

**EAST MIDLAND
BAPTIST ASSOCIATION
(A Company Limited by Guarantee)**

**ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

**Company Registered Number: 4302466
Charity number 1094457**

**EAST MIDLAND BAPTIST ASSOCIATION
YEAR ENDED 31ST DECEMBER 2020**

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EAST MIDLAND BAPTIST ASSOCIATION

COMPANY INFORMATION

COMPANY SECRETARY

Mrs R Nicholls

REGISTERED OFFICE

West Bridgford Baptist Church
Melton Road
West Bridgford
Nottingham
NG2 7NF

REGISTERED NUMBER

4302466

CHARITY NUMBER

1094457

INDEPENDENT EXAMINER

A R R Price FCA
A R R Price Limited
17 Newstead Grove
Nottingham
NG1 4GZ

BANKERS

Lloyds TSB
43 Irongate
Derby
DE1 3FT

EAST MIDLAND BAPTIST ASSOCIATION REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees present their report with the unaudited financial statements of the company for the year ended 31st December 2020.

PRINCIPAL ACTIVITY

The principal activity for the year under review was that of Charitable Trustees.

OBJECTS OF THE CHARITY

The East Midland Baptist Association is a company limited by guarantee and a registered charity. Its objects are set out in the Memorandum and Articles of Association dated July 2014 and include provision as to:

- The promotion of Evangelical Christian religion in the East Midlands or elsewhere according to the principles and usage for the time being of Protestants of the Baptist Denomination and for the furtherance of such objects to hold religious, evangelical, educational, philanthropic, social or business meetings and generally to act as may from time to time be determined.
- Support or assist in supporting Ministers, Evangelists, Lay Pastors, Teachers, Missionaries and any of them and all or any Churches, Missions, Societies, Associations, Committees and Causes connected with the Baptist Denomination.
- Provide monies required for all or any of such purposes.

CHARITY ORGANISATION

The main decision-making body of the Association during the year was the Board of Directors (the Trustees), which was made up of those elected by the member churches plus the Regional Minister Team Leader and the Association Treasurer (both ex-officio) and one co-opted member.

The company has one wholly owned subsidiary, The East Midland Baptist Trust Company. The Directors of the Trust Company are appointed by the Board of the Association.

The Mission work amongst the churches is undertaken by the Association Company and the Custodian Trusteeship work being undertaken by the Trust Company.

EMBTC ReObjectives and Activities

The EMBTC Board managed one face to face meeting before the various lockdowns started. All our business this year has been by electronic communication and virtual meetings. Our long serving company secretary, Melvyn Gilmour, announced his retirement and we bade him a fond farewell in October. We are grateful for his service and wish him well in 'retirement'. We welcomed Tim Chowns as our Baptist Union Corporation (BUC) link person and are grateful for his service. The opportunity was taken to reallocate responsibilities within the Board with Chris Hanning picking up a number of areas, Becky Nicholls taking on some official roles and Gary Anderson taking on responsibilities of property matters.

The Board has continued to support the churches of the Association with regard to property and legal matters related to Trust deeds and to applications for BUC loans, as well as assisting those churches which are closing to resolve legal and financial matters, a sad but necessary task. Chris Hanning was appointed EMBTC representative on the BUC Board and has contributed to their work over the year. Some small grants were approved to support EMBA churches with property development.

The recently completed BUC project to digitise all Trust deeds, some of which date back 200 years or more, has facilitated our management of Trust matters. We resolved that those churches who are in Trust with the EMBTC but who are not in membership with the EMBA and BU should pay an annual fee for the privilege as we did not feel that it was right that they be subsidised by those churches that are in membership. This is being implemented.

The EMBTC remains on a firm financial foundation and we look forward to supporting the churches in 2021. Our prayer is that the release from lockdown will inspire churches to renew their sense of mission and we stand ready to support in practical ways.

EMBTC Small Building Project Grants

The East Midland Baptist Trust Company (EMBTC) established the Small Building Project Grant fund to support EMBA churches in the maintenance, renewal and development of their church buildings. Over the past year, EMBTC have awarded three Small Building Project Grants to assist with the following projects: Newbold Verdon Baptist Church, Leicestershire – installation of a gas central heating system

- Stanground Baptist Church, Peterborough – refurbishment of the school room and creche
- West Bridgford Baptist Church, Nottinghamshire – refurbishment of the toilets

Rooted

Rooted is the EMBA's commitment to equip ministers and leaders for contemporary ministry and to help churches engage in mission and ministry in our ever-changing world. Themed days (usually three) are held each year that provide an opportunity to reflect theologically and practically on a particular aspect of ministry. The day is broadly aimed at either Ministers and Pastors (Rooted for Ministers), wider church leadership teams, including ministers and pastors (Rooted for Leaders), or open to everyone (Rooted for Everyone).

We aim to make the days as practical as possible with subjects covered that stimulate our thinking in mission and ministry. Themes explored so far include creative discipleship, understanding cultural change, and engaging missionally with new housing estates. Our summer session in 2020 on Spiritual abuse had to be cancelled due to the lockdown but has been rescheduled to Saturday 19 June 2021 – more details to follow. In November 2020, ministers were joined by the Revd Simon Mattholite, CEO of Rural Ministries, who explored the theme of 'Guests: Not Hosts' and encouraged churches to reflect on the changing methods of outreach and models of mission.

All sessions are delivered free of charge to EMBA churches, although donations are always welcome to offset costs. We are always happy to receive suggestions for topics or themes to be explored.

Re:imagine

In September 2019 we launched Re:imagine and our first cohort consisted of 35 leaders representing seven churches across the EMBA.

Re:imagine takes participating churches through a two-year learning and development process and encourages leadership teams to reflect on areas of culture, leadership, discipleship and mission so that they are better equipped to engage with the communities they are part of and be kingdom focused churches.

Over the two-year period, leadership teams gather four times (roughly six months apart) together for input and reflection and are then encouraged to put into practice something of what they have been engaging with. The aim is to become more missional, outward focused churches with God's mission at the heart of what we do.

Our first cohort last physically met on Saturday 07 March 2020, a few weeks later lockdown measures were imposed that meant we could not physically meet for our September session, but met for a short period of time via Zoom.

We are committed to Re:imagine and have been working with a couple of other Baptist Associations to develop it further and make it even more accessible.

If your church would be interested in joining or would like to find out more about what is involved, please speak to your regional minister or contact the EMBA Office.

EMBA Children, Young People and Families (CYF)

It goes without saying that this has been a challenging year for everyone, and arguably children and young people have struggled in unique ways as they have grappled with home schooling, loss of social relationships and activities, loss of support networks for those struggling with physical and mental health, as well as illness and death looming large in their families and communities. This has meant the challenges for people working alongside them have grown and the opportunities for face-to-face contact have shrunk. Workers, both volunteers and paid, have risen to the challenge across the country and the EMBA is no exception: workers have done zoom youth groups; video messy church; learned how to do YouTube, Facebook Live, video editing, you name it; they have had a go at it. I know that workers have spent hours bagging up lovely resources to support children and young people in their faith, have walked around hand delivering them,

having doorstep conversations week in week out, have faithfully phoned, prayed without ceasing and loved endlessly.

I have offered as much support as I can through all the different phases of lockdown, both to individuals and to groups. During the first lockdown I offered a weekly zoom gathering to give anyone working with children and young people to come along for chat and prayer and that has been regularly attended. Currently it's running monthly and anyone is welcome. I have also signposted to resources using the EMBA CYF Facebook page. The national CYF Roundtable has also been active and offering support and resources – in fact this month sees the roll out of the Emotional Rollercoaster online training that has been offered to all thirteen associations in partnership with TLG. The EMBA event is on Monday 01 March – book early to avoid disappointment.

As well as supporting and praying for workers who are tired, sad, anxious, I have also been involved in conversations with churches asking questions about what we learn from these strange COVID times. What will discipling children and young people look like in the future? What are young people learning about God and themselves that we need to be thinking about? What can churches offer the young people in their local schools and wider community to help their wellbeing? What will the long-term impact of COVID be on this young generation, and how do we as the people of God respond. These are open questions that we will need creativity to respond to – if you would like to ponder them with me do get in touch.

Please pray for our children and young people, their families, and for those in our churches who are working with them, often exhausted themselves but committed to doing the best they can to support them. Pray for them often and send chocolate (or other appropriate gifts!) to keep them going and let them know that they are appreciated.

EMBA Retired Baptist Ministers' Network (RBMN)

Soon after my 'retirement', Mark Clay came over to talk through with me an issue that had been playing on his mind: how to make meaningful contact with the growing number of retired Baptist Ministers living in, or moving into, the East Midlands region. The aim was to develop a network that would help to make contact with those who had – between them - served the Union and its churches for many decades, and to help them feel a sense of belonging, even if loosely, with the EMBA family. As we reflected on the options three concerns were uppermost: (i) the local church retired Ministers attend should be their main place for receiving pastoral support, (ii) those still active in local church leadership and ministry (but not retired) must remain the Regional Team's main responsibility, and (iii) some kind of opt-in network, for retired Ministers who now live within the EMBA region, *would* be an improvement on the current situation.

By the beginning of 2020, then, plans were being developed to set up an EMBA Retired Baptist Ministers' Network (EMBA – RBMN). A two-year programme, in four venues, was envisaged, largely based in county groups. These would focus on a meal together, and on giving an opportunity to meet and spend time with each other and with at least one Regional Minister. Then COVID struck and changed, well, almost everything! After further reflection with Mark, and with his pa Becky, we decided on a different approach...for the time being. During Advent an opt-in Zoom meeting was held. In preparation for this, the EMBA agreed to purchase a gift copy of a recently released book by Paul Beasley-Murray: *Make the Most of Retirement* for any retired Minister in the region who requested a copy. Around 30 Ministers participated in the meeting, with apologies from others for whom that morning was not a suitable one. The Zoom gathering included a devotion from Mark, an extended review of Paul's book by myself, and EMBA news updates from Nick and Mike.

At the time of writing this brief AGM report, a consultation is underway seeking future patterns, if any, for the EMBA - RBMN. In 2021, given the continuing uncertainties around the pandemic, two online events are being considered. From 2022, please God and with a fair wind, it *may* then be possible to pick up again the initial idea of several networking meals together. More information will follow, once the responses to the consultation questionnaire are received and considered.

EMBA Ministry Recognition Committee (MRC)

The Ministry Recognition Committee primarily works with those who are exploring a call to ministry across the EMBA.

In 2020, two MRC's were scheduled, one in March and one in October. Due to lockdown the March meeting was not able to take place physically but following BU guidelines we were able to take three candidates through an online process. Likewise, in October, we could not meet physically, but met with another candidate online. As in previous years we have collaborated with HEBA and have been grateful for some of their MRC members participating in our MRCs.

Currently we have three candidates who are preparing to attend our MRC later in the year – please do pray for them.

MRC is comprised of representatives from the regional team, EMBA ministers, and others who have been appointed by our churches. We are grateful for the work and time that they give to this group.

Grants Group

Thanks to the generous giving of our EMBA churches to Home Mission, the Association have been able to fund four Mission Grants and three Pioneer Mission Grants for 2021, one of these being a new grant, to support ministry at Robert Hall Memorial Baptist Church in Leicester.

In 2020 a Mission Micro Grant was also awarded to Basford Road Baptist Church, Nottingham to assist with the costs of starting a Renew Café. To find out more about how to set up a Renew space in your church community, please visit www.renewwellbeing.org.uk

We are grateful to the members of our EMBA Grants Group who give of their time to review the grant applications received and help discern the level of grant to be awarded. We are also thankful for the wisdom and expertise of Mr Norman Lazonby, in reviewing the financial component of all applications received and to all those who support the Regional Team in assisting with grant review visits.

If as a church you are considering a new mission opportunity but finance is an issue, we would strongly encourage you to take a look at the different grants available on the Grants section of the EMBA website or talk to your Regional Minister.

Safeguarding

In the first quarter of 2020, we were able to deliver five Level 2 trainings and one Level 3 training prior to the pandemic. All subsequent 'in-person' trainings then had to be cancelled for the remainder of 2020, creating a significant backlog. In response to the growing demand for training, together with the ongoing uncertainty as to when it will be safe to resume 'in-person' training, Baptists Together produced an Excellence in Safeguarding Update Film for church workers and leaders in our Baptist churches. In January 2021, the online training was rolled out to EMBA ministers, and to all EMBA churches with the help and support of church Designated Persons for Safeguarding (DPS's). The interim training has been well-received and assuming the positive uptake continues, it is hoped that the interim online training may help to ease the rush for training once 'in-person' training can resume.

As an Association we are supported by a very gifted and able Safeguarding Team, whose professional backgrounds provide significant knowledge and expertise in supporting EMBA churches. Mrs Helen Parker joined the team as an Adviser in the Autumn of 2020, having served as a safeguarding trainer for many years. We were also delighted to welcome back Mr Ed Ronayne as an Adviser at the start of 2021 after a period of ill health. Together with Mr Alan Davies, Helen and Ed manage the Association safeguarding cases alongside the Regional Ministers who provide pastoral support to churches.

We would also like to thank our team of safeguarding trainers who, despite the difficulties of the past year, have continued to journey with us as an Association. We would ask for your continued prayers for our Advisers and Trainers in the coming year as they receive 'refresher training' and seek to respond to the high demand for training and advice going forward.

Further information about safeguarding in the Association can be found via the EMBA website.

EMBA Associates for Training: Revd Elaine Burrows and Revd Nick Swanson

Nick and Elaine were appointed as EMBA Associate trainers in April 2020. They had already developed and delivered training courses for the EMBA and were keen to use their experience, gifts and skills to further develop this aspect of association life. In this new role they work alongside the Regional Ministers in delivering training across the region.

Whilst current restrictions due to Covid have had an impact on running in-person training, Nick and Elaine delivered an online course 'Making Disciples in Small Groups' in October. This course ran over two Saturdays via zoom and was well attended. There are plans in place to both repeat this course and the Pastoral Care course, 'Encircled in Care', which they initially ran in autumn 2019.

Additional courses under discussion include the CPAS Growing Leaders Course and a course entitled 'Building Healthy Communities'; the leaders' course is designed for anyone who is leading or could potentially lead a church ministry; it has also been a foundation course for those serving in church leadership or contemplating full-time ministry; the training on building healthy communities majors on managing tensions within ourselves and how we might address issues of tension within our churches.

EMBA Ministers' Conference

We held our Ministers' Conference online this year; it was a bit of a leap into the unknown for the team, but the feedback so far has been very positive, accepting that it might have been longer. With hindsight, which is always a good thing, we could perhaps have managed more!

The event was held over two mornings with the addition of an optional webinar on digital mission led by Revd Tom MacDonald, Revd Ben Haldane and Hannah Fleming-Hill, which was excellent. Other contributions were also wonderful; we were blessed by Revd Rashell Beya who led our worship and our keynote speaker, Revd Dr Helen Paynter from Bristol Baptist College, who led us in a short meditation and sent us out to retreat on the first morning. This was followed by a meatier presentation the following morning and both sessions were an absolute feast; contextual, insightful and very challenging. Revd Mark Clay ended the conference leading us in a very moving communion.

We hope to be together again in-person next year, but for this year, as unusual and challenging as it was to do the conference online, it was also a blessing for around 100 ministers, pastors and chaplains of the EMBA. Thank you to all on the Ministers' Conference Team for getting out of the boat and treading into the unknown. Special thanks to Revd Dr Nick Ashton who managed the technology.

Home Mission

Home Mission giving for 2020 was £253,037 compared to £254,743 in 2019, a positive indication of our church's support for the wider Baptist family in these continuing difficult times.

RESERVES POLICY

The Directors have determined that the minimum Reserves required to be maintained are equivalent to three months' pay in lieu of notice for all paid staff plus an equal amount for contingencies, amounting to £75,000.

RISK REVIEW

A review of the major risks which impact on the work of the Association has been undertaken and procedures have been established to manage the risks identified.

TRUSTEES

The Trustees of the company during the year and at the date of this report were:

Moderator:	Revd David Harvey
Company Secretary:	Mr Melvyn Gilmour – resigned 1 October 2020
	Mrs Rebecca Nicholls - appointed 1 October 2020
Treasurer: (ex officio)	Mr Tim Jackson
Revd Mark Clay (ex officio)	
Mrs Kay McManus	
Revd John Brewster	
Pastor David Howe	
Revd Hannah Colk	Appointed 01.04.20
Mr Tim Jackson	Non-voting Trustee
Mrs Rebecca Nicholls	Non-voting Trustee.
Mrs Eleanor Cox	Appointed 01.04.20
Revd Samuel Hackett	Appointed 01.04.20
Revd Martin Hills	Appointed 01.04.20
Revd Matthew Jones	Appointed 01.04.20

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 Association and of its excess or deficiency of income over expenditure for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice 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 operation.

Statement on Public Benefit

Our main activities and who we are and the objectives of the charitable company are described above. All our charitable activities focus on the promotion of the Evangelical Christian Religion and the support of its Ministers, Lay pastors and Churches connected with the Baptist denomination and are undertaken to further our charitable purpose for the public benefit.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1st January 2015) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

SIGNED ON BEHALF OF THE TRUSTEES



David Harvey

Dated: 13th July 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EAST MIDLANDS BAPTIST ASSOCIATION

I report on the accounts of the company for the year ended 31st December 2020 which are set out on pages 11 to 20.

This report is made solely to the Charity's Trustees as a body, in accordance with Section 145 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charities Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept, or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have found.

Responsibilities and basis of the report

As the charity's Trustees of the company (and also its Directors for the purposes of company law) 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

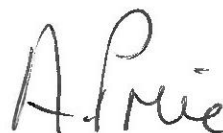
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed 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 the 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 (FRS102).

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.

Name A R R PRICE FCA
Institute of Chartered Accountants in England and Wales



For and on behalf of ARR Price Limited
17 Newstead Grove
Nottingham
NG1 4GZ

Date



EAST MIDLAND BAPTIST ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(Including Income and Expenditure Account)

	Note	Unrestricted Funds	Designated Funds	Restricted Endowed Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
INCOME from						
Charitable activities						
BU Operational Funding		124,380	-	-	124,380	130,925
BU Home Mission Funding		110,000	-	-	110,000	120,000
Income from Closed Churches		-	-	-	-	1,667
Proceeds from Sale of Closed Churches		11,965	180,654	-	192,619	139,688
Preaching Contributions		1,584	-	-	1,584	4,943
Sundry Income		3,610	1,000	-	4,610	14,149
Investment Income		22,090	-	4,087	26,177	24,448
Rental Income		8,511	-	-	8,511	5,905
TOTAL INCOME		282,140	181,654	4,087	467,881	441,725
EXPENDITURE ON CHARITABLE ACTIVITIES						
Employment Costs		113,144	-	-	113,144	143,656
Manse Costs		24,685	-	-	24,685	21,944
Travel Costs		4,780	-	-	4,780	14,453
Training		2,587	-	-	2,587	3,721
Conferences, Committees and Meetings		5,821	-	400	6,221	10,657
Home Mission Grants	3	66,550	-	-	66,550	79,611
Grants and Donations	3	105	1,930	3,275	5,310	6,254
Church Relations		1,291	-	-	1,291	1,341
Printing and Photocopying		3,997	-	-	3,997	4,744
Postage and Telephone		5,812	-	-	5,812	5,964
Insurance		1,641	-	-	1,641	1,530
Depreciation		6,780	-	-	6,780	6,973
Sundry Expenses		1,183	-	-	1,183	1,109
Subscriptions		931	-	-	931	847
Closed Church costs		565	-	-	565	1,465
Governance Costs						
Independent Examiner's Fee		1,052	-	-	1,052	948
Insurance		-	-	-	-	320
Finance Cost (Pension deficit)		1,390	-	-	1,390	2,508
TOTAL EXPENDITURE		242,314	1,930	3,675	247,919	308,045
Net Income/(Expenditure) for the year before other recognised gains		39,826	179,724	412	219,962	133,680
Other Recognised Losses on Investments		(22,825)	-	(5,440)	(28,265)	66,918
Net Income/(Expenditure) for the year and Net Movement in Funds	4	17,001	179,724	(5,028)	191,697	200,598
Balances at 1st January 2020		717,754	597,791	207,215	1,522,760	1,322,162
Balances at 31st December 2020	10-12	734,755	777,515	202,187	1,714,457	1,522,760

All of the Charity's activities are derived from continuing activities.

**EAST MIDLAND BAPTIST ASSOCIATION
BALANCE SHEET AT 31ST DECEMBER 2020**

Company Number 4302466

	Note	2020 £	2019 £
Fixed Assets: Tangible Assets	5	15,849	21,615
Current Assets			
Debtors	6	1,723,723	1,567,381
Cash at Bank		<u>31,025</u>	<u>22,369</u>
		1,754,748	1,589,750
Creditors			
Falling due within one year	7	<u>(4,313)</u>	<u>(3,505)</u>
Net Current Assets		<u>1,750,435</u>	<u>1,586,245</u>
Total Assets Less Current Liabilities		1,766,284	1,607,860
Provisions for liabilities			
Defined Benefit Pension Scheme Deficit Liability	8	(51,827)	(85,100)
Net Assets		<u><u>1,714,457</u></u>	<u><u>1,522,760</u></u>
Funds			
Unrestricted:			
General	10	734,755	717,754
Designated	11	777,515	597,791
Restricted:	12	123,391	127,487
Endowed:	12	<u>78,796</u>	<u>79,728</u>
TOTAL CHARITY FUNDS		<u><u>1,714,457</u></u>	<u><u>1,522,760</u></u>

For the year ended 31st December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476: and

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts:-

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

These accounts were approved by the Directors and authorised for issue on
and are signed on their behalf by:-

13th July 2021

Revd M Clay
Trustee



T D Jackson:
Treasurer



The notes on pages 11 to 18 form part of these accounts.

1. ACCOUNTING POLICIES

Constitution

The Charity is a company limited by guarantee, incorporated in England and Wales company number 4302466 and a registered Charity number 1094457. The registered office is West Bridgford Baptist Church, Melton Road, West Bridgford, Nottingham NG2 7NF. The members of the company are the trustees named on page 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

Accounting Convention

The financial statements have been prepared under the historical cost convention in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)-Charities SORP FRS102 Section 1A small entities and the Charities Act 2011 and the Companies Act 2006.

The East Midlands Baptist Association meets the definition of a public benefit entity under FRS(102).

The presentation currency is £ Sterling.

Preparation of the Accounts on a Going Concern Basis

The Trustees consider that the Charity can continue as a going concern for at least the next 12 months and accordingly the accounts are prepared on a going concern basis.

Consolidation

In the opinion of the Trustees, the company and its subsidiary undertaking comprise a small group.

The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts

Income Recognition

Income from grants, donations and other voluntary income are recognised on a receivable basis. Proceeds from the sale of closed churches is recognised when notified of entitlement to the funds has been established.

Expenditure on Charitable Activities

Expenditure is included on an accruals basis inclusive of any VAT that cannot be recovered. Expenditure primarily relates to staffing and support costs to enable the Charity to support Baptist Church Communities in the East Midlands. The support is wide ranging and involves pastoral care of ministers and churches, support for outreach, youth work, training, payroll service and finance. The Charity also makes a number of grant payments through its Home Mission Grants to support ministries across the region.

Included with charitable activities are governance costs that are associated with constitutional and statutory requirements and the strategic management of the Charities activities.

Tangible Fixed Assets

The company is not the owner of any properties. It has an interest in properties owned by the East Midlands Baptist Trust Company to the value of £408,250. Depreciation is provided at 33% on cost to write off office and IT equipment over its estimated useful life.

Investment Policy

Investments are held in the name of the East Midland Baptist Trust Company Limited where they are shown at fair Value and managed by means of a mix of Gilt Edged Securities and high interest deposits so as to meet the ongoing needs of the company.

Debtors

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.ACCOUNTING POLICIES continued

Cash at bank

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity within 12 months of the Balance Sheet date.

Creditors and Provisions

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

Fund Accounting

Unrestricted funds- are available to spend on activities that further any of the purposes of the Charity. Designated- funds are funds set aside by the Trustees out of unrestricted funds for specific purposes or projects.

Restricted funds – are funds that can only be used for a particular restricted purpose. The restriction may be declared by the donor when making the gift or may result from the terms of an appeal.

Endowment funds- are resources received by the Charity that represent capital and that Charity law requires the Trustees to invest it or retain and use it for the Charity's purposes. In respect of permanent endowments the Trustees have no power to convert it into income and apply it. Whereas, expendable endowments the Trustees do have this power.

Expenditure that meets these criteria is charged to the appropriate fund

Voluntary Assistance

The company has not made any financial consideration for the voluntary help it has received during the year, nor is it able to quantify such assistance.

Pension Schemes

Multi-employer pension scheme

The Association is a member of a multi-employer scheme. Where it is not possible for the Association to obtain sufficient information to enable the Association to enable it to account for the plans as a defined benefit scheme, it accounts for the plan as a defined contribution scheme. Where the scheme is in deficit and where the association has agreed, with the scheme, to participate in a deficit funding arrangement the Association recognizes a liability for this obligation. The amount recognized is the net present value of the contributions payable under the agreement relating to the deficit. The amount is expensed in the Statement of Financial Activities.

A liability for the agreed deficit funding has been provided in these accounts.

Defined contribution scheme

The Association operates a defined contribution scheme for employees. Contributions payable are recognized in the Statement of Financial Activities when due.

Accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Multi employer defined benefits scheme – The charity has an obligation to pay a deficit funding arrangement in respect of the Baptist Pension Scheme. The present value of the obligation depends on a number financial factors such as discount rates and minimum pensionable income rates. Management estimates these factors in determining the pension obligation provided for on the balance sheet.

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

2 EMPLOYEES AND TRUSTEES

Staff Costs	2020 £	2019 £
Salaries	120,539	119,039
Employers NI	6,978	7,759
Pension Costs		
Defined Contribution Scheme	13,560	13,462
Defined Benefit Scheme - Deficit Charge		
Change in Liability (Note8)	(27,935)	3,396
Other Costs (council tax, water and accommodation)	24,685	21,944
	<u>137,827</u>	<u>165,600</u>

There are no employees who have emoluments of more than £60,000. The average number of employees is 5 (2019:5)

Six Trustees were reimbursed expenses for travelling conferences and other expenses of £3,700 (2019: £8,664 number of trustees reimbursed was 6)

Trustees receiving remuneration is the Regional Minister Revd M Clay consisting of:-

Remuneration	£36,000
Employer Pension Contributions	£4,225
Other costs	£3,487

The Memorandum of Association of the Charity provides for remuneration and benefits to be paid to those 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 to their ministers and leaders to enable the Charity to further its objects.

3 EXPENDITURE OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Home Mission Grants		
Home Mission Grants to Churches	66,550	79,611
Other Grants to Churches (restricted)	3,275	3,335
Other Grants to Individuals (designated)	1,930	1,900
	<u>5,205</u>	<u>5,235</u>

The grants to individuals are in support of theological training, spiritual courses and benevolent payments.

4 NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	2020 £	2019 £
Independent Examiner's Fee	1,052	948
Depreciation	6,780	6,972

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

5 TANGIBLE FIXED ASSETS

Computer and Office Equipment	£
At cost 01.01.20	37,972
Additions	<u>1,014</u>
Cost 31.12.20	38,986
Depreciation - at 01.01.20	16,357
- for year	<u>6,780</u>
Net book value at 31.12.20	<u>15,849</u>
Net book value at 31.12.19	<u>21,615</u>

6 DEBTORS

	2020	2019
	£	£
Inter-company Account - East Midland Baptist Trust Company Ltd	<u>1,723,723</u>	<u>1,567,381</u>

7 CREDITORS - Amounts falling due within one year

	2020	2019
	£	£
Taxation and social security	2,797	2,546
Other creditors and accruals	<u>1,516</u>	<u>959</u>
	<u>4,313</u>	<u>3,505</u>

8 PROVISION FOR LIABILITIES

	2020	2019
	£	£
Defined Benefit Pension Scheme Deficit Liability		
Balance Sheet Liability at 1st January 2020	85,100	87,762
Deficiency Contributions paid	(6,727)	(8,566)
Interest Cost	1,390	2,508
Change in Liability	<u>(27,936)</u>	<u>3,396</u>
Balance as at 31st December 2020	<u>51,827</u>	<u>85,100</u>

9 ANALYSIS OF NET ASSETS BY FUNDS

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
31st December 2020			
Fixed Assets	15,849	-	15,849
Current Assets	1,552,561	202,187	1,754,748
Current Liabilities	(4,313)	-	(4,313)
Provisions for Liabilities	<u>(51,827)</u>	<u>-</u>	<u>(51,827)</u>
	<u>1,512,270</u>	<u>202,187</u>	<u>1,714,457</u>
31st December 2019			
Fixed Assets	21,615	-	21,615
Current Assets	1,380,536	209,214	1,589,750
Current Liabilities	(3,505)	-	(3,505)
Provisions for Liabilities	<u>(85,100)</u>	<u>-</u>	<u>(85,100)</u>
	<u>1,313,546</u>	<u>209,214</u>	<u>1,522,760</u>

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

10 UNRESTRICTED FUNDS

	Balance at 01.01.20	Incoming Resources	Outgoing Resources	Unrealised Gains	Balance at 31.12.20
Unrestricted Funds	717,754	282,140	(242,314)	(22,825)	734,755

11 DESIGNATED FUNDS

	Balance at 01.01.20	Incoming Resources	Outgoing Resources	Balance at 31.12.20
	£	£	£	£
a Pioneer Ministry Fund	180,403	1,000	(1,930)	179,473
b Regional Ministry Fund	125,000	-	-	125,000
c Pension Reserve Fund	292,388	180,654	-	473,042
	597,791	181,654	(1,930)	777,515

12 RESTRICTED AND ENDOWMENT FUNDS

	Balance at 01.01.20	Incoming Resources	Outgoing Resources	Unrealised Losses	Balance at 31.12.20
	£	£	£	£	£
Restricted					
d Benevolent Fund	85,351	1,667	(1,750)	(2,219)	83,049
e Hunt Legacy	7,750	145	(400)	(192)	7,303
f Thos Cooke Trust	17,154	323	(1,125)	(431)	15,921
g Sutton in Ashfield	4,969	100	-	(133)	4,936
h Leicester Ass	10,240	207	-	(275)	10,172
i Peterborough Chaplaincy	460	9	-	(12)	457
j Burton on Trent	1,563	32	-	(42)	1,553
	127,487	2,483	(3,275)	(3,304)	123,391
Endowments					
k Hart Foundation	45,299	910	(400)	(1,212)	44,597
l Midland/Pegg Fund	17,717	357	-	(476)	17,598
m Round/Keywood Trust	11,444	231	-	(307)	11,368
n Doric Trust	4,407	89	-	(118)	4,378
o Knipton Trust	861	17	-	(23)	855
	79,728	1,604	(400)	(2,136)	78,796
TOTAL	207,215	4,087	(3,675)	(5,440)	202,187

Explanatory Notes

- a The Pioneer Ministry Fund has been created to set aside resources for mission projects currently under consideration and those in the future (e.g. Church Planting).
- b The Regional Ministry Fund has been created during the present uncertainty of future Association funding to contribute towards the potential budget deficit over the next 5 years.
- c A fund to be used for churches who get into financial difficulty with their pension fund deficit or closed churches where the pension deficit is higher than their assets
- d The Benevolent Fund is used to relieve financial distress amongst Baptist Ministers and/or their dependants in the event of incapacity or death.

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

12 RESTRICTED AND ENDOWMENT FUNDS (Continued)

- e The Hunt Legacy is used to support work amongst women, with a preference for Derbyshire.
- f The Thomas Cooke Fund is a legacy supporting ministry within the Loughborough District.
- g The Sutton in Ashfield Fund is to be used for the advancement of Baptist work in Nottinghamshire.
- h Leicester Association Fund - This represents the residual funds of the Association to be used to support the ministry in Leicester.
- i The Peterborough Prison Chaplaincy Fund is a fund to support the ministry at Peterborough Prison.
- j The Burton on Trent Fund is to assist young people to attend Baptist events.
- k The income from the Hart Foundation supports the education of Baptist Association area.
- l The Midland/Pegg Trusts provide grants for those in theological training.
- m/n/o The income from the Round, Keywood, Doric and Kington Trusts are distributed to various causes.

13 RELATED PARTIES

a) East Midlands Baptist Trust Company

The East Midland Baptist Trust Company (limited by guarantee no 178555 incorporated in England and Wales, Charity Number 250068) is a wholly owned subsidiary. Directors are appointed by the board of its holding company.

The financial results of East Midland Baptist Trust Company are: -

Gross assets are £2,915,764 (2019: £2,881,033) liabilities are £1,734,907 (2019: £1,675,801) with total net funds £1,180,857 (2019: £1,205,232). Total income amounts to £42,458 (2019: £68,453) and expenditure of £34,416 (2019: £51,612) with net losses on investments of £32,417 (2019: Gains £76,749) resulting in a deficit for the year of £24,375 (2019: Surplus £93,590).

Beneficial ownership of the property and investment assets of the holding company is vested in the Trust company and recognised through the balance on inter-company account which is shown in debtors. Assets which represent the balances are:-

	2020 £	2019 £
Property at Cost	408,250	408,250
Deposits and Investments	<u>1,315,473</u>	<u>1,159,131</u>
	<u>1,723,723</u>	<u>1,567,381</u>

b) Baptist Union of Great Britain

The Association is a member of the Baptist Union of Great Britain (BUGB). During the the year, it received grants from the BUGB as follows:

	2020 £	2019 £
BUGB Operational Funding	124,381	130,295
Home Mission Funding	<u>110,000</u>	<u>120,000</u>
	<u>234,381</u>	<u>250,295</u>

c) Rent was paid to West Bridgford Baptist Church in respect of rent of the Association offices amounting to £2,160 (2019:£2,160)

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

14 PENSIONS

The Association is an employer participating in two pension schemes: The Baptist Pension Scheme ("BPS") and the Baptist Union Staff Pension Scheme ("BUSPS"). The BPS and BUSPS are separate legal entities which are both administered by the Baptist Trustee (Baptist Pension Trust Limited).

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

From January 2012, pension provision for the Ministers and some members of staff is being made through the Defined Contribution (DC) Plan within the BPS. 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 BPS 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. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

Benefits in respect of service prior to 1st January 2012 are provided through the Defined Benefit (DB) Plan within the BPS, or through the BUSPS. The main benefits were:

In the BPS, 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; and

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925, and the BUSPS started in 1969. Both schemes were closed to future accrual of defined benefits on 31 December 2011.

Baptist Pension Scheme: 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

RPI Price Inflation Assumption	3.2%pa
CPI Price Inflation Assumption	2.7%pa
Minimum Pensionable Income Increases (CPI plus 0.75% pa)	3.20%pa
Assumed Investment Returns	
Pre Retirement	2.95%pa
Post Retirement	1.70%pa
Deferred Pension Increases	
- Pre April 2009	3.20%pa
- Post April 2009	2.50%pa
Pension Increases	
- Main Scheme pension Pre April 2006	2.70%pa
- Main Scheme pension Post April 2006	2.00%pa

**EAST MIDLAND BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
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14 PENSIONS (Continued)

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

As a result of the valuations, in addition to the contributions to the DC Plan set out above, the following deficiency contributions were agreed:

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.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The liability is shown in note 8

15 GIFTS MADE BY CHURCHES IN RESPONSE TO APPEALS

	<u>2020</u>	<u>2019</u>
HOME MISSION	<u>£253,037</u>	<u>£254,743</u>
BMS World Mission	<u>£268,618</u>	<u>£237,798</u>