



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.

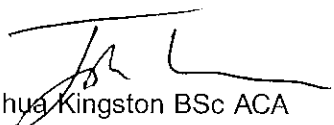
Independent examiner's statement

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 2022	Total 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 2022	Total 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 2022	Total 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 2022	Total 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
	Total 2022 £	Total 2021 £
<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

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
	<u>311,166</u>	<u>281,757</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>		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)
		<u>28,796</u>	<u>12,592</u>

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
	<u>6.5</u>	<u>6.8</u>

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 (Restated)	31/12/2020 (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
-under/(over)provided in prior year	120	(84)
Depreciation	472	1,226

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
	488,631	19,300	507,931
Depreciation			
Beginning of year	1,221	18,356	19,577
Charge for the period	-	472	472
End of year	1,221	18,828	20,049
Net book value			
31 December 2022	487,410	472	487,882
31 December 2021	487,410	944	488,354

b) Association Property

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

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	592,685	820,632

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
	592,685	820,632
Historical cost at 31 December	563,401	681,394

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 Avening 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 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
Tilshead 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.