (formerly Baptist Minister's Pension Trust Limited). Pension costs are charged to the Statement of Financial Activities as incurred. Please see note 7 for more details on the policy used.

1 Accounting policies (*Continued*)

e) Tangible Fixed Assets

Tangible fixed assets are stated initially at cost less subsequent depreciation.

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

Office equipment – 25%

No depreciation is charged on freehold property or land as in the opinion of the trustees the properties have a long useful life. An assessment for indications of impairment is made on an annual basis.

f) Investments

Investments held as fixed assets are stated at their market value as at the balance sheet date. Differences in market values from the previous year are accounted for as unrealised gains or losses.

Investments are managed on behalf of the company on a discretionary basis by Brewin Dolphin (formerly Charles Stanley) to achieve a balanced return from income and capital growth, whilst accepting a moderate level of risk. Investment Guidelines, determining the strategic distribution of funds are agreed by the trustees periodically. Brewin Dolphin may exceed these guidelines, but only after seeking the authority of the trustees. The trustees also follow the Baptist Union of Great Britain Investment Policy for ethical investments which restricts investment in companies with significant trading interests in armaments, alcohol, gambling or tobacco, where "significant" is taken to mean greater than 5%.

Brewin Dolphin are not responsible for the management of the company's tangible fixed assets, loans granted or cash held directly in the name of the company.

Income from investments is accounted for when receivable.

g) Programme related investments

Support loans are made to churches or individuals to help them achieve their charitable objectives where they line up with those of the charity. Interest is paid at a rate agreed by the trustees. They are recognised at the amount outstanding to the charity at the end of the year.

The properties are rented out to other organisations with similar charitable objects as those of the charity. They are valued in the accounts at cost. The trustees review the properties annually for indicators of impairment. The trustees do not consider it appropriate to depreciate the assets as, over time, the assets are being held at less than their market worth.

h) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects;
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity.
- *Permanent endowment* – was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The capital of the scheme restricted the use of the fund to the churches within the South Gloucestershire area.
- *Expendable endowment* – represents donations given towards the capital of the charity of which the purpose of the fund is to generate income for the on-going work of the Association. The trustees have the power to convert these funds to general funds.

Expenditure which meets these criteria is charged to the funds.

Further explanation of the nature and purpose of each fund is included in note 17.

i) Current assets

Amounts owing to the Association at 31 December in respect of fees, rents or other income are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Association. Subsequently, they are measured at the level of cash or other consideration expected to be received.

1 Accounting policies (Continued)**j) Current liabilities**

Creditors and provisions are recognised when the Association has a present obligation arising 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.

Liabilities are measured on recognition at their historical cost and then subsequently at the best estimate of the amount required to settle the obligation at the reporting date.

k) Gains and losses

All gains and losses are taken to the SoFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or purchase value if purchased during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Income from Donations

The following donations, legacies and grants were receivable during the year:-

	Unrestricted	Restricted	Endowment	Total	Total
	£	£	£	2022	2021
				£	£
Home Mission Funding	232,492	-	-	232,492	178,233
Donations	30,709	-	-	30,709	3,300
Partnership for Mission	14,006	-	-	14,006	16,173
Other grants	56,250	-	-	56,250	25,051
WeBox Appeal	7,441	-	-	7,441	10,464
Willow Garden - Portishead	-	3,400	-	3,400	-
	<u>340,898</u>	<u>3,400</u>	<u>-</u>	<u>344,298</u>	<u>233,221</u>

The charity has a close relationship with the Baptist Union of Great Britain (which is also a charity) and receives significant funding from it. The Home Mission funding is a share of the monies donated to the Baptist Union of Great Britain by churches in the area covered by the Association.

Grants for Churches Together within the Association area and for special projects are now allocated separately following a restructuring of the way in which the Baptist Union Home Mission grants are distributed.

All income from donations in 2021 was unrestricted.

3 Income from Investments

	Unrestricted	Restricted	Endowment	Total	Total
	£	£	£	2022	2021
				£	£
Income from investments	19,057	179	-	19,236	19,009
Bank and other interest	2,046	-	-	2,046	13
	<u>21,103</u>	<u>179</u>	<u>-</u>	<u>21,282</u>	<u>19,022</u>

All income from investments in 2021 was unrestricted, save £50 of restricted income from investments.

4 Income from charitable activities

	Unrestricted	Restricted	Endowment	Total	Total
	£	£	£	2022	2021
	£	£	£	£	£
Church income re Regional Ministers	6,884	-	-	6,884	21,721
Management charges - Payroll and Trust Companies	16,200	-	-	16,200	16,200
Programme related investment income	28,480	-	-	28,480	22,755
Delegate fees	2,663	-	-	2,663	-
Ministers conference	853	-	-	853	1,473
Committees & conferences	20,869	-	-	20,869	19,592
	<u>75,949</u>	<u>-</u>	<u>-</u>	<u>75,949</u>	<u>81,741</u>

All income from charitable activities in 2021 was unrestricted.

5 Expenditure on Charitable activities

	Unrestricted	Restricted	Endowment	Total	Total
	£	£	£	2022	2021
	£	£	£	£	£
Assemblies, Conferences & Events	24,800	-	-	24,800	9,824
Employees (see note 7)	311,166	-	-	311,166	281,757
Home Mission and other grants (see note 6)	122,991	2,793	-	125,784	113,663
Hospitality	3,581	-	-	3,581	193
Management & administration	16,002	-	-	16,002	11,803
Depreciation	472	-	-	472	1,226
Property costs	27,780	-	-	27,780	17,850
Subscriptions	1,017	-	-	1,017	661
WeBox	7,281	-	-	7,281	11,468
Seventy-two	-	3,723	-	3,723	5,856
Independent examination	3,552	-	-	3,552	2,916
Legal & professional fees	1,520	-	-	1,520	61
Trustees expenses (included in note 7)	143	-	-	143	53
	<u>520,305</u>	<u>6,516</u>	<u>-</u>	<u>526,821</u>	<u>457,331</u>

6 Analysis of grants

	Total 2022 £	Total 2021 (restated) £
<i>Home Mission Grants:</i>		
Bristol University Chaplaincy	4,116	4,116
Brunswick	2,640	5,958
Cheddar	-	1,500
City Road	9,140	14,837
Jacob's Well	1,500	1,500
Knowle West	14,604	14,604
Leckhampton	3,254	-
Little Stoke	7,296	-
Locking Castle	6,996	-
Melksham	14,004	14,004
Nailsworth	4,000	1,667
Open House	7,300	-
Sheep Street	8,004	4,000
The Stowe	6,000	6,000
Victoria Park	2,915	-
Welton	6,996	6,996
Worle	-	12,621
<i>Funding for Pioneering Work:</i>		
Bussage	7,300	7,300
Portishead	7,300	7,300
<i>Other Grants:</i>		
English Churches Together	-	1,542
Grant from Tilshead Fund	1,126	2,320
Pastoral Support	1,000	-
Renew Wellbeing	7,500	-
Willow Garden - Portishead	2,793	120
Contribution to schools chaplaincy	-	7,278
	125,784	113,663
	125,784	113,663
<i>Sources of Funding:</i>		
From Baptist Home Mission support	114,865	104,223
From other churches to support specific work	7,000	7,000
From Tilshead fund	1,126	2,320
From income restricted to Willow Garden - Portishead	2,793	120
	125,784	113,663
	125,784	113,663

7 Staff costs and Trustee expenses

	2022	2021
	£	£
Regional Ministers' remuneration:-		
Revd. Nigel Coles - Trustee	37,840	37,715
Social Security costs (trustees)	3,130	3,268
Trustee Pension costs (see note below)	7,746	9,581
Total Trustees' remuneration	48,716	50,564
Staff Salaries	166,843	167,409
Social Security costs (staff)	10,846	11,222
Other Staff Pension costs (see note below)	21,050	3,011
Housing costs	26,912	25,538
Training - courses, conferences, assemblies	9,443	2,252
Council tax, water, telephone	12,230	11,173
Expenses and other costs	15,126	10,588
	311,166	281,757

The Memorandum of Association of the charity, approved by the Charity Commission, provides for remuneration and benefits to be paid to those persons appointed as Regional Ministers of the charity. Remuneration is paid to the Regional Ministers as fully accredited Baptist ministers of the Baptist Union of Great Britain to exchange information, provide advice and support to churches and their respective ministers and leaders enabling the charity to further its Objects.

<i>Pension Costs to SOFA</i>		2022	2021
Regional Ministers' pension contributions:-		£	£
Revd. Nigel Coles - Trustee	Baptist Pension Scheme	7,746	9,581
Staff	Baptist Pension Scheme	22,035	22,067
Pension deficit movement	Baptist Pension Scheme	(985)	(19,056)
		28,796	12,592

Staff numbers and key management personnel

	2022	2021
The average number of full-time equivalent employees (including part-time staff) during the year as follows:		
Regional Ministers	3.9	3.9
Office Administrative Manager & Trust Officer	0.9	1.0
Finance	0.3	0.4
Other Administration, Support & Outreach	1.4	1.5
	6.5	6.8

The actual number of staff during the year was 8.5 (2021 - 7)

The key management personnel were defined as the Trustees and the Regional Ministry team, the total employment benefits paid to this group amounted to £194,215 (2021 £196,936). This includes gross salary, housing allowance, employer's national insurance and pension contributions. Other benefits received are detailed above.

In 2022 no employee received remuneration of more than £60,000 per annum (2021 - Nil)

Trustee expenses

7 Staff costs and Trustee expenses (*continued*)

Pensions

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).

Ministers and some members of church staff are eligible to join the scheme. 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 Limited. 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.

Actuarial valuation as at 31 December 2019

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 Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (above CPI)	0.50
Assumed investment returns	
Pre-retirement	2.95
Post retirement	1.70
Deferred pension increases	
Pre-April 2009	3.20
Post April 2009	2.50
Pension increases	

7 Staff costs and Trustee expenses (continued)**Pensions- (continued)****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.

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

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below:

Accounting date (year ending):	31/12/2022	31/12/2021
Balance sheet liability at year start	63,700	80,356
Minus deficiency contributions paid	(2,237)	(19,056)
Interest cost (recognised in SoFA)	1,252	972
Actuarial (gains)/losses on re-measurement of liability (recognised in SoFA)	(62,715)	-
Remaining change to balance sheet liability* (recognised in SoFA)	-	1,428
Balance sheet liability at year end	<u>-</u>	<u>63,700</u>

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

The year -end creditor has been included in the accounts as follows:

Creditors (amounts falling due within one year)	-	13,795
Creditors (amounts falling due after more than one year)	-	49,905
	<u>-</u>	<u>63,700</u>

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:

Accounting date	31/12/2022	31/12/2021	31/12/2020
		(Restated)	(Restated)
Discount rate	5.70%	2.00%	1.40%
Future increases to Minimum Pensionable Income	3.30%	3.20%	2.70%
		2022	2021
		£	£
Total pension payments in the year			
BPS		28,796	12,592
Deficit contributions		2,237	19,056
		<u>31,033</u>	<u>31,648</u>

8 Taxation

No corporation tax has been provided in these accounts because the income of the charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

9 Statement of Financial Activities for the year ended 31 December 2021

	Unrestricted	Restricted	Endowment	Total 2021
	£	£	£	£
INCOME FROM:				
Donations	233,221	-	-	233,221
Investments	18,972	50	-	19,022
Charitable activities	81,741	-	-	81,741
Total Income	333,934	50	-	333,984
EXPENDITURE ON:				
Charitable activities	451,475	5,856	-	457,331
Total Expenditure	451,475	5,856	-	457,331
Investment gains/(losses)	-	-	66,296	66,296
Net Income/(expenditure)	(117,541)	(5,806)	66,296	(57,051)
Transfer between funds	60,000	-	(60,000)	-
Pension liability movements	(2,400)	-	-	(2,400)
Net Movement in Funds	(59,941)	(5,806)	6,296	(59,451)
Reconciliation of Funds				
Total funds brought forward 1 January 2021	1,189,669	37,661	968,397	2,195,727
Total Funds at 31 December 2021	1,129,728	31,855	974,693	2,136,276

10 Net income for the year

	2022	2021
	£	£
This is stated after charging:		
Independent Examiner's fees:		
Accounts preparation	1,880	1,800
Independent examination - current year	1,552	1,200
Depreciation	472	1,226
-under/(over)provided in prior year	120	(84)
	<u>472</u>	<u>1,226</u>

11 Fixed Assets

a) Tangible fixed assets

The movement in the year was as follows:-

	Freehold Property £	Office Equipment £	Total £
Cost			
Beginning of the year	488,631	19,300	507,931
	<u>488,631</u>	<u>19,300</u>	<u>507,931</u>
Depreciation			
Beginning of year	1,221	18,356	19,577
Charge for the period	-	472	472
End of year	<u>1,221</u>	<u>18,828</u>	<u>20,049</u>
Net book value			
31 December 2022	<u>487,410</u>	<u>472</u>	<u>487,882</u>
31 December 2021	<u>487,410</u>	<u>944</u>	<u>488,354</u>

b) Association Property

	2022 £	2021 £
Land at Emersons Green	176,490	176,490
Manse at 3 The Hawthorns, Bussage, Stockwood Church	300,270	300,270
	10,650	10,650
	<u>487,410</u>	<u>487,410</u>

12 Investments

	2022 £	2021 £
Market value at beginning of year	820,632	738,312
Acquisitions at cost	598,531	79,050
Sale proceeds from disposals	(554,021)	(66,628)
Gains in the period		
- Realised gains	19,745	2,546
- Net unrealised gains	(128,049)	63,751
Increase/(decrease) in cash balances	(164,153)	3,601
Market value as at 31 December	<u>592,685</u>	<u>820,632</u>

Investments at market value comprise:-

	2022 £	2021 £
UK equities	132,845	196,813
UK fixed interest securities	97,416	102,645
UK other investments	90,385	172,420
Overseas equities	267,461	344,639
Cash balances - WEBTC	(7,304)	(12,062)
Cash balances - Charles Stanley/Brewin Dolphin	11,880	16,176
Wholly Owned Trading Subsidiary	1	1
	<u>592,685</u>	<u>820,632</u>
Historical cost at 31 December	<u>563,401</u>	<u>681,394</u>

13 Programme-related investments

	Support		
	Loans	Properties	Total
	£	£	£
Balance at 1 January 2022	116,896	658,898	775,794
Transfer of property value to Emersons Green BC	-	(3,254)	(3,254)
Additions	230,252	-	230,252
Loan repayments	(60,829)	-	(60,829)
Balance at 31 December 2022	<u>286,319</u>	<u>655,644</u>	<u>941,963</u>

Programme related investment properties have been purchased when the charity has come across an opportunity to extend their charitable activities with a partner organisation, either immediately or in the future.

The following properties are held currently:

Manse at 1 Bishop Road, Emersons Green	235,848
61 Sion Road Bedminster	211,161
Woodside House, Stroud	208,635
	<u>655,644</u>

The Manse at 1 Bishop Road in Emerson's Green currently houses a church minister. The property is being acquired by the church under the Housing for Mission scheme agreement signed during 2011, whereby a proportion of the rent is being used to acquire further equity in the property. Should this property be sold the proceeds will be shared between the Church and the Association according to the equity share. The property was originally partly acquired for a purchase price of £290,164 using Evening fund proceeds. The current church equity is 18.72% £54,319 (2021 - £51,066).

The house at 61 Sion Road was purchased after the local church was about to close, to provide a base for a new ministry to begin. The house is currently being rented from the Association by Youth with a Mission to assist with their work amongst young people in the local area.

Woodside House, Stroud shares a common boundary with the Farmhill Church was purchased during 2015 to provide a base for new missionary work within the area. It is currently rented to a Christian charity operating a drug rehabilitation centre.

14 Debtors

	2022	2021
	£	£
Prepayments	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

15 Cash at bank and in hand

	2022	2021
	£	£
HSBC Bank	10,961	10,361
CAF Cash/Gold	30,350	115,035
COIF Charity Fund	14,514	14,336
Petty cash	(169)	1
	<u>55,656</u>	<u>139,733</u>

16 Creditors

	2022	2021
	£	£
Amounts falling due within one year		
Other Creditors	4,028	-
Accruals and deferred income	29,164	25,537
Pension deficit liability	-	13,795

17 Statement of Funds

Current Year

	At 1 January 2022 £	Income £	Expenditure £	Other Movements & Transfers £	At 31 December 2022 £
Unrestricted					
General fund	52,731	421,707	(517,927)	94,503	51,014
Designated					
Fixed assets	301,414	-	-	(672)	300,742
Programme-related investments	775,794	-	-	166,169	941,963
Painswick	14,943	-	-	-	14,943
Partnership for Mission	40,028	14,006	-	(25,200)	28,834
Tilshead Fund	8,518	-	(1,126)	-	7,392
Pension deficit fund	(63,700)	2,237	(1,252)	62,715	-
Total unrestricted funds	1,129,728	437,950	(520,305)	297,515	1,344,888
Restricted					
Seventy-two	4,393	-	(3,723)	-	670
Willow Garden	-	3,400	(2,793)	-	607
Leighterton & Culkerton	16,812	179	-	-	16,991
Stockwood Church	10,650	-	-	-	10,650
Total restricted funds	31,855	3,579	(6,516)	-	28,918
Expendable endowment					
Income fund	798,403	-	-	(302,705)	495,698
	798,403	-	-	(302,705)	495,698
Permanent endowment					
Avening Fund	176,290	-	-	200	176,490
Total Endowment	176,290	-	-	200	176,490
Total Endowment	974,693	-	-	(302,505)	672,188
TOTAL FUNDS	2,136,276	441,529	(526,821)	(4,990)	2,045,994

17 Statement of Funds (continued)

Prior Year	At 1 January	Income	Expenditure	Other	At 31
	2021			Movements	December
	£			& Transfers	2021
		£	£	£	
Unrestricted					
General fund	53,456	317,761	(435,151)	116,665	52,731
Designated					
Fixed assets	302,640	-	-	(1,226)	301,414
Programme-related investments	795,569	-	-	(19,775)	775,794
Painswick	14,943	-	-	-	14,943
Partnership for Mission	89,859	16,173	(14,004)	(52,000)	40,028
Tilshhead Fund	13,558	-	(2,320)	(2,720)	8,518
Pension deficit fund	(80,356)	-	-	16,656	(63,700)
Total unrestricted	1,189,669	333,934	(451,475)	57,600	1,129,728
Restricted					
Seventy-two	10,249	-	(5,856)	-	4,393
Leighterton & Culkerton	16,762	50	-	-	16,812
Stockwood Church	10,650	-	-	-	10,650
Total restricted	37,661	50	(5,856)	-	31,855
Expendable endowment					
Income fund	792,107	-	-	6,296	798,403
	792,107	-	-	6,296	798,403
Permanent endowment					
Avening Fund	176,290	-	-	-	176,290
Total Endowment	176,290	-	-	-	176,290
Total Endowment	968,397	-	-	6,296	974,693
TOTAL FUNDS	2,195,727	333,984	(457,331)	63,896	2,136,276

During the year the trustees have taken the opportunity to further analyse their funds as follows:

General Fund (unrestricted)

This represents the free funds of the charity which are not designated for particular purposes, following the re-distribution of the funds held by the Association.

Fixed Asset Fund (designated)

This fund exists to support the Association in funding the fixed assets it needs to carry out its charitable objects. It includes equipment, the manse at Bussage and the portion of land held at Emersons Green not held within endowment funds (see notes 18 and 19).

Programme-related Investments Fund (designated)

This fund exists to provide support to the churches and individuals within the Association, for purposes approved by the Executive of the charity. This support includes loan finance to property projects, local churches and in special cases, individuals. Interest on loans is subject to negotiation, but at a rate not greater than that charged by the Baptist Union Corporation Limited.

Painswick Fund (designated)

This fund was created from the closure of the United Church at Painswick and represents the balance of the funds held

17 Statement of Funds (continued)**Tilshead Fund (designated)**

This fund has been set aside from the proceeds of the former Tilshead Baptist church to help fund outreach activity in the surrounding area in partnership with other local Baptist Churches.

Pension deficit fund (designated)

This negative fund relates to agreed payments the Association owes the Baptist Union Pension scheme over the coming years as described in note 7 above. The fund has been set aside separately such that free reserves can be shown separately to the pension catch up payments. No deficit remains at the 2022 year-end.

Seventy-two (restricted)

Seventy-Two is a network and catalyst for mission across the Baptist Union of Great Britain. Webnet has taken the lead in the programme and records and manages the income and expenditure as a Restricted Fund. Income has come directly from other Associations or from the Baptist Union itself and is used to cover employment and other overheads running the programme or on specific Seventy-Two projects.

Leighterton & Culkerton (restricted)

This capital fund, held under a trust created in July 1947, exists to provide income for the Leighterton & Culkerton churches in Gloucestershire. Both churches have now closed so the income of the fund may be used for Colportage and Evangelistic work in the surrounding villages and district.

Stockwood Church Fund (restricted)

This fund represents the cost of the Stockwood Church which is governed by an ultimate trust dated June 1977. Should the church close and the premises sold, the proceeds will be shared between the Association and Bristol City Mission Society.

Willow Gardens Fund (restricted)

This fund records amounts received and expended for Willow Gardens, Portishead. Willow Gardens hosts regular outdoor Christian worship, primarily amongst those who would not otherwise engage with church. It is a welcoming space for everyone to garden, chat, grow and belong.

Income Fund (Expendable endowment)

This fund holds the charitable company's investments, all of which are held in with Brewin Dolphin Limited. The purpose of the fund is to generate income for the on-going work of the Association. The fund is held as part of the company's reserve and all or part of it may be transferred to unrestricted funds by decision of the trustees. At the year-end the General fund was below its agreed minimum, so an additional transfer back has been used to restore the General Fund.

Avening Fund (Permanent Endowment)

This endowment fund was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The scheme restricted the use of the capital in the fund to the provision of premises of churches within the South Gloucestershire area. This is the land at Emerson's Green.

18 Assets analysed between funds**Current Year**

	Unrestricted	Restricted	Endowment	Total 2022
	£	£	£	£
Tangible Fixed assets	300,742	10,650	176,490	487,882
Programme-related investments	941,963	-	-	941,963
Investments	693	3,985	588,007	592,685
Net current assets	101,490	14,283	92,309	23,464

18 Assets analysed between funds (continued)**Unrestricted: analysed between funds**

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	300,742	300,742
Programme-related investments	-	941,963	941,963
Investments	-	693	693
Net current assets	51,014	50,476	101,490
	<u>51,014</u>	<u>1,293,874</u>	<u>1,344,888</u>

Prior Year

	Unrestricted	Restricted	Endowment	Total 2021
	£	£	£	£
Tangible Fixed assets	301,414	10,650	176,290	488,354
Programme-related investments	775,794	-	-	775,794
Investments	(4,065)	3,985	820,712	820,632
Net current assets	106,490	17,220	(22,309)	101,401
Creditors of more than one year	(49,905)	-	-	(49,905)
	<u>1,129,728</u>	<u>31,855</u>	<u>974,693</u>	<u>2,136,276</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	301,414	301,414
Programme-related investments	-	775,794	775,794
Investments	-	(4,065)	(4,065)
Net current assets	52,731	53,759	106,490
Creditors of more than one year	-	(49,905)	(49,905)
	<u>52,731</u>	<u>1,076,997</u>	<u>1,129,728</u>

19 Share capital

The company is limited by guarantee and therefore has no share capital.

20 Capital expenditure commitments

At the time of production of this Annual Report and Accounts no capital expenditure has been authorised.

21 Related party transactions

During the period, West of England Baptist Association was the parent company of West of England Baptist Payroll Company Limited.

During the year Management charges amounting to £7,200 (2021 - £7,200) towards the administrative costs were paid to the Association. The company paid a donation of £29,053 (2021: £18,959) to the charity during the year.

The West of England Baptist Trust Company is a wholly owned subsidiary of the West of England Baptist Association. The charity administers the Association's investments on its behalf. During the year, the Association received dividends and income of £19,057 (2021: £19,025). At the year end, the company held investments of £588,007 (2021: £820,712), and the Association owed a cash amount of £7,304 to the Trust Company (2021: £12,062). The Trust Company also paid the Association £9,000 (2021: £9,000) towards administrative costs during the year.

During the year donations of £nil were received from Trustees (2021 - £nil).

Details of trustees' remuneration and trustees' expenses reimbursed are shown in note 7.

There were no other related party transactions during the year.

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales - Charity number 1092443

Accounts



West of England Baptist Association
(A Company limited by Guarantee)
Operating as **Webnet**

ANNUAL REPORT & ACCOUNTS

for the year ended 31 December 2021

Registered in England Company number: 04326752

Charity number: 1092443



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Report of the trustees for the year ended 31 December 2021

The trustees are pleased to present their report with financial statements of the charity for the year ended 31 December 2021. Throughout this document The West of England Baptist Association is referred to by its current operating name "Webnet".

Reference and administrative information set out on pages 9 and 9 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP FRS 102) and in accordance with the special provisions for small companies under the Companies Act 2006.

Objectives and Activities

Public Benefit

The trustees have considered the Commission's guidance on public benefit under the Charities Act 2011 and, in particular, the specific guidance on charities for the advancement of religion.

Objects of the charity

The principal object of the charity continues to be the advancement of the Christian faith, 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.

In fulfilling the objects of the Association trustees devised a purpose statement a few years ago which remains core to programmes and activities: -

"Webnet is a fellowship of Baptist Churches Encouraging each other and Growing healthy congregations by Enriching relationships, developing ministry and Enabling fruitful mission".

Achievements and Performance

The network represents and serves Baptist churches and communities worshipping and working in the West of England, seeking to encourage our congregations in their mission as God's people and to support them in the equipping of missional disciples.

Coronavirus Pandemic

Although 2021 saw the lifting of several government restrictions initially implemented to protect people during the 2020 Coronavirus Pandemic, some restrictions remained in force throughout the year, with a continued impact on the lives of individuals, church communities, and the work of the association.

Churches and communities in Webnet were supported through this period with information updates, pastoral and prayer support, as well as a number of opportunities to nurture emotional and spiritual wellbeing during this time. We also recognised that this time was a significant opportunity for learning and developing our understanding

of how God is calling us to be disciples in uncertain times and so questions, conversations, and publications regularly centred around what God has been revealing and what he has been highlighting for individuals and church communities.

As restrictions around gatherings and social distancing continued through most of the year, Webnet staff worked largely from home and our events and gatherings took place mostly online.

Rhythms of Grace

The heading for a series of online events throughout 2021, in recognition of the ever-present God of grace, always with and for his people. A time of significant challenge, but throughout one in which we were held by the grace of God, these events were opportunities for reflection, devotion and equipping. The series began with our annual Pastoral Leaders Conference led by Bev Shepherd on the theme of *Resilience* – putting on our own oxygen masks before caring for others and was followed by three further mornings led by Andy Percey, Guy Yeomans and Geoff Colmer.

In addition to *Rhythms of Grace*, pastoral leaders in Webnet were offered a *Cultivating Good Mental Health* Workshop, hosted by Transpire Training, in support of their wellbeing at this challenging time.

Gospel planting

Planting the gospel is becoming a helpful way of expressing what the focus for any new Webnet initiative might be. A number of new initiatives were launched in 2021, including Open House Community Church and Southside in Bristol, as well as the Webnet Hong Kong Network.

Our online event *The Gospel for all*, with Yinka Oyekan helped to strengthen a renewed emphasis on the need to make the good news of Jesus accessible to everyone across our region. In particular, we recognise the lack of cultural and ethnic diversity among our church communities.

One of our clearest responses in 2021 has been our engagement with the mass migration of people from Hong Kong, after the UK Government opened a new route for people in Hong Kong with a British National Overseas Passport to come to the UK.

We've been blessed to work with and have the support of Chi Wai, previously leader of the Hong Kong Church Renewal Movement and now living in Bristol. Additionally, we are looking forwards to working with Candy Choy who will become our Webnet Hong Kong Network Minister.

Eco Network

The environment will continue to be a massive, global challenge, and we want to encourage everyone in our churches to see themselves as part of the solution. In July Ros Durrant, a member of the Baptist Union Environmental Network was appointed as a Webnet Trustee to help raise awareness around creation care. In particular Ros

is supporting Webnet churches looking to become Eco Churches and has already run two helpful workshops for those exploring the concept.

As a network we are looking towards becoming an Eco Association. A group is beginning to form, and we hope to galvanise plans to attain this status over the coming year.

Equipping Missional Disciples

As well as helping to equip missional disciples to navigate these challenging times, reaching people from diverse cultural and ethnic communities, and caring for God's creation, we continued to work with disciples, leaders, leadership teams, churches and missional communities, to help equip us as a network to embody the kingdom of God in the here and now as carriers of God's future.

- **Re:Imagine**
Our learning community for leadership teams continues to be a transformative tool in helping churches to develop and see growth in terms of lives changed by Jesus in their communities. Context is important and whilst no two churches are the same, all have been affected by the Coronavirus Pandemic and its implications for gatherings. In 2021 a further 4 teams began the Re:Imagine process and we continue to journey with those who engaged with the process over previous years.
- **Invest**
Invest is a Missional Leadership programme run by Webnet, overseen by Dave Kingswood. It involves church leaders identifying people they would like to invest in for a church in their leadership development. Five churches have invested in 8 'Investers' this past year. They have focused on a number of different areas of missional leadership development in their local churches.
- **Equipping Missionary Disciples**
EMD is a Bristol Baptist College initiative, which Webnet has been actively involved in the shaping and coordination of the course. There is intentional focus on equipping theologically informed missional disciples for the contemporary world. Students can complete the entire course with assignments for credits or audit individual modules of choice that benefit their ministry/leadership.
- **Albania Partnership and WEBox**
In 2021 we continued our relationship with Baptist Churches in Albania through the Albanian Baptist Union. This was a combination of individual churches in Webnet supporting churches there, as well as our annual WEBox Appeal. We shared the funds raised in the appeal with the ABU, who used these to equip disciples in Albania to buy gifts of compassion for children at Christmas time.

- **Mission Grants to churches**

Giving to Home Mission made it possible for us to give £110,525 in grants to churches, developing missional communities, chaplaincy, ecumenical bodies, and the support of individuals being resourced and enabled to better engage in God's mission throughout the west of England. We also set aside some funds to be used as Mission Project Grants.

Home Mission giving is helping equip Ministers in Training and Newly Accredited Ministers. It is also equipping and enabling the development of individuals in our churches through the Invest process, leadership teams through Re:Imagine, and it helps in providing the Free Church Chaplain in Bristol University.

- **Webnet CYF (Webnet Children Youth and Families)**

Throughout the Webnet region we have approximately 25+ CYF workers. Some work part-time and others full-time. Throughout this past year we have met online and in person on seven occasions. We also held a virtual retreat led by Ian Stackhouse. A WhatsApp group has been set up where the group can share request and resources with each other. We're delighted to have Heulwen Evans as the group administrator and Becky Allison as the Webnet representative on the BU CYF Roundtable. Our representative on the BU Young Leaders Roundtable is Danny Brown.

- **MRC**

There are two MRC groups: The Webnet MRC who oversee NAMs and their commendation, and The Regional Partnership MRC who oversee applications for accredited Baptist Ministry. During this last year the Regional Partnership held two MRC interview sessions. There were four new candidates from the Webnet region. There were two people commended by the Webnet MRC after completing their NAM's period successfully. Webnet staff have taken responsibility for the administration of the Partnership MRC.

- **Settlement**

Settlement team nationally no longer meets very frequently, with Accredited Ministers now able to apply to churches in vacancy online. Webnet are providing a settlement process, which is seeking to harness the best of the old and new together.

Challenges and Opportunities

- A number of churches are facing serious questions concerning their future. A combination of the challenge of maintaining ageing buildings and fewer active members appear to be the biggest factors.
- The Webnet policy of encouraging the appointment of a Missional Steering Group is continuing to bear fruit. BUC have adopted the MSG model and now commend it to regions without a Trust Company. We continue to work with churches for whom their very survival is a pressing question.

- The trustees are considering how best to address the challenges to our main funding mechanism of Home Mission.

Gratitude

We're grateful for our staff team and the way in which they adapted to a number of changes during 2021, whilst continuing to walk alongside pastoral leaders and churches and facilitating life in and across our churches.

We're thankful too to our Trustees for their diligence and time as they continue developing Webnet in a number of ways, aligning our resources with our mission and purpose as we partner in mission together as a network of churches.

As ever we are of course enormously grateful to all our churches and church communities who pray, discern and take steps, often bold ones, in the mission of God and thereby together endeavour to advance the Christian faith for God's glory here in the West of England.

Financial review

The charity has claimed exemption from preparing consolidated accounts as permitted by the Statement of Recommended Practice (SORP FRS102) and Accounting Regulations, as the income of the group is below the relevant threshold of £1,000,000. Individual accounts for each entity in the group have been prepared with the West of England Baptist Trust Company being independently examined and West of England Baptist Payroll Company being subject to an accountant's report. Copies of the accounts are available from the charity's registered office.

The statement of financial activities for the year is set out on page 16. The charity reports an overall deficit (net movement of funds) for the year of £59,451 (2020 surplus £98,617 which benefitted from receipts from a church closure).

The Association uses its income to fund the infrastructure of the Association, to run various training and development programmes and to make individual grants to churches. The infrastructure element of the grant is used to fund the cost of the regional ministers and regional support staff. Their work in turn enables churches to develop and be more effective.

The Unrestricted Fund reported a net deficit before funds transfers and changes in pensions liability of £117,541. The principal source of funding remains the Home Mission grant from the Baptist Union of Great Britain. The amount of the grant is governed by how much individual churches decide to donate to Home Mission. For many years, the response to the Home Mission appeal has been gradually falling and therefore this major income source for Webnet continues to be under pressure. In 2021 the grant showed a 9% fall to £178,233 (2020: £195,581), entirely caused by a retrospective reduction to cover a Baptist Union deficit in 2020.

Webnet has sought to maintain a consistent level of grant and Regional Ministry support to churches in achieving of their objectives. This has been done by (a) seeking income sources in addition to the Baptist Union grant, (b) releasing funds from designated accounts, and (c) releasing funds from reserves, mainly expendable

endowments. These steps enabled Webnet to maintain the general fund at just over £50,000 in line with the Reserves Policy.

Charging for charitable activities (accounts note 4) raised £81,741 (2020: £61,905).

No new loans (note 13) were made to churches during the year and the outstanding balance on support loans decreased from £126,921 to £116,896.

Investment income (note 3) were steady at £19,022 (2020: £19,442).

Grants to churches and others are listed in (note 6), in 2021 these totalled £113,663 (2020: £124,797) against a planned figure of £111,000, the intention is that the number and overall value of grants will be maintained over time but the steady fall in income brings that into some question for the periods ahead.

After adjusting the prior year salary figure, see note 7, salary costs have increased to £167,409 from £164,578 an increase of 1.7%. One member of staff increased hours in 2021 and started lecturing at Bristol Baptist College for which the College reimbursed (see note 4 Income for Regional Ministers). In addition a Regional Minister purchased their house from the Baptist Union so now receives a housing allowance. Against that the BU are now paying an additional grant which more than covers the extra cost. In addition Note 7 details the Association's membership of and liability to the Baptist Pension Scheme, at the end of the year the liability stood at £63,700 (2020: £80,356).

The Trustees are indebted to the substantial support provided by the many volunteers but are unable to put any financial evaluation into the accounts because it is unable to quantify such assistance.

Subsidiary companies

The subsidiary trust company which is non-profit making, provides support to the churches regarding church and manse properties held in trust. The subsidiary payroll company provides a full payroll service for churches that wish to outsource their payroll to a trusted provider. Several of our churches are faced with important decisions as to what to do with their existing buildings, particularly where there are restrictions because of listed building status. The board members of the Trust companies continue to give unstintingly of their time and experience in assisting those churches under their care. The Payroll Company has continued to grow under the expert attention of their staff, the service has been extended to both churches and staff of other Associations. This is an increasingly important service provided to churches and seen as best practice amongst other Associations in the Baptist Union.

We are grateful for the support provided to the subsidiary companies by volunteers who give valued specialist advice both to the Trust Officer and the churches in relation to their buildings.

Related parties

The charity is a member of the Baptist Union of Great Britain from which significant grant funding is received and details of this are set out in the notes to the financial statements. See also under 'Organisation' for details of relationships with subsidiary companies

Investment performance

The Webnet portfolio is held by the Trust Company, in order to minimize the management fees and to improve performance. The portfolio has continued to recover from the impact of Covid and ended the year 8% higher the start of the year.

The overall income return was 2.4% of the average value of the portfolio through the year (against our normal benchmark of 3.8%) and is managed on a basis with the Baptist Union's revised ethical policy. A full review of the management of the portfolio led to a decision to change the managers from Charles Stanley to Brewin Dolphin, the change was implemented after year end.

Principal Financial Management Policies

Reserves Policy

Webnet has a substantial reserve held in expendable endowment. These are funds that have been gifted to the charity that are capital in nature, but not restricted. Appropriately allocating them to an expendable endowment fund allows the trustees to utilise the capital funds to generate income to serve the ongoing needs and purposes of webnet, or if necessary to convert the funds to general funds as needed. Webnet also needs an operating reserve in the general fund to meet current liabilities. At their meeting in March 2021 the Trustees adopted the following wording as the Reserves Policy:

it is the policy of webnet to hold reserves as expendable endowment for use in serving the association churches and for webnet strategic development. It is also webnet policy to maintain the General Fund at no less than £50,000.

The free reserves of the charity at the year-end are £52,731 and are the same as those held in General Funds. Free reserves are calculated to be the total funds of webnet less those funds that are restricted, endowed, designated or otherwise committed.

Investment policy

Under the memorandum and articles of association the charity has the power to make any investment that the trustees see fit. The investment policy is a balanced one of income and growth to ensure adequate income for the day to day needs of the charity coupled with capital growth to maintain and increase over time the value of the portfolio to protect the charity against inflation and to ensure the charity has the ability to meet major capital projects should it be needed, particularly church planting opportunities. The investment policy follows the ethical guidelines prescribed by the Baptist Union and is reviewed annually.

Reference and administrative information

Constitution

Webnet is a company limited by guarantee and a registered charity governed by its memorandum and articles of association and byelaws.

Registered as: West of England Baptist Association
Charity number: 1092443

Company number: 04326752

Directors and trustees

Trustees/Executives

Steven Christian - Chairman

Philip Poole – Honorary Treasurer

Nigel Coles – Regional Minister & Team Leader

Roslyn Durrant (from 12 July 2021), Stephen Finamore, Todd Nightingale (from 12 July 2021), Paul Rhodes (from 12 July 2021). Paul Salmons, Graham Sims. Susan Woodley (from 12 July 2021)

Regional Ministry Team

Nigel Coles, Alisdair Longwill, Gary Woodall and Lindsay Caplen

Company Secretary

Robert English

Registered Office

Little Stoke Baptist Church, Kingsway, Little Stoke, Bristol. BS34 6JW.

Independent examiner Joshua Kingston BSc ACA,
Burton Sweet Limited, Chartered Accountants, The Clock Tower, Farleigh Court, Flax Bourton, Bristol BS48 1UR

Bankers

CAF Bank Limited, Kings Hill, West Malling, Kent. ME19 4TA

HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3BA

Solicitors

Clarke Willmott, Blackbrook Gate, Blackbrook Park Avenue, Taunton TA 1 2PG

Investment Advisors

Charles Stanley & Co Limited, 25 Luke Street, London, EC2A 4AR

Structure, Governance and Management

Recruitment and Appointment of Trustees

The Directors of the charitable company (“Webnet” or “West of England Baptist Association”) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees or the Executive. As set out in the Bye-Laws pursuant to the Articles of Association, the Officers of the Association, Moderator, Company Secretary, Honorary Treasurer and Regional Ministers shall be nominated by the trustees, following consultation with member churches, to the Annual General Meeting. Periods of service shall be decided by the trustees and notified to the AGM. The Company Secretary is a non-voting trustee.

Appointment or re-appointment of trustees is subject to nomination from appropriate geographical groups of churches for submission to the AGM. Members shall serve for four years. The Executive has the power to co-opt additional members.

Training has been organised for Trustees and all new trustees are provided with details of their roles and responsibilities and when necessary the trustees receive training on their responsibilities.

Organisation

The charity is governed by a Board of Trustees, (the executive) who meet regularly to discuss fulfilment of aims, objectives and purpose statement of the Association. The trustees operate in between meetings through two teams that report directly to the trustees. Each team has its own terms of reference for dealing with various aspects of Association life and each has its own Team leader:-

Finance Team: Moderator – Philip Poole

Staff Advisory Group: Moderator – Graham Sims

The trustees and teams are supported by a small number of part-time staff who perform various administration duties. At the Annual General Meeting, all churches that make up the Association have the opportunity to send delegates and approve agenda business.

The West of England Baptist Trust Company Limited (WEBTC) acts as ultimate trustee for the Association churches which are in trust with it. Webnet has the sole right to appoint WEBTC trustees. The WEBTC board consists of directors who are also directors of Webnet plus independent directors. The objects of the WEBTC charitable company is to act as custodian trustee, and in conjunction with the respective managing trustees, take responsibility for the property and investment portfolios, held in trust, on behalf of churches in Bristol, North Somerset and South Gloucestershire, Wiltshire, Swindon, and East Somerset for WEBTC areas. Webnet also has a wholly owned subsidiary company, The West of England Baptist Payroll Company Limited which handles the payroll service on behalf of churches. This is a non-profit making company whose costs are met from subscriptions paid by churches that use the service. The Webnet trustees following recommendation from the Finance team appoint the directors of this company.

Statement of trustees' responsibilities

The trustees (who are also directors of West of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees and signed on their behalf by:

.....
Company Secretary

Dated 8th July 2022

Independent examiner's report to the trustees of West of England Baptist Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Joshua Kingston BSc ACA
Burton Sweet Limited Chartered Accountants
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 8th July 2022

Statement of financial activities
For the year ended 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
INCOME FROM:						
Donations	2	233,221	-	-	233,221	442,605
Investments	3	18,972	50	-	19,022	19,442
Charitable activities	4	81,741	-	-	81,741	61,905
Total Income		333,934	50	-	333,984	523,952
EXPENDITURE ON:						
Charitable activities	5	451,475	5,856	-	457,331	445,499
Fees on sale of property		-	-	-	-	2,836
Total Expenditure		451,475	5,856	-	457,331	448,335
Investment gains/(losses)	12	-	-	66,296	66,296	(15,088)
Net income/expenditure		(117,541)	(5,806)	66,296	(57,051)	60,529
Transfers between funds	17	60,000	-	(60,000)	-	-
Pension liability movements	17	(2,400)	-	-	(2,400)	38,088
Net Movement in Funds		(59,941)	(5,806)	6,296	(59,451)	98,617
Reconciliation of Funds						
Total funds brought forward 1 January 2021	17	1,189,669	37,661	968,397	2,195,727	2,097,110
Total Funds at 31 December 2021	17	1,129,728	31,855	974,693	2,136,276	2,195,727

The comparative Statement of Financial Activities can be seen in note 9

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

Summary income and expenditure account
For the year ended 31 December 2021

	Total	Total
	2021	2020
	£	£
Total Income	333,984	382,167
Total Expenditure	(457,331)	(445,499)
Investment gains	66,296	(1,079)
Pension liability movements	(2,400)	38,088
Transfers (to)/from endowment funds	60,000	(30,000)
Net income/(expenditure) for the year	<u>549</u>	<u>(56,323)</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

Balance Sheet
As at 31 December 2021

		Total 2021	Total 2020
		£	£
Fixed assets	Note		
Tangible assets	11a	488,354	489,580
Investments	12	820,632	738,312
Programme-related investments	13	775,794	795,569
		<hr/>	<hr/>
		2,084,780	2,023,461
Current assets			
Debtors	14	1,000	16,022
Cash at bank and in hand	15	139,733	259,967
		<hr/>	<hr/>
		140,733	275,989
Creditors: amounts falling due within one year	16	(39,332)	(33,534)
Net current assets		<hr/>	<hr/>
		101,401	242,455
Total assets less current liabilities		<hr/>	<hr/>
		2,186,181	2,265,916
Creditors: amounts falling due within one year			
Pension deficit liability		(49,905)	(70,189)
Net Assets		<hr/>	<hr/>
		2,136,276	2,195,727
The funds of the charity:			
Unrestricted funds:			
General	18	52,731	53,456
Designated	18	1,076,997	1,136,213
		<hr/>	<hr/>
		1,129,728	1,189,669
Restricted	18	31,855	37,661
Endowment	18	974,693	968,397
Total funds		<hr/>	<hr/>
		2,136,276	2,195,727

For the year ended 31st December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the trustees on July 8, 2022 and signed on their behalf by:

.....
 Rev Steven Christian
 Chair of Trustees
Company number: 04326752

The accompanying notes form an integral part of these financial statements.

Notes to financial statements**31 December 2021****1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. This has been determined by the Trustees after consideration of the effects of Covid-19 on the association and the wider economy.

The association constitutes a public benefit entity as defined by FRS 102.

a) Income

Income from grants, donations and other voluntary income are recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be measured reliably. Legacies are recognised when it is probable that they will be received and the amount can be measured with sufficient reliability.

b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Expenditure relates primarily to staffing and support costs required to enable the charity to serve the Baptist Church communities in the West of England. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, new church planting, buildings, youth work, training, payroll service and finance. In addition, the charity makes a number of grant payments to Baptist churches and to support different ministries including the Churches Together bodies across the region.

Governance Costs

Governance costs are associated with constitutional and statutory requirements, including those costs associated with the strategic management of the charity's activities. These are included within support costs.

c) Grants

There are effectively three kinds of Home Mission Grants:

- Mission through Ministry Grants (awarded to established churches)
- Special Ministry Grants (awarded to developing new expressions of church & missional communities)
- Mission Project Grants (one-off grants awarded as seed funding for a mission project)

The association is free to decide how much to budget for grants to churches etc. out of the income received from the national Home Mission appeal and other income sources. It can then award Home Mission grants as it chooses. The relevant forms are issued at the beginning of the year and various churches/new expressions of church etc. can then submit a grant application. Once these have been received back and collated, the association Home Mission Grants Awards Group meets to consider all the applications. This group make provisional decisions regarding the awarding of grants; these are then brought to the association Trustees for ratification; and the final step (which offers the element of accountability to our association partners) is the presentation of the proposed grants to the inter-association Partnership for their consideration and eventual approval (for WEBA the inter-association partners are South Wales Baptist Association; South West Baptist Association; and Southern Counties Baptist Association).

d) Pension costs

The charity makes contributions to the Baptist Pension Scheme (formerly Baptist Minister's Pension Trust Limited). Pension costs are charged to the Statement of Financial Activities as incurred. Please see note 7 for more details on the policy used.

1 Accounting policies (*Continued*)

e) Tangible Fixed Assets

Tangible fixed assets are stated initially at cost less subsequent depreciation.

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

Office equipment – 25%

No depreciation is charged on freehold property or land as in the opinion of the trustees the properties have a long useful life. An assessment for indications of impairment is made on an annual basis.

f) Investments

Investments held as fixed assets are stated at their market value as at the balance sheet date. Differences in market values from the previous year are accounted for as unrealised gains or losses.

Investments are managed on behalf of the company on a discretionary basis by Charles Stanley to achieve a balanced return from income and capital growth, whilst accepting a moderate level of risk. Investment Guidelines, determining the strategic distribution of funds are agreed by the trustees periodically. Charles Stanley may exceed these guidelines, but only after seeking the authority of the trustees. The trustees also follow the Baptist Union of Great Britain Investment Policy for ethical investments which restricts investment in companies with significant trading interests in armaments, alcohol, gambling or tobacco, where "significant" is taken to mean greater than 5%.

Charles Stanley are not responsible for the management of the company's tangible fixed assets, loans granted or cash held directly in the name of the company.

Income from investments is accounted for when receivable.

g) Programme related investments

Support loans are made to churches or individuals to help them achieve their charitable objectives where they line up with those of the charity. Interest is paid at a rate agreed by the trustees. They are recognised at the amount outstanding to the charity at the end of the year.

The properties are rented out to other organisations with similar charitable objects as those of the charity. They are valued in the accounts at cost. The trustees review the properties annually for indicators of impairment. The trustees do not consider it appropriate to depreciate the assets as, over time, the assets are being held at less than their market worth.

h) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects;
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity.
- *Permanent endowment* - was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The capital of the scheme restricted the use of the fund to the churches within the South Gloucestershire area.
- *Expendable endowment* - represents donations given towards the capital of the charity of which the purpose of the fund is to generate income for the on-going work of the Association. The trustees have the power to convert these funds to general funds.

Expenditure which meets these criteria is charged to the funds.

Further explanation of the nature and purpose of each fund is included in note 17.

i) Current assets

Amounts owing to the Association at 31 December in respect of fees, rents or other income are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Association. Subsequently, they are measured at the level of cash or other consideration expected to be received.

j) Current liabilities

Creditors and provisions are recognised when the Association has a present obligation arising 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.

Liabilities are measured on recognition at their historical cost and then subsequently at the best estimate of the amount required to settle the obligation at the reporting date.

1 Accounting policies (Continued)**k) Gains and losses**

All gains and losses are taken to the SoFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or purchase value if purchased during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Income from Donations

The following donations, legacies and grants were receivable during the year:-

	Unrestricted	Restricted	Endowment	Total 2021	Total 2020
	£	£	£	£	£
Home Mission Funding	178,233	-	-	178,233	195,581
Donations	3,300	-	-	3,300	19,366
Partnership for Mission	16,173	-	-	16,173	31,742
Other grants	25,051	-	-	25,051	30,000
WeBox Appeal	10,464	-	-	10,464	24,131
Share of proceeds on sale of Tattershall, URC	-	-	-	-	141,785
	<u>233,221</u>	<u>-</u>	<u>-</u>	<u>233,221</u>	<u>442,605</u>

The charity has a close relationship with the Baptist Union of Great Britain (which is also a charity) and receives significant funding from it. The Home Mission funding is a share of the monies donated to the Baptist Union of Great Britain by churches in the area covered by the Association.

Grants for Churches Together within the Association area and for special projects are now allocated separately following a restructuring of the way in which the Baptist Union Home Mission grants are distributed.

All income from donations in 2020 was unrestricted except for £141,785 endowment income related to proceeds on sale of Tattershall, URC.

3 Income from Investments

	Unrestricted	Restricted	Endowment	Total 2021	Total 2020
	£	£	£	£	£
Income from investments	18,959	50	-	19,009	19,437
Bank interest	13	-	-	13	5
	<u>18,972</u>	<u>50</u>	<u>-</u>	<u>19,022</u>	<u>19,442</u>

All income from investments in 2020 was unrestricted.

4 Income from charitable activities

	Unrestricted	Restricted	Endowment	Total 2021	Total 2020
	£	£	£	£	£
Church income re Regional Ministers	21,721	-	-	21,721	1,153
Management charges - Payroll and Trust Companies	16,200	-	-	16,200	16,200
Programme related investment income	22,755	-	-	22,755	31,942
Ministers Conference	1,473	-	-	1,473	11,579
Committees & conferences	19,592	-	-	19,592	1,031
	<u>81,741</u>	<u>-</u>	<u>-</u>	<u>81,741</u>	<u>61,905</u>

All income from charitable activities in 2020 was unrestricted.

5 Expenditure on Charitable activities

	Unrestricted	Restricted	Endowment	Total 2021	Total 2020
	£	£	£	£	£
Assemblies, Conferences & Events	9,824	-	-	9,824	17,256
Employees (see note 7)	281,757	-	-	281,757	246,264
Home Mission and other grants (see note 6)	113,663	-	-	113,663	124,797
Hospitality	193	-	-	193	847
Management & administration	11,803	-	-	11,803	15,214
Depreciation	1,226	-	-	1,226	1,603
Property costs	17,850	-	-	17,850	13,630
Subscriptions	661	-	-	661	724
WeBox	11,468	-	-	11,468	19,236
Seventy-two	-	5,856	-	5,856	-
Independent examination	2,916	-	-	2,916	3,240
Legal & professional fees	61	-	-	61	2,688
Trustees expenses (included in note 7)	53	-	-	53	-
	<u>451,475</u>	<u>5,856</u>	<u>-</u>	<u>457,331</u>	<u>445,499</u>

6 Analysis of grants

	Total 2021	Total 2020
	£	£
Grants to churches:		
The Stowe	6,000	6,000
Knowle West Baptist Church	14,604	14,604
Jacob's Well	1,500	-
Worle Baptist Church	12,621	15,996
Bristol University Chaplain	4,116	4,116
Chew Magna Baptist Church	-	5,004
City Road Baptist Church	14,837	19,004
Welton Baptist Church	6,996	6,996
St Marks Baptist Church	-	6,000
Cheddar Baptist Church	1,500	5,004
Nailsworth Baptist Church	1,667	4,167
Brunswick Baptist Church	5,958	2,640
Hillfields Baptist Church	-	1,000
Sheep Street	4,000	-
Bussage	7,300	7,300
Portishead, Mission Catalyst	7,300	7,300
Partnership for Mission		
- Melksham Baptist Church	14,004	14,004
	<u>102,403</u>	<u>119,135</u>
Other grants:		
English Churches Together	1,542	1,542
Tilshead Fund	2,320	2,720
The Garden Portishead	120	-
Contribution to schools chaplaincy	7,278	1,400
	<u>11,260</u>	<u>5,662</u>
	<u>113,663</u>	<u>124,797</u>

7 Staff costs and Trustee expenses

	2021	2020
	£	£
Regional Ministers' remuneration:-		
Revd. Nigel Coles - Trustee	37,715	39,510
Social Security costs (trustees)	3,268	3,787
Trustee Pension costs (see note below)	9,581	8,485
Total Trustees' remuneration	<u>50,564</u>	<u>51,782</u>
Staff Salaries	167,409	134,978
Social Security costs (staff)	11,222	8,478
Other Staff Pension costs (see note below)	3,011	8,421
Housing costs	25,538	18,193
Training - courses, conferences, assemblies	2,252	1,801
Council tax, water, telephone	11,173	11,406
Expenses and other costs	10,588	11,205
	<u>281,757</u>	<u>246,264</u>

In 2020 some of the salary costs were offset against charitable activities, as opposed to being shown separately in the breakdown of staff costs.

The 2021 salary costs were correctly recognised solely under Staff Costs and Trustee Expenses. Had the prior year been prepared on the same basis, the 2020 salary figure would have been £164,578 not £134,978.

The Memorandum of Association of the charity, approved by the Charity Commission, provides for remuneration and benefits to be paid to those persons appointed as Regional Ministers of the charity. Remuneration is paid to the Regional Ministers as fully accredited Baptist ministers of the Baptist Union of Great Britain to exchange information, provide advice and support to churches and their respective ministers and leaders enabling the charity to further its Objects.

<i>Pension Costs to SOFA</i>		2021	2020
Regional Ministers' pension contributions:-		£	£
Revd. Nigel Coles - Trustee	Baptist Pension Scheme	9,581	8,485
Staff	Baptist Pension Scheme	3,011	8,421
		<u>12,592</u>	<u>16,906</u>

Staff numbers and key management personnel

	2021	2020
		(restated)
The average number of full-time equivalent employees (including part-time staff) during the year as follows:		
Regional Ministers	3.9	3.6
Office Administrative Manager & Trust Officer	1.0	1.0
Finance	0.4	0.4
Other Administration	1.5	1.5
	<u>6.8</u>	<u>6.5</u>

The actual number of staff during the year was 8 (2020 - 8)

The key management personnel were defined as the Trustees and the senior management team, the total employment benefits paid to this group amounted to £184,087 (2020 - £169,586). This includes gross salary and employer's national insurance and pension contributions. Other benefits received are detailed above.

In 2021 no employee earned more than £60,000 per annum (2020 - Nil)

Trustee expenses

	2021	2020
	£	£
Trustee expenses	<u>53</u>	<u>-</u>

1 trustee was reimbursed expenses in the current year. In the prior year, no trustees were reimbursed expenses.

7 Staff costs and Trustee expenses (*continued*)

Pensions

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).

Ministers and some members of church staff are eligible to join the scheme. 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 Limited. 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.

Actuarial valuation as at 31 December 2019

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 Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

7 Staff costs and Trustee expenses (continued)**Pensions- (continued)**

The key assumptions underlying the valuation were as follows:

Type of financial assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
Pre-retirement	2.95
Post retirement	1.70
Deferred pension increases	
Pre-April 2009	3.20
Post April 2009	2.50
Pension increases	
Main scheme pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA 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.

Movement in Balance sheet liability

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below:

Accounting date (year ending):	31/12/2021	31/12/2020
Balance sheet liability at year start	80,356	128,611
Minus deficiency contributions paid	(19,056)	(10,167)
Interest cost (recognised in SoFA)	972	2,100
Remaining change to balance sheet liability* (recognised in SoFA)	1,428	(40,188)
Balance sheet liability at year end	<u>63,700</u>	<u>80,356</u>

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

The year -end creditor has been included in the accounts as follows:

Creditors (amounts falling due within one year)	13,795	10,167
Creditors (amounts falling due after more than one year)	49,905	70,189
	<u>63,700</u>	<u>80,356</u>

7 Staff costs and Trustee expenses (continued)**Pensions- (continued)**

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:

Accounting date	31/12/2021	31/12/2020	31/12/2019
Discount rate	2.00%	0.40%	1.70%
Future increases to Minimum Pensionable Income	4.10%	3.00%	3.20%
		2021	2020
Total pension payments in the year		£	£
BPS		12,592	16,906
Deficit contributions		19,056	10,167
		<u>31,648</u>	<u>27,073</u>

8 Taxation

No corporation tax has been provided in these accounts because the income of the charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

9 Statement of Financial Activities for the year ended 31 December 2020

	Unrestricted	Restricted	Endowment	Total 2020
	£	£	£	£
INCOME FROM:				
Donations	300,820	-	141,785	442,605
Investments	19,442	-	-	19,442
Charitable activities	61,905	-	-	61,905
Total Income	<u>382,167</u>	<u>-</u>	<u>141,785</u>	<u>523,952</u>
EXPENDITURE ON:				
Charitable activities	430,479	15,020	-	445,499
Fees on sale of property			2,836	2,836
Total Expenditure	<u>430,479</u>	<u>15,020</u>	<u>2,836</u>	<u>448,335</u>
Investment gains/(losses)	(1,079)	-	(14,009)	(15,088)
Net Income/(expenditure)	<u>(49,391)</u>	<u>(15,020)</u>	<u>124,940</u>	<u>60,529</u>
Transfer between funds	(30,000)	-	30,000	-
Pension liability movements	38,088	-	-	38,088
Net Movement in Funds	<u>(41,303)</u>	<u>(15,020)</u>	<u>154,940</u>	<u>98,617</u>
Reconciliation of Funds				
Total funds brought forward 1 January 2020	1,230,972	52,681	813,457	2,097,110
Total Funds at 31 December 2020	<u>1,189,669</u>	<u>37,661</u>	<u>968,397</u>	<u>2,195,727</u>

10 Net income for the year

	2021	2020
	£	£
This is stated after charging:		
Independent Examiner's fees:		
Accounts preparation	1,800	1,800
Independent examination - current year	1,200	1,200
	(84)	240
Depreciation	1,226	1,603
	<u>1,226</u>	<u>1,603</u>

11 Fixed Assets

a) Tangible fixed assets

The movement in the year was as follows:-

	Freehold Property	Office Equipment	Total
	£	£	£
Cost			
Beginning of the year	488,631	19,300	507,931
Additions	-	-	-
	<u>488,631</u>	<u>19,300</u>	<u>507,931</u>
Depreciation			
Beginning of year	1,221	17,130	18,351
Charge for the period	-	1,226	1,226
End of year	<u>1,221</u>	<u>18,356</u>	<u>19,577</u>
Net book value			
31 December 2021	<u>487,410</u>	944	488,354
31 December 2020	<u>487,410</u>	<u>2,170</u>	<u>489,580</u>

b) Association Property

	2021	2020
	£	£
Land at Emersons Green	176,490	176,490
Manse at 3 The Hawthorns, Bussage,	300,270	300,270
Stockwood Church	10,650	10,650
	<u>487,410</u>	<u>487,410</u>

12 Investments

	2021	2020
	£	£
Market value at beginning of year	738,312	736,799
Acquisitions at cost	79,050	48,697
Sale proceeds from disposals	(66,628)	(48,177)
Gains in the period		
- Realised gains	2,546	15,727
- Net unrealised gains	63,751	(30,815)
Increase/(decrease) in cash balances	3,601	16,081
Market value as at 31 December	<u>820,632</u>	<u>738,312</u>
Investments at market value comprise:-	2021	2020
	£	£
UK equities	196,813	157,654
UK fixed interest securities	102,645	102,982
UK other investments	172,420	132,795
Overseas equities	344,639	243,463
Cash balances - WEBTC	(12,062)	(28,087)
Cash balances - Charles Stanley	16,176	129,504
Wholly Owned Trading Subsidiary	1	1
	<u>820,632</u>	<u>738,312</u>
Historical cost at 31 December	<u>681,394</u>	<u>593,278</u>

West of England Baptist Association is the principal and legal holder of these investments, they are managed by West of England Baptist Trust Company Limited as custodian trustees.

13 Programme-related investments

	Support		
	Loans	Properties	Total
	£	£	£
Balance at 1 January 2021	126,921	668,648	795,569
Loan repayments	(10,025)		(10,025)
Transfer of property value to Emersons Green BC		(9,750)	(9,750)
Balance at 31 December 2021	<u>116,896</u>	<u>658,898</u>	<u>775,794</u>

Programme related investment properties have been purchased when the charity has come across an opportunity to extend their charitable activities with a partner organisation, either immediately or in the future.

The following properties are held currently:

Manse at 1 Bishop Road, Emersons Green	239,102
61 Sion Road Bedminster	211,161
Woodside House, Stroud	<u>208,635</u>
	<u>658,898</u>

The Manse at 1 Bishop Road in Emerson's Green currently houses a church minister. The property is being acquired by the church under the Housing for Mission scheme agreement signed during 2011, whereby a proportion of the rent is being used to acquire further equity in the property. Should this property be sold the proceeds will be shared between the Church and the Association according to the equity share. The property was originally partly acquired for a purchase price of £290,164 using Avening fund proceeds. The current church equity is 17.6% £51,066 (2020 - £47,368).

The house at 61 Sion Road was purchased after the local church was about to close, to provide a base for a new ministry to begin. The house is currently being rented from the Association by Youth with a Mission to assist with their work amongst young people in the local area.

Woodside House, Stroud shares a common boundary with the Farmhill Church was purchased during 2015 to provide a base for new missionary work within the area. It is currently rented to a Christian charity operating a drug rehabilitation centre .

14 Debtors

	2021	2020
	£	£
Prepayments	1,000	1,000
Amounts due from Subsidiary undertakings	-	15,022
	<u>1,000</u>	<u>16,022</u>

15 Cash at bank and in hand

	2021	2020
	£	£
HSBC Bank	10,361	13,216
CAF Cash/Gold	115,035	232,390
COIF Charity Fund	14,336	14,285
Petty cash	1	76
	<u>139,733</u>	<u>259,967</u>

16 Creditors

	2021	2020
	£	£
Amounts falling due within one year		
Other Creditors	-	383
Accruals and deferred income	25,537	22,984
Pension deficit liability	13,795	10,167
	<u>39,332</u>	<u>33,534</u>

17 Statement of Funds

Current Year

	At 1 January 2021	Income	Expenditure	Other Movements & Transfers	At 31 December 2021
	£	£	£	£	£
Unrestricted					
General fund	53,456	317,761	(435,151)	116,665	52,731
Designated					
Fixed assets	302,640	-	-	(1,226)	301,414
Programme-related investments	795,569	-	-	(19,775)	775,794
Painswick	14,943	-	-	-	14,943
Partnership for Mission	89,859	16,173	(14,004)	(52,000)	40,028
Tilshhead Fund	13,558	-	(2,320)	(2,720)	8,518
Pension deficit fund	(80,356)	-	-	16,656	(63,700)
Total unrestricted funds	1,189,669	333,934	(451,475)	57,600	1,129,728
Restricted					
Seventy-two	10,249	-	(5,856)	-	4,393
Leighterton & Culkerton	16,762	50	-	-	16,812
Stockwood Church	10,650	-	-	-	10,650
Total restricted funds	37,661	50	(5,856)	-	31,855
Expendable endowment					
Income fund	792,107	-	-	6,296	798,403
	792,107	-	-	6,296	798,403
Permanent endowment					
Avening Fund	176,290	-	-	-	176,290
Total Endowment	176,290	-	-	-	176,290
Total Endowment	968,397	-	-	6,296	974,693
TOTAL FUNDS	2,195,727	333,984	(457,331)	63,896	2,136,276

17 Statement of Funds (continued)**Prior Year**

	At 1 January			Other	At 31
	2020	Income	Expenditure	Movements	December
	£	£	£	& Transfers	2020
				£	£
Unrestricted					
General fund	12,252	350,425	(411,807)	102,586	53,456
Designated					
Fixed assets	302,355	-	-	285	302,640
Programme-related investments	839,686	-	-	(44,117)	795,569
Painswick	14,943	-	-	-	14,943
Partnership for Mission	76,789	31,742	(18,672)	-	89,859
Tilshead Fund	113,558	-	-	(100,000)	13,558
Pension deficit fund	(128,611)	-	-	48,255	(80,356)
Total unrestricted	1,230,972	382,167	(430,479)	7,009	1,189,669
Restricted					
Seventy-two	25,269	-	(15,020)	-	10,249
Leighterton & Culkerton	16,762	-	-	-	16,762
Stockwood Church	10,650	-	-	-	10,650
Total restricted	52,681	-	(15,020)	-	37,661
Expendable endowment					
Income fund	637,167	141,785	(2,836)	15,991	792,107
	637,167	141,785	(2,836)	15,991	792,107
Permanent endowment					
Avening Fund	176,290	-	-	-	176,290
Total Endowment	176,290	-	-	-	176,290
Total Endowment	813,457	141,785	(2,836)	15,991	968,397
TOTAL FUNDS	2,097,110	523,952	(448,335)	23,000	2,195,727

During the year the trustees have taken the opportunity to further analyse their funds as follows:

General Fund (unrestricted)

This represents the free funds of the charity which are not designated for particular purposes, following the re-distribution of the funds held by the Association.

Fixed Asset Fund (designated)

This fund exists to support the Association in funding the fixed assets it needs to carry out its charitable objects. It includes equipment, the manse at Bussage and the portion of land held at Emersons Green not held within endowment funds (see notes 18 and 19).

Programme-related Investments Fund (designated)

This fund exists to provide support to the churches and individuals within the Association, for purposes approved by the Executive of the charity. This support includes loan finance to property projects, local churches and in special cases, individuals. Interest on loans is subject to negotiation, but at a rate not greater than that charged by the Baptist Union Corporation Limited.

Painswick Fund (designated)

This fund was created from the closure of the United Church at Painswick and represents the balance of the funds held previously from the sale of the old chapel. A new initiative to re-establish a Baptist presence is being funded from this fund.

17 Statement of Funds (continued)

Partnership for Mission (designated)

This fund has been established to enable church planting and other pioneering activities within the Association.

Tilshead Fund (designated)

This fund has been set aside from the proceeds of the former Tilshead Baptist church to help fund outreach activity in the surrounding area in partnership with other local Baptist Churches.

Pension deficit fund (designated)

This negative fund relates to agreed payments the Association owes the Baptist Union Pension scheme over the coming years as described in note 7 above. The fund has been set aside separately such that free reserves can be shown separately to the pension catch up payments. Repayments of £19,056 were paid to the scheme during the year.

Seventy-two (restricted)

Seventy-Two is a network and catalyst for mission across the Baptist Union of Great Britain. Webnet has taken the lead in the programme and records and manages the income and expenditure as a Restricted Fund. Income has come directly from other Associations or from the Baptist Union itself and is used to cover employment and other overheads running the programme or on specific Seventy-Two projects.

Leighterton & Culkerton (restricted)

This capital fund, held under a trust created in July 1947, exists to provide income for the Leighterton & Culkerton churches in Gloucestershire. Should the churches close the income of the fund may be used for Colportage and Evangelistic work in the surrounding villages and district.

Stockwood Church Fund (restricted)

This fund represents the cost of the Stockwood Church which is governed by an ultimate trust dated June 1977. Should the church close and the premises sold, the proceeds will be shared between the Association and Bristol City Mission Society.

Income Fund (Expendable endowment)

This fund holds the charitable company's investments, all of which are held in with Charles Stanley & Co Limited. The purpose of the fund is to generate income for the on-going work of the Association. The fund is held as part of the company's reserve and all or part of it may be transferred to unrestricted funds by decision of the trustees. During 2020 further funds were added to the reserve arising from donations received from sales of three properties, two of these were received in prior years and therefore required a funds transfer. The full transfer left the General fund below its agreed minimum, so an additional transfer back has been used to restore the General Fund.

Avening Fund (Permanent Endowment)

This endowment fund was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The scheme restricted the use of the capital in the fund to the provision of premises of churches within the South Gloucestershire area. This is the land at Emerson's Green.

18 Assets analysed between funds**Current Year**

	Unrestricted	Restricted	Endowment	Total 2021
	£	£	£	£
Tangible Fixed assets	301,414	10,650	176,290	488,354
Programme-related investments	775,794	-	-	775,794
Investments	(4,065)	3,985	820,712	820,632
Net current assets	106,490	17,220	22,309	101,401
Creditors of more than one year	(49,905)	-	-	(49,905)
	<u>1,129,728</u>	<u>31,855</u>	<u>974,693</u>	<u>2,136,276</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	301,414	301,414
Programme-related investments	-	775,794	775,794
Investments	-	(4,065)	(4,065)
Net current assets	52,731	53,759	106,490
Creditors of more than one year	-	(49,905)	(49,905)
	<u>52,731</u>	<u>1,076,997</u>	<u>1,129,728</u>

Prior Year

	Unrestricted	Restricted	Endowment	Total 2020
	£	£	£	£
Tangible Fixed assets	302,640	10,650	176,290	489,580
Programme-related investments	795,569	-	-	795,569
Investments	16,320	3,985	718,007	738,312
Net current assets	145,329	23,026	74,100	242,455
Creditors of more than one year	(70,189)	-	-	(70,189)
	<u>1,189,669</u>	<u>37,661</u>	<u>968,397</u>	<u>2,195,727</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	302,640	302,640
Programme-related investments	-	795,569	795,569
Investments	36,410	(20,090)	16,320
Net current assets	17,046	128,283	145,329
Creditors of more than one year	-	(70,189)	(70,189)
	<u>53,456</u>	<u>1,136,213</u>	<u>1,189,669</u>

19 Share capital

The company is limited by guarantee and therefore has no share capital.

20 Capital expenditure commitments

At the time of production of this Annual Report and Accounts no capital expenditure has been authorised.

21 Related party transactions

During the period, West of England Baptist Association was the parent company of West of England Baptist Payroll Company Limited.

During the year Management charges amounting to £7,200 (2020 - £7,200) towards the administrative costs were paid to the Association. The company paid a donation of £15,022 (2020: £29,000) to the charity during the year. At the balance sheet date West of England Baptist Payroll Company Limited, owed the charity £0 (2020 - £15,022).

The West of England Baptist Trust Company is a wholly owned subsidiary of the West of England Baptist Association. The charity administers the Association's investments on its behalf. During the year, the Association received dividends and income of £19,025 (2020: £19,486). At the year end, the company held investments of £820,712 (2020: £754,416), and the Association owed a cash amount of £12,062 to the Trust Company (2020: £28,087). The Trust Company also paid the Association £9,000 (2020: £9,000) towards administrative costs during the year.

During the year donations of £nil were received from Trustees (2020 - £nil).

Details of trustees' remuneration and trustees' expenses reimbursed are shown in note 7.

There were no other related party transactions during the year.

WEST OF ENGLAND BAPTIST ASSOCIATION

England & Wales - Charity number 1092443

Accounts



West of England Baptist Association
(A Company limited by Guarantee)
Operating as **Webnet**

ANNUAL REPORT & ACCOUNTS

for the year ended 31 December 2020

Registered in England Company number: 04326752

Charity number: 1092443



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Report of the trustees for the year ended 31 December 2020

The trustees are pleased to present their report with financial statements of the charity for the year ended 31 December 2020. Throughout this document The West of England Baptist Association is referred to by its current operating name "Webnet". Reference and administrative information set out on pages 10 and 11 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP FRS 102) and in accordance with the special provisions for small companies under the Companies Act 2006.

Objectives and Activities

Public Benefit

The trustees have considered the Commission's guidance on public benefit under the Charities Act 2011 and, in particular, the specific guidance on charities for the advancement of religion. Detail of the work of the Association is covered more completely in the Activities and Achievements sections of this report.

Objects of the charity

The principal object of the charity continues to be the advancement of the Christian faith, 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.

In fulfilling the objects of the Association trustees devised a purpose statement a few years ago which remains core to programmes and activities: -

"Webnet is a fellowship of Baptist Churches Encouraging each other and Growing healthy congregations by Enriching relationships, developing ministry and Enabling fruitful mission".

Achievements and Performance

Webnet activities throughout 2020: -

The Network represents and serves Baptist churches worshipping and working in the West of England, seeking to encourage our congregations in their mission as God's people. However, descriptions such as, unprecedented, unique, one of a kind, once in a lifetime' are more apt when referring to this year and the circumstances generated by the Covid-19 pandemic. None of us expected, nor could anyone have predicted, that we would be facing such extreme and challenging conditions in which live and work. Everyone has been affected and we have yet to realise the full consequences of the pandemic on the social and economic life of our Network and indeed the denomination nationally.

Webnet's Year:

Once again in February we gathered at Saunton Sands Hotel North Devon for our Ministers' Conference. The superb accommodation, hotel setting and, not least, the view always sets the tone and creates a backdrop that inspires the eighty or so delegates. All were able to relax in the very comfortable surroundings enjoying the fellowship and teaching of Ken Benjamin, BUGB President and Kang San-Tan, General Secretary of BMS World Mission. A truly challenging and inspiring time.



Undaunted by the national news and direction given on the 23rd March to, "Stay at home" we committed to continue our work and support of all our member churches within the West of England who overnight faced the reality of a complete and radical change in their life, work and witness. Not merely a challenge but an unprecedented revolution in the way in which these communities functioned as church.

We were soon made aware that there was financial support available from the Baptist Union, in the form of grants, for churches that found themselves in financial hardship threatening their very existence. Whilst this was a national initiative, we are thankful that only three churches within our network found it necessary to take advantage of the grants on offer.

Together with the rest of the working population as an organisation we were faced with transforming the way in which we worked, communicated with each other, our churches, and the planning of and operation of events.

Our staff rose to the challenge and adapted to this new way of existing and working



from home. For an organisation that's life, work and whole existence is expressed and operates essentially in a relational way this new virtual way of life was not going to be easy. However, by new skills and knowledge learned and

honed overnight, courtesy of Zoom and Microsoft Teams, we succeeded and overcame and managed to operate and achieve the objects and activities of the charity.

We have organised online meetings throughout the year to facilitate staff and trustees' groups to include our Network AGM in October. We have continued our working relationship with our partner associations via Zoom meetings and have actively engaged with our Baptist family nationally both administratively and in worship and fellowship.

Early in the year we launched our new name and logo, **webnet**, whilst our staff Christmas celebrations was a virtual experience including quizzes.

Areas of development:

Despite the pandemic there is a great deal to celebrate in what has been achieved in the on-going life of the network.

In January the amalgamation between our Broadmead church and BC3 took place. This was the result of much prayer and discussion over many months between two very different congregations drawn from diverse backgrounds. This was an enormous success the achievement of which should not be underestimated in any way.

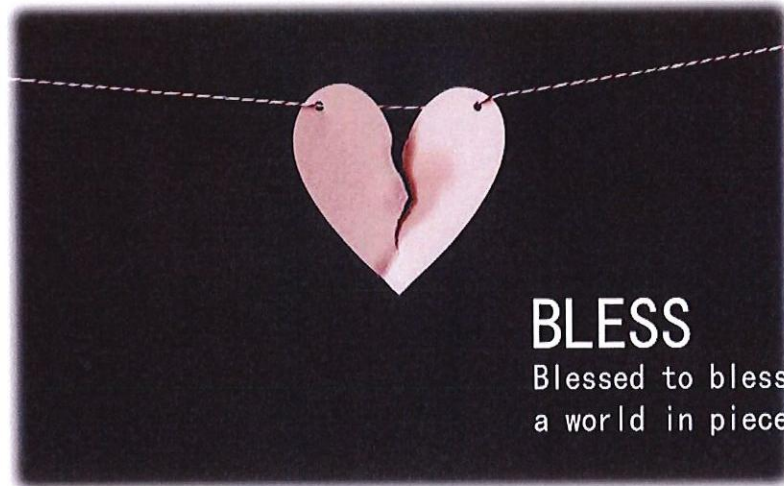
The 2019 Re-imagine cycle continued with churches from Bourton on the Water, Clarence Park, Downend, Milton and Wotton-under-Edge taking part. The 2020 cycle was launched in March 2020 comprising of Devizes, Matson, Upper Stratton, Swindon and Westbury West End churches.

We proposed a consultation across all of our member churches to gain a greater awareness in respect of, climate change, age profile of church and attendees, equipping people to share their faith, developing leadership, an engagement with black and minority ethnic groups.

We approached one of our ministerial couples who have particular knowledge and expertise regarding environmental awareness and issues to represent our Network on the Baptist Union Network.

We have also been in the forefront of an initiative for the advance of a building development fund. With the support and expertise of professionals from within the wider Baptist family we have identified a one of our member churches that possibly could benefit from this pioneering enterprise. We are confident that the church's involvement with this new approach will ultimately release significant funds that are currently tied up in supporting the upkeep and maintenance of its substantial buildings.

In recent years we have held, “Network Gatherings” on a quarterly basis that on a geographical basis have gathered congregations for celebration and fellowship. Clearly this has not been possible due to the pandemic so working within the restrictions we conceived the idea of holding online, “Blessed Prayer Gatherings” on alternate months. This was greatly appreciated by attending churches.



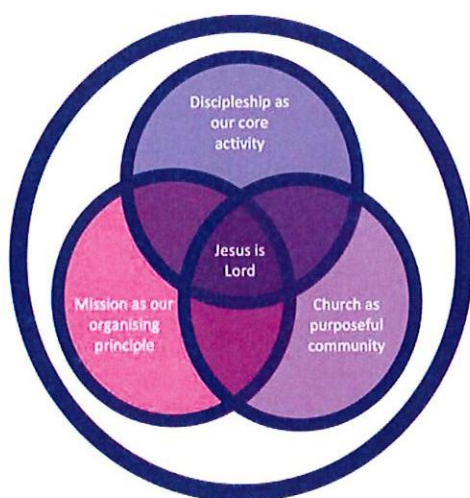
Regional Staff: The regional team is headed up by Rev Nigel Coles ably supported by Rev Alisdair Longwill, Gary Woodall and Rev Lindsay Caplen. Alisdair heads up the Home Mission Grants and has oversight of the churches in Swindon, Gloucestershire and the Forest of Dean, whilst Gary heads up Safeguarding and MRC and has oversight of churches in North Somerset, Bristol, Bath and Wiltshire (beyond Swindon), Lindsay has responsibility for encouraging pioneering and the planting of new congregations. Nigel has overall responsibility and management for all the Regional Team's work, strategy and vision. He also is part of the National Settlement Team for ministry across the network. Nigel represents the Association on various national groups and forums. Both Alisdair and Gary have benefited from periods of sabbatical during the year. The team continues to engage in national BUGB life and in particular, attendance at Baptist Union Council. Bristol Baptist College have appointed one of our regional ministers Rev Lindsay Caplen for a half day/week to oversee and develop a program entitled, Prepare, Feed and Sustain. We are delighted in this development, which we hope will mark a new season of closer collaboration between Webnet and the College in our region. This will be a secondment from Webnet.



Webnet Staff: We are grateful to the mainly part-time staff that administers our regional office, for their hard work, dedication and commitment, their expertise in many and varied fields. Alex Drew our event's organiser achieves the impossible with her skilful and intuitive administration. This is the key to Webnet's priority in delivering well planned, organised events and meetings that are both informative and of the highest

standard. Alex, who serves as Nigel Coles' PA has during the year had a redefining of her role to include the support of the Regional Ministry Team. Our finance manager, Matt Filsell, a Chartered Accountant, ably supervises the day to day running and processing of Webnet's finance. This is a key position within the organisation with many demands being made on Matt's time who works just two days each week. Rob English is Webnet's Manager and Company Secretary. He also is a Director of the BUC and attends Baptist Union Council. Whilst a good deal of time is taken up with property and legal issues Rob deals with a plethora of administrative and general enquiries from the regional team and churches across the network. Jess Collard works part time as the Office Administrator and brings many qualities complementing the team. During this challenging year Jess has shown particular initiative and enthusiasm in the operation and support of our online virtual presentations and group meetings. We extend a big "thank you" to the whole team for their commitment and enthusiasm but above all their devotion to the work of the Kingdom in the life, work and witness of Baptists in the West of England. This has been especially true during this year as they have adapted magnificently to all the changes and demands required of them from working from home.

Trustees: Equally, we are indebted to our Trustees who have accepted the call of God to be part of the governing body of our Association. They shoulder the responsibility and decision making for the future strategy, life and witness of our network of churches. They are a group of volunteers who look to God for vision and each other for mutual support. Drawn from a variety of backgrounds they bring a variety of expertise and skill sets that provides wisdom and equips them in their decision making. The Trustees having a statutory duty to ensure good management, governance and leadership also deal with financial matters, working on our ongoing relationship with BUGB and responding to an increasing demand in applications for loans from our member churches for Kingdom building projects. The Trustees continue to review Webnet's strategy as well as overseeing its day-to-day operations. To this end during the year, we launched a five-year action plan for discussion by them. This sets out a proposed change in the structure in our life and witness together both regionally and nationally.



AGM: In October we held our AGM. This was a virtual meeting held online that was both unique as much as challenging. People from across the network gathered in an atmosphere of worship and consciousness of the need to transact the necessary annual business in a somewhat novel way. We celebrated the good things that God is doing throughout our network of churches.

We are thankful that very few deaths, as a result of COVID 19, have been reported from our member churches and that seemingly the pandemic has not created a crisis amongst us. Ministers and leadership teams have, generally speaking, coped

very well particularly in terms of maintaining pastoral care and regular opportunities to worship, via on-line platforms. The majority adapted to the need swiftly and responded well. However, we are equally aware that many churches have struggled with much of

their energies being taken up in maintaining a form of regular worship and pastoral support. It truly has been a very difficult time for ministers and leadership teams many of which have both physically and mentally been stretched beyond their abilities. At the same time, we rejoice and give thanks in reports of churches that have experienced opportunities of greater, or deeper engagements with the wider community. There are some really exceptional stories that we thank God for.

We are extremely grateful and thank God for all those who faithfully serve our Churches especially to many who minister through the Association, its teams and informal groups. We are in partnership with this vast number of very willing and committed volunteers who give freely and gladly of their time to growing healthy churches in kingdom building.

COVID-19

During 2020, the Association's activities have been affected by Covid-19, the offices have been closed and staff have worked from home. All Baptist Churches were closed from March 23rd until a gradual and limited reopening from August onwards, then the second wave of COVID-19 caused that limited opening to be reversed. The Association has sufficient reserves to continue operating, but it is likely that the downward trend of income from the Baptist Union Home Mission Appeal, which we have seen over recent years, will accelerate. Over the coming months we will review our operation so that it remains sustainable over the medium to long term.

Financial review

The charity has claimed exemption from preparing consolidated accounts as permitted by the Statement of Recommended Practice (SORP FRS102) and Accounting Regulations, as the income of the group is below the relevant threshold of £1,000,000. Individual accounts for each entity have been prepared with the West of England Baptist Trust Company being independently examined and West of England Baptist Payroll Company being subject to an accountant's report. Copies of the accounts are available from the charity's registered office. The statement of financial activities for the year is set out on page 16. The charity reports an overall surplus for the year of £98,617 across all funds. The unrestricted General Fund reported a net deficit before funds transfers and changes in pensions liability of £62,461. No new loans were made to churches during the year and the outstanding balance on support loans decreased from £155,558 to £125,690.

The principal source of funding remains the Home Mission grant from the Baptist Union of Great Britain. The amount of the grant is governed by how much individual churches decide to donate directly to the Baptist Union Home Mission appeal. For many years, the response to the appeal has been gradually falling and therefore this major income source for Webnet continues to be under pressure. With churches closed for much of the year by COVID-19 the grant showed a 9% fall to £195,581 (2019: £215,838). Webnet's response to the pressure on Home Mission funding has been to seek other income sources. Other donations and grants received in 2020 (accounts note 2) were £105,239 (2019: £75,583). Charging for charitable activities (accounts note 4) raised £61,905 (2019: £78,939). Investment income (accounts note 3) fell to £19,442 (2019: £22,997) mainly because of Covid related falls in dividends

received. All this meant that there would have been a substantial overall deficit if we had not received £141,785 from the sale of the former manse of a local ecumenical project in West Swindon. The Association uses its income both to fund the infrastructure of the Association, to run various training and development programmes and to make individual grants to churches. The infrastructure element of the grant was used to fund the cost of the regional ministers and regional support staff. Their work in turn helped to support churches in the achievement of their objectives. Grants are listed in accounts note 6, in 2020 these totalled £124,797 (2019: £85,592), the intention is that the number and overall value of grants will be maintained over time but the steady fall in income puts that into some question for the periods ahead.

Note 7 to the accounts details the Association's membership of and liability to the Baptist Pension Scheme, at the end of the year the liability stood at £80,356 (2019: £128,611). The Trustees are indebted to the substantial support provided by the many volunteers but are unable to put any financial evaluation into the accounts because it is unable to quantify such assistance.

Subsidiary companies

The subsidiary trust company which is non-profit making, provides support to the churches regarding church and manse properties held in trust. The subsidiary payroll company provides a full payroll service for churches that wish to outsource their payroll to a trusted provider. Several of our churches are faced with important decisions as to what to do with their existing buildings, particularly where there are restrictions because of listed building status. The board members of the Trust companies continue to give unstintingly of their time and experience in assisting those churches under their care. The Payroll Company has continued to grow under the expert attention of their staff, where the company has extended its services to both churches and staff of other Associations. This is an increasingly important service provided to churches and seen as best practice amongst other Associations in the Baptist Union.

We are grateful for the support provided to the subsidiary companies by volunteers who give valued specialist advice both to the Trust Officer and the churches in relation to their buildings.

Related parties

The charity is a member of the Baptist Union of Great Britain from which significant grant funding is received and details of this are set out in the notes to the financial statements. See also under 'Organisation' for details of relationships with subsidiary companies.

Investment performance

The Webnet portfolio is held by the Trust Company, in order to minimize the management fees and to improve performance. As reported elsewhere in this report, Covid-19 impacted the investment performance during the year. By year end, excluding an additional investment made, the value of the portfolio was 5% down on the start of the year. The overall income return was 2.8% of the average value of the portfolio through the year (against our normal benchmark of 3.8%). The ethical basis of investment does continue to have some impact on the actual performance of its portfolio against the overall market trends shown in market benchmarks. In early 2021 the Baptist Union adopted a revised ethical policy which we will also implement.

Principal Financial Management Policies

Reserves Policy

Webnet has a substantial reserve held in expendable endowment. These are funds that have been gifted to the charity that are capital in nature, but not restricted. Appropriately allocating them to an expendable endowment fund allows the trustees to utilise the capital funds to generate income to serve the ongoing needs and purposes of webnet, or allowing the trustees to convert the funds to general funds in the future as they see fit. Webnet also needs an operating reserve in the general fund to meet current liabilities. At their meeting in March 2021 the Trustees adopted the following wording as the Reserves Policy:

it is the policy of webnet to hold reserves as expendable endowment for use in serving the association churches and for webnet strategic development. It is also webnet policy to maintain the General Fund at no less than £50,000.

The free reserves of the charity at the year-end are £53,456 and are the same as those held in General Funds. Free reserves are calculated to be the total funds of webnet less those funds that are restricted, endowed, designated or otherwise committed. The trustees believe that there are currently sufficient reserves between the General Fund and the Income Fund to cover operations for at least the next 12 months. The level of reserves is reviewed each year.

Investment policy

Under the memorandum and articles of association the charity has the power to make any investment that the trustees see fit. The investment policy is a balanced one of income and growth to ensure adequate income for the day to day needs of the charity coupled with capital growth to maintain and increase over time the value of the portfolio to protect the charity against inflation and to ensure the charity has the ability to meet major capital projects should it be needed, particularly church planting opportunities. The investment policy follows the ethical guidelines prescribed by the Baptist Union and is reviewed annually.

Reference and administrative information

Constitution

Webnet is a company limited by guarantee and a registered charity governed by its memorandum and articles of association and byelaws.

Charity number: 1092443

Company number: 04326752

Directors and trustees

Trustees/Executive Members

Stephen Robinson Chair of Trustees (resigned as Trustee 20 October 2020)

Steven Christian (Chair from 4 December 2020)

Philip Poole – Honorary Treasurer

Nigel R Coles – Regional Minister & Team Leader

Stephen Finamore, Simon Gray, Paul Salmons, Graham Simms

Regional Ministry Team

Nigel Coles, Alisdair Longwill, Gary Woodall and Lindsay Caplen

Company Secretary

Robert English

Registered Office

Little Stoke Baptist Church, Kingsway, Little Stoke, Bristol. BS34 6JW.

Independent examiner Joshua Kingston BSc ACA,

Burton Sweet, Chartered Accountants, The Clock Tower, Farleigh Court, Flax Bourton, Bristol BS48 1UR

Bankers

CAF Bank Limited, Kings Hill, West Malling, Kent. ME19 4TA

HSBC Bank plc, 62 George White Street, Cabot Circus, Bristol BS1 3BA

Solicitors

Clarke Willmott, Blackbrook Gate, Blackbrook Park Avenue, Taunton TA 1 2PG

Investment Advisors

Charles Stanley & Co Limited, 25 Luke Street, London, EC2A 4AR

Structure, Governance and Management

Recruitment and Appointment of Trustees

The Directors of the charitable company ("Webnet" or "West of England Baptist Association") are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees or the Executive. As set out in the Bye-Laws pursuant to the Articles of Association, the Officers of the Association, Moderator, Company Secretary, Honorary Treasurer and Regional Ministers shall be

nominated by the trustees, following consultation with member churches, to the Annual General Meeting. Periods of service shall be decided by the trustees and notified to the AGM. The Company Secretary is a non-voting trustee.

Appointment or re-appointment of trustees is subject to nomination from appropriate geographical groups of churches for submission to the AGM. Members shall serve for four years. The Executive has the power to co-opt additional members.

Training has been organised for Trustees and all new trustees are provided with details of their roles and responsibilities and when necessary, the trustees receive training on their responsibilities.

Organisation

The charity is governed by a Board of Trustees, (the executive) who meet regularly to discuss fulfilment of aims, objectives and purpose statement of the Association. The trustees operate in between meetings through two teams that report directly to the trustees. Each team has its own terms of reference for dealing with various aspects of Association life and each has its own Team leader:-

Finance Team: Moderator – Philip Poole

Staff Advisory Group: Moderator – Graham Sims

The trustees and teams are supported by a small number of part-time staff who perform various administration duties. At the Annual General Meeting, all churches that make up the Association have the opportunity to send delegates and approve agenda business.

The West of England Baptist Trust Company Limited (WEBTC) acts as ultimate trustee for the Association churches which are in trust with it. Webnet has the sole right to appoint WEBTC trustees. The WEBTC board consists of directors who are also directors of Webnet plus independent directors. The objects of the WEBTC charitable company are to act as custodian trustee, and in conjunction with the respective managing trustees, take responsibility for the property and investment portfolios, held in trust, on behalf of churches in Bristol, North Somerset and South Gloucestershire, Wiltshire, Swindon, and East Somerset for WEBTC areas. Webnet also has a wholly owned subsidiary company, The West of England Baptist Payroll Company Limited which handles the payroll service on behalf of churches. This is a non-profit making company whose costs are met from subscriptions paid by churches that use the service. The Webnet trustees following recommendation from the Finance team appoint the directors of this company.

Statement of trustees' responsibilities

The trustees (who are also directors of West of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees and signed on their behalf by:

..... R. English,
Association Manager and Company Secretary

July12, 2021

Independent examiner's report to the trustees of West of England Baptist Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Joshua Kingston BSc ACA
Burton Sweet Ltd, Chartered Accountants
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

July 12, 2021.

Statement of financial activities
For the year ended 31 December 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Donations	2	300,820	-	141,785	442,605	397,399
Investments	3	19,442	-	-	19,442	22,997
Charitable activities	4	61,905	-	-	61,905	78,939
Total Income		382,167	-	141,785	523,952	499,335
EXPENDITURE ON:						
Charitable activities	5	430,479	15,020	-	445,499	556,261
Fees on sale of property		-	-	2,836	2,836	-
Total Expenditure		430,479	15,020	2,836	448,335	556,261
Investment gains/(losses)		(1,079)	-	(14,009)	(15,088)	75,579
Net income/expenditure		(49,391)	(15,020)	124,940	60,529	18,653
Transfers between funds		(30,000)	-	30,000	-	-
Pension liability movements		38,088	-	-	38,088	(4,940)
Net Movement in Funds		(41,303)	(15,020)	154,940	98,617	13,713
Reconciliation of Funds						
Total funds brought forward 1 January 2020		1,230,972	52,681	813,457	2,097,110	2,083,397
Total Funds at 31 December 2020	18	1,189,669	37,661	968,397	2,195,727	2,097,110

The comparative Statement of Financial Activities can be seen in note 9

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

**Summary income and expenditure account
 For the year ended 31 December 2020**

	Total 2020 £	Total 2019 £
Total Income	382,167	499,335
Total Expenditure	(445,499)	(556,261)
Investment gains	(1,079)	4,088
Pension liability movements	38,088	(4,940)
Transfers to endowment funds	(30,000)	-
Net income/(expenditure) for the year	<u>(56,323)</u>	<u>(57,778)</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

Cash Flow Statement
 For the year ended 31 December 2020

	Notes	2020 £	2019 £
Net cash inflow from operating activities	17A	102,168	(49,047)
Non-operational cashflows			
<i>Cash flows from investing activities</i>			
- Investment income		19,428	22,997
- Payments for tangible fixed assets		(1,888)	-
- Payments for investments acquired		(48,697)	(65,924)
- Receipts from sale of investments		48,177	88,428
- Payments to pension deficit fund		(10,167)	(13,263)
Net cash inflow/(outflow) for the year	17B	<u>109,021</u>	<u>(16,809)</u>

Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own Objects, except on special authority. In practice, this restriction has not had any effect on group cashflows for the year.

Balance Sheet
As at 31 December 2020

	Note	Total 2020 £	Total 2019 £
Fixed assets			
Tangible assets	11a	489,580	489,295
Investments	12	738,312	736,799
Programme-related investments	13	795,569	839,686
		<u>2,023,461</u>	<u>2,065,780</u>
Current assets			
Debtors	14	16,022	18,071
Cash at bank and in hand	15	259,967	167,013
		<u>275,989</u>	<u>185,084</u>
Creditors: amounts falling due within one year	16	(33,534)	(38,406)
Net current assets		<u>242,455</u>	<u>146,678</u>
Total assets less current liabilities		<u>2,265,916</u>	<u>2,212,458</u>
Creditors: amounts falling due within one year			
Pension deficit liability		(70,189)	(115,348)
Net Assets		<u>2,195,727</u>	<u>2,097,110</u>
The funds of the charity:			
Unrestricted funds:			
General	18	53,456	12,252
Designated	18	1,136,213	1,218,720
		<u>1,189,669</u>	<u>1,230,972</u>
Restricted	18	37,661	52,681
Endowment	18	968,397	813,457
Total funds		<u>2,195,727</u>	<u>2,097,110</u>

For the year ended 31st December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the trustees on July 12, 2021 and signed on their behalf by:

.....
 Rev Steven Christian
 Chair of Trustees
 Company number: 04326752

The accompanying notes form an integral part of these financial statements.

Notes to financial statements
31 December 2020

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the inclusion of fixed asset and investments at market values, and in accordance with the Financial Reporting Standard 102, the Charities Act 2011, the Statement of Recommended Practice, (SORP FRS 102), and the Companies Act 2006.

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. This has been determined by the Trustees after consideration of the effects of Covid-19 on the association and the wider economy.

The association constitutes a public benefit entity as defined by FRS 102.

a) Income

Income from grants, donations and other voluntary income are recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be measured reliably. Legacies are recognised when it is probable that they will be received and the amount can be measured with sufficient reliability.

b) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Expenditure relates primarily to staffing and support costs required to enable the charity to serve the Baptist Church communities in the West of England. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, new church planting, buildings, youth work, training, payroll service and finance. In addition, the charity makes a number of grant payments to Baptist churches and to support different ministries including the Churches Together bodies across the region.

Governance Costs

Governance costs are associated with constitutional and statutory requirements, including those costs associated with the strategic management of the charity's activities. These are included within support costs.

c) Grants

There are effectively three kinds of Home Mission Grants:

- Mission through Ministry Grants (awarded to established churches)
- Special Ministry Grants (awarded to developing new expressions of church & missional communities)
- Mission Project Grants (one-off grants awarded as seed funding for a mission project)

The association is free to decide how much to budget for grants to churches etc. out of the income received from the national Home Mission appeal and other income sources. It can then award Home Mission grants as it chooses. The relevant forms are issued at the beginning of the year and various churches/new expressions of church etc. can then submit a grant application. Once these have been received back and collated, the association Home Mission Grants Awards Group meets to consider all the applications. This group make provisional decisions regarding the awarding of grants; these are then brought to the association Trustees for ratification; and the final step (which offers the element of accountability to our association partners) is the presentation of the proposed grants to the inter-association Partnership for their consideration and eventual approval (for WEBA the inter-association partners are South Wales Baptist Association; South West Baptist Association; and Southern Counties Baptist Association).

d) Pension costs

The charity makes contributions to the Baptist Pension Scheme (formerly Baptist Minister's Pension Trust Limited). Pension costs are charged to the Statement of Financial Activities as incurred. Please see note 7 for more details on the policy used.

e) Tangible Fixed Assets

Tangible fixed assets are stated initially at cost less subsequent depreciation.

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

Office equipment – 25%

No depreciation is charged on freehold property or land as in the opinion of the trustees the properties have a long useful life. An assessment for indications of impairment is made on an annual basis.

1 Accounting policies (*Continued*)

f) Investments

Investments held as fixed assets are stated at their market value as at the balance sheet date. Differences in market values from the previous year are accounted for as unrealised gains or losses.

Investments are managed on behalf of the company on a discretionary basis by Charles Stanley to achieve a balanced return from income and capital growth, whilst accepting a moderate level of risk. Investment Guidelines, determining the strategic distribution of funds are agreed by the trustees periodically. Charles Stanley may exceed these guidelines, but only after seeking the authority of the trustees. The trustees also follow the Baptist Union of Great Britain Investment Policy for ethical investments which restricts investment in companies with significant trading interests in armaments, alcohol, gambling or tobacco, where "significant" is taken to mean greater than 5%.

Charles Stanley are not responsible for the management of the company's tangible fixed assets, loans granted or cash held directly in the name of the company.

Income from investments is accounted for when receivable.

g) Programme related investments

Support loans are made to churches or individuals to help them achieve their charitable objectives where they line up with those of the charity. Interest is paid at a rate agreed by the trustees. They are recognised at the amount outstanding to the charity at the end of the year.

The properties are rented out to other organisations with similar charitable objects as those of the charity. They are valued in the accounts at cost. The trustees review the properties annually for indicators of impairment. The trustees do not consider it appropriate to depreciate the assets as, over time, the assets are being held at less than their market worth.

h) Fund accounting

Funds held by the charity are either:-

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects;
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity.
- *Permanent endowment* - was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The capital of the scheme restricted the use of the fund to the churches within the South Gloucestershire area.
- *Expendable endowment* - represents donations given towards the capital of the charity of which the purpose of the fund is to generate income for the on-going work of the Association. The trustees have the power to convert these funds to general funds.

Expenditure which meets these criteria is charged to the funds.

Further explanation of the nature and purpose of each fund is included in note 18.

i) Current assets

Amounts owing to the Association at 31 December in respect of fees, rents or other income are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Association. Subsequently, they are measured at the level of cash or other consideration expected to be received.

j) Current liabilities

Creditors and provisions are recognised when the Association has a present obligation arising 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.

Liabilities are measured on recognition at their historical cost and then subsequently at the best estimate of the amount required to settle the obligation at the reporting date.

k) Gains and losses

All gains and losses are taken to the SoFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or purchase value if purchased during the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2 Income from Donations

The following donations, legacies and grants were receivable during the year:-

	Unrestricted	Restricted	Endowment	Total 2020	Total 2019
	£	£	£	£	£
Home Mission Funding	195,581	-	-	195,581	215,838
Donations	19,366	-	-	19,366	22,266
Partnership for Mission	31,742	-	-	31,742	16,706
Other grants	30,000	-	-	30,000	-
WeBox Appeal	24,131	-	-	24,131	20,787
Seventy-two	-	-	-	-	15,824
Share of proceeds on sale of Blakeney chapel	-	-	-	-	105,978
Share of proceeds on sale of Tattershall, URC	-	-	141,785	141,785	-
	<u>300,820</u>	<u>-</u>	<u>141,785</u>	<u>442,605</u>	<u>397,399</u>

The charity has a close relationship with the Baptist Union of Great Britain (which is also a charity) and receives significant funding from it. The Home Mission funding is a share of the monies donated to the Baptist Union of Great Britain by churches in the area covered by the Association.

Grants for Churches Together within the Association area and for special projects are now allocated separately following a restructuring of the way in which the Baptist Union Home Mission grants are distributed.

All income from donations in 2019 was unrestricted except for £15,824 restricted income received for the Seventy-Two project.

3 Income from Investments

	Unrestricted	Restricted	Endowment	Total 2020	Total 2019
	£	£	£	£	£
Income from investments	19,437	-	-	19,437	22,063
Bank interest	5	-	-	5	934
	<u>19,442</u>	<u>-</u>	<u>-</u>	<u>19,442</u>	<u>22,997</u>

All income from investments in 2019 was unrestricted.

4 Income from charitable activities

	Unrestricted	Restricted	Endowment	Total 2020	Total 2019
	£	£	£	£	£
Church income re Regional Ministers	1,153	-	-	1,153	2,997
Management charges - Payroll and Trust Companies	16,200	-	-	16,200	16,200
Programme related investment income	31,942	-	-	31,942	31,753
Ministers Conference	11,579	-	-	11,579	12,023
Committees & conferences	1,031	-	-	1,031	15,966
	<u>61,905</u>	<u>-</u>	<u>-</u>	<u>61,905</u>	<u>78,939</u>

All income from charitable activities in 2019 was unrestricted.

5 Expenditure on Charitable activities

	Total 2020 £	Total 2019 £ Restated
Assemblies, Conferences & Events	17,256	26,108
Employees (see note 7)	246,264	319,616
Home Mission and other grants (see note 6)	124,797	85,592
Hospitality	847	812
Management & administration	15,214	18,299
Depreciation	1,603	1,188
Property costs	13,630	80,895
Subscriptions	724	707
WeBox	19,236	14,854
Independent examination	3,240	2,766
Legal & professional fees	2,688	4,376
Trustees expenses (included in note 7)	-	1,048
	445,499	556,261

6 Analysis of grants

	Total 2020 £	Total 2019 £
Home Mission grants:		
The Stowe	6,000	8,004
Knowle West Baptist Church	14,604	14,604
Stapleton Baptist Church	-	996
Worle Baptist Church	15,996	7,296
Bristol University Chaplain	4,116	4,116
Chew Magna Baptist Church	5,004	5,004
City Road Baptist Church	19,004	5,004
Stonehouse Baptist Church (grant repaid)	-	(1,356)
Welton Baptist Church	6,996	6,996
St Marks Baptist Church	6,000	6,996
Cheddar Baptist Church	5,004	6,996
Nailsworth Baptist Church	4,167	-
Brunswick Baptist Church	2,640	-
Hillfields Baptist Church	1,000	-
Bussage	7,300	-
Portishead, Mission Catalyst	7,300	6,000
	105,131	70,656
Other grants:		
English Churches Together	1,542	1,600
Tilshead Fund - student fees	2,720	-
Contribution to schools chaplaincy	1,400	-
Partnership for Mission		
- Melksham Baptist Church	14,004	9,336
- St George Baptist Church	-	4,000
	19,666	14,936
	124,797	85,592

7 Staff costs and Trustee expenses

	2020	2019
	£	£
Regional Ministers' remuneration:-		Restated
Revd. Nigel Coles - Trustee	39,510	36,014
Social Security costs (trustees)	3,787	3,887
Trustee Pension costs (see note below)	8,485	9,192
Total Trustees' remuneration	<u>51,782</u>	<u>49,093</u>
Staff Salaries	134,978	137,502
Social Security costs (staff)	8,478	8,205
Other Staff Pension costs (see note below)	8,421	54,883
Housing costs	18,193	28,190
Training - courses, conferences, assemblies	1,801	2,227
Council tax, water, telephone	11,406	9,576
Expenses and other costs	11,205	29,940
	<u>246,264</u>	<u>319,616</u>

The Memorandum of Association of the charity, approved by the Charity Commission, provides for remuneration and benefits to be paid to those persons appointed as Regional Ministers of the charity. Remuneration is paid to the Regional Ministers as fully accredited Baptist ministers of the Baptist Union of Great Britain to exchange information, provide advice and support to churches and their respective ministers and leaders enabling the charity to further its Objects.

<i>Pension Costs to SOFA</i>		2020	2019
		£	£
Regional Ministers' pension contributions:-			
Revd. Nigel Coles - Trustee	Baptist Pension Scheme	8,485	9,192
Staff	Baptist Pension Scheme	8,421	4,883
Balance of deficit contributions payable for BU Scheme		-	50,000
		<u>16,906</u>	<u>64,075</u>

Staff numbers and key management personnel

	2019	2018
The average number of full-time equivalent employees (including part-time staff) during the year as follows:		
Regional Ministers	3.0	3.0
Office Administrative Manager & Trust Officer	1.0	1.0
Administration staff	1.5	1.5
Payroll staff	0.9	0.9
Other Ministerial staff (including Wichelstowe & part-time project staff)	0.3	0.3
	<u>6.7</u>	<u>6.7</u>

The actual number of staff during the year was 8 (2019 - 8)

The key management personnel were defined as the Trustees and the senior management team, the total employment benefits paid to this group amounted to £108,666 (2019 - £133,277). This includes gross salary and employer's national insurance and pension contributions. Other benefits received are detailed above.

In 2020 no employee earned more than £60,000 per annum (2019 - Nil)

Trustee expenses

	2020	2019
	£	£
Trustee expenses	-	1,048

No trustees were reimbursed expenses in the current year. In the prior year, 4 trustees were reimbursed as above to cover travelling, conference and other expenses.

7 Staff costs and Trustee expenses (*continued*)

Pensions

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).

Ministers and some members of church staff are eligible to join the scheme. 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 Limited. 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.

Actuarial valuation as at 31 December 2019

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 Church and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

7 Staff costs and Trustee expenses (continued)**Pensions- (continued)**

The key assumptions underlying the valuation were as follows:

Type of financial assumption	%pa
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income increases (RPI)	3.20
Assumed investment returns	
Pre-retirement	2.95
Post retirement	1.70
Deferred pension increases	
Pre-April 2009	3.20
Post April 2009	2.50
Pension increases	
Main scheme pension	2.70

Post-retirement mortality in accordance with 80% of the S2NFA and S2NMA 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 33 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.

Movement in Balance sheet liability

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below:

Accounting date (year ending):	31/12/2020	31/12/2019
Balance sheet liability at year start	128,611	136,934
Minus deficiency contributions paid	(10,167)	(13,263)
Interest cost (recognised in SoFA)	2,100	3,130
Remaining change to balance sheet liability* (recognised in SoFA)	(40,188)	1,810
Balance sheet liability at year end	<u>80,356</u>	<u>128,611</u>

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

The year -end creditor has been included in the accounts as follows:

Creditors (amounts falling due within one year)	10,167	13,263
Creditors (amounts falling due after more than one year)	70,189	115,348
	<u>80,356</u>	<u>128,611</u>

7 Staff costs and Trustee expenses (continued)**Pensions- (continued)**

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:

Accounting date	31/12/2020	31/12/2019	31/12/2018
Discount rate	0.40%	1.70%	2.40%
Future increases to Minimum Pensionable Income	3.00%	3.20%	3.30%
		2020	2019
		£	£
Total pension cost			Restated
BPS		16,906	14,075
Deficit contributions		-	50,000
		<u>16,906</u>	<u>64,075</u>

8 Taxation

No corporation tax has been provided in these accounts because the income of the charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

9 Statement of Financial Activities for the year ended 31 December 2019

	Unrestricted	Restricted	Endowment	Total 2019
	£	£	£	£
INCOME FROM:				
Donations	381,575	15,824	-	397,399
Investments	22,997	-	-	22,997
Charitable activities	78,939	-	-	78,939
Total Income	<u>483,511</u>	<u>15,824</u>	<u>-</u>	<u>499,335</u>
EXPENDITURE ON:				
Charitable activities	537,856	18,405	-	556,261
Total Expenditure	<u>537,856</u>	<u>18,405</u>	<u>-</u>	<u>556,261</u>
Investment gains/(losses)	4,088	-	71,491	75,579
Pension liability movements	(4,940)	-	-	(4,940)
Net Income/(expenditure) and net Movement in Funds	<u>(55,197)</u>	<u>(2,581)</u>	<u>71,491</u>	<u>13,713</u>
Reconciliation of Funds				
Total funds brought forward 1 January 2019	1,286,169	55,262	741,966	2,083,397
Total Funds at 31 December 2019	<u>1,230,972</u>	<u>52,681</u>	<u>813,457</u>	<u>2,097,110</u>

10 Net income for the year

	2020	2019
	£	£
This is stated after charging:		
Independent Examiner's fees:		
Accounts preparation	1,800	1,650
Independent examination - current year	1,200	1,128
-under/(over)provided in prior year	240	(12)
Depreciation	<u>1,603</u>	<u>1,188</u>

11 Fixed Assets

a) Tangible fixed assets

The movement in the year was as follows:-

	Freehold Property £	Office Equipment £	Total £
Cost			
Beginning of the year	488,631	17,412	506,043
Additions	-	1,888	1,888
	<u>488,631</u>	<u>19,300</u>	<u>507,931</u>
Depreciation			
Beginning of year	1,221	15,527	16,748
Charge for the period	-	1,603	1,603
End of year	<u>1,221</u>	<u>17,130</u>	<u>18,351</u>
Net book value			
31 December 2020	<u>487,410</u>	<u>2,170</u>	<u>489,580</u>
31 December 2019	<u>487,410</u>	<u>1,885</u>	<u>489,295</u>

b) Association Property

	2020	2019
	£	£
Land at Emersons Green	176,490	176,490
Manse at 3 The Hawthorns, Bussage, Stockwood Church	300,270	300,270
	<u>10,650</u>	<u>10,650</u>
	<u>487,410</u>	<u>487,410</u>

12 Investments

	2020	2019
	£	£
Market value at beginning of year	736,799	749,396
Acquisitions at cost	48,697	65,924
Sale proceeds from disposals	(48,177)	(88,428)
Gains in the period		
- Realised gains	15,727	8,423
- Net unrealised gains	(30,815)	67,156
Increase in cash balances	16,081	(65,672)
Market value as at 31 December	<u>738,312</u>	<u>736,799</u>

Investments at market value comprise:-

	2020	2019
	£	£
UK equities	157,654	192,321
UK fixed interest securities	102,982	90,899
UK other investments	132,795	120,525
Overseas equities	243,463	247,703
Cash balances - WEBTC	(28,087)	55,312
Cash balances - Charles Stanley	129,504	30,038
Wholly Owned Trading Subsidiary	<u>1</u>	<u>1</u>
	<u>738,312</u>	<u>736,799</u>

Historical cost at 31 December

<u>593,278</u>	<u>539,160</u>
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West of England Baptist Association is the principal and legal holder of these investments, they are managed by West of England Baptist Trust Company Limited as custodian trustees.

13 Programme-related investments

	Support		
	Loans	Properties	Total
	£	£	£
Balance at 1 January 2020	171,038	668,648	839,686
Loan repayments	(44,117)	-	(44,117)
Balance at 31 December 2020	<u>126,921</u>	<u>668,648</u>	<u>795,569</u>

Programme related investment properties have been purchased when the charity has come across an opportunity to extend their charitable activities with a partner organisation, either immediately or in the future.

The following properties are held currently:

Manse at 1 Bishop Road, Emersons Green	248,852
61 Sion Road Bedminster	211,161
Woodside House, Stroud	208,635
	<u>668,648</u>

The Manse at 1 Bishop Road in Emerson's Green currently houses a church minister. The property is being acquired by the church under the Housing for Mission scheme agreement signed during 2011, whereby a proportion of the rent is being used to acquire further equity in the property. Should this property be sold the proceeds will be shared between the Church and the Association according to the equity share. The property was originally partly acquired for a purchase price of £290,164 using Avening fund proceeds. The current church equity is 16.3% £47,368 (2019 - £47,368).

The house at 61 Sion Road was purchased after the local church was about to close, to provide a base for a new ministry to begin. The house is currently being rented from the Association by Youth with a Mission to assist with their work amongst young people in the local area.

Woodside House, Stroud shares a common boundary with the Farmhill Church was purchased during 2015 to provide a base for new missionary work within the area. It is currently rented to a Christian charity operating a drug rehabilitation centre .

14 Debtors

	2020	2019
	£	£
Prepayments	1,000	1,000
Amounts due from Subsidiary undertakings	15,022	17,071
	<u>16,022</u>	<u>18,071</u>

15 Cash at bank and in hand

	2020	2019
	£	£
HSBC Bank	13,216	18,099
CAF Cash/Gold	232,390	134,603
COIF Charity Fund	14,285	14,285
Petty cash	76	26
	<u>259,967</u>	<u>167,013</u>

16 Creditors

	2020	2019
	£	£
Amounts falling due within one year		
Other Creditors	383	6,688
Accruals and deferred income	22,984	18,455
Pension deficit liability	10,167	13,263
	<u>33,534</u>	<u>38,406</u>

17 Notes to the Cashflow Statement

A. Reconciliation of net movement in funds to net cash inflow from operating activities

	2020	2019
	£	£
Statement of Financial Activities: Net movement in funds	98,617	13,713
Investment income	(19,442)	(22,997)
Depreciation	1,603	1,188
Realised movement on investments	(15,727)	(8,423)
Unrealised movement on investments	30,815	(67,156)
(Decrease)/Increase in creditors	(1,776)	12,746
(Increase)/Decrease in debtors	2,049	19,342
(Increase)/Decrease in programme related investments	44,117	(2,400)
Changes to valuation of pension fund liability	(38,088)	4,940
Net cash outflow from operating activities	102,168	(49,047)

B. Analysis of changes in cash flow during the year

	2020	2019	Change
	£	£	£
Cash at bank and in hand	259,967	167,013	92,954
Cash in Investment Portfolio	101,417	85,350	16,067
Cash & cash equivalents	<u>361,384</u>	<u>252,363</u>	<u>109,021</u>
	2019	2018	Change
	£	£	£
Cash at bank and in hand	167,013	118,150	48,863
Cash in Investment Portfolio	85,350	151,022	(65,672)
Cash & cash equivalents	<u>252,363</u>	<u>269,172</u>	<u>(16,809)</u>

Note 12

18 Statement of Funds

Current Year

	At 1 January 2020 £	Income £	Expenditure £	Other Movements & Transfers £	At 31 December 2020 £
Unrestricted					
General fund	12,252	350,425	(411,807)	102,586	53,456
Designated					
Fixed assets	302,355	-	-	285	302,640
Programme-related investments	839,686	-	-	(44,117)	795,569
Painswick	14,943	-	-	-	14,943
Partnership for Mission	76,789	31,742	(18,672)	-	89,859
Tilshead Fund	113,558	-	-	(100,000)	13,558
Pension deficit fund	(128,611)	-	-	48,255	(80,356)
Total unrestricted funds	1,230,972	382,167	(430,479)	7,009	1,189,669
Restricted					
Seventy-two	25,269	-	(15,020)	-	10,249
Leighterton & Culkerton	16,762	-	-	-	16,762
Stockwood Church	10,650	-	-	-	10,650
Total restricted funds	52,681	-	(15,020)	-	37,661
Expendable endowment					
Income fund	637,167	141,785	(2,836)	15,991	792,107
	637,167	141,785	(2,836)	15,991	792,107
Permanent endowment					
Avening Fund	176,290	-	-	-	176,290
Total Endowment	176,290	-	-	-	176,290
Total Endowment	813,457	141,785	(2,836)	15,991	968,397
TOTAL FUNDS	2,097,110	523,952	(448,335)	23,000	2,195,727

18 Statement of Funds (continued)

Prior Year

	At 1 January 2019 £	Income £	Expenditure £	Other Movements & Transfers £	At 31 December 2019 £
Unrestricted					
General fund	32,833	466,805	(476,999)	(10,387)	12,252
Designated					
Fixed assets	303,543	-	-	(1,188)	302,355
Programme-related investments	837,286	-	-	2,400	839,686
Painswick	15,690	-	(747)	-	14,943
Partnership for Mission	68,751	16,706	(8,668)	-	76,789
BU Pension Deficit Fund	50,000	-	(50,000)	-	-
Tilshead Fund	115,000	-	(1,442)	-	113,558
Pension deficit fund	(136,934)	-	-	8,323	(128,611)
Total unrestricted	1,286,169	483,511	(537,856)	(852)	1,230,972
Restricted					
Home Mission & Other Causes	654	-	(654)	-	-
Seventy-two	27,196	15,824	(17,751)	-	25,269
Leighterton & Culkerton	16,762	-	-	-	16,762
Stockwood Church	10,650	-	-	-	10,650
Total restricted	55,262	15,824	(18,405)	-	52,681
Expendable endowment					
Income fund	565,676	-	-	71,491	637,167
	565,676	-	-	71,491	637,167
Permanent endowment					
Avening Fund	176,290	-	-	-	176,290
Total Endowment	176,290	-	-	-	176,290
Total Endowment	741,966	-	-	71,491	813,457
TOTAL FUNDS	2,083,397	499,335	(556,261)	70,639	2,097,110

During the year the trustees have taken the opportunity to further analyse their funds as follows:

General Fund (unrestricted)

This represents the free funds of the charity which are not designated for particular purposes, following the re-distribution of the funds held by the Association.

Fixed Asset Fund (designated)

This fund exists to support the Association in funding the fixed assets it needs to carry out its charitable objects. It includes equipment, the manse at Bussage and the portion of land held at Emersons Green not held within endowment funds (see notes 18 and 19).

18 Statement of Funds (*continued*)

Programme-related Investments Fund (designated)

This fund exists to provide support to the churches and individuals within the Association, for purposes approved by the Executive of the charity. This support includes loan finance to property projects, local churches and in special cases, individuals. Interest on loans is subject to negotiation, but at a rate not greater than that charged by the Baptist Union Corporation Limited.

Ministers' Conference Account (designated)

This fund previously administered separate from the Association's accounts, is now administered in the Association's office and is used to control the finances of the annual minister's conference which is normally self funding.

Painswick Fund (designated)

This fund was created from the closure of the United Church at Painswick and represents the balance of the funds held previously from the sale of the old chapel. A new initiative to re-establish a Baptist presence is being funded from this fund.

Partnership for Mission (designated)

This fund has been established to enable church planting and other pioneering activities within the Association.

BU Pension deficit fund (designated)

In December 2016, trustees agreed to designate £50,000 as a pension reserve. In 2019, these funds were paid into the BU Pension Scheme.

Tilshead Fund (designated)

This fund has been set aside from the proceeds of the former Tilshead Baptist church to help fund outreach activity in the surrounding area in partnership with other local Baptist Churches.

Pension deficit fund (designated)

This negative fund relates to agreed payments the Association owes the Baptist Union Pension scheme over the coming years as described in note 7 above. The fund has been set aside separately such that free reserves can be shown separately to the pension catch up payments. Repayments of £10,167 were paid to the scheme during the year.

Home Mission & Other Causes Fund (restricted)

This fund occasionally receives monies (usually donations) as an agent for Home Mission on behalf of the Baptist Union of Great Britain. Donations are very occasionally received for other causes, which are passed directly on to the appropriate beneficiary.

Seventy-two (restricted)

Seventy-Two is a network and catalyst for mission across the Baptist Union of Great Britain. Webnet has taken the lead in the programme and records and manages the income and expenditure as a Restricted Fund. Income has come directly from other Associations or from the Baptist Union itself and is used to cover employment and other overheads running the programme or on specific Seventy-Two projects.

Leighterton & Culkerton (restricted)

This capital fund, held under a trust created in July 1947, exists to provide income for the Leighterton & Culkerton churches in Gloucestershire. Should the churches close the income of the fund may be used for Colportage and Evangelistic work in the surrounding villages and district.

18 Statement of Funds (continued)**Stockwood Church Fund (restricted)**

This fund represents the cost of the Stockwood Church which is governed by an ultimate trust dated June 1977. Should the church close and the premises sold, the proceeds will be shared between the Association and Bristol City Mission Society.

Income Fund (Expendable endowment)

This fund holds the charitable company's investments, all of which are held in with Charles Stanley & Co Limited. The purpose of the fund is to generate income for the on-going work of the Association. The fund is held as part of the company's reserve and all or part of it may be transferred to unrestricted funds by decision of the trustees. During 2020 further funds were added to the reserve arising from donations received from sales of three properties, two of these were received in prior years and therefore required a funds transfer. The full transfer left the General fund below its agreed minimum, so an additional transfer back has been used to restore the General Fund.

Strategic Fund (Expendable endowment)

From time to time the charitable company receives funds from the sale of previously closed churches or church related land and/or buildings. The trustees have set these funds aside as expendable endowment to hold for future re-investment in buildings or other church-related work.

Avening Fund (Permanent Endowment)

This endowment fund was created following a Charity Commission scheme following the closure of the Avening Baptist Church in 1995. The scheme restricted the use of the capital in the fund to the provision of premises of churches within the South Gloucestershire area. This is the land at Emerson's Green.

19 Assets analysed between funds**Current Year**

	Unrestricted	Restricted	Endowment	Total 2020
	£	£	£	£
Tangible Fixed assets	302,640	10,650	176,290	489,580
Programme-related investments	795,569	-	-	795,569
Investments	16,320	3,985	718,007	738,312
Net current assets	145,329	23,026	74,100	242,455
Creditors of more than one year	(70,189)	-	-	(70,189)
	<u>1,189,669</u>	<u>37,661</u>	<u>968,397</u>	<u>2,195,727</u>

Unrestricted: analysed between funds

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	302,640	302,640
Programme-related investments	-	795,569	795,569
Investments	36,410	(20,090)	16,320
Net current assets	17,046	128,283	145,329
Creditors of more than one year	-	(70,189)	(70,189)
	<u>53,456</u>	<u>1,136,213</u>	<u>1,189,669</u>

Prior Year

	Unrestricted	Restricted	Endowment	Total 2019
	£	£	£	£
Tangible Fixed assets	302,355	10,650	176,290	489,295
Programme-related investments	839,686	-	-	839,686
Investments	99,527	3,985	633,287	736,799
Net current assets	108,451	38,227	-	146,678
Creditors of more than one year	(115,348)	-	-	(115,348)
	<u>1,234,671</u>	<u>52,862</u>	<u>809,577</u>	<u>2,097,110</u>

19 Assets analysed between funds (continued)**Unrestricted: analysed between funds**

	General	Designated	Total
	£	£	£
Tangible Fixed assets	-	302,355	302,355
Programme-related investments	-	839,686	839,686
Investments	36,218	63,309	99,527
Net current assets	(23,966)	132,417	108,451
Creditors of more than one year	-	(115,348)	(115,348)
	<u>12,252</u>	<u>1,222,419</u>	<u>1,234,671</u>

20 Share capital

The company is limited by guarantee and therefore has no share capital.

21 Capital expenditure commitments

At the time of production of this Annual Report and Accounts no capital expenditure has been authorised.

22 Related party transactions

During the period, West of England Baptist Association was the parent company of West of England Baptist Payroll Company Limited. Jane Riches stood down as a WEBA trustee while remaining a director of the payroll company. Paul Salmons was appointed and is now the Trustee director of the payroll company.

During the year Management charges amounting to £9,000 (2019 - £9,000) towards the administrative costs were paid to the Association. The company paid a donation of £15,022 (2019: £29,000) to the charity during the year. At the balance sheet date West of England Baptist Payroll Company Limited, owed the charity £15,022 (2019 - £17,071).

The West of England Baptist Trust Company is a wholly owned subsidiary of the West of England Baptist Association. The charity administers the Association's investments on its behalf. During the year, the Association received dividends and income of £19,486 (2019: £22,185). At the year end, the company held investments of £754,416 (2019: £669,525), and the Association owed a cash amount of £28,087 to the Trust Company (2019: the Trust Company owed the Association £55,311). The Trust Company also paid the Association £9,000 (2019: £9,000) towards administrative costs during the year.

During the year donations of £nil were received from Trustees (2019 - £nil).

Details of trustees' remuneration and trustees' expenses reimbursed are shown in note 7.

There were no other related party transactions during the year.