



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 8<sup>th</sup> 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: 8<sup>th</sup> July 2022

**Statement of financial activities**  
**For the year ended 31 December 2021**

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

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**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
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**

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

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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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	50,564	51,782
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
		<hr/>	<hr/>
		12,592	16,906

**Staff numbers and key management personnel**

	<b>2021</b>	<b>2020</b>
		<b>(restated)</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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
	£	£
<b>Total pension payments in the year</b>		
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
	£	£	£	£
<b>INCOME FROM:</b>				
Donations	300,820	-	141,785	442,605
Investments	19,442	-	-	19,442
Charitable activities	61,905	-	-	61,905
<b>Total Income</b>	<u>382,167</u>	<u>-</u>	<u>141,785</u>	<u>523,952</u>
<b>EXPENDITURE ON:</b>				
Charitable activities	430,479	15,020	-	445,499
Fees on sale of property			2,836	2,836
<b>Total Expenditure</b>	<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)
<b>Net Income/(expenditure)</b>	<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
<b>Net Movement in Funds</b>	<u>(41,303)</u>	<u>(15,020)</u>	<u>154,940</u>	<u>98,617</u>
<b>Reconciliation of Funds</b>				
Total funds brought forward 1 January 2020	1,230,972	52,681	813,457	2,097,110
<b>Total Funds at 31 December 2020</b>	<u>1,189,669</u>	<u>37,661</u>	<u>968,397</u>	<u>2,195,727</u>

**10 Net income for the year**

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

**11 Fixed Assets**

## a) Tangible fixed assets

The movement in the year was as follows:-

	<b>Freehold Property</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
Beginning of the year	488,631	19,300	507,931
Additions	-	-	-
	<u>488,631</u>	<u>19,300</u>	<u>507,931</u>
<b>Depreciation</b>			
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>
<b>Net book value</b>			
31 December 2021	<u>487,410</u>	<u>944</u>	<u>488,354</u>
31 December 2020	<u>487,410</u>	<u>2,170</u>	<u>489,580</u>

## b) Association Property

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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:-

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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**

	<b>Support</b>		
	<b>Loans</b>	<b>Properties</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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	208,635
	<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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
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 £
<b>Unrestricted</b>					
General fund	53,456	317,761	(435,151)	116,665	52,731
<b>Designated</b>					
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
Tilshead Fund	13,558	-	(2,320)	(2,720)	8,518
Pension deficit fund	(80,356)	-	-	16,656	(63,700)
<b>Total unrestricted funds</b>	<b>1,189,669</b>	<b>333,934</b>	<b>(451,475)</b>	<b>57,600</b>	<b>1,129,728</b>
<b>Restricted</b>					
Seventy-two	10,249	-	(5,856)	-	4,393
Leighterton & Culkerton	16,762	50	-	-	16,812
Stockwood Church	10,650	-	-	-	10,650
<b>Total restricted funds</b>	<b>37,661</b>	<b>50</b>	<b>(5,856)</b>	<b>-</b>	<b>31,855</b>
<b>Expendable endowment</b>					
Income fund	792,107	-	-	6,296	798,403
	792,107	-	-	6,296	798,403
<b>Permanent endowment</b>					
Avening Fund	176,290	-	-	-	176,290
<b>Total Endowment</b>	<b>176,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176,290</b>
<b>Total Endowment</b>	<b>968,397</b>	<b>-</b>	<b>-</b>	<b>6,296</b>	<b>974,693</b>
<b>TOTAL FUNDS</b>	<b>2,195,727</b>	<b>333,984</b>	<b>(457,331)</b>	<b>63,896</b>	<b>2,136,276</b>

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

	At 1 January 2020 £	Income £	Expenditure £	Other Movements & Transfers £	At 31 December 2020 £
<b>Unrestricted</b>					
General fund	12,252	350,425	(411,807)	102,586	53,456
<b>Designated</b>					
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)
<b>Total unrestricted</b>	<b>1,230,972</b>	<b>382,167</b>	<b>(430,479)</b>	<b>7,009</b>	<b>1,189,669</b>
<b>Restricted</b>					
Seventy-two	25,269	-	(15,020)	-	10,249
Leigherton & Culkerton	16,762	-	-	-	16,762
Stockwood Church	10,650	-	-	-	10,650
<b>Total restricted</b>	<b>52,681</b>	<b>-</b>	<b>(15,020)</b>	<b>-</b>	<b>37,661</b>
<b>Expendable endowment</b>					
Income fund	637,167	141,785	(2,836)	15,991	792,107
	637,167	141,785	(2,836)	15,991	792,107
<b>Permanent endowment</b>					
Avening Fund	176,290	-	-	-	176,290
<b>Total Endowment</b>	<b>176,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176,290</b>
<b>Total Endowment</b>	<b>813,457</b>	<b>141,785</b>	<b>(2,836)</b>	<b>15,991</b>	<b>968,397</b>
<b>TOTAL FUNDS</b>	<b>2,097,110</b>	<b>523,952</b>	<b>(448,335)</b>	<b>23,000</b>	<b>2,195,727</b>

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**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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**

	<b>General</b>	<b>Designated</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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**

	<b>General</b>	<b>Designated</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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 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 £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.