

SOUTH WALES BAPTIST ASSOCIATION BUGB

England & Wales · Charity number 1102735

Details

Status Registered

Legal form Charitable company

Company number [04336086](#)

Registered 2004-03-19

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

Contact

Address Cardiff Baptist College
54 Richmond Road
Cardiff
CF24 3UR

Phone 02920491366

Email office@swba.org.uk

Website www.swba.org.uk

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN RELIGION ESPECIALLY BY THE MEANS OF AND IN ACCORDANCE WITH THE PRINCIPLES OF THE BAPTIST DENOMINATION AS SET OUT FOR THE TIME BEING IN THE DECLARATION OF PRINCIPLE OF THE BAPTIST UNION OF GREAT BRITAIN.

Activities: The Promotion of the Christian faith, principally by means of supporting churches within the Baptist denomination, across South Wales

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Religious Activities
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE SOUTH WALES
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£316,596	£238,945	-	-
2023-12-31	£248,817	£267,306	-	-
2022-12-31	£270,492	£187,820	-	-
2021-12-31	£231,950	£213,230	-	-
2020-12-31	£255,000	£304,000	-	-

Trustees

Name	Role	Appointed
Davina Thomas		2026-03-23
Kathryn Anne HUBBACK		2024-10-15
Rev Barbara Jane Carpenter		2024-10-15
Rev Carol Anne Soble		2021-10-07
Rev David Lloyd Powell		2020-11-12
Rev Jonathan David Greaves		2025-10-23
Rev Jonathan Mark Davis		2020-11-12
Rev Mark John Fairweather-Tall		2020-03-11
Rev Matthew Ian Carter		2020-11-12
Rev'd Dr William Craig Templeton Gardiner		2024-02-26
Scott Ringrose		2020-11-12
Shua Yang		2024-02-26

Accounts

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

**SOUTH WALES BAPTIST
ASSOCIATION (BUGB)**

(A COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION No: 04336086

CHARITY REGISTRATION No: 1102735

Castle View Accounting Ltd
Ground Floor Offices
53 High Street
Arundel
West Sussex
BN18 9AJ

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SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1102735
COMPANY REGISTRATION NUMBER	04336086
DATE OF INCORPORATION	7th December 2001
START OF FINANCIAL YEAR	1st January 2024
END OF FINANCIAL YEAR	31st December 2024
DIRECTORS AT 31ST DECEMBER 2024	Rev'd Mark Fairweather-Tall Rev'd Matt Carter Rev'd Jon Davis Rev'd Dr Craig Gardiner Rev'd David Powell Scott Ringrose Rev'd Carol Soble Shua Yang Rev'd Barbara Carpenter (Appointed 15th October 2024) Kath Hubback (Appointed 15th October 2024) Tristan Vaughan (Resigned 15th October 2024) Rev'd Dr Graham Watts (Resigned 15th October 2024) Jennie Weaver (Resigned 15th October 2024)
COMPANY SECRETARY	Mrs Karen Kaneen
GOVERNING DOCUMENT	Memorandum and Articles of Association Incorporated 7th December 2021 and As Amended 25th May 2005, As Amended on 15th October 2023, As Amended 15th October 2024.
OBJECTS	The advancement of the Christian Religion especially by the means of and in accordance with the principles of the Baptist Denomination as set out for the time being in the declaration of the principles of The Baptist Union of Great Britain.
REGISTERED ADDRESS	54 Richmond Road Roath Cardiff CF24 3UR
PRIMARY BANKERS	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
INDEPENDENT EXAMINERS	Castle View Accounting Ltd Ground Floor Offices 53 High Street Arundel West Sussex BN18 9AJ

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The charity's objectives are the advancement of the Christian religion especially by means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of the Baptist Union of Great Britain.

South Wales Baptist Association is one of thirteen associations of Baptists Together (Baptist Union of Great Britain). SWBA is made up of over 125 churches who are seeking to share the good news of Jesus with their local community. SWBA operates as a charity under number 1102735.

Public Benefit

In the course of their management of the Association, the trustees have regard for the public benefit provided by the Association's activities, and this is a feature both of the Association's work in support of its member churches (independent charities), and of its own direct activities, as follows:

The Association operates by providing support to member churches as they seek to work in their own communities. This support includes advice and guidance to ministers and leaders; mission consultations, assistance, advice and training in safeguarding children and adults as well as practical and financial assistance through loans and grants as appropriate. It is the intention of the Association to help enable churches to respond to their calling and fulfil their public benefit through their normal church activities and the provision of facilities to be used by the wider community as well as the advancement of the Christian faith. The association acts directly in a number of areas including the selection of individuals to train for ministry, the oversight of newly accredited ministers, arranging training and conferences for ministers and church leaders, involvement in the support of chaplaincy services at the University of South Wales and engaging at a number of levels with the wider community on behalf of Baptists.

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

There were no staff changes during the year.

The Association worked for the first part of the year with the West and South Partnership, made up of South Wales, South West, and Southern Counties Baptist Associations and the West of England Baptist Network. A Partnership Ministerial Recognition Committee meeting was held for candidates for ministry to explore their calling. The Partnership grants committee met to discuss Home Mission grants.

The Association continued to work with the Baptist Union of Wales (BUW). The two key events are the annual meetings known as Momentum and the Ministers' Conference. The Ministers' Conference took place at the Waterfront Church in Swansea, and Momentum at Trinity St David's College in Carmarthen entitled "Dynamic Words, Dynamic World".

The Association held a celebration which included the AGM of the Association at Bethel Baptist Church in Pontyclun. Feedback from the meeting was positive, and the videos showing association life were appreciated.

A Newly Accredited Ministers programme was provided.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

Supporting Churches

Regular 'Updates', 'E-news', Facebook and YouTube posts were the primary sources of information from the Association office to churches, Cardiff Baptist College, our Ministers and other interested parties. These provided information about local and national events, and enabled churches to share information about their local events with others across the Association.

Safeguarding training covering the Baptist Union of Great Britain's 'Excellence in Safeguarding' Levels 2 and 3 took place. Sixteen in-person training sessions took place across the year. 355 people were trained at level 2 and 188 people at level 3.

There were no serious safeguarding incidents to be reported in 2024.

Home Mission

Churches contributed £134,947.21 which was below our target of £150,000.

Home Mission Grants

The Association awarded a number of Home mission grants during 2024 amounting to £36,010.67. These included a Mission through Ministry grant to York Place BC; Special Ministry grants to Llanfair Uniting Church, Penrhys and Stanwell Road BC; A Home Mission grant also benefitted the University of South Wales Chaplaincy.

Supporting Ministers and Church Leaders

The Association provided a variety of means whereby Ministers and Church Leaders were supported and encouraged in their roles:

- Ministers' Fellowship groups continued to meet.
- The ministers' conference was held at the Waterfront Church in Swansea and the speakers was Rev'd Dr Martin Hodson of the Baptist Union of Scotland.
- The Newly Accredited Ministers' (NAMs) programme brought together ministers from both SWBA and the BUW for theological reflection.
- The Association MRC commended Sarah Butt as a Fully Accredited Minister after her completion of the NAMs programme. Kath Hubback was commended as a Nationally Recognised Pastor.

Pastoral support was offered in many situations.

Advice and support were given to several churches facing financial difficulties, conflicts or safeguarding issues.

Settlements

The following settlements took place:

Phil Dunning to Stantonbury Ecumenical Partnership in Milton Keynes

Simon Govier to Orchard Place BC, Neath

Lisa Isaac, church planting in Golau BC, Llanelli

Liz Squires to Worle BC, Weston Super Mare

BMS Council

The SWBA was represented on the BMS Council by Gareth Wilde

Property

The manse in Aberdare was managed by My Lettings Limited and was occupied by tenants. The manse in Ely was vacated in January and put up for sale. It was sold at the end of September. The Newport Manse was also managed by My Lettings Limited and occupied by a regional minister.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

FINANCIAL REVIEW

Financial Position

The Charity showed a surplus of £77,651 for the year ended 31 December 2024. This surplus was mainly due to a one-off donation of £70,000 from a closed church. There was a surplus on unrestricted reserves of £80,656 and a deficit on restricted reserves of £3,005 as at 31st December 2024.

Principle Funding Sources

The principle funding source of the charity was by a grant from the Baptist Union of Great Britain Home Mission fund, based on a number of factors including the number of churches, the relative economic prosperity of the region and the Association's giving to Home Mission.

Investment Policy and Objectives

Aside from the restricted funds and retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short to medium term and there are some funds for long term investment. The Trustees have the power to invest in such assets as they see fit, monies not immediately required for the furtherance of the association's objectives.

Reserves Policy

This Policy relates to South Wales Baptist Association and relates to the restricted and general funds held with the Monmouthshire Building Society, Baptist Union Corporation and Lloyds Bank.

The reserves of the Association at the end of December 2024 were £1,146,812. Of the reserves, £527,313 were restricted and £619,499 were unrestricted. Included in the restricted funds were £317,000 invested in investment properties and £63,045 in fixed assets investments. Cash at bank on 31st December 2024 was £449,452. The Charity's net current assets were £448,072 and the fixed asset investments held by the Charity stood at £698,741, presenting a closing financial position of £1,146,812 as at 31st December 2024.

Why are Reserves Needed?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover expenditure should there be a sudden drop in income, primarily from the Home Mission grant we receive.

Expenditure includes salary payments, running costs and grants given to Baptist projects and churches.

What Level of Reserves are Needed.

We aim ideally to hold in reserve sufficient money in our funds identified above to cover 6 months expenditure (as recommended by the Charity Commission).

Based on an expenditure figure of £238,945, this gives a reserves figure of £119,473.

Should the association accounts identified above dip below the agreed reserve figure for a period beyond 6 months the Trustees should identify a financial plan.

This reserves policy shows good planning of resources and consideration of unforeseen occurrences on the financial income of the Association.

***Not including Home Mission Grants*

FUTURE PLANS

The association plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements and the drawdown of free reserves held by the Association. Expenditure will continue from the restricted funds in accordance with the terms associated with the restriction, and the trustees are also investigating the unrestricting of funds in consultation with the Baptist Union Corporation and the Charity Commission.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The association is a charitable company limited by guarantee that was incorporated on 7 December 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10 towards any shortfall.

Recruitment and Appointment of New Trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles. In accordance with the Articles of Association all trustees will serve for a period of three years. Any person so appointed shall be eligible for re-appointment unless that person has immediately already served two consecutive three-year periods.

Organisational Structure

The Association is governed by the Board of Trustees (Directors) and 13 people served as trustees during 2024. Trustees meet every two months with the Regional Ministers and Association Administrator. They are responsible for the strategic direction of the charity and the reporting to the Council of Churches.

Induction and Training of New Trustees

New Trustees are provided with essential information. Further training will be offered in future as the membership of the board changes. Various Charity Commission publications are made available, together with the Articles of Association, Bye Laws and the latest financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

04336086 (England and Wales)

Registered Charity Number

1102735

Registered Office

54 Richmond Road
Cardiff
CF24 3UR

Trustees

Rev'd Matt Carter
Rev'd Jon Davis
Rev'd Mark Fairweather-Tall
Rev'd Dr Craig Gardiner
Rev'd David Powell
Scott Ringrose
Rev'd Carol Soble
Shua Yang
Rev'd Barbara Carpenter (Appointed Oct 2024)
Kath Hubback (Appointed Oct 2024)
Tristan Vaughan (Resigned Oct 2024)
Rev'd Dr Graham Watts (Resigned Oct 2024)
Jennie Weaver (Resigned Oct 2024)

Comment

Cardiff Baptist College is a member of the South Wales Baptist Association, which rents office space in the college building.

Independent Examiners

Castle View Accounting Ltd
Ground Floor Offices
53 High Street
Arundel
West Sussex
BN18 9AJ

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

Statement of Directors' Responsibilities:

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- d) 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.

The Directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the contents of the Directors' report, and the responsibility of the independent examiner in relation to the Directors' report is limited to examining the report and ensuring that on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

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

I approve the attached statement of financial activities and balance sheet for the year ended 31st December 2024 and confirm that I have made available all information necessary for its preparation.

Approved by the Directors on the 19.5.25

Signed on their behalf by Director *Mark Fairweather-Tall*

Printed Name: MARK FAIRWEATHER-TALL

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2024

(Incorporating Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2024 £	TOTAL 2023 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Donations, Grants & Legacies	3a	267,991	-	267,991	167,614
Investment Income	3b	3,407	-	3,407	3,459
Charitable Activities	3c	30,871	-	30,871	29,140
Activities for Generating Funds	3d	12,576	-	12,576	46,064
Other Incoming Resources	3e	1,750	-	1,750	2,539
TOTAL INCOMING RESOURCES		316,596	-	316,596	248,817
RESOURCES EXPENDED					
Cost of Generating Funds					
Charitable Activities	4a	222,274	3,005	225,279	253,429
Cost of Generating Funds	4b	-	-	-	10,961
Governance Costs	4c	13,666	-	13,666	2,915
TOTAL RESOURCES EXPENDED		235,940	3,005	238,945	267,306
NET INCOMING/ (OUTGOING) RESOURCES		80,656	(3,005)	77,651	(18,489)
Balance Brought Forward		528,624	530,318	1,058,942	1,010,749
Pension Scheme Movements	20	-	-	-	22,500
Revaluation of Investment Properties	8	17,000	-	17,000	40,000
Net Gains/(Losses) on Investments	7	2,919	-	2,919	4,182
Net Gains/(Losses) on Disposal of Investment Property	8	(9,700)	-	(9,700)	-
Transfer Between Funds	6	370,000	(370,000)	-	-
TOTAL FUNDS CARRIED FORWARD		989,499	157,313	1,146,812	1,058,942

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 11 to 22 form part of these financial statements.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31ST DECEMBER 2024

	NOTE	Unrestricted Funds £	Restricted Funds £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Fixed Assets					
Tangible Assets	2	290,000	-	290,000	290,000
Fixed Asset Investments	7	28,865	62,876	91,741	88,822
Investment Properties	8	317,000	-	317,000	500,000
Total Fixed Assets		635,865	62,876	698,741	878,822
Current Assets					
Debtors & Prepayments	10	-	-	-	-
Cash at Bank and in Hand	9	355,014	94,437	449,452	181,260
Total Current Assets		355,014	94,437	449,452	181,260
Creditors: Amounts Due within One Year	11	1,380	-	1,380	1,140
NET CURRENT ASSETS		353,634	94,437	448,072	180,120
Creditors: Long Term Liabilities	12	-	-	-	-
TOTAL ASSETS less Current Liabilities		989,499	157,313	1,146,812	1,058,942
NET ASSETS		989,499	157,313	1,146,812	1,058,942
Funds of the Charity					
General Funds		989,499	-	989,499	528,624
Restricted Funds	6	-	157,313	157,313	530,318
Total Funds		989,499	157,313	1,146,812	1,058,942

Directors' Responsibilities:

The Directors are satisfied that for the year ended on 31st December 2024 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 23.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Directors on the 19.5.25

Signed on their behalf by Director Mark Fairweather-Tall

Printed Name: MARK FAIRWEATHER-TALL

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015) (Second Edition, effective 1st January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the Directors are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA in the same financial period as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES (Continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the Directors' meetings and cost of any legal advice to Directors on governance or constitutional matters.

Changes in Accounting Policies and Previous Accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Unrestricted Funds

These funds can be used for the general objectives of the charity as set out in the trustees report. The movements of the unrestricted funds are given in the Statement of Financial Activities.

Restricted Funds

These funds are where the donor has specified a purpose for the donation made. These restrictions often arise as a result of appeals for special offerings for specific purposes.

Designated Funds

These funds are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Taxation

The charity is exempt from tax on its charitable activities.

Pension Costs and Other Post-Retirement Benefits

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at Directors' best estimate of market value.

Fixed Asset Investments

Fixed asset investments are held to generate income and a return on investment. The investments are held to generate income and for their future investment potential and capital appreciation. Fixed asset investments are investments that are held specifically to generate income to further the Charity's objects and due to capital appreciation the Charity expects to generate a profit on disposal to further the Charity's objects.

Current Asset Investments

Current asset investments are held to generate income and/or for their investment potential. Current asset investments are investments that are held specifically for sale or are investments that the Charity expects to sell by the next balance sheet date.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES (Continued)

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Tangible Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £5,000. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied per annum are as follows:

Equipment Cost	50% - Straight Line Basis
Fixtures and Fittings	33% - Straight Line Basis

Amortisation

No amortisation is charged to freehold Land and Buildings as the Land and Buildings are maintained to such a standard that the estimated residual value is not less than cost.

Land & Buildings

Land and Buildings have been valued and included within the accounts at cost value as at the 10th January 2023 in accordance with FRS 102 - Previous revaluation as deemed cost.

Valuation of Land and Building

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice regarding the current market value of the Land and Building held by the Charity at 9 Glan Yr Afrom Aberdare, Rhondda, Cynon Taff, CF44 0DD and 54 Vachell Road, Ely, Cardiff, CF5 4HH. The Land and Buildings have been included in the accounts at market value as at the 10th January 2023 and are included in the accounts in accordance with FRS102 Previous Valuation Deemed Cost.

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice and agreed to acquire Land and Buildings at 428 Caerleon Road, Newport, NP19 7LT. The Land and Buildings have been included in the accounts at market value as at the 15th March 2023.

2. TANGIBLE FIXED ASSETS

		Land & Buildings £	Equipment Cost £	Fixture & Fitting £	Total 2024 £
Cost	01-Jan-23	290,000	50,618	-	340,618
Additions		-	-	-	-
Cost at	31-Dec-24	290,000	50,618	-	340,618
Depreciation	01-Jan-23	-	50,618	-	50,618
Charge		-	-	-	-
Depreciation at	31-Dec-24	-	50,618	-	50,618
Net Book Value	31-Dec-24	290,000	-	-	290,000
Net Book Value	31-Dec-23	-	143	-	143

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st December 2024 : None

31st December 2023 : None

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2024 £	TOTAL 2023 £
a) Donations, Grants & Legacies				
Gifts & Donations	70,850	-	70,850	855
Grants	197,141	-	197,141	166,759
	267,991	-	267,991	167,614

b) Investment Income

Dividends	603	-	603	603
Interest	2,804	-	2,804	2,856
	3,407	-	3,407	3,459

c) Charitable Activities

Conference Income	4,280	-	4,280	3,398
Home Mission	-	-	-	790
Preaching Income	1,705	-	1,705	857
Safeguarding Income	6,116	-	6,116	5,915
Subscriptions	18,770	-	18,770	18,180
	30,871	-	30,871	29,140

d) Activities for Generating Funds

Church Sale	-	-	-	29,630
Rental Income	12,576	-	12,576	16,434
	12,576	-	12,576	46,064

e) Other Incoming Resources

Refunds	45	-	45	1,136
Sundry Income	1,705	-	1,705	1,403
	1,750	-	1,750	2,539

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

4. RESOURCES EXPENDED

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2024 £	TOTAL 2023 £
a) Charitable Activities					
Bank Charges		132	-	132	153
Benevolent Fund		-	-	-	578
Chaplaincy Costs		-	-	-	3,000
Conference Costs		4,046	-	4,046	6,906
Depreciation Expense	2	-	-	-	143
Equipment Costs		401	-	401	588
Home Mission		-	-	-	217
Housing Allowance		11,615	-	11,615	10,800
Insurance Costs		2,579	-	2,579	3,140
Internship Expenses		-	-	-	2,100
License & Subscriptions		1,566	-	1,566	1,256
Ministerial Recognition		-	-	-	1,249
Ministerial Support Costs		7,593	-	7,593	7,228
Mission Grants	6	29,588	2,505	32,093	55,794
Office Costs	6	4,893	500	5,393	4,315
Pension Costs	15	21,283	-	21,283	19,852
Premises Costs		14,551	-	14,551	13,062
Removal Costs		-	-	-	4,850
Rent & Rates		3,160	-	3,160	3,000
Repairs & Maintenance		-	-	-	280
Safeguarding Costs		14,836	-	14,836	16,097
Staff Costs	15	97,769	-	97,769	91,180
Sundry Expenses		254	-	254	573
Telephone Costs		1,257	-	1,257	1,104
Training Costs		666	-	666	810
Travel & Subsistence		6,085	-	6,085	5,153
		222,274	3,005	225,279	253,429

b) Cost of Generating Funds

Property Costs	6	-	-	-	10,961
		-	-	-	10,961

c) Governance Costs

Independent Examiners Fee	11	1,380	-	1,380	1,140
Legal & Professional Fees	6	12,286	-	12,286	1,102
Meeting Costs		-	-	-	673
		13,666	-	13,666	2,915

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

5. DESIGNATED FUNDS

The Charity held no designated funds during this or the previous financial year.

6. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Jan-24 £	Income £	Expenditure £	Gains & (Losses) £	Transfers £	Balance 31-Dec-24 £
Ministers Benevolent Fund	60,952	-	384	-	-	60,568
Ministers Benevolent Fund	2,308	-	-	-	-	2,308
Pomeroy Street Funds	3,558	-	500	-	-	3,058
Gorseinon Funds	679	-	679	-	-	-
Aberbargoed Funds	19,322	-	1,442	-	-	17,880
Capel Gwilym Funds	-	-	-	-	-	-
Manse Funds	150,169	-	-	-	(150,000)	169
Llandogo Monmouth Funds	6,148	-	-	-	-	6,148
Alexandra Rd Newport Funds	47,414	-	-	-	-	47,414
Pontyclun/Ely Funds	1,069	-	-	-	-	1,069
Nash Newport Funds	18,699	-	-	-	-	18,699
Ely Manse	220,000	-	-	-	(220,000)	-
	530,318	-	3,005	-	(370,000)	157,313

PREVIOUS FINANCIAL YEAR

	Balance 01-Jan-23 £	Income £	Expenditure £	Gains & (Losses) £	Transfers £	Balance 31-Dec-23 £
Ministers Benevolent Fund	61,530	-	578	-	-	60,952
Ministers Benevolent Fund	2,308	-	-	-	-	2,308
Pomeroy Street Funds	8,033	-	3,000	-	(1,475)	3,558
Gorseinon Funds	4,689	-	4,010	-	-	679
Aberbargoed Funds	25,477	-	6,155	-	-	19,322
Capel Gwilym Funds	690	-	690	-	-	-
Manse Funds	151,731	-	1,562	-	-	150,169
Llandogo Monmouth Funds	6,148	-	-	-	-	6,148
Alexandra Rd Newport Funds	49,443	-	2,029	-	-	47,414
Pontyclun/Ely Funds	1,069	-	-	-	-	1,069
Nash Newport Funds	18,699	-	-	-	-	18,699
Ely Manse	220,000	-	-	-	-	220,000
	549,817	-	18,024	-	(1,475)	530,318

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

6. RESTRICTED FUNDS (Continued)

The Ministers Benevolent Fund is used to assist Ministers and retired Ministers on the accredited list.

The Ministers Benevolent Fund, interest on the capital sum provided by the James Pantyfedwen Foundation, is used to assist Ministers and retired Ministers on the accredited list.

The Pomeroy Street Fund is used to assist the Association within the Cardiff post code area.

The Gorseinon Fund is used for the purpose of items of capital expenditure.

The Moriah Baptist Church Aberbargoed Fund and the Capel Gwilym Church Cardiff Fund are used for capital purposes.

The Manse Fund is used for the purpose of items of capital expenditure.

The Llandogo Monmouth Fund is used for Strategic Mission Initiatives within the Association including small Churches initiatives.

The Alexandra Road Newport fund is used to provide support and ongoing equipping and training of Ministers and Church leaders in the Association including the appointment of personnel.

The Pontyclun/ Ely fund is to be made available for the appointment of a full-time accredited minister at Ely Baptist Church, Cardiff.

The Nash Newport fund is to be used for Mission Initiatives within the Association including the appointment of personnel.

The Ely Manse relates to the purchase of a manse to enable mission to take place in the Ely area of Cardiff.

The Student Fund assists students for ministry from churches within the Association.

The Commercial Road Llanhilleth Fund is to be made available to Brynithel Community Church when in a position to proceed with a Church building.

The Restricted Funds held are represented by the Charity's Cash Reserves and Fixed Asset Investments and the Restricted Funds are to be expended as specified above.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

7. FIXED ASSET INVESTMENTS

	Listed Investments	Unlisted Invested	TOTAL 2024	TOTAL 2023
Market Value as at 1st January 2024	7,040	81,782	88,822	235,040
Additions	-	-	-	-
Disposals	-	-	-	150,400
Net Gains/(Losses) on Investments	-	2,919	2,919	4,182
Market Value as at 31st December 2024	7,040	84,701	91,741	88,822

	The Baptist Insurance Company Plc £	Baptist Union Corporation £	Unrestricted Fund £	Restricted Fund £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Market Value as at 1st January 2024	7,040	81,782	25,393	63,429	88,822	235,040
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	150,400
Net Gains/(Losses) on Investments	-	2,919	2,919	-	2,919	4,182
Market Value 31st December 2024	7,040	84,701	28,312	63,429	91,741	88,822

The Baptist Insurance Company Plc

The Charity holds listed investments with The Baptist Insurance Company Plc and the original indexed book investment as at the 1st January 2023 was £6,153. The Charity holds 2403 Ordinary Shares at a market value of £2.92 per share and 10 Preference Shares at a market value of £2.34 per share as at 31st December 2024. The closing position of the investments held stood at £7,040.16 as at 31st December 2024.

Baptist Union Corporation Limited

The Charity holds unlisted investments with the Baptist Union Corporation Limited and the market value of the investments held stood £81,781.53 as at the 1st January 2024. The closing position of the investments held stood at £84,701.28 as at 31st December 2024.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

8. INVESTMENT PROPERTIES

Investments properties are held to generate income and a return on investment. The investments are held to generate income and for their future investment potential and capital appreciation. Fixed asset investments are investments that are held specifically to generate income to further the Charity's objects.

	Land & Buildings		TOTAL	TOTAL
	Vachell Road £	Glan Yr Afron £	31-Dec-24 £	31-Dec-23 £
Cost Value at 1st January 2024	200,000	300,000	500,000	460,000
Additions/(Disposals)	(200,000)	-	(200,000)	-
Revaluation of Investment Properties	-	17,000	17,000	40,000
Reclassification	-	-	-	-
Fair Value at 31st December 2024	-	317,000	317,000	500,000

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice regarding the current market value of the Land and Building held by the Charity at 9 Glan Yr Afron Aberdare, Rhondda, Cynon Taff, CF44 0DD and 54 Vachell Road, Ely, Cardiff, CF5 4HH. The Land and Buildings have been included in the accounts at market value as at the 10th January 2023 and are included in the accounts in accordance with FRS102 Previous Valuation Deemed Cost.

During the financial year ended 31st December 2024 the Directors of South Wales Baptist Association sought guidance and advice and have agreed to dispose of the Land and Building held by the Charity at 54 Vachell Road, Ely, Cardiff, CF5 4HH. The Land and Building held by the Charity at 54 Vachell Road, Ely, Cardiff, CF5 4HH, were disposed of on the 30th September 2024 for an agreed sales price of £190,300 with net sale proceeds of £186,268.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2024

9. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Cash at Bank and in Hand	355,014	94,437	449,452	181,260
	355,014	94,437	449,452	181,260

10. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-24 £	Total 31-Dec-23 £
Sundry Debtors	-	-	-	-
	-	-	-	-

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Independent Examiners Fees	1,380	-	1,380	1,140
	1,380	-	1,380	1,140

12. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Pension Fund Liability	-	-	-	-
	-	-	-	-

13. NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	TOTAL 31-Dec-24 £	TOTAL 31-Dec-23 £
Fixed Asset Investments	635,865	62,876	698,741	878,822
Net Current Assets	353,634	94,437	448,072	180,120
Long Term Liabilities	-	-	-	-
	989,499	157,313	1,146,812	1,058,942

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

14. RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

The Company is Limited by Guarantee (04336086) and is a Charity registered with the Charity Commission (1102735) and does not have a Share capital and has no income subject to Corporation Tax.

		TOTAL 2024 £	TOTAL 2023 £
Profit / Deficit for the financial year		77,651	(18,489)
Other Recognised Gains		-	-
		<u>77,651</u>	<u>(18,489)</u>
Balance Brought Forward		1,058,942	1,010,749
Pension Scheme Movements	12 & 20	-	22,500
Revaluation of Investment Properties	8	17,000	40,000
Net Gains/(Losses) on Investments	7	2,919	4,182
Net Gains/(Losses) on Disposal of Investment Property	8	(9,700)	-
Closing Funds at 31st December 2024		<u><u>1,146,812</u></u>	<u><u>1,058,942</u></u>

15. STAFF COSTS AND NUMBERS

	TOTAL 2024 £	TOTAL 2023 £
Gross Wages, Salaries & Fees	96,848	85,276
Employer's National Insurance Costs	10,387	11,281
Pension Contributions	11,818	14,475
	<u><u>119,053</u></u>	<u><u>111,032</u></u>

Employees who were engaged in each of the following activities:

	TOTAL 2024	TOTAL 2023
Regional Ministers	2	2
Administrative Activities	1	1

The Charity operates a PAYE scheme to pay all employed members of staff and no members of staff received emoluments of over £60,000 (2023:None).

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2024

16. DIRECTORS AND OTHER RELATED PARTIES

During the financial year Director Revd Mark Fairweather-Tall received £37,180 (2023:£26,210) in Staff Costs, £8,734 (2023:£8,217) in Pension Contributions, £11,615 (2023:£10,800) in Housing Allowance, £2,193 (2023:£1,904) in Council Tax Payments, £921 (2023:£904) in Utility Costs, £631 (2023:£600) in Telephone Costs and £1,310 (2023:£2,342) in General Expenses in his capacity as Reverend of the South Wales Baptist Association in furtherance of the Charity's objects. All conflicts of interest have been identified, documented and managed in accordance with the Charity's Governing Document.

The only other payments made to the Directors consisted of reimbursements for expenses incurred in furthering the Charity objects and no other Director received any direct benefits.

No other payments were made to Directors or any persons connected with them during this financial period. No other material transaction took place between the organisation and a Director or any person connected with them.

17. RISK ASSESSMENT

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out will on an annual basis provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

18. RESERVES POLICY

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

19. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

20. EMPLOYEE BENEFIT OBLIGATIONS

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).

All Association Staff are eligible to join the Scheme.

Movement in Balance Sheet Liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The current deficiency as notified by the actuaries is Nil as at 31st December 2024 (2023:£Nil).

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of South Wales Baptist Association (BUGB) on the accounts for the year ended 31st December 2024 set out on pages 9 to 22.

Respective responsibilities of trustees and examiner

The Charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees are satisfied that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under section 145 of the Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and;
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

I conducted my examination in accordance with the General Directions given by the Charity Commissioners for England & Wales in relation to the conducting of an independent examination, referred to above. An independent examination includes a review of the accounting records kept by the Charity and of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtain written assurances from the trustees of all material matters.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Accounting Technicians.

In the course of my examination, no matter has come to my attention:

- 1. which gives me reasonable cause to believe that in, any material respect, the trustees requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of recommended Practice: Accounting and Reporting by Charities.

have not been met; or

- 2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. Collaku MAAT
Castle View Accounting Ltd
Ground Floor Offices
53 High Street
Arundel
West Sussex
BN18 9AJ



Date: 5th June 2025

Accounts

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**SOUTH WALES BAPTIST
ASSOCIATION (BUGB)**

(A COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION No: 04336086

CHARITY REGISTRATION No: 1102735

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS

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SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER 1102735

COMPANY REGISTRATION NUMBER 04336086

DATE OF INCORPORATION 7th December 2001

START OF FINANCIAL YEAR 1st January 2023

END OF FINANCIAL YEAR 31st December 2023

DIRECTORS AT 31ST DECEMBER 2023

Revd Mark Fairweather-Tall
Revd Jonathan Davis
Revd Dr Graham Watts
Revd Carol Anne Sobel
Revd Matthew Carter
Mr David Powell
Mr Scott Ringrose
Mrs Tristan Vaughan
Mrs Jennifer Weaver
Mrs Alice Place (Resigned 6th June 2023)

COMPANY SECRETARY Mrs Karen Kaneen

GOVERNING DOCUMENT

Memorandum and Articles of Association Incorporated 7th December 2021 and As Amended 25th May 2005, As Amended on 15th October 2023.

OBJECTS

The advancement of the Christian Religion especially by the means of and in accordance with the principles of the Baptist Denomination as set out for the time being in the declaration of the principles of The Baptist Union of Great Britain.

REGISTERED ADDRESS

54 Richmond Road
Roath
Cardiff
CF24 3UR

PRIMARY BANKERS

Lloyds Bank Plc
25 Gresham Street
London
EC2V 7HN

INDEPENDENT EXAMINERS

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS'
FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The charity's objectives are the advancement of the Christian religion especially by means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of the Baptist Union of Great Britain.

South Wales Baptist Association is one of thirteen associations of Baptists Together (Baptist Union of Great Britain). SWBA is made up of over 125 churches who are seeking to share the good news of Jesus with their local community. SWBA operates as a charity under number 1102735.

Public Benefit

In the course of their management of the Association, the trustees have regard for the public benefit provided by the Association's activities, and this is a feature both of the Association's work in support of its member churches (independent charities), and of its own direct activities, as follows:

The Association operates by providing support to member churches as they seek to work in their own communities. This support includes advice and guidance to ministers and leaders; mission consultations, assistance, advice and training in safeguarding children and adults as well as practical and financial assistance through loans and grants as appropriate. It is the intention of the Association to help enable churches to respond to their calling and fulfil their public benefit through their normal church activities and the provision of facilities to be used by the wider community as well as the advancement of the Christian faith. The association acts directly in a number of areas including the selection of individuals to train for ministry, the oversight of newly accredited ministers, arranging training and conferences for ministers and church leaders, involvement in the support of chaplaincy services at the University of South Wales and engaging at a number of levels with the wider community on behalf of Baptists.

ACHIEVEMENT AND PERFORMANCE

Charitable Activities

There was one staff change during the year.

Revd Rob May started work with the association in February 2023.

The Association continued to work throughout the year with the West and South Partnership, made up of South Wales, South West, and Southern Counties Baptist Associations and the West of England Baptist Network. Two Partnership Ministerial Recognition Committee meetings were held for candidates for ministry to explore their calling. The Partnership grants committee met to allocate Home Mission grants.

The Association continued to work with the Baptist Union of Wales (BUW). The two key events are the annual meetings known as Momentum and the Ministers' Conference. The Ministers' Conference took place at the Waterfront Church in Swansea, and Momentum at Trinity St David's College in Carmarthen entitled "The Power of Story".

The Association held a celebration which included the AGM of the Association at Ararat Baptist Church in Whitchurch. Feedback from the meeting was positive, and the videos showing association life were appreciated.

A Newly Accredited Ministers programme was provided.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

Supporting Churches

Regular 'Updates', 'E-news', Facebook and YouTube posts were the primary sources of information from the Association office to churches, Cardiff Baptist College, our Ministers and other interested parties. These provided information about local and national events, and enabled churches to share information about their local events with others across the Association.

Safeguarding training covering the Baptist Union of Great Britain's 'Excellence in Safeguarding' Levels 2 and 3 took place. Eighteen in-person training sessions took place across the year and 404 people were trained.

There were no serious safeguarding incidents to be reported in 2023.

Home Mission

Churches contributed £139,043.84 which was below our target of £150,000.

Home Mission Grants

The Association awarded a number of Home mission grants during 2023 amounting to £58,000.00. These included a Mission through Ministry grant to York Place BC; Special Ministry grants to Llanfair Uniting Church, Penrhys and Stanwell Road BC; A Home Mission grant also benefitted the University of South Wales Chaplaincy.

Supporting Ministers and Church Leaders

The Association provided a variety of means whereby Ministers and Church Leaders were supported and encouraged in their roles:

- Ministers' Fellowship groups continued to meet.
- The ministers' conference was held at the Waterfront Church in Swansea and the speakers were Kang-San Tan and Loun Ling Lee.
- The Newly Accredited Ministers' (NAMs) programme brought together ministers from both SWBA and the BUW for theological reflection.
- The Partnership MRC commended Cory Price as a Newly Accredited minister after his completion of the open option course at Cardiff Baptist College. Lynnette Thorne was commended to begin training for accreditation.

Pastoral support was offered in many situations.

Advice and support were given to several churches facing financial difficulties, conflicts or safeguarding issues.

Settlements

The following settlements took place:

Joshua Parmar to Woodville BC, Cardiff
Jon Dickerson to Richmond Road BC, Pontnewydd
Liz Squires to Rumney BC
John Evans to Mumbles BC
Emma Franks to Kensington BC, Brecon
Mark Thomas to Magor BC
Lee Presley to St Julians' BC

BMS Council

The SWBA was represented on the BMS Council by Gareth Wilde.

Property

The manses in Ely and in Aberdare were managed by My Lettings Limited and were occupied by tenants. The Newport Manse was also managed by My Lettings Limited and occupied by a regional minister.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

FINANCIAL REVIEW

Financial Position

The Charity showed a deficit of £18,489 for the year ended 31 December 2023. There was a deficit on unrestricted reserves of £485 and a deficit on restricted reserves of £18,024 as at 31st December 2023.

Principle Funding Sources

The principle funding source of the charity was by a grant from the Baptist Union of Great Britain Home Mission fund, based on a number of factors including the number of churches, the relative economic prosperity of the region and the Association's giving to Home Mission.

Investment Policy and Objectives

Aside from the restricted funds and retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short to medium term and there are some funds for long term investment. The Trustees have the power to invest in such assets as they see fit, monies not immediately required for the furtherance of the association's objectives.

Reserves Policy

This Policy relates to South Wales Baptist Association and relates to the restricted and general funds held with the Monmouthshire Building Society, Baptist Union Corporation and Lloyds Bank.

The reserves of the Association at the end of December 2023 were £1,018,942. Of the reserves, £530,318 were restricted and £488,624 were unrestricted. Included in the restricted funds were £370,000 invested in investment properties and £63,429 in fixed assets investments. Cash at bank on 31st December 2023 was £181,260. The Charity's net current assets were £180,120 and the fixed asset investments held by the Charity stood at £838,822, presenting a closing financial position of £1,018,942 as at 31st December 2023.

Why are Reserves Needed?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover expenditure should there be a sudden drop in income, primarily from the Home Mission grant we receive.

Expenditure includes salary payments, running costs and grants given to Baptist projects and churches.

What Level of Reserves are Needed.

We aim ideally to hold in reserve sufficient money in our funds identified above to cover 6 months expenditure (as recommended by the Charity Commission).

Based on an expenditure figure of £267,306, this gives a reserves figure of £133,653.

Should the association accounts identified above dip below the agreed reserve figure for a period beyond 6 months the Trustees should identify a financial plan.

This reserves policy shows good planning of resources and consideration of unforeseen occurrences on the financial income of the Association.

***Not including Home Mission Grants*

FUTURE PLANS

The association plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements and the drawdown of free reserves held by the Association. Expenditure will continue from the restricted funds in accordance with the terms associated with the restriction.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The association is a charitable company limited by guarantee that was incorporated on 7 December 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10 towards any shortfall.

Recruitment and Appointment of New Trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles. In accordance with the Articles of Association all trustees will serve for a period of three years. Any person so appointed shall be eligible for re-appointment unless that person has immediately already served two consecutive three-year periods.

Organisational Structure

The Association is governed by the Board of Trustees (Directors) and 10 people served as trustees during 2023. Trustees meet every two months with the Regional Ministers and Association Administrator. They are responsible for the strategic direction of the charity and the reporting to the Council of Churches/Members Meetings.

Induction and Training of New Trustees

New Trustees are provided with essential information. Further training will be offered in future as the membership of the board changes. Various Charity Commission publications are made available, together with the Memorandum and Articles of Association, Bye Laws and the latest financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

04336086 (England and Wales)

Registered Charity Number

1102735

Registered Office

54 Richmond Road
Cardiff
CF24 3UR

Trustees

Rev'd Mark Fairweather-Tall
Rev'd Matt Carter
David Powell
Rev'd Dr Graham Watts
Rev'd Jon Davis
Scott Ringrose
Rev'd Carol Soble
Tristan Vaughan
Jennie Weaver
Alice Place (Resigned June 2023)

Comment

Cardiff Baptist College is a member of the South Wales Baptist Association, which rents office space in the college building.

Independent Examiners

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
PO18 8TS

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS' (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

Statement of Directors' Responsibilities:

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- d) 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.

The Directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the contents of the Directors' report, and the responsibility of the independent examiner in relation to the Directors' report is limited to examining the report and ensuring that on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

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

I approve the attached statement of financial activities and balance sheet for the year ended 31st December 2023 and confirm that I have made available all information necessary for its preparation.

Approved by the Directors on the 12/06/2024

Signed on their behalf by Director 

Printed Name: SCOTT RINGROSE

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2023

(Incorporating Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Donations, Grants & Legacies	3a	167,614	-	167,614	236,706
Investment Income	3b	3,459	-	3,459	3,150
Charitable Activities	3c	29,140	-	29,140	16,623
Activities for Generating Funds	3d	46,064	-	46,064	12,763
Other Incoming Resources	3e	2,539	-	2,539	1,250
TOTAL INCOMING RESOURCES		248,817	-	248,817	270,492
RESOURCES EXPENDED					
Cost of Generating Funds					
Charitable Activities	4a	236,467	16,962	253,429	214,400
Cost of Generating Funds	4b	10,701	260	10,961	9,797
Governance Costs	4c	2,113	802	2,915	3,308
TOTAL RESOURCES EXPENDED		249,282	18,024	267,306	227,505
NET INCOMING/ (OUTGOING) RESOURCES		(465)	(18,024)	(18,489)	42,987
Balance Brought Forward		460,932	549,817	1,010,749	763,500
Pension Scheme Movements	20	22,500	-	22,500	39,685
Revaluation of Investment Properties	8	40,000	-	40,000	164,577
Net Gains/(Losses) on Investments	7	4,182	-	4,182	-
Transfer Between Funds	5	1,475	(1,475)	-	-
TOTAL FUNDS CARRIED FORWARD		528,624	530,318	1,058,942	1,010,749

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 11 to 22 form part of these financial statements.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31ST DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 31-Dec-23 £	TOTAL 31-Dec-22 £
Fixed Assets					
Tangible Assets	2	290,000	-	290,000	143
Fixed Asset Investment	7	25,393	63,429	88,822	235,040
Investment Properties	8	130,000	370,000	500,000	460,000
Total Fixed Assets		445,393	433,429	878,822	695,183
Current Assets					
Debtors & Prepayments	10	-	-	-	2,219
Cash at Bank and in Hand	9	84,371	96,889	181,260	340,800
Total Current Assets		84,371	96,889	181,260	343,019
Creditors: Amounts Due within One Year	11	1,140	-	1,140	4,953
NET CURRENT ASSETS		83,231	96,889	180,120	338,066
Creditors: Long Term Liabilities	12	-	-	-	22,500
TOTAL ASSETS less Current Liabilities		528,624	530,318	1,058,942	1,010,749
NET ASSETS		528,624	530,318	1,058,942	1,010,749
Funds of the Charity					
General Funds		528,624	-	528,624	460,932
Restricted Funds	6	-	530,318	530,318	549,817
Total Funds		528,624	530,318	1,058,942	1,010,749

Directors' Responsibilities:

The Directors are satisfied that for the year ended on 31st December 2023 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 23.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Directors on the 12/06/2024

Signed on their behalf by Director 

Printed Name: SCOTT RINGROSE

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015) (Second Edition, effective 1st January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the Directors are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA in the same financial period as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

Investment Income

This is included in the accounts when receivable.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES (Continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the Directors' meetings and cost of any legal advice to Directors on governance or constitutional matters.

Changes in Accounting Policies and Previous Accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Unrestricted Funds

These funds can be used for the general objectives of the charity as set out in the trustees report. The movements of the unrestricted funds are given in the Statement of Financial Activities.

Restricted Funds

These funds are where the donor has specified a purpose for the donation made. These restrictions often arise as a result of appeals for special offerings for specific purposes.

Designated Funds

These funds are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Taxation

The charity is exempt from tax on its charitable activities.

Pension Costs and Other Post-Retirement Benefits

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at Directors' best estimate of market value.

Fixed Asset Investments

Fixed asset investments are held to generate income and a return on investment. The investments are held to generate income and for their future investment potential and capital appreciation. Fixed asset investments are investments that are held specifically to generate income to further the Charity's objects and due to capital appreciation the Charity expects to generate a profit on disposal to further the Charity's objects.

Current Asset Investments

Current asset investments are held to generate income and/or for their investment potential. Current asset investments are investments that are held specifically for sale or are investments that the Charity expects to sell by the next balance sheet date.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES (Continued)

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Tangible Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £5,000. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied per annum are as follows:

Equipment Cost	50% - Straight Line Basis
Fixtures and Fittings	33% - Straight Line Basis

Amortisation

No amortisation is charged to freehold Land and Buildings as the Land and Buildings are maintained to such a standard that the estimated residual value is not less than cost.

Land & Buildings

Land and Buildings have been valued and included within the accounts at cost value as at the 10th January 2023 in accordance with FRS 102 - Previous revaluation as deemed cost.

Valuation of Land and Building

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice regarding the current market value of the Land and Building held by the Charity at 9 Glan Yr Afron Aberdare, Rhondda, Cynon Taff, CF44 0DD and 54 Vachell Road, Ely, Cardiff, CF5 4HH. The Land and Buildings have been included in the accounts at market value as at the 10th January 2023 and are included in the accounts in accordance with FRS102 Previous Valuation Deemed Cost.

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice and agreed to acquire Land and Buildings at 428 Caerleon Road, Newport, NP19 7LT. The Land and Buildings have been included in the accounts at market value as at the 15th March 2023.

2. TANGIBLE FIXED ASSETS

		Land & Buildings	Equipment Cost	Fixture & Fitting	Total 2023
		£	£	£	£
Cost	01-Jan-22	-	50,618	-	50,618
Additions	15-Mar-23	290,000	-	-	290,000
Cost at	31-Dec-23	290,000	50,618	-	340,618
Depreciation	01-Jan-22	-	50,475	-	50,475
Charge		-	143	-	143
Depreciation at	31-Dec-23	-	50,618	-	50,618
Net Book Value	31-Dec-23	290,000	-	-	290,000
Net Book Value	31-Dec-22	-	143	-	143

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st December 2023 : None
31st December 2022 : None

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
a) Donations, Grants & Legacies				
Gifts & Donations	855	-	855	3,809
Grants	166,759	-	166,759	232,897
	167,614	-	167,614	236,706
b) Investment Income				
Dividends	603	-	603	-
Interest	2,856	-	2,856	3,150
	3,459	-	3,459	3,150
c) Charitable Activities				
Conference Income	3,398	-	3,398	-
Home Mission	790	-	790	-
Preaching Income	857	-	857	-
Safeguarding Income	5,915	-	5,915	-
Subscriptions	18,180	-	18,180	16,623
	29,140	-	29,140	16,623
d) Activities for Generating Funds				
Church Sale	29,630	-	29,630	-
Rental Income	16,434	-	16,434	12,763
	46,064	-	46,064	12,763
e) Other Incoming Resources				
Refunds	1,136	-	1,136	-
Sundry Income	1,403	-	1,403	1,250
	2,539	-	2,539	1,250

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

4. RESOURCES EXPENDED

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
a) Charitable Activities					
Bank Charges		153	-	153	140
Benevolent Fund	6	-	578	578	951
Chaplaincy Costs		3,000	-	3,000	-
Conference Costs	6	5,582	1,324	6,906	3,394
Depreciation Expense	2	143	-	143	1,372
Equipment Costs		588	-	588	1,257
Home Mission		217	-	217	-
Housing Allowance		10,800	-	10,800	10,696
Insurance Costs		3,140	-	3,140	188
Internship Expenses		2,100	-	2,100	900
License & Subscriptions		1,256	-	1,256	4,104
Ministerial Recognition		1,249	-	1,249	-
Ministerial Support Costs		7,228	-	7,228	2,009
Mission Grants	6	44,939	10,855	55,794	72,917
Office Costs		4,315	-	4,315	3,032
Pension Costs	15	19,852	-	19,852	11,962
Premises Costs		13,062	-	13,062	-
Removal Costs	6	4,350	500	4,850	-
Rent & Rates	6	-	3,000	3,000	-
Repairs & Maintenance		280	-	280	-
Safeguarding Costs		16,097	-	16,097	10,310
Staff Costs	15	91,180	-	91,180	84,354
Sundry Expenses	6	323	250	573	1,667
Telephone Costs		1,104	-	1,104	1,019
Training Costs	6	355	455	810	650
Travel & Subsistence		5,153	-	5,153	3,478
		236,467	16,962	253,429	214,400

b) Cost of Generating Funds

Property Costs	6	10,701	260	10,961	9,797
		10,701	260	10,961	9,797

c) Governance Costs

Independent Examiners Fee	11	1,140	-	1,140	1,800
Legal & Professional Fees	6	300	802	1,102	144
Meeting Costs		673	-	673	1,364
		2,113	802	2,915	3,308

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

5. DESIGNATED FUNDS

The Charity held no designated funds during this or the previous financial year.

6. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Jan-23	Income	Expenditure	Gains & (Losses)	Transfers	Balance 31-Dec-23
	£	£	£	£	£	£
Ministers Benevolent Fund	61,530	-	578	-	-	60,952
Ministers Benevolent Fund	2,308	-	-	-	-	2,308
Pomeroy Street Funds	8,033	-	3,000	-	(1,475)	3,558
Gorseinon Funds	4,689	-	4,010	-	-	679
Aberbargoed Funds	25,477	-	6,155	-	-	19,322
Capel Gwilym Funds	690	-	690	-	-	-
Manse Funds	151,731	-	1,562	-	-	150,169
Llandogo Monmouth Funds	6,148	-	-	-	-	6,148
Alexandra Rd Newport Funds	49,443	-	2,029	-	-	47,414
Pontyclun/Ely Funds	1,069	-	-	-	-	1,069
Nash Newport Funds	18,699	-	-	-	-	18,699
Ely Manse	220,000	-	-	-	-	220,000
	549,817	-	18,024	-	(1,475)	530,318

PREVIOUS FINANCIAL YEAR

	Balance 01-Jan-22	Income	Expenditure	Gains & (Losses)	Transfers	Balance 31-Dec-22
	£	£	£	£	£	£
Ministers Benevolent Funds	60,997	533	-	-	-	61,530
Ministers Benevolent Funds	2,273	35	-	-	-	2,308
Pomeroy Street Funds	7,997	36	-	-	-	8,033
Gorseinon Funds	4,668	21	-	-	-	4,689
Aberbargoed Funds	25,363	114	-	-	-	25,477
Capel Gwilym Funds	687	3	-	-	-	690
Manse Funds	150,408	1,323	-	-	-	151,731
Llandogo Monmouth Funds	11,098	50	-	-	(5,000)	6,148
Alexandra Rd Newport Funds	49,221	222	-	-	-	49,443
Pontyclun/Ely Funds	1,064	5	-	-	-	1,069
Nash Newport Funds	18,615	84	-	-	-	18,699
Ely Manse	114,577	-	-	105,423	-	220,000
	446,968	2,426	-	105,423	(5,000)	549,817

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

6. RESTRICTED FUNDS (Continued)

The Ministers Benevolent Fund is used to assist Ministers and retired Ministers on the accredited list.

The Ministers Benevolent Fund, interest on the capital sum provided by the James Pantyfedwen Foundation, is used to assist Ministers and retired Ministers on the accredited list.

The Pomeroy Street Fund is used to assist the Association within the Cardiff post code area.

The Gorseinon Fund is used for the purpose of items of capital expenditure.

The Moriah Baptist Church Aberbargoed Fund and the Capel Gwilym Church Cardiff Fund are used for capital purposes.

The Manse Fund is used for the purpose of items of capital expenditure.

The Llandogo Monmouth Fund is used for Strategic Mission Initiatives within the Association including small Churches initiatives.

The Alexandra Road Newport fund is used to provide support and ongoing equipping and training of Ministers and Church leaders in the Association including the appointment of personnel.

The Pontyclun/ Ely fund is to be made available for the appointment of a full-time accredited minister at Ely Baptist Church, Cardiff.

The Nash Newport fund is to be used for Mission Initiatives within the Association including the appointment of personnel.

The Ely Manse relates to the purchase of a manse to enable mission to take place in the Ely area of Cardiff.

The Student Fund assists students for ministry from churches within the Association.

The Commercial Road Llanhilleth Fund is to be made available to Brynithel Community Church when in a position to proceed with a Church building.

The Restricted Funds held are represented by the Charity's Cash Reserves and Fixed Asset Investments and the Restricted Funds are to be expended as specified above.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

7. FIXED ASSEST INVESTMENT

	Listed Investments	Unlisted Invested	TOTAL 2023	TOTAL 2022
Market Value as at 1st January 2023	6,153	228,887	235,040	233,069
Additions	-	-	-	1,971
Disposals	-	150,400	150,400	-
Net Gains/(Losses) on Investments	887	3,295	4,182	-
Market Value as at 31st December 2023	7,040	81,782	88,822	235,040

	The Baptist Insurance Company Plc £	Baptist Union Corporation £	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Market Value as at 1st January 2023	6,153	228,887	19,471	215,569	235,040	233,069
Additions	-	-	-	-	-	1,971
Disposals	-	150,400	(1,740)	152,140	150,400	-
Net Gains/(Losses) on Investments	887	3,295	4,182		4,182	-
Market Value 31st December 2023	7,040	81,782	25,393	63,429	88,822	235,040

The Baptist Insurance Company Plc

The Charity holds listed investments with The Baptist Insurance Company Plc and the original indexed book investment as at the 1st January 2023 was £6,153. The Charity holds 2403 Ordinary Shares at a market value of £2.92 per share and 10 Preference Shares at a market value of £2.34 per share as at 31st December 2023. The closing position of the investments held stood at £7,040.16 as at 31st December 2023.

Baptist Union Corporation Limited

The Charity holds unlisted investments with the Baptist Union Corporation Limited and the market value of the investments held stood £235,040 as at the 1st January 2023. The closing position of the investments held stood at £81,781.53 as at 31st December 2023.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

8. INVESTMENT PROPERTIES

Investments properties are held to generate income and a return on investment. The investments are held to generate income and for their future investment potential and capital appreciation. Fixed asset investments are investments that are held specifically to generate income to further the Charity's objects.

	Land & Buildings		Total	Total
	Vachell Road £	Glan Yr Afron £	31-Dec-23 £	31-Dec-22 £
Cost Value at 1st January 2022	220,000	240,000	460,000	114,577
Additions	-	-	-	-
Revaluation of Investment Properties	(20,000)	60,000	40,000	164,577
Reclassification	-	-	-	180,846
Fair Value at 31st December 2023	200,000	300,000	500,000	460,000

During the financial year ended 31st December 2023 the Directors of South Wales Baptist Association sought guidance and advice regarding the current market value of the Land and Building held by the Charity at 9 Glan Yr Afron Aberdare, Rhondda, Cynon Taff, CF44 0DD and 54 Vachell Road, Ely, Cardiff, CF5 4HH. The Land and Buildings have been included in the accounts at market value as at the 10th January 2023 and are included in the accounts in accordance with FRS102 Previous Valuation Deemed Cost.

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

9. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Cash at Bank and in Hand	84,371	96,889	181,260	340,800
	84,371	96,889	181,260	340,800

10. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Sundry Debtors	-	-	-	2,219
	-	-	-	2,219

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Independent Examiners Fees	1,140	-	1,140	1,800
Sundry Creditors	-	-	-	3,153
	1,140	-	1,140	4,953

12. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Pension Fund Liability	-	-	-	22,500
	-	-	-	22,500

13. NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 31-Dec-23 £	Total 31-Dec-22 £
Fixed Asset Investments	445,393	433,429	878,822	695,183
Net Current Assets	83,231	96,889	180,120	338,066
Long Term Liabilities	-	-	-	22,500
	528,624	530,318	1,058,942	1,010,749

SOUTH WALES BAPTIST ASSOCIATION (BUGB)

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

14. RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

The Company is Limited by Guarantee (04336086) and is a Charity registered with the Charity Commission (1102735) and does not have a Share capital and has no income subject to Corporation Tax.

		TOTAL 2023 £	TOTAL 2022 £
Profit / Deficit for the financial year		(18,489)	42,987
Other Recognised Gains		-	-
		<u>(18,489)</u>	<u>42,987</u>
Balance Brought Forward		1,010,749	763,500
Pension Scheme Movements	12 & 20	22,500	39,685
Revaluation of Investment Properties	8	40,000	164,577
Net Gains/(Losses) on Investments	7	4,182	-
Closing Funds at 31st December 2023		<u>1,058,942</u>	<u>1,010,749</u>

15. STAFF COSTS AND NUMBERS

	TOTAL 2023 £	TOTAL 2022 £
Gross Wages, Salaries & Fees	95,950	84,354
Employer's National Insurance Costs	-	-
Pension Contributions	15,082	11,962
	<u>111,032</u>	<u>96,316</u>

Employees who were engaged in each of the following activities:

	TOTAL 2023	TOTAL 2022
Regional Ministers	2	2
Administrative Activities	1	1

The Charity operates a PAYE scheme to pay all employed members of staff and no members of staff received emoluments of over £60,000 (2022:None).

SOUTH WALES BAPTIST ASSOCIATION (BUGB)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023

16. DIRECTORS AND OTHER RELATED PARTIES

During the financial year Director Revd Mark Fairweather-Tall received £26,210 in staff costs, £8,217 in Pension Contributions, £10,800 in Housing Allowance, £1,904 in Council Tax Payments, £904 in Utility Costs, £600 in Telephone Costs, £260 in Conference Expenses and £2,082 in General Expenses in his capacity as Reverend of the South Wales Baptist Association in furtherance of the Charity's objects. All conflicts of interest have been identified, documented and managed in accordance with the Charity's Governing Document.

No other payments were made to Directors or any persons connected with them during this financial period. No other material transaction took place between the organisation and a Director or any person connected with them.

17. RISK ASSESSMENT

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out will on an annual basis provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

18. RESERVES POLICY

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

19. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

20. EMPLOYEE BENEFIT OBLIGATIONS

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).

All Association Staff are eligible to join the Scheme.

Movement in Balance Sheet Liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The current deficiency as notified by the actuaries is Nil as at 31st December 2023 (2022:£22,500).

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of South Wales Baptist Association (BUGB) on the accounts for the year ended 31st December 2023 set out on pages 9 to 22.

Respective responsibilities of trustees and examiner

The Charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees are satisfied that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under section 145 of the Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and;
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's statement

I conducted my examination in accordance with the General Directions given by the Charity Commissioners for England & Wales in relation to the conducting of an independent examination, referred to above. An independent examination includes a review of the accounting records kept by the Charity and of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtain written assurances from the trustees of all material matters.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the trustees requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of recommended Practice: Accounting and Reporting by Charities.

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. Collaku MAAT
Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS



Date: 17th June 2024

Accounts

REGISTERED COMPANY NUMBER: 04336086 (England and Wales)
REGISTERED CHARITY NUMBER: 1102735

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2022
for
South Wales Baptist Association (BUGB)**

Xeinadin Audit Limited
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court
Treforest Industrial Estate
Pontypridd
Rhondda Cynon Taff
CF37 5YR

South Wales Baptist Association (BUGB)

**Contents of the Financial Statements
for the Year Ended 31 December 2022**

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South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are the advancement of the Christian religion especially by means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of the Baptist Union of Great Britain.

South Wales Baptist Association is one of thirteen associations of Baptists Together (Baptist Union of Great Britain). SWBA is made up of over 125 churches who are seeking to share the good news of Jesus with their local community. SWBA operates as a charity under number 1102735.

Public benefit

In the course of their management of the Association, the trustees have regard for the public benefit provided by the Association's activities, and this is a feature both of the Association's work in support of its member churches (independent charities), and of its own direct activities, as follows:

The Association operates by providing support to member churches as they seek to work in their own communities. This support includes advice and guidance to ministers and leaders; mission consultations; assistance, advice and training in safeguarding children and adults as well as practical and financial assistance through loans and grants as appropriate. It is the intention of the Association to help enable churches to respond to their calling and fulfill their public benefit through their normal church activities and the provision of facilities to be used by the wider community as well as the advancement of the Christian faith. The Association acts directly in a number of areas including the selection of individuals to train for ministry, the oversight of newly accredited ministers, arranging training and conferences for ministers and church leaders, involvement in the management of Chaplaincy services at the University of South Wales and engaging at a number of levels with the wider community on behalf of Baptists.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

There was one staff change during the year.

Revd Emma Mohr finished work as a Regional Minister in July 2022.

The Association continued to work throughout the year with the West and South Partnership, made up of South Wales, South West and Southern Counties Baptist Associations and the West of England Baptist Network. Two Partnership Ministerial Recognition Committee meetings were held for candidates for ministry to explore their calling. The partnership grants committee met to allocate Home Mission grants.

The Association continued to work with the Baptist Union of Wales (BUW). The two key events are the annual meetings known as Momentum and the Ministers' Conference. The Ministers' Conference took place online, and Momentum was a special BUW anniversary event at Trinity St David's College in Carmarthen entitled "Prayer, Picnic and Party".

The Association held a celebration for teaching, and information gathering which included the AGM of the Association. This took place at Bethel Baptist Church in Pontyclun, although live streaming was also available. Attendance was good, with encouraging feedback.

A Newly Accredited Ministers programme was provided.

Supporting Churches

Regular 'Updates', 'E-news', Facebook and YouTube posts were the primary sources of information from the Association office to churches, Cardiff Baptist College, our Ministers and other interested parties. These provided information about local and national events, and enabled churches to share information about their local events with others across the Association.

Safeguarding training covering the Baptist Union of Great Britain's 'Excellence in Safeguarding' Levels 2 and 3 took place. Five online sessions took place, training 65 people. In-person sessions resumed in May and a further 230 were trained.

There were no serious safeguarding incidents to be reported in 2022.

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2022

ACHIEVEMENT AND PERFORMANCE

Home Mission

Churches contributed £156,913.76 which was slightly more than our target of £150,000.

Home Mission Grants

The Association awarded a number of Home mission grants during 2022 amounting to £73,844.00. These included Mission through Ministry grants to Bethel BC (Senghenydd Project), The Church of the Resurrection and York Place BC; Special Ministry grants were awarded to The Summit Centre and Sudbrook Church plant; A Home Mission grant also benefitted Sports Chaplaincy UK, through the work of Steve Jones.

Supporting Ministers and Church Leaders

The Association provided a variety of means whereby Ministers and Church Leaders were supported and encouraged in their roles:

- Ministers' Fellowship groups continued to meet, mostly online.
- The Ministers Conference was held online, and the speakers were Andy Percey and Helen Paynter.
- The Newly Accredited Ministers' (NAMs) programme brought together ministers from both SWBA and the Baptist Union of Wales for theological reflection.
- The Partnership MRC commended Fortunato Santos as a Fully Accredited Minister after serving many years in a Baptist context. Gareth Davidson completed his formation and training and was enrolled as a fully accredited minister. Jeremy Lock and Andy Ralph became Nationally Recognised Pastors.
- Pastoral support was offered in many situations.
- Advice and support were given to several churches facing financial difficulties, conflict, or safeguarding issues.

Settlements

The following settlements took place:

Darren Blaney to Hope Bridgend
Philip Denyer to Aenon, Morriston
Andrew Hubbard to Bethlehem, Thomastown
Ande Mullin to Mount Calvary, Manselton
Jeff and Linda Kim to High Street, Abersychan
Cory Price to Bethel Central, Maesteg

SWBA Appointments

BMS Council

The SWBA was represented on the BMS Council by Gareth Wilde.

Property

The manses in Ely and in Aberdare were managed by My Lettings Limited and were occupied by tenants.

FINANCIAL REVIEW

Financial position

The charity showed a surplus of £247,262 for the year ended 31 December 2022. There was a surplus on unrestricted reserves of £139,413 after transfers between funds and a surplus on restricted reserves of £107,849. Both of these surpluses were largely driven by revaluations on the properties held by the charity.

Principal funding sources

The principal funding sources of the charity had been by way of grant from the Baptist Union of Great Britain made up of a Core Funding and a lump sum from the Home Mission fund based on a number of factors including the number of churches, the relative economic prosperity of the region and the Associations giving to Home Mission.

Investment policy and objectives

Aside from the restricted funds and retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short to medium term and there are some funds for long term investment. The Trustees have the power to invest in such assets as they see fit, monies not immediately required for the furtherance of the Association's objectives.

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2022

FINANCIAL REVIEW

Reserves policy

This Policy relates to South Wales Baptist Association and relates to the restricted and general funds held with the Monmouthshire Building Society, Baptist Union Corporation and Lloyds Bank.

The reserves of the Association at the end of the year were £1,010,762. Of the reserves, £554,817 was restricted and £455,945 was unrestricted. Included in unrestricted funds are £259,627 invested in fixed assets leaving £196,318.

Reserves policy

Why are reserves needed?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover expenditure should there be a sudden drop in income, primarily from the Home Mission grant we receive.

Expenditure includes salary payments, running costs and grants given to Baptist projects and churches.

What level of reserves are needed.?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover 6 months' expenditure (as recommended by the Charity Commission).

Based on the expenditure figure of £154,588 (excluding Home Mission Grants), this gives a required reserves figure of £77,294.

Should the association accounts identified above dip below the agreed reserve figure for a period beyond 6 months the Trustees should identify a financial plan.

This reserves policy shows good planning of resources and consideration of unforeseen occurrences on the financial income of the Association.

FUTURE PLANS

The Association plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements and the drawdown of free reserves held by the Association. Expenditure will continue from the restricted funds in accordance with the terms associated with the restriction.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Association is a charitable company limited by guarantee that was incorporated on 7 December 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10 towards any shortfall.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles. In accordance with the Articles of Association all Trustees will serve for a period of three years. Of the Trustees appointed at the Annual General Meeting, at least one half of those elected shall be lay persons. Any person so appointed shall be eligible for re-appointment unless that person has immediately already served two consecutive three-year periods.

Organisational structure

The Association is governed by the Board of Trustees (Directors), and 14 people served as trustees during 2021. Trustees meet every two months with the Regional Ministers and Association Administrator. They are responsible for the strategic direction of the charity and the reporting to a Council of Churches.

Induction and training of new trustees

New Trustees are provided with essential information. Further training will be offered in future as the membership of the board changes. Various Charity Commission publications are made available together with the Memorandum and Articles of Association and the latest financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04336086 (England and Wales)

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2022

Registered Charity number
1102735

Registered office
54 Richmond Road
Roath
Cardiff
CF24 3UR

Trustees

Rev Dr G J Watts Baptist Minister
Reverend M J Fairweather-Tall Baptist Minister
Revd J M Davis Baptist Minister
S Ringrose
D L Powell
Revd M I Carter Baptist Minister
Mrs A H Place
Rev C A Soble Baptist Minister
Mrs T A Vaughan
Mrs J H Weaver

Cardiff Baptist College is a member of the South Wales Baptist Association, which rents office space in the college building.

Company Secretary
Mrs K E Kaneen

Auditors

Xeinadin Audit Limited
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court
Treforest Industrial Estate
Pontypridd
Rhondda Cynon Taff
CF37 5YR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of South Wales Baptist Association (BUGB) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

South Wales Baptist Association (BUGB)

**Report of the Trustees
for the Year Ended 31 December 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 27.9.23 and signed on its behalf by:

K. Kaneen

Mrs K E Kaneen - Secretary

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Opinion

We have audited the financial statements of South Wales Baptist Association (BUGB) (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- (a) The nature of the industry and sector, control environment and business performance;
- (b) Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- (c) Any matters we have identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - (i) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - (ii) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - (iii) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - (iv) the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- (a) Timing of recognition of income
- (b) Foreign currency translation.
- (c) Value of stocks

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, , employment law, health and safety, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- (a) Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- (b) Enquiring of management concerning actual and potential litigation and claims;
- (c) Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- (d) In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
South Wales Baptist Association (BUGB)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

G Francis FCCA (Senior Statutory Auditor)
for and on behalf of Xeinaidin Audit Limited
Chartered Accountants
& Statutory Auditors
Highdale House
7 Centre Court
Treforest Industrial Estate
Pontypridd
Rhondda Cynon Taff
CF37 5YR

Date:

South Wales Baptist Association (BUGB)

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		3,809	-	3,809	1,377
Charitable activities					
Subscriptions		16,623	-	16,623	18,141
Grants receivable		232,897	-	232,897	190,313
Other incoming resources		1,250	-	1,250	6,488
Investment income	2	13,487	2,426	15,913	20,605
Total		<u>268,066</u>	<u>2,426</u>	<u>270,492</u>	<u>236,924</u>
EXPENDITURE ON					
Charitable activities					
Charitable Activities					
		-	-	-	-
Ministry		91,992	-	91,992	97,416
Mission		82,394	-	82,394	81,956
Establishment		45,397	-	45,397	43,794
Governance		3,308	-	3,308	2,308
Manses		4,414	-	4,414	2,635
Other		(39,685)	-	(39,685)	(14,877)
Total		<u>187,820</u>	<u>-</u>	<u>187,820</u>	<u>213,232</u>
Net gains on investments		<u>59,154</u>	<u>105,423</u>	<u>164,577</u>	<u>356</u>
NET INCOME		139,400	107,849	247,249	24,048
Transfers between funds	11	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>
Net movement in funds		144,400	102,849	247,249	24,048
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>316,532</u>	<u>446,968</u>	<u>763,500</u>	<u>739,452</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>460,932</u></u>	<u><u>549,817</u></u>	<u><u>1,010,749</u></u>	<u><u>763,500</u></u>

The notes form part of these financial statements

South Wales Baptist Association (BUGB)

**Balance Sheet
31 December 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	6	143	-	143	182,360
Investments					
Investments	7	19,471	215,569	235,040	233,069
Investment property	8	240,000	220,000	460,000	114,577
		<u>259,614</u>	<u>435,569</u>	<u>695,183</u>	<u>530,006</u>
CURRENT ASSETS					
Debtors	9	2,219	-	2,219	2,211
Cash at bank and in hand		226,552	114,248	340,800	304,870
		<u>228,771</u>	<u>114,248</u>	<u>343,019</u>	<u>307,081</u>
CREDITORS					
Amounts falling due within one year	10	(4,953)	-	(4,953)	(5,287)
NET CURRENT ASSETS		<u>223,818</u>	<u>114,248</u>	<u>338,066</u>	<u>301,794</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		483,432	549,817	1,033,249	831,800
PENSION LIABILITY	12	(22,500)	-	(22,500)	(68,300)
NET ASSETS		<u>460,932</u>	<u>549,817</u>	<u>1,010,749</u>	<u>763,500</u>
FUNDS	11				
Unrestricted funds				460,932	316,532
Restricted funds				549,817	446,968
TOTAL FUNDS				<u>1,010,749</u>	<u>763,500</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
D L Powell - Trustee

The notes form part of these financial statements

South Wales Baptist Association (BUGB)

Notes to the Financial Statements for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and voluntary income are accounted for gross when received.

Subscriptions are accounted for gross when received.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants received for specific purposes are treated as restricted funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or building society.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 50% on cost and 33% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined contribution pension scheme for certain members of staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account.

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

2. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Rents received	12,763	14,045
Deposit account interest	3,150	6,560
	<u>15,913</u>	<u>20,605</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Auditors' remuneration	1,800	1,800
Other non-audit services	144	162
Depreciation - owned assets	<u>1,371</u>	<u>1,899</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
Regional ministers	2	3
Administration	<u>1</u>	<u>1</u>
	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 January 2022	180,846	50,618	231,464
Reclassification	(180,846)	-	(180,846)
At 31 December 2022	-	50,618	50,618
DEPRECIATION			
At 1 January 2022	-	49,104	49,104
Charge for year	-	1,371	1,371
At 31 December 2022	-	50,475	50,475
NET BOOK VALUE			
At 31 December 2022	-	143	143
At 31 December 2021	180,846	1,514	182,360

7. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2022	6,153	226,916	233,069
Additions	-	1,971	1,971
At 31 December 2022	6,153	228,887	235,040
NET BOOK VALUE			
At 31 December 2022	6,153	228,887	235,040
At 31 December 2021	6,153	226,916	233,069

There were no investment assets outside the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Cost	6,153	228,887	235,040

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022	114,577
Revaluation	164,577
Reclassification	180,846
At 31 December 2022	460,000
NET BOOK VALUE	
At 31 December 2022	460,000
At 31 December 2021	114,577

Fair value at 31 December 2022 is represented by:

	£
Valuation in 2022	164,577
Cost	295,423
	460,000

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Prepayments and accrued income	2,219	2,211

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Accruals and deferred income	3,599	3,933
Other creditor	1,354	1,354
	4,953	5,287

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	316,532	139,400	5,000	460,932
Restricted funds				
Ministers Benevolent Funds				
	60,997	533	-	61,530
Ministers Benevolent Funds				
	2,273	35	-	2,308
Pomeroy Street Funds	7,997	36	-	8,033
Gorseinon Funds				
	4,668	21	-	4,689
Aberbargoed Funds	25,363	114	-	25,477
Capel Gwilym Funds	687	3	-	690
Manse Funds	150,408	1,323	-	151,731
Llandogo Monmouth Funds	11,098	50	(5,000)	6,148
Alexandra Rd Newport Funds				
	49,221	222	-	49,443
Pontyclun/Ely Funds	1,064	5	-	1,069
Nash Newport Funds	18,615	84	-	18,699
Ely Manse	114,577	105,423	-	220,000
	<u>446,968</u>	<u>107,849</u>	<u>(5,000)</u>	<u>549,817</u>
TOTAL FUNDS	<u>763,500</u>	<u>247,249</u>	<u>-</u>	<u>1,010,749</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	268,066	(187,820)	59,154	139,400
Restricted funds				
Ministers Benevolent Funds				
	533	-	-	533
Ministers Benevolent Funds				
	35	-	-	35
Pomeroy Street Funds	36	-	-	36
Gorseinon Funds				
	21	-	-	21
Aberbargoed Funds	114	-	-	114
Capel Gwilym Funds	3	-	-	3
Manse Funds	1,323	-	-	1,323
Llandogo Monmouth Funds	50	-	-	50
Alexandra Rd Newport Funds				
	222	-	-	222
Pontyclun/Ely Funds	5	-	-	5
Nash Newport Funds	84	-	-	84
Ely Manse	-	-	105,423	105,423
	<u>2,426</u>	<u>-</u>	<u>105,423</u>	<u>107,849</u>
TOTAL FUNDS	<u>270,492</u>	<u>(187,820)</u>	<u>164,577</u>	<u>247,249</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	287,270	18,909	10,353	316,532
Restricted funds				
Student Fund	605	3	(608)	-
Ministers Benevolent Funds				
	60,049	948	-	60,997
Ministers Benevolent Funds				
	2,269	4	-	2,273
Pomeroy Street Funds	7,960	37	-	7,997
Gorseinon Funds				
	4,645	23	-	4,668
Aberbargoed Funds	25,240	123	-	25,363
Capel Gwilym Funds	684	3	-	687
Llanhilleth Church	243	2	(245)	-
Manse Funds	148,919	1,489	-	150,408
Llandogo Monmouth Funds	16,919	2,179	(8,000)	11,098
Alexandra Rd Newport Funds				
	48,991	230	-	49,221
Pontyclun/Ely Funds	2,551	13	(1,500)	1,064
Nash Newport Funds	18,530	85	-	18,615
Ely Manse	114,577	-	-	114,577
	<u>452,182</u>	<u>5,139</u>	<u>(10,353)</u>	<u>446,968</u>
TOTAL FUNDS	<u><u>739,452</u></u>	<u><u>24,048</u></u>	<u><u>-</u></u>	<u><u>763,500</u></u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	231,950	(213,232)	191	18,909
Restricted funds				
Student Fund	3	-	-	3
Ministers Benevolent Funds				
	783	-	165	948
Ministers Benevolent Funds				
	4	-	-	4
Pomeroy Street Funds	37	-	-	37
Gorseinon Funds				
	23	-	-	23
Aberbargoed Funds	123	-	-	123
Capel Gwilym Funds	3	-	-	3
Llanhilleth Church	2	-	-	2
Manse Funds	1,489	-	-	1,489
Llandogo Monmouth Funds	2,179	-	-	2,179
Alexandra Rd Newport Funds				
	230	-	-	230
Pontyclun/Ely Funds	13	-	-	13
Nash Newport Funds	85	-	-	85
	<u>4,974</u>	<u>-</u>	<u>165</u>	<u>5,139</u>
TOTAL FUNDS	<u>236,924</u>	<u>(213,232)</u>	<u>356</u>	<u>24,048</u>

The General reserve represents the free funds of the Association that are not designated for particular purpose. The fixed assets represent the net book value of tangible fixed assets. The investments represent unrestricted funds held as investments. The Lower Cynon Manse relates to the purchase of a manse to enable mission to take place in the Lower Cynon area.

The Ministers Benevolent fund is used to assist Ministers and retired Ministers on the accredited list.

The Ministers Benevolent fund, interest on the capital sum provided by the James Pantyfedwen Foundation, is used to assist Ministers and retired Ministers on the accredited list.

The Pomeroy Street fund is used to assist the Association within the Cardiff post code area.

The Gorseinon fund is used for the purpose of items of capital expenditure.

The Moriah Baptist Church Aberbargoed fund and the Capel Gwilym Church Cardiff fund are used for capital purposes.

The Manse fund is used for the purpose of items of capital expenditure.

The Llandogo Monmouth fund is used for Strategic Mission Initiatives within the Association including small Churches initiatives.

The Alexandra Rd Newport fund is used to provide support and ongoing equipping and training of Ministers and Church leaders in the Association including the appointment of personnel.

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued for the Year Ended 31 December 2022

11. MOVEMENT IN FUNDS - continued

The Pontyclun/ Ely fund is to be made available for the appointment of a full-time accredited minister at Ely Baptist Church, Cardiff

The Nash Newport fund is to be used for Mission Initiatives within the Association including the appointment of personnel.

The Ely Manse relates to the purchase of a manse to enable mission to take place in the Ely area of Cardiff.

The Student fund assists students for ministry from churches within the Association.

The Commercial Road Llanhilleth fund is to be made available to Brynithel Community Church when in a position to proceed with a Church building.

12. EMPLOYEE BENEFIT OBLIGATIONS

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).

The Principal and staff tutors 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 Unum Limited.

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 2016

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £68.3 million (equivalent to a past service funding level of 70%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

RPI price inflation assumption 3.60%

CPI price inflation assumption 2.85%

Minimum Pensionable Income increases (CPI plus 1.0% pa) 3.85%

Assumed investment returns

- Pre-retirement 5.10%

- Post retirement 3.95%

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

Deferred pension increases

- Pre April 2009 3.60%

- Post April 2009 2.50%

Pension increases

- Main Scheme pension Pre April 2006 3.40%

- Main Scheme pension Post April 2006 2.30%

Post-retirement mortality in accordance with 75% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2007 in line with the CMI 2016 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022

Recovery Plan

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

Under the current Recovery Plan dated 13 April 2018, deficiency contributions are payable until 31 December 2028. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The current deficiency as notified by the actuaries is £22,500

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:

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

South Wales Baptist Association (BUGB)

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2022**

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	3,809	1,377
Investment income		
Rents received	12,763	14,045
Deposit account interest	3,150	6,560
	15,913	20,605
Charitable activities		
Subscriptions	16,623	18,141
Grants	232,897	190,313
Other incoming resources	1,250	6,488
	250,770	214,942
Total incoming resources		
	270,492	236,924
EXPENDITURE		
Charitable activities		
Wages	80,709	87,038
Social security	3,645	3,522
Pensions	11,962	9,821
Insurance	188	1,574
Telephone	1,019	1,761
Sundries	2,567	4,468
Maintenance	-	360
Office costs	3,032	3,969
Computer costs	1,257	267
Mission Grants	72,917	86,659
Benevolent Fund	951	900
Subscriptions	4,104	996
Premises	9,797	11,653
Training	650	454
Ministers' Conferences	3,394	667
Travel/Accommodation	3,478	2,145
Housing Allowances	10,696	12,283
Ministerial support	2,009	-
Cytun	-	(5,000)
Safeguarding costs	10,310	-
Depreciation of tangible fixed assets	1,372	1,899
Bank charges	140	365
	224,197	225,801
Other		
Pension scheme movements	(39,685)	(14,877)

This page does not form part of the statutory financial statements

South Wales Baptist Association (BUGB)

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2022**

	31.12.22 £	31.12.21 £
Support costs		
Governance costs		
Auditors' remuneration	1,800	1,800
Auditors' remuneration for non audit work	144	162
Meeting costs	1,364	346
	3,308	2,308
Total resources expended	187,820	213,232
Net income before gains and losses	82,672	23,692
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	-	356
Net income	<u>82,672</u>	<u>24,048</u>

Accounts

REGISTERED COMPANY NUMBER: 04336086 (England and Wales)
REGISTERED CHARITY NUMBER: 1102735

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2021
for
South Wales Baptist Association (BUGB)**

Griffiths Green Arnold
Accountants & Business Advisors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

South Wales Baptist Association (BUGB)

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for the Year Ended 31 December 2021**

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South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are the advancement of the Christian religion especially by means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of the Baptist Union of Great Britain.

Public benefit

In the course of their management of the Association, the trustees have regard for the public benefit provided by the Association's activities, and this is a feature both of the Association's work in support of its member churches (independent charities), and of its own direct activities, as follows:

The Association operates by providing support to member churches as they seek to work in their own communities. This support includes advice and guidance to ministers and leaders; mission consultations; assistance, advice and training in safeguarding children and adults as well as practical and financial assistance through loans and grants as appropriate. It is the intention of the Association to help enable churches to respond to their calling and fulfill their public benefit through their normal church activities and the provision of facilities to be used by the wider community as well as the advancement of the Christian faith. The Association acts directly in a number of areas including the selection of individuals to train for ministry, the oversight of newly accredited ministers, arranging training and conferences for ministers and church leaders, involvement in the management of Chaplaincy services at the University of South Wales and engaging at a number of levels with the wider community on behalf of Baptists.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

There were two staff changes during the year.

Revd Hayley Young finished work as a regional minister in July 2021. Revd Emma Mohr started work as a full-time regional minister in September 2021.

The Association continued to work closely with the West and South Baptist Partnership, made up of four Associations, throughout the year. Two partnership Ministerial Recognition conferences were held for candidates for ministry to explore their calling. The grants Committee met to allocate Home Mission grants.

The Association continued to work closely with the Baptist Union of Wales (BUW). The two key events are the annual meetings known as 'Momentum' and the Ministers Conference. This year Momentum took place online and in small face to face gatherings and the ministers' conference took place online. The Association held an online celebration, for teaching and information gathering which included the AGM of the Association. Attendance was good with excellent feedback. In addition, online sessions were held for Newly Accredited Ministers.

Supporting Churches

Regular 'Updates' and 'E-News' were the primary source of information from the Association office to churches, the College, our Ministers and other interested parties. These provided information about local and national events, and enabled churches to share information about their local events with others across the Association.

Safeguarding training covering the Baptist Union of Great Britain's 'Excellence in Safeguarding' Levels 1, 2 and 3 took place online this year, training 224 people and in addition 3 students at Cardiff Baptist College, were trained in a face to face setting.

There were no serious safeguarding incidents to be reported in 2021.

Home Mission

Churches contributed £148,160.27 to Home Mission (the Baptist family purse), which was slightly short of the revised target of £150,000.

Home Mission Grants

The Association awarded a number of Home Mission grants during 2021 amounting to £84,235.96. These included Mission through Ministry grants to Bethel BC (Senghenydd Project), Dinas Powys BC, The Church of the Resurrection, Tredegarville BC and York Place BC; Special Ministry grants were awarded to The Summit Centre and Sudbrook Church Plant; Two chaplaincies benefited from HM grants - The University of South Wales and Sports Chaplaincy UK for developmental work in Wales through Steve Jones.

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2021

ACHIEVEMENT AND PERFORMANCE

Supporting Ministers and Church Leaders

The Association provided a variety of means whereby Ministers and Church Leaders were supported and encouraged in their roles:

- Ministers' Fellowship groups continued to meet, mostly online.
- The Ministers Conference was held online, and the speakers were Andy Percey and Yinka Oyekan.
- The Newly Accredited Ministers' (NAMs) programme brought together ministers from both SWBA and the Baptist Union of Wales for theological reflection.
- The Association continued to work closely with the West and South Baptist Partnership, made up of four Associations, throughout the year. Two Partnership Ministerial Recognition conferences were held for candidates for ministry, to explore their calling.
- The Partnership MRC commended Lisa Issac and David Powell to commence training for Baptist accreditation. Alex Anderson, Lesley Lawrence and Chris Tutte completed their formation and training and were enrolled as fully accredited ministers.
- Pastoral support was offered in several situations.
- Advice and support were given to several churches facing financial difficulties, conflict, or safeguarding issues.

The following settlements took place:

Chris Bullock to Coedpenmaen Community Church as minister in training
Rhiannon Francis to Mount Carmel, Caerphilly
Andy Gibbs as Chaplain to the Cardiff and Vale Health Board
Jonnie Jones to Zion, Ebbw Vale
Dave Llewellyn to Tabernacle, Penarth
David Powell to High Street, Merthyr as minister in training
James Scott to Bethany, West Cross

SWBA Appointments

Emma Mohr was appointed as full-time regional minister in September 2021.

Council of Churches Meetings

An Association gathering which incorporated the Annual General Meeting was held online on 7th October 2021.

BMS Council of Reference

The SWBA was represented on the BMS Council of Reference by Laura Watkins and Gareth Wilde.

Property

The manse in Ely was managed by My Lettings Limited and was occupied by tenants.

The property in Aberdare was let to a tenant and managed by My Lettings Limited.

FINANCIAL REVIEW

Financial position

The charity showed a surplus of £24,048 for the year ended 31 December 2021. There was a surplus on unrestricted reserves of £29,262 after transfers between funds and a deficit on restricted reserves of £5,214.

Principal funding sources

The principal funding sources of the charity had been by way of grant from the Baptist Union of Great Britain made up of a Core Funding and a lump sum from the Home Mission fund based on a number of factors including the number of churches, the relative economic prosperity of the region and the Associations giving to Home Mission.

Investment policy and objectives

Aside from the restricted funds and retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short to medium term and there are some funds for long term investment. The Trustees have the power to invest in such assets as they see fit, monies not immediately required for the furtherance of its objectives.

Reserves policy

South Wales Baptist Association is one of thirteen associations of Baptists Together in the UK. SWBA is made up of over 125 churches who are seeking to share the good news of Jesus with their local community. SWBA operates as a charity under number 1102735.

This Policy relates to South Wales Baptist Association and relates to the restricted and general funds held with the Monmouthshire Building Society, Baptist Union Corporation and Lloyds Bank.

The reserves of the Association at the end of the year were £763,500. Of the reserves, £446,968 was restricted and £316,532 was unrestricted. Included in unrestricted funds are £182,360 invested in fixed assets (property) and £19,391 in fixed asset investments. This leaves a surplus of £114,781.

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Reserves policy

Why are reserves needed?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover expenditure should there be a sudden drop in income, primarily from the Home Mission grant we receive.

Expenditure includes salary payments, running costs and grants given to Baptist projects and churches.

What level of reserves are needed.?

We aim ideally to hold in reserve sufficient money in our funds identified above to cover 6 months' expenditure (as recommended by the Charity Commission).

Based on the expenditure figure of £146,450 (excluding Home Mission Grants), this gives a reserves figure of £73,225.

Should the association accounts identified above dip below the agreed reserve figure for a period beyond 6 months the Trustees should identify a financial plan.

This reserves policy shows good planning of resources and consideration of unforeseen occurrences on the financial income of the Association.

Policy Review: To be reviewed by the Trustees in May every 2 years or earlier if deemed appropriate.

FUTURE PLANS

The Association plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements and the drawdown of free reserves held by the Association. Expenditure will continue from the restricted funds in accordance with the terms associated with the restriction.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Association is a charitable company limited by guarantee that was incorporated on 7 December 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10 towards any shortfall.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles. In accordance with the Articles of Association all Trustees will serve for a period of three years. Of the Trustees appointed at the Annual General Meeting, at least one half of those elected shall be lay persons. Any person so appointed shall be eligible for re-appointment unless that person has immediately already served two consecutive three-year periods.

Organisational structure

The Association is governed by the Board of Trustees (Directors), and 14 people served as trustees during 2021. Trustees meet every two months with the Regional Ministers and Association Administrator. They are responsible for the strategic direction of the charity and the reporting to a Council of Churches.

Induction and training of new trustees

New Trustees are provided with essential information. Further training will be offered in future as the membership of the board changes.

Various Charity Commission publications are made available together with the Memorandum and Articles of Association and the latest financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04336086 (England and Wales)

Registered Charity number

1102735

Registered office

54 Richmond Road
Roath
Cardiff
CF24 3UR

South Wales Baptist Association (BUGB)

Report of the Trustees for the Year Ended 31 December 2021

Trustees

G J Miles Accountant (resigned 15.3.21)
Rev P I Taylor Baptist Minister (resigned 7.10.21)
G Davidson Reverend (resigned 19.7.21)
Rev Dr G J Watts Baptist Minister
Reverend M J Fairweather-Tall Baptist Minister
Revd J M Davis Baptist Minister
S Ringrose Accountant
D L Powell Finance Officer/manager
Rev W M Adams Baptist Minister (resigned 7.10.21)
Revd M I Carter Baptist Minister
Mrs A H Place (appointed 7.10.21)
Rev C A Soble Baptist Minister (appointed 7.10.21)
Mrs T A Vaughan (appointed 7.10.21)
Mrs J H Weaver (appointed 7.10.21)

Comment

Cardiff Baptist College:

1) The college is a member of the South Wales Baptist Association, which rents offices in the college building.

Auditors

Griffiths Green Arnold
Accountants & Business Advisors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of South Wales Baptist Association (BUGB) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Griffiths Green Arnold, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D L Powell - Trustee

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Opinion

We have audited the financial statements of South Wales Baptist Association (BUGB) (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- (a) The nature of the industry and sector, control environment and business performance;
- (b) Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- (c) Any matters we have identified having obtained and reviewed the company's
- (d) Documentation of their policies and procedures relating to:
 - (i) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - (ii) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - (iii) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - (iv) the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- (a) Timing of recognition of income
- (b) Foreign currency translation.
- (c) Value of stocks

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, , employment law, health and safety, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- (a) Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- (b) Enquiring of management concerning actual and potential litigation and claims;
- (c) Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- (d) In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

G Francis FCCA (Senior Statutory Auditor)
for and on behalf of Griffiths Green Arnold
Accountants & Business Advisors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

Date:

South Wales Baptist Association (BUGB)

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,377	-	1,377	11,029
Charitable activities					
Subscriptions		18,141	-	18,141	14,508
Grants receivable		190,313	-	190,313	214,999
Other incoming resources		6,488	-	6,488	2,171
Investment income	2	<u>15,631</u>	<u>4,974</u>	<u>20,605</u>	<u>12,445</u>
Total		<u>231,950</u>	<u>4,974</u>	<u>236,924</u>	<u>255,152</u>
EXPENDITURE ON					
Charitable activities					
Charitable Activities		-	-	-	-
Ministry		97,416	-	97,416	111,245
Mission		81,956	-	81,956	127,298
Establishment		43,794	-	43,794	45,863
Governance		2,308	-	2,308	2,120
Manses		2,635	-	2,635	12,656
Other		<u>(14,877)</u>	<u>-</u>	<u>(14,877)</u>	<u>4,654</u>
Total		<u>213,232</u>	<u>-</u>	<u>213,232</u>	<u>303,836</u>
Net gains/(losses) on investments		<u>191</u>	<u>165</u>	<u>356</u>	<u>(710)</u>
NET INCOME/(EXPENDITURE)		18,909	5,139	24,048	(49,394)
Transfers between funds	11	<u>10,353</u>	<u>(10,353)</u>	<u>-</u>	<u>-</u>
Net movement in funds		29,262	(5,214)	24,048	(49,394)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>287,270</u>	<u>452,182</u>	<u>739,452</u>	<u>788,846</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>316,532</u></u>	<u><u>446,968</u></u>	<u><u>763,500</u></u>	<u><u>739,452</u></u>

The notes form part of these financial statements

South Wales Baptist Association (BUGB)

**Balance Sheet
31 December 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	6	182,360	-	182,360	184,259
Investments					
Investments	7	19,391	213,678	233,069	230,460
Investment property	8	<u>-</u>	<u>114,577</u>	<u>114,577</u>	<u>114,577</u>
		201,751	328,255	530,006	529,296
CURRENT ASSETS					
Debtors	9	2,211	-	2,211	2,220
Cash at bank and in hand		<u>186,157</u>	<u>118,713</u>	<u>304,870</u>	<u>310,333</u>
		188,368	118,713	307,081	312,553
CREDITORS					
Amounts falling due within one year	10	<u>(5,287)</u>	<u>-</u>	<u>(5,287)</u>	<u>(8,897)</u>
NET CURRENT ASSETS		<u>183,081</u>	<u>118,713</u>	<u>301,794</u>	<u>303,656</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		384,832	446,968	831,800	832,952
PENSION LIABILITY	12	<u>(68,300)</u>	<u>-</u>	<u>(68,300)</u>	<u>(93,500)</u>
NET ASSETS		<u><u>316,532</u></u>	<u><u>446,968</u></u>	<u><u>763,500</u></u>	<u><u>739,452</u></u>
FUNDS	11				
Unrestricted funds				316,532	287,270
Restricted funds				<u>446,968</u>	<u>452,182</u>
TOTAL FUNDS				<u><u>763,500</u></u>	<u><u>739,452</u></u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
D L Powell - Trustee

The notes form part of these financial statements

South Wales Baptist Association (BUGB)

Notes to the Financial Statements for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and voluntary income are accounted for gross when received.

Subscriptions are accounted for gross when received.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants received for specific purposes are treated as restricted funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or building society.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 50% on cost and 33% on cost

The freehold property is not depreciated as the trustees consider when taking in the residual value of the property, any depreciation would not be material.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined contribution pension scheme for certain members of staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account.

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

2. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Rents received	14,045	7,486
Deposit account interest	<u>6,560</u>	<u>4,959</u>
	<u>20,605</u>	<u>12,445</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20
	£	£
Auditors' remuneration	1,800	1,800
The auditing of accounts of any associate of the charity	162	175
Depreciation - owned assets	<u>1,899</u>	<u>2,879</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Regional ministers	3	3
Administration	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 January 2021 and 31 December 2021	<u>180,846</u>	<u>50,618</u>	<u>231,464</u>
DEPRECIATION			
At 1 January 2021	-	47,205	47,205
Charge for year	<u>-</u>	<u>1,899</u>	<u>1,899</u>
At 31 December 2021	<u>-</u>	<u>49,104</u>	<u>49,104</u>
NET BOOK VALUE			
At 31 December 2021	<u>180,846</u>	<u>1,514</u>	<u>182,360</u>
At 31 December 2020	<u>180,846</u>	<u>3,413</u>	<u>184,259</u>

7. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2021	6,153	224,307	230,460
Additions	-	26,887	26,887
Disposals	<u>-</u>	<u>(24,278)</u>	<u>(24,278)</u>
At 31 December 2021	<u>6,153</u>	<u>226,916</u>	<u>233,069</u>
NET BOOK VALUE			
At 31 December 2021	<u>6,153</u>	<u>226,916</u>	<u>233,069</u>
At 31 December 2020	<u>6,153</u>	<u>224,307</u>	<u>230,460</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Cost	<u>6,153</u>	<u>226,916</u>	<u>233,069</u>

8. INVESTMENT PROPERTY

FAIR VALUE	£
At 1 January 2021 and 31 December 2021	<u>114,577</u>
NET BOOK VALUE	
At 31 December 2021	<u>114,577</u>
At 31 December 2020	<u>114,577</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Prepayments and accrued income	<u>2,211</u>	<u>2,220</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Accruals and deferred income	3,933	7,543
Other creditor	<u>1,354</u>	<u>1,354</u>
	<u>5,287</u>	<u>8,897</u>

11. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
Unrestricted funds				
General fund	287,270	18,909	10,353	316,532
Restricted funds				
Student Fund	605	3	(608)	-
Ministers Benevolent Funds	60,049	948	-	60,997
Pomeroy Street Funds	7,960	37	-	7,997
Gorseinon Funds	4,645	23	-	4,668
 Aberbargoed Funds	 25,240	 123	 -	 25,363
Capel Gwilym Funds	684	3	-	687
Llanhilleth Church	243	2	(245)	-
Manse Funds	148,919	1,489	-	150,408
Llandogo Monmouth Funds	16,919	2,179	(8,000)	11,098
Alexandra Rd Newport Funds				
	48,991	230	-	49,221
Pontyclun/Ely Funds	2,551	13	(1,500)	1,064
Nash Newport Funds	18,530	85	-	18,615
Ely Manse	<u>114,577</u>	<u>-</u>	<u>-</u>	<u>114,577</u>
	<u>452,182</u>	<u>5,139</u>	<u>(10,353)</u>	<u>446,968</u>
TOTAL FUNDS	<u>739,452</u>	<u>24,048</u>	<u>-</u>	<u>763,500</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	231,950	(213,232)	191	18,909
Restricted funds				
Student Fund	3	-	-	3
Ministers Benevolent Funds	783	-	-	
Ministers Benevolent Funds	4	-	165	948
Pomeroy Street Funds	37	-	-	37
Gorseinon Funds	23	-	-	23
Aberbargoed Funds	123	-	-	123
Capel Gwilym Funds	3	-	-	3
Llanhilleth Church	2	-	-	2
Manse Funds	1,489	-	-	1,489
Llandogo Monmouth Funds	2,179	-	-	2,179
Alexandra Rd Newport Funds	230	-	-	230
Pontyclun/Ely Funds	13	-	-	13
Nash Newport Funds	85	-	-	85
	<u>4,974</u>	<u>-</u>	<u>165</u>	<u>5,139</u>
TOTAL FUNDS	<u><u>236,924</u></u>	<u><u>(213,232)</u></u>	<u><u>356</u></u>	<u><u>24,048</u></u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	331,888	(52,618)	8,000	287,270
Restricted funds				
Student Fund	602	3	-	605
Ministers Benevolent Funds				
	59,418	631	-	60,049
	2,262	7	-	2,269
Pomeroy Street Funds	7,924	36	-	7,960
Gorseinon Funds				
	4,624	21	-	4,645
Aberbargoed Funds	25,127	113	-	25,240
Capel Gwilym Funds	681	3	-	684
Llanhilleth Church	242	1	-	243
Manse Funds	146,935	1,984	-	148,919
Llandogo Monmouth Funds	24,807	112	(8,000)	16,919
Alexandra Rd Newport Funds	48,772	219	-	48,991
Pontyclun/Ely Funds	2,540	11	-	2,551
Nash Newport Funds	18,447	83	-	18,530
Ely Manse	114,577	-	-	114,577
	<u>456,958</u>	<u>3,224</u>	<u>(8,000)</u>	<u>452,182</u>
TOTAL FUNDS	<u>788,846</u>	<u>(49,394)</u>	<u>-</u>	<u>739,452</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	251,599	(303,836)	(381)	(52,618)
Restricted funds				
Student Fund	3	-	-	3
Ministers Benevolent Funds	960	-	(329)	631
Ministers Benevolent Funds	7	-	-	7
Pomeroy Street Funds	36	-	-	36
Gorseinon Funds	21	-	-	21
Aberbargoed Funds	113	-	-	113
Capel Gwilym Funds	3	-	-	3
Llanhilleth Church	1	-	-	1
Manse Funds	1,984	-	-	1,984
Llandogo Monmouth Funds	112	-	-	112
Alexandra Rd Newport Funds	219	-	-	219
Pontyclun/Ely Funds	11	-	-	11
Nash Newport Funds	83	-	-	83
	<u>3,553</u>	<u>-</u>	<u>(329)</u>	<u>3,224</u>
TOTAL FUNDS	<u>255,152</u>	<u>(303,836)</u>	<u>(710)</u>	<u>(49,394)</u>

The General reserve represents the free funds of the Association that are not designated for particular purpose. The fixed assets represent the net book value of tangible fixed assets. The investments represent unrestricted funds held as investments.

The Student fund assists students for ministry from churches within the Association.

The Ministers Benevolent fund, interest on the capital sum provided by the James Pantyfedwen Foundation, is used to assist Ministers and retired Ministers on the accredited list.

The Ministers Benevolent fund is used to assist Ministers and retired Ministers on the accredited list.

The Pomeroy Street fund is used to assist the Association within the Cardiff post code area.

The Gorseinon fund is used for the purpose of items of capital expenditure.

The Moriah Baptist Church Aberbargoed fund and the Capel Gwilym Church Cardiff fund are used for capital purposes.

The Commercial Road Llanhilleth fund is to be made available to Brynithel Community Church when in a position to proceed with a Church building.

The Manse fund is used for the purpose of items of capital expenditure.

The Llandogo Monmouth fund is used for Strategic Mission Initiatives within the Association including small Churches initiatives.

The Alexandra Rd Newport fund is used to provide support and ongoing equipping and training of Ministers and Church leaders in the Association including the appointment of personnel.

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

11. MOVEMENT IN FUNDS - continued

The Pontyclun/ Ely fund is to be made available for the appointment of a full-time accredited minister at Ely Baptist Church, Cardiff

The Nash Newport fund is to be used for Mission Initiatives within the Association including the appointment of personnel.

The Ely Manse relates to the purchase of a manse to enable mission to take place in the Ely area of Cardiff.

The Lower Cynon Manse relates to the purchase of a manse to enable mission to take place in the Lower Cynon area.

12. EMPLOYEE BENEFIT OBLIGATIONS

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).

The Principal and staff tutors 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 Unum Limited.

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 2016

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £68.3 million (equivalent to a past service funding level of 70%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

RPI price inflation assumption 3.60%

CPI price inflation assumption 2.85%

Minimum Pensionable Income increases (CPI plus 1.0% pa) 3.85%

Assumed investment returns

- Pre-retirement 5.10%

- Post retirement 3.95%

Deferred pension increases

- Pre April 2009 3.60%

- Post April 2009 2.50%

Pension increases

- Main Scheme pension Pre April 2006 3.40%

- Main Scheme pension Post April 2006 2.30%

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

Post-retirement mortality in accordance with 75% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2007 in line with the CMI 2016 core projections, with a long term annual rate of improvement of 1.75% for males and 1.5% for females.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2022

Recovery Plan

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

Under the current Recovery Plan dated 13 April 2018, deficiency contributions are payable until 31 December 2028. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The current deficiency as notified by the actuaries is £68,300

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:

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

South Wales Baptist Association (BUGB)

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Proceeds from sale of Churches	-	10,709
Donations	<u>1,377</u>	<u>320</u>
	1,377	11,029
Investment income		
Rents received	14,045	7,486
Deposit account interest	<u>6,560</u>	<u>4,959</u>
	20,605	12,445
Charitable activities		
Subscriptions	18,141	14,508
Grants	190,313	214,999
Other incoming resources	<u>6,488</u>	<u>2,171</u>
	<u>214,942</u>	<u>231,678</u>
Total incoming resources	236,924	255,152
EXPENDITURE		
Charitable activities		
Wages	87,038	89,483
Social security	3,522	3,374
Pensions	9,821	9,341
Insurance	1,574	3,127
Telephone	1,761	1,967
Sundries	4,468	6,485
Maintenance	360	6,023
Office costs	3,969	3,428
Computer costs	267	3,426
Ministerial Recognition	-	424
Mission Grants	86,659	102,294
Benevolent Fund	900	58
Subscriptions	996	964
Premises	11,653	28,823
Training	454	3,835
Ministers' Conferences	667	6,556
Travel/Accommodation	2,145	2,553
Housing Allowances	12,283	11,251
Ministerial support	-	669
Cytun	(5,000)	5,000
Bridgend Methodist	-	5,000
Plant and machinery	1,899	2,879
Bank charges	<u>365</u>	<u>102</u>
	225,801	297,062
Other		
Expenditure to reduce staff pension deficit	(14,877)	-
Carried forward	(14,877)	-

This page does not form part of the statutory financial statements

South Wales Baptist Association (BUGB)

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
Other		
Brought forward	(14,877)	-
Interest cost and change in pension liability	<u>-</u>	<u>4,654</u>
	(14,877)	4,654
Support costs		
Governance costs		
Auditors' remuneration	1,800	1,800
Auditors' remuneration for non audit work	162	175
Meeting costs	<u>346</u>	<u>145</u>
	<u>2,308</u>	<u>2,120</u>
Total resources expended	<u>213,232</u>	<u>303,836</u>
Net income/(expenditure) before gains and losses	23,692	(48,684)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>356</u>	<u>(710)</u>
Net income/(expenditure)	<u><u>24,048</u></u>	<u><u>(49,394)</u></u>

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2020
for
South Wales Baptist Association (BUGB)

Griffiths Green Arnold
Chartered Accountants & Statutory Auditors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

South Wales Baptist Association (BUGB)

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for the Year Ended 31 December 2020**

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South Wales Baptist Association (BUGB)

Report of the Trustees

for the Year Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are the advancement of the Christian religion especially by means of and in accordance with the principles of the Baptist denomination as set out for the time being in the Declaration of Principle of the Baptist Union of Great Britain.

Public benefit

In the course of their management of the Association, the trustees have regard for the public benefit provided by the Association's activities, and this is a feature both of the Association's work in support of its member churches (independent charities), and of its own direct activities, as follows:

The Association operates by providing support to member churches as they seek to work in their own communities. This support includes advice and guidance to ministers and leaders; mission consultations; assistance, advice and training in safeguarding children and adults as well as practical and financial assistance through loans and grants as appropriate. It is the intention of the Association to help enable churches to respond to their calling and fulfil their public benefit through their normal church activities and the provision of facilities to be used by the wider community as well as the advancement of the Christian faith. The Association acts directly in a number of areas including the selection of individuals to train for ministry, the oversight of newly accredited ministers, arranging training and conferences for ministers and church leaders, involvement in the management of Chaplaincy services at the University of South Wales and engaging at a number of levels with the wider community on behalf of Baptists.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

There were several staff changes during the year.

Revd Hayley Young started work in January 2020 as a part-time Regional Minister (Mission Enabler). Revd Mark Fairweather-Tall started as full time Regional Minister (Team Leader) in February 2020. In September 2020 we appointed Revd. Naomi Dickerson to be the Renew Wellbeing Advocate.

The Renew Wellbeing role will be for three years costing £32,400 (£10,400) for three years) with expenses to come out of Home Mission Project funds from 2021.

The Association continued to work closely with the West and South Baptist Partnership, made up of four Associations, throughout the year. Two partnership Ministerial Recognition conferences were held for candidates for ministry to explore their calling. The grants Committee met to allocate Home Mission grants.

The Association continued to work closely with the Baptist Union of Wales (BUW). The two key events are the annual meetings known as 'Momentum' and the Ministers Conference. This year both were held online. The Association held an online celebration, teaching and information gathering which included the AGM of the Association. Attendance was good with excellent feedback. In addition, online sessions were held for Newly Accredited Ministers.

Supporting Churches

Regular 'Updates' and 'E-News' were the primary source of information from the Association office to churches, the College, our Ministers, and other interested parties. These provided information about local and national events, and enabled churches to share information about their local events with others across the Association.

Safeguarding training covering the Baptist Union of Great Britain's 'Excellence in Safeguarding' Levels 1, 2 and 3 took place on 2 days during the year. The training covers basic safeguarding principles for everyone in churches (Level 1 DVD); general safeguarding principles and practices for those working with children and adults at risk (Level 2); and more detailed issues for those in church leadership (Level 3). The courses were attended by 53 people from 7 churches. The numbers were significantly down in 2019 due to the coronavirus pandemic.

There were no serious safeguarding incidents to be reported in 2020.

South Wales Baptist Association (BUGB)

Report of the Trustees

for the Year Ended 31 December 2020

ACHIEVEMENT AND PERFORMANCE

Home Mission

Churches contributed £167,815 to Home Mission (the Baptist family purse). This figure is £17,802.85 less than in 2019 but is mostly due to the closure of churches during the pandemic.

Home Mission Grants

The Association awarded a number of Home Mission grants during 2020 amounting to £95,495. These included Mission through Ministry grants to Dinas Powys BC, Jerusalem BC Pentrebach, Church of the Resurrection, York Place BC, and Kensington BC Brecon; Special Ministry grants were awarded to Mission workers in the Lower Cynon Valley and Monmouth Missioner, to Llanfair Ecumenical Church, Penrhys, Pentyrch Street: The Table, The Summit Centre and to the Community Chaplain in Bonymaen, Swansea; Two chaplaincies benefited from HM grants i.e. The University of South Wales and Sports Chaplaincy UK for developmental work in Wales through Steve Jones. In addition, two Mission Project Grants were awarded to Gendros BC and the Who Cares? Mission project.

Supporting Ministers and Church Leaders

The Association provided a variety of means whereby Ministers and Church Leaders were supported and encouraged in their roles:

- Ministers' Fellowship groups continued to meet, mostly online.
- The Ministers Conference was held online, and the speakers were Andy Percey and Yinka Oyekan.
- The Newly Accredited Ministers' (NAMs) programme brought together ministers from both SWBA and the Baptist Union of Wales for theological reflection.
- The Association continued to work closely with the West and South Baptist Partnership, made up of four Associations, throughout the year. Two Partnership Ministerial Recognition conferences were held for candidates for ministry, to explore their calling.
- The Partnership MRC commended Chris Bullock and Eunjig Yang to commence training for Baptist accreditation. Wayne Adams, Jon Birch, Raf de Lima and Owen James completed their formation and training and were enrolled as fully accredited ministers. Karen Powell became a Nationally Recognised Pastor.
- The Ministerial Recognition Committee commended Andy Ralph for formation as a Nationally Recognised Pastor.
- Pastoral support was offered in several situations.
- Advice and support were given to several churches facing financial difficulties, conflict, or safeguarding issues.

The following settlements took place:

Jon Linforth to Bethany BC, Caldicot
Lee Presley to St Julian's BC, Newport
Pete Roberts to Temple BC, Pontypridd
Mark Stone to Park BC, Merthyr
Hayley Young to Alfred Tilly Memorial BC, Rumney

South Wales Baptist Association (BUGB)

Report of the Trustees

for the Year Ended 31 December 2020

SWBA Appointments

Hayley Young was appointed as part time Regional Minister to commence on 1st Jan 2020.

Mark Fairweather-Tall was appointed as Regional Minister Team Leader to commence on 1st Feb 2020.

Naomi Dickerson was appointed Renew Wellbeing advocate in September 2020.

Council of Churches Meetings

An Association gathering which incorporated the Annual General Meeting was held online on 12th November 2020.

BMS Council of Reference

The SWBA was represented on the BMS Council of Reference by Laura Watkins and Gareth Wilde.

Property

The manse in Ely was managed by the Association. Improvement works were carried out and new tenants moved in in May 2020.

The property in Aberdare became vacant and was let using My Lettings Limited on 1st October 2020. An assured shorthold tenancy agreement was drawn up.

FINANCIAL REVIEW

Financial position

This is the nineteenth year of the Association, and the charity showed a deficit of £49,394. There was a deficit on unrestricted reserves of £44,618 after transfers between funds and a deficit on restricted reserves of £4,776.

Principal funding sources

The principal funding sources of the charity had been by way of grant from the Baptist Union of Great Britain made up of a Core Funding and a lump sum from the Home Mission fund based on several factors including the number of churches, the relative economic prosperity of the region and the Associations giving to Home Mission.

Investment policy and objectives

Aside from the restricted funds and retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short to medium term and there are some funds for long term investment. The Trustees have the power to invest in such assets as they see fit, monies not immediately required for the furtherance of its objects.

Reserves policy

The reserves of the Association at the end of the year were £739,452. Of the reserves, £452,182 was restricted and £287,270 was unrestricted. Included in unrestricted funds are £184,259 invested in fixed assets and £19,222 in fixed asset investments. This leaves a surplus of £83,789.

The unrestricted funds not designated elsewhere represent the free reserves of the Association. The free reserves are needed to meet the working requirements of the charity and the Trustees consider six months operating costs should be maintained. The trustees consider this level of free reserves satisfactory.

The level of reserves had increased in the last few years with proceeds from the sale of churches. However, most of these monies received are subject to restrictions and therefore can only be used by the Association for those specific purposes.

FUTURE PLANS

The Association plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements and the drawdown of free reserves held by the Association. Expenditure will continue from the restricted funds in accordance with the terms associated with the restriction.

South Wales Baptist Association (BUGB)

Report of the Trustees

for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Association is a charitable company limited by guarantee that was incorporated on 7 December 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10 towards any shortfall.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles. In accordance with the Articles of Association all Trustees will serve for a period of three years. Of the Trustees appointed at the Annual General Meeting, at least one half of those elected shall be lay persons. Any person so appointed shall be eligible for re-appointment unless that person has immediately already served two consecutive three-year periods.

Organisational structure

The Association is governed by the Board of Trustees (Directors), which is made up of eleven members who meet every two months with the Regional Ministers and Association Administrator. They are responsible for the strategic direction of the charity and the reporting to a Council of Churches. The Council of Churches meetings take place three times a year.

Induction and training of new trustees

Training for Trustees was provided in February 2015 and the Company Secretary keeps Trustees informed of relevant developments. New Trustees are provided with essential information. Further training will be offered in future as the membership of the board changes.

Various Charity Commission publications are made available together with the Memorandum and Articles of Association and the latest financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04336086 (England and Wales)

Registered Charity number

1102735

Registered office

54 Richmond Road
Roath
Cardiff
CF24 3UR

Trustees

Miss P M Wiltshire Retired Social Worker (resigned 12.11.20)

A V Naudi Director (resigned 12.11.20)

G J Miles Accountant

Rev P I Taylor Baptist Minister

Rev R C Francis Baptist Minister (resigned 30.6.20)

Rev G Davidson Baptist Minister

Mrs R Vincent-Newson Social Worker

Rev Dr G J Watts Baptist Minister

Rev M J Fairweather-Tall Baptist Minister (appointed 11.3.20)

Rev J M Davis Baptist Minister (appointed 12.11.20)

S Ringrose Accountant (appointed 12.11.20)

D L Powell Finance Officer/manager (appointed 12.11.20)

Comment

The South Wales Baptist College:

1) The college is a member of the South Wales Baptist Association, which rents offices in the college building.

South Wales Baptist Association (BUGB)

Report of the Trustees

for the Year Ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Griffiths Green Arnold
Chartered Accountants & Statutory Auditors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of South Wales Baptist Association (BUGB) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Griffiths Green Arnold, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D L Powell - Trustee

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Opinion

We have audited the financial statements of South Wales Baptist Association (BUGB) (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of South Wales Baptist Association (BUGB)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

G Francis (Senior Statutory Auditor)
for and on behalf of Griffiths Green Arnold
Chartered Accountants & Statutory Auditors
11 New Street
Pontnewydd
Cwmbran
NP44 1EE

Date:

South Wales Baptist Association (BUGB)

Statement of Financial Activities

for the Year Ended 31 December 2020

	Notes	Unrestricted fund £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		11,029	-	11,029	66,010
Charitable activities					
Charitable Activities		-	-	-	2,950
Subscriptions		14,508	-	14,508	19,360
Grants receivable		214,999	-	214,999	232,819
Other incoming resources		2,171	-	2,171	4,944
Investment income	2	<u>8,892</u>	<u>3,553</u>	<u>12,445</u>	<u>10,588</u>
Total		251,599	3,553	255,152	336,671
EXPENDITURE ON					
Charitable activities					
Ministry		111,245	-	111,245	104,069
Mission		127,298	-	127,298	93,291
Establishment		45,863	-	45,863	56,785
Governance		2,120	-	2,120	7,192
Manses		12,656	-	12,656	6,444
Other		<u>4,654</u>	<u>-</u>	<u>4,654</u>	<u>(32,547)</u>
Total		303,836	-	303,836	235,234
Net gains/(losses) on investments		<u>(381)</u>	<u>(329)</u>	<u>(710)</u>	<u>2,131</u>
NET INCOME/(EXPENDITURE)		(52,618)	3,224	(49,394)	103,568
Transfers between funds	11	<u>8,000</u>	<u>(8,000)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(44,618)	(4,776)	(49,394)	103,568
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>331,888</u>	<u>456,958</u>	<u>788,846</u>	<u>685,278</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>287,270</u></u>	<u><u>452,182</u></u>	<u><u>739,452</u></u>	<u><u>788,846</u></u>

The notes form part of these financial statements

South Wales Baptist Association (BUGB)

Balance Sheet

31 December 2020

	Notes	Unrestricted fund £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	6	184,259	-	184,259	184,294
Investments					
Investments	7	19,222	211,238	230,460	228,380
Investment property	8	<u>-</u>	<u>114,577</u>	<u>114,577</u>	<u>114,577</u>
		203,481	325,815	529,296	527,251
CURRENT ASSETS					
Debtors	9	2,220	-	2,220	3,778
Cash at bank and in hand		<u>183,966</u>	<u>126,367</u>	<u>310,333</u>	<u>362,692</u>
		186,186	126,367	312,553	366,470
CREDITORS					
Amounts falling due within one year	10	<u>(8,897)</u>	<u>-</u>	<u>(8,897)</u>	<u>(6,375)</u>
NET CURRENT ASSETS		<u>177,289</u>	<u>126,367</u>	<u>303,656</u>	<u>360,095</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		380,770	452,182	832,952	887,346
PENSION LIABILITY	12	<u>(93,500)</u>	<u>-</u>	<u>(93,500)</u>	<u>(98,500)</u>
NET ASSETS		<u>287,270</u>	<u>452,182</u>	<u>739,452</u>	<u>788,846</u>
FUNDS	11				
Unrestricted funds				287,270	331,888
Restricted funds				<u>452,182</u>	<u>456,958</u>
TOTAL FUNDS				<u>739,452</u>	<u>788,846</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
G J Miles - Trustee

.....
D L Powell - Trustee

The notes form part of these financial statements

Notes to the Financial Statements

for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Donations and voluntary income are accounted for gross when received.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Grants received for specific purposes are treated as restricted funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or building society.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 50% on cost and 33% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined contribution pension scheme for certain members of staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account.

The charity participated in a Defined Benefit Pension Scheme until 31 December 2011 the payments of which are charged to the Statement of Financial Activities. Deficiency payments are also charged to the Statement of Financial Activities. From 1 January 2012 the scheme was replaced by a Defined Contribution Pension Scheme the payments of which are charged to the Statement of Financial Activities when incurred.

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued for the Year Ended 31 December 2020

2. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Rents received	7,486	5,801
Deposit account interest	<u>4,959</u>	<u>4,787</u>
	<u>12,445</u>	<u>10,588</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20	31.12.19
	£	£
The auditing of accounts of any associate of the charity	1,975	1,843
Depreciation - owned assets	<u>2,879</u>	<u>2,452</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Regional ministers	3	4
Administration	<u>1</u>	<u>1</u>
	<u>4</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 January 2020	180,846	47,774	228,620
Additions	<u>-</u>	<u>2,844</u>	<u>2,844</u>
At 31 December 2020	<u>180,846</u>	<u>50,618</u>	<u>231,464</u>
DEPRECIATION			
At 1 January 2020	-	44,326	44,326
Charge for year	<u>-</u>	<u>2,879</u>	<u>2,879</u>
At 31 December 2020	<u>-</u>	<u>47,205</u>	<u>47,205</u>
NET BOOK VALUE			
At 31 December 2020	<u>180,846</u>	<u>3,413</u>	<u>184,259</u>
At 31 December 2019	<u>180,846</u>	<u>3,448</u>	<u>184,294</u>

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2020	6,153	222,227	228,380
Additions	-	2,790	2,790
Revaluations	-	(710)	(710)
At 31 December 2020	<u>6,153</u>	<u>224,307</u>	<u>230,460</u>
NET BOOK VALUE			
At 31 December 2020	<u>6,153</u>	<u>224,307</u>	<u>230,460</u>
At 31 December 2019	<u>6,153</u>	<u>222,227</u>	<u>228,380</u>

There were no investment assets outside the UK.

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2020 and 31 December 2020	<u>114,577</u>
NET BOOK VALUE	
At 31 December 2020	<u>114,577</u>
At 31 December 2019	<u>114,577</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Prepayments and accrued income	<u>2,220</u>	<u>3,778</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Accruals and deferred income	7,543	3,219
Other creditor	<u>1,354</u>	<u>3,156</u>
	<u>8,897</u>	<u>6,375</u>

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	331,888	(52,618)	8,000	287,270
Restricted funds				
Student Fund	602	3	-	605
Ministers Benevolent Funds				
	59,418	631	-	60,049
Ministers Benevolent Funds				
	2,262	7	-	2,269
Pomeroy Street Funds	7,924	36	-	7,960
Gorseinon Funds				
	4,624	21	-	4,645
Aberbargoed Funds	25,127	113	-	25,240
Capel Gwilym Funds	681	3	-	684
Llanhilleth Church	242	1	-	243
Manse Funds	146,935	1,984	-	148,919
Llandogo Monmouth Funds	24,807	112	(8,000)	16,919
Alexandra Rd Newport Funds				
	48,772	219	-	48,991
Pontyclun/Ely Funds	2,540	11	-	2,551
Nash Newport Funds	18,447	83	-	18,530
Ely Manse	<u>114,577</u>	<u>-</u>	<u>-</u>	<u>114,577</u>
	<u>456,958</u>	<u>3,224</u>	<u>(8,000)</u>	<u>452,182</u>
TOTAL FUNDS	<u><u>788,846</u></u>	<u><u>(49,394)</u></u>	<u><u>-</u></u>	<u><u>739,452</u></u>

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	251,599	(303,836)	(381)	(52,618)
Restricted funds				
Student Fund	3	-	-	3
Ministers Benevolent Funds				
	960	-	(329)	631
Ministers Benevolent Funds				
	7	-	-	7
Pomeroy Street Funds	36	-	-	36
Gorseinon Funds				
	21	-	-	21
Aberbargoed Funds	113	-	-	113
Capel Gwilym Funds	3	-	-	3
Llanhilleth Church	1	-	-	1
Manse Funds	1,984	-	-	1,984
Llandogo Monmouth Funds	112	-	-	112
Alexandra Rd Newport Funds				
	219	-	-	219
Pontyclun/Ely Funds	11	-	-	11
Nash Newport Funds	83	-	-	83
	<u>3,553</u>	<u>-</u>	<u>(329)</u>	<u>3,224</u>
TOTAL FUNDS	<u><u>255,152</u></u>	<u><u>(303,836)</u></u>	<u><u>(710)</u></u>	<u><u>(49,394)</u></u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	227,608	99,280	5,000	331,888
Restricted funds				
Student Fund	600	2	-	602
Ministers Benevolent Funds				
	57,421	1,997	-	59,418
	2,262	-	-	2,262
Pomeroy Street Funds	7,897	27	-	7,924
Gorseinon Funds				
	4,608	16	-	4,624
Aberbargoed Funds	25,041	86	(5,000)	20,127
Capel Gwilym Funds	679	2	-	681
Llanhilleth Church	241	1	-	242
Manse Funds	145,121	1,814	-	146,935
Llandogo Monmouth Funds	29,704	103	-	29,807
Alexandra Rd Newport Funds				
	48,604	168	-	48,772
Pontyclun/Ely Funds	2,531	9	-	2,540
Nash Newport Funds	18,384	63	-	18,447
Ely Manse	114,577	-	-	114,577
	<u>457,670</u>	<u>4,288</u>	<u>(5,000)</u>	<u>456,958</u>
TOTAL FUNDS	<u>685,278</u>	<u>103,568</u>	<u>-</u>	<u>788,846</u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	333,370	(235,234)	1,144	99,280
Restricted funds				
Student Fund	2	-	-	2
Ministers Benevolent Funds				
	1,010	-	987	1,997
Pomeroy Street Funds	27	-	-	27
Gorseinon Funds				
	16	-	-	16
Aberbargoed Funds	86	-	-	86
Capel Gwilym Funds	2	-	-	2
Llanhilleth Church	1	-	-	1
Manse Funds	1,814	-	-	1,814
Llandogo Monmouth Funds	103	-	-	103
Alexandra Rd Newport Funds				
	168	-	-	168
Pontyclun/Ely Funds	9	-	-	9
Nash Newport Funds	63	-	-	63
	<u>3,301</u>	<u>-</u>	<u>987</u>	<u>4,288</u>
TOTAL FUNDS	<u><u>336,671</u></u>	<u><u>(235,234)</u></u>	<u><u>2,131</u></u>	<u><u>103,568</u></u>

South Wales Baptist Association (BUGB)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	227,608	46,662	13,000	287,270
Restricted funds				
Student Fund	600	5	-	605
Ministers Benevolent Funds				
	57,421	2,628	-	60,049
	2,262	7	-	2,269
Pomeroy Street Funds	7,897	63	-	7,960
Gorseinon Funds				
	4,608	37	-	4,645
Aberbargoed Funds	25,041	199	(5,000)	20,240
Capel Gwilym Funds	679	5	-	684
Llanhilleth Church	241	2	-	243
Manse Funds	145,121	3,798	-	148,919
Llandogo Monmouth Funds	29,704	215	(8,000)	21,919
Alexandra Rd Newport Funds				
	48,604	387	-	48,991
Pontyclun/Ely Funds	2,531	20	-	2,551
Nash Newport Funds	18,384	146	-	18,530
Ely Manse	114,577	-	-	114,577
	<u>457,670</u>	<u>7,512</u>	<u>(13,000)</u>	<u>452,182</u>
TOTAL FUNDS	<u><u>685,278</u></u>	<u><u>54,174</u></u>	<u><u>-</u></u>	<u><u>739,452</u></u>

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued for the Year Ended 31 December 2020

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	584,969	(539,070)	763	46,662
Restricted funds				
Student Fund	5	-	-	5
Ministers Benevolent Funds				
	1,970	-	658	2,628
Ministers Benevolent Funds				
	7	-	-	7
Pomeroy Street Funds	63	-	-	63
Gorseinon Funds				
	37	-	-	37
Aberbargoed Funds	199	-	-	199
Capel Gwilym Funds	5	-	-	5
Llanhilleth Church	2	-	-	2
Manse Funds	3,798	-	-	3,798
Llandogo Monmouth Funds	215	-	-	215
Alexandra Rd Newport Funds				
	387	-	-	387
Pontyclun/Ely Funds	20	-	-	20
Nash Newport Funds	146	-	-	146
	<u>6,854</u>	<u>-</u>	<u>658</u>	<u>7,512</u>
TOTAL FUNDS	<u>591,823</u>	<u>(539,070)</u>	<u>1,421</u>	<u>54,174</u>

The General reserve represents the free funds of the Association that are not designated for particular purpose. The fixed assets represent the net book value of tangible fixed assets. The investments represent unrestricted funds held as investments.

The Student fund assists students for ministry from churches within the Association.

The Ministers Benevolent fund, interest on the capital sum provided by the James Pantyfedwen Foundation, is used to assist Ministers and retired Ministers on the accredited list.

The Ministers Benevolent fund is used to assist Ministers and retired Ministers on the accredited list.

The Pomeroy Street fund is used to assist the Association within the Cardiff post code area.

The Gorseinon fund is used for the purpose of items of capital expenditure.

The Moriah Baptist Church Aberbargoed fund and the Capel Gwilym Church Cardiff fund are used for capital purposes.

The Commercial Road Llanhilleth fund is to be made available to Brynithel Community Church when in a position to proceed with a Church building.

The Manse fund is used for the purpose of items of capital expenditure.

The Llandogo Monmouth fund is used for Strategic Mission Initiatives within the Association including small Churches initiatives.

The Alexandra Rd Newport fund is used to provide support and ongoing equipping and training of Ministers and Church leaders in the Association including the appointment of personnel.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. MOVEMENT IN FUNDS - continued

The Pontyclun/ Ely fund is to be made available for the appointment of a full-time accredited minister at Ely Baptist Church, Cardiff

The Nash Newport fund is to be used for Mission Initiatives within the Association including the appointment of personnel.

The Ely Manse relates to the purchase of a manse to enable mission to take place in the Ely area of Cardiff.

The Lower Cynon Manse relates to the purchase of a manse to enable mission to take place in the Lower Cynon area.

12. EMPLOYEE BENEFIT OBLIGATIONS

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).

The Principal and staff tutors 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 Unum Limited.

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 was 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 2016

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding level of 70%). The College and the other employers supporting the DB Plan are collectively responsible for funding this deficit.

The key assumptions underlying the valuation were as follows:

RPI price inflation assumption 3.60%

CPI price inflation assumption 2.85%

Minimum Pensionable Income increases (CPI plus 1.0% pa) 3.85%

Assumed investment returns

- Pre-retirement 5.10%

- Post retirement 3.95%

Deferred pension increases

- Pre April 2009 3.60%

- Post April 2009 2.50%

Pension increases

- Main Scheme pension Pre April 2006 3.40%

- Main Scheme pension Post April 2006 2.30%

South Wales Baptist Association (BUGB)

Notes to the Financial Statements - continued for the Year Ended 31 December 2020

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

Post-retirement mortality in accordance with 75% of the S2NFA and S2NMA tables, with allowance for future improvements in mortality rates from 2007 in line with the CMI 2016 core projections, with a long-term annual rate of improvement of 1.75% for males and 1.5% for females.

The next actuarial valuation of the DB Plan within the Scheme is due to take place not later than as at 31 December 2019.

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 colleges and other employers involved in the DB Plan.

Under the current Recovery Plan dated 13 April 2018, deficiency contributions are payable until 31 December 2028. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The current deficiency as notified by the actuaries is £93,500

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:

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

South Wales Baptist Association (BUGB)

Detailed Statement of Financial Activities

for the Year Ended 31 December 2020

	31.12.20 £	31.12.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Proceeds from sale of Churches	10,709	63,810
Donations	<u>320</u>	<u>2,200</u>
	11,029	66,010
Investment income		
Rents received	7,486	5,801
Deposit account interest	<u>4,959</u>	<u>4,787</u>
	12,445	10,588
Charitable activities		
Subscriptions	14,508	22,310
Grants	214,999	232,819
Other incoming resources	<u>2,171</u>	<u>4,944</u>
	<u>231,678</u>	<u>260,073</u>
Total incoming resources	255,152	336,671
EXPENDITURE		
Charitable activities		
Wages	89,483	86,294
Social security	3,374	4,880
Pensions	9,341	7,421
Insurance	3,127	2,237
Telephone	1,967	1,362
Sundries	6,485	1,552
Maintenance	6,023	445
Office costs	3,428	7,573
Computer costs	3,426	1,462
Regional conferences (Momentum)	-	116
Ministerial Recognition	424	47
Mission Grants	102,294	77,528
Benevolent Fund	58	800
Subscriptions	964	1,088
Premises	28,823	22,019
Training	3,835	2,980
Ministers' Conferences	6,556	7,641
Travel/Accommodation	2,553	12,562
Housing Allowances	11,251	13,125
Ministerial support	669	50
Association Day	-	1,797
Cytun	5,000	5,000
Bridgend Methodist	5,000	-
Plant and machinery	2,879	2,452
Bank charges	<u>102</u>	<u>158</u>
	297,062	260,589
Other		
Interest cost and change in pension liability	4,654	(32,547)

This page does not form part of the statutory financial statements

South Wales Baptist Association (BUGB)

Detailed Statement of Financial Activities

for the Year Ended 31 December 2020

	31.12.20 £	31.12.19 £
Support costs		
Governance costs		
Auditors' remuneration for non-audit work	1,975	1,843
Meeting costs	145	2,579
Other costs	<u>-</u>	<u>2,770</u>
	<u>2,120</u>	<u>7,192</u>
Total resources expended	<u>303,836</u>	<u>235,234</u>
Net (expenditure)/income before gains and losses	(48,684)	101,437
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(710)</u>	<u>2,131</u>
Net (expenditure)/income	<u><u>(49,394)</u></u>	<u><u>103,568</u></u>

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