

EASTERN BAPTIST ASSOCIATION

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENTS AND CHARITY INFORMATION

CONTENTS	PAGE
Report of the Trustees	1 - 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Accounts	11 - 21

TRUSTEES	Andrew Wade Elizabeth Powney (resigned 30/04/23) Sean Fountain Alan Brand John Goddard Fiona Heddle (moderator) (resigned 30/11/23) Vicky Baker Sandra Crawford	Benjamin Plant Richard Lewis (Treasurer) Adrian Ward Binny Jaichander (appointed 23/05/23) Paul Smith (appointed 18/09/23) David Mayne (appointed 01/11/23)
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COMPANY SECRETARY Hayley Beckett

REGIONAL MINISTERS Elizabeth Powney (resigned 30/04/23)  
Graeme Ross (resigned 10/10/23)  
Claire Blatchford  
Gale Richards  
David Mayne

REGISTERED OFFICE 2 Buchanan Gardens  
Wickford  
SS12 9QB

COMPANY REGISTRATION NUMBER 4221429

CHARITY REGISTRATION NUMBER 1089795

INDEPENDENT EXAMINER Ian Shipley FCCA  
For and on behalf of:  
Prentis & Co LLP  
Chartered Accountants and Independent Examiners  
115c Milton Road  
Cambridge, CB4 1XE

BANKERS	CAF Bank Ltd 25 Kings Hill Ave Kings Hill West Malling Kent ME19 4JQ	Shawbrook Lutea House Warley Hill Business Park Brentwood Essex CM13 3BE
	Baptist Union Corporation Limited Baptist House PO Box 44 129 Broadway Didcot OX11 8RT	Lloyds Bank Plc 13 Cornhill Ipswich Suffolk IP1 1DG

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

The Trustees, (who are also directors of the charity for the purposes of the Companies Act), present their annual report together with the financial statements of the charity for the year ending 31 December 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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) (Second edition, effective 1 January 2019).

## OBJECTIVES AND ACTIVITIES

The Trustees believe that advancement of the Christian faith, particularly as expressed through the Baptist movement, is of public benefit as it encourages social cohesion, provides an ethical framework for life and works itself out in the sacrificial giving of funds, time and effort by church members and attenders for the good of their own community and beyond.

As part of their work and witness, the Baptist Churches in membership with Eastern Baptist Association deliver a wide variety of activities which benefit the general public. These activities include: -

- promoting the study of religious teachings, practices, and scriptures
- support of religious office holders e.g., ministers, deacons and elders of member churches.
- promoting prayer, praise and provision of training events.
- pastoral support to ministers and church congregations.
- contributing to the spiritual and moral education of children and young people and the provision of training to comply with the legal requirements regarding safeguarding.

The Mission Statement of the Eastern Baptist Association is:

“Growing healthy churches in relationship for God’s mission in the East of England”.

This mission statement is actively facilitated and fulfilled through eight areas of focus, we realise that each year we do not expect to fully succeed in implementing all eight areas but rather focus on two or three areas each year. The eight areas of our strategy are:

- Growing Godly leaders.
- Stewarding shared resources.
- Enabling relevant training.
- Encouraging healthy churches.
- Exploring fruitful partnerships.
- Sharing inspirational ideas.
- Offering apostolic leadership.
- Advocating transformational justice

Below are some specific examples of how in 2023 some of our eight areas of focus have been achieved:

Diversity, Equality and Justice remained high on the Association’s priority list throughout 2023. Baptists Together launched a training video series for Ministers titled “I am because you are” this focused on justice issues. As an association we took this resource and used it provide opportunities for ministers and leaders to gather and reflect together on the content of the material. The work amongst female leaders and ministers has continued and groups have met in person and online to encourage each other and pray for one another.

The BUEN network that focuses on encouraging churches to engage with environmental issues has continued to meet online throughout the year, it is hoped that in 2024 more churches can encouraged to engage with these issues.

## ACHIEVEMENTS, PERFORMANCE AND DEVELOPMENTS

2023 has been a year of transition and change, the year started with Revd Gale Richards on sabbatical returning in early March. Revd Beth Powney retired from the team leader position in April. On the second attempt the EBA appointed a new team leader, this wasn’t without challenges and has thrown up questions around the process of appointing Regional Ministers, these questions have also occurred in other Baptist Associations and a cross Baptist group has been formed to reflect on what this process should be going forward.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

The EBA will wait for these reflections before making progress on any changes it needs to make to the process. The new team leader started in November. In October Revd Graeme Ross left EBA to return to church ministry and in November Mrs Diane Forsyth retired as Safeguarding Lead. At this time the trustees will not be appointing any other Regional Ministers. At the end of 2023 an advert is live for a new Safeguarding Lead with the hope of an appointment in early 2024. At the conclusion of 2023 the EBA team consisted of Revd David Mayne as Team Leader, Revd Gale Richards and Revd Claire Blatchford as regional ministers. Mrs Julie Eady continues as Finance officer, Mrs Hayley Beckett as Association Secretary.

In September at our AGM Revd Adrian Ward was elected to serve a full term as a trustee following his interim appointment earlier on in the year. In November Revd Fiona Heddle resigned as Moderator. The trustees appointed Mr Andrew Wade to serve as interim moderator until the next AGM.

The trustee board finished 2023 as below.

Mr Andrew Wade – Interim Moderator

Mr Richard Lewis - Treasurer

Revd Adrian Ward - Finance and Administration,

Revd John Goddard - Ministry,

Mr Andrew Wade - Communication,

Mrs Vicky Baker - Children and Families and safeguarding trustee

Revd Sean Fountain – Healthy Churches

Revd Alan Brand – Justice Transformation

Revd Sandra Crawford as a co-opted member (until January 2024)

Mr Benjamin Plant as a co-opted member (until September 2024)

Mr Binny Jaichander as a co-opted member (until May 2025).

Revd Paul Smith as a co-opted member (until September 2023)

Revd David Mayne (RMTL) as an ex-officio member of council.

The membership of the Association at the end of 2023 was 171 churches. This includes the resignation of Mundesley Free Church, the closure of More2life church and a successful membership application of Church @the Megacentre.

#### Finance

The EBA provide two full time and one half time Regional Ministers for the Association despite the continued backdrop of falling income from the main income source. While the EBA would like to provide 3.5 Regional Ministers, the current financial situation does not allow it. Resources expended on charitable activities were £376,914 (2022: £334,195) including governance. £117,137 (2022: £113,694) was awarded in Home Mission grants.

#### Principal Funding Sources

The charity's main source of income are the payments from the Baptist Union for both Operational Funding and Mission Payments which are calculated according to a funding formula which is applied to the total amount received by the BU for Home Mission from churches. Further income is received from investments, rental income and preaching fees.

#### Principal Expenditure

The majority of expenditure is directly related to the provision of from 1.5 to 2.5 Regional Ministers which Council consider the minimum needed to service the needs of all EBA churches over such a vast area. Provision includes amounts to maintain the property portfolio to a good standard of repair. The Regional Ministry team is supported by a Company Secretary for governance issues, and a Finance Officer. We also employed an EBA Safeguarding Officer for 12 – 15 hours per week until November when she retired. We are not actively seeking a new EBA Safeguarding Officer.

Loans to churches have now discontinued. The year end amount owed by four churches was £15,291 (2022: £24,791).

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

The Ministers Training fund and Lay Ministry Training fund support Bursary applications. In 2023 thirteen Bursary grants were awarded worth £4,112. The New mission initiative fund provided one project grant to Renew Wellbeing of £5,000.

Total funds at the year end including unrestricted, restricted and designated funds were £2,121,474 (2022: £2,219,707). EBA had a deficit of £98,233 (2022: surplus £80,311). Total cash held at the year end is £273,754 (2022: £360,334) for all funds.

Going forward we project a General fund budget for 2024 with a deficit of £108,00, which is to say £2,083 every week. We consider this necessary and appropriate to support the work of the Association and in funding in particular two and a half Regional Ministers. We project and support similar annual deficits in subsequent years but recognise that this use of reserves to cover ongoing shortfalls has the following implications. Reserves spent in this way cannot then be used to fund other activities and projects now or in the future. In the long term it can take many years to rebuild reserves, again reducing future possibilities and unless the funding structure for Associations is significantly revised, or other income streams can be developed, at the level of expenditure non-capital assets reserves available for ongoing deficits and not required for other purposes will be exhausted by the end of 2025.

#### Fund Raising

The Charity does not actively fundraise but does receive from time-to-time unsolicited gifts and donations from the general public. The Trustees do not employ professional or outside agencies to fundraise on its behalf and as such does not consider it necessary to be part of a voluntary scheme or standard. Following a change in BU guidelines, EBA is exploring ways to raise funds specifically for our own purposes.

#### Property Matters

The Company Secretary and the Treasurer together with the Finance and Administration Task Group oversee the property portfolio for the EBA. The Thetford house continues as the RM manse for area 1, which is let out. The Wickford property (Buchanan Gardens) is the RM manse for area 3. The RM manse in Earls Colne, under the terms of the finance arrangement for associations the BU are giving the EBA a supporting manse allowance of £1,693 (2022: £1,551) per month. The supporting rent allowance is now at market rate. This Earls Colne manse we are seeking to sell to help fund the purchase of a new manse in Shoeburyness.

A new build property at Firethorn Court, Ely was purchased at a cost of £395K to accommodate the new part time RM. Cash reserves were used to support this purchase. The Melville Drive property tenancy ceased in August 2022 and this property was planned to be sold to offset the Ely purchase. However, market fluctuations, caused us to re-rent it out from January 2023 to generate income to support ministry and governance costs. This manse continues to be let out, though with the intention to sell if and when finances require it. For our new RMTL, we are seeking to buy a new manse in Shoeburyness, funded by the sale of the Earls Colne manse. Lastly, the EBA is expected to receive a part share in a former church manse in Harold Hill, pending completion of the legal processes. The location and expected part ownership of this manse makes it unsuitable for EBA purposes and there is an expectation to sell it soon as practical. Moving forward, all properties continue to be reviewed annually to maintain the five-year plan for routine maintenance and planned refurbishment of the five EBA properties.

#### Governance

At the start of 2023 the Charity Risk Assessment was reviewed, the section added which relates to the pandemic was updated but remains as part of the assessment.

#### Ministerial Support

The minister's conference was held in March at High Leigh Conference Centre. Our guest speaker Revd Ken Benjamin from the London Centre for Contemporary Christianity (LICC) leading the sessions. The conference also provides opportunity for worship, prayer and networking. The Regional Ministers make it a priority to keep in contact with ministers from across the association via phone call, zoom calls and where possible in person. In addition, the regional team offer preaching engagements and also provided a number of pre-recorded services on our YouTube channel for churches to make use of plus extra resources at Easter.

Within EBA there are a number of ministers who work in chaplaincy roles within healthcare, education, the armed forces, the workplace and prisons, over the course of 2023 we have developed a new network of people in these ministry situations for mutual support. We also aim to offer an in-person session at the minister's conference 2024.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

In addition we also have several ministers working outside of traditional church in more pioneering ways and the team are looking at the ways in which we support and connect these with us and with each other.

Administration and Communication

The Association uses a variety methods of electronic communication methods, including a weekly prayer focus sent out by email, a MailChimp monthly bulletin, up until October the association also produced a weekly thought due to capacity this was ended in October. We also have a presence on Facebook as both a page and a community group which facilitates churches sharing events with other churches. It was hoped that in 2023 the website could be updated but due to a number of contributing factors this has been delayed and will be looked at again 2024.

Church Support

The association continues to support churches when looking for a new minister and support churches who are not in a financial position to have a minister. The association also provides support for churches in developing policies that churches, as 'excepted charities' are required to have. 2023 has seen a slight increase in churches facing financial difficulties and the team support the church leaders in making difficult decisions.

The association continues to work alongside the national Baptist Union in the recognition of people displaying skills and calling to take on the role of Minister.

During 2023 the committee met with 13 candidates, two of whom were recommended onto training at college, eight were affirmed as a Nationally Recognised ministers now renamed as Recognised Local Ministers, one went forward to the national residential selection conference, one who was seeking Baptist recognition as a preacher having served as a Methodist lay preacher and one who was seeking a transfer of their accreditation from an overseas Baptist Union.

The Home Mission grants committee considered applications from nine churches and six special ministries. Each application is considered on its own merit and if successful grants are awarded measured by an active mission action plan. The grants committee submitted its recommendations to the trustees and awarded grants to eight of the nine churches and all six of the special ministries these recommendations were agreed. The giving by churches to Home Mission (the Baptist Family national appeal) is decreasing year on year and this will effect the ability of the EBA to give grants to churches. The trustees commissioned a report into the resilience and sustainability of Home Mission Grants, the report was received, and recommendations made to the trustees for consideration. In November the trustees initially accepted three of the recommendations which will lead onto a new way of offering grants. During early 2024 this will be worked on and launched in the future.

The Association recognises that churches look outside of their local area and often to other parts of the world to support organisations and individuals working with people or groups in other countries.

Ecumenical

The regional staff continue to relate to ecumenical structures in the region within the counties where they are based. Revd Gale Richards was appointed chair of Cambridgeshire Churches Together and was an ecumenical canon at Ely Cathedral. Further Ecumenical work is supported by Denominational officers in the counties. This work is particularly important where Baptists are partners.

Risk Assessment

An annual risk assessment continues to take place in the areas required by the Charity Commission. This is completed at the beginning of each year.

Serious Incidents

There are no serious incidents that the Regional Ministers/Council are aware of that require reporting. There have been no significant events affecting the Association's financial position since the end of the year. The trustees are aware of the current financial position and are taking steps to discuss and implement ways forward. There are no commitments or guarantees requiring disclosure.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

## STRUCTURE, GOVERNANCE AND MANAGEMENT

**Governing Document**

Eastern Baptist Association is a company limited by guarantee with charitable status which is governed by a Memorandum and Articles of Association.

**Appointment of Trustees (also known as Council members)**

The following revised process for appointing Council members was agreed at the EBA Assembly in June 2008:

1. Council will include the leaders of up to 10 Task Groups with the following remits or such alternative or additional remits as shall be determined by Council from time to time:

Administration	Mission Strategy
Finance	World Mission
Ministry	Young People
Mission Resourcing/Social Action	

Nominations for leaders of the Task Groups will be sought from the member Churches of the Association. A Nominating Group appointed by the Council will nominate a leader for each Task Group and will present the names of the nominees to the member Churches for appointment at the Association's Annual General Meeting. Any person thus appointed as a Task Group leader will be eligible for re-appointment unless that person has, immediately before such re-appointment, already served three consecutive periods of office.

2. The appointment of Task Group leaders will take effect for a term which expires at the third Annual General Meeting following their appointment. However, two of the Task Group leaders appointed by member Churches for the first time will be appointed for two years, three for three years and two for four years.
3. The Council will be entitled to fill any vacancy for a Task Group leader which occurs during a term of appointment. A person filling that vacancy will serve until the next Annual General Meeting of the Association.
4. Council will include the Moderator and Treasurer of the Association who will be appointed by a majority vote at a General Meeting of the Association following nomination by the Council.

**Trustee induction and training**

The Trustees seek to ensure that procedures are in place for Trustee induction and training by reference to guidance published by the Charity Commission.

**Organisational Structure**

The charity has a Council who meet a minimum of four times a year and are responsible for its strategic direction and policy. Regional ministers are appointed by the Trustees to manage the day-to-day operations of the charity.

**Risk Management**

In line with the requirements of the Charity Commission a risk assessment has been undertaken. A Charity Risk Assessment is undertaken in October each year, and a report submitted to Council. There were no issues arising.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## REPORT OF THE TRUSTEES

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Eastern Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

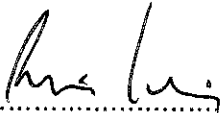
Company law and charity law require the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period.

In preparing those accounts, the Trustees are required to:

- (i) Select suitable accounting policies and apply them consistently;
- (ii) Observe the methods and principles of the Charities SORP;
- (iii) Make judgements and estimates that are reasonable and prudent;
- (iv) State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (v) Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the accounts 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.

This report was approved by the Board of Trustees and signed on its behalf.

  
.....  
Richard Lewis  
Trustee

8th July 2024

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF EASTERN BAPTIST ASSOCIATION

I report on the accounts of the charity for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

## RESPONSIBILITIES AND BASIS OF REPORT

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

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

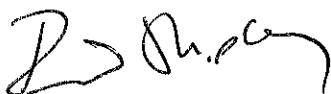
## INDEPENDENT EXAMINER'S REPORT

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

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

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

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



IAN SHIPLEY FCCA

FOR AND ON BEHALF OF:  
PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS &  
INDEPENDENT EXAMINERS

2<sup>nd</sup> August 2024





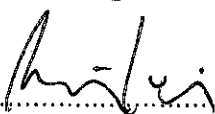
## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## BALANCE SHEET

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	7		1,460,120		1,470,120
Investments	8		380,204		380,204
<b>TOTAL FIXED ASSETS</b>			<b>1,840,324</b>		<b>1,850,324</b>
<b>CURRENT ASSETS</b>					
Debtors	9	20,316		27,731	
Cash at bank and in hand		273,754		360,334	
<b>TOTAL CURRENT ASSETS</b>		<b>294,070</b>		<b>388,065</b>	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	10	12,920		18,682	
<b>NET CURRENT ASSETS</b>			<b>281,150</b>		<b>369,383</b>
<b>NET ASSETS</b>			<b>2,121,474</b>		<b>2,219,707</b>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted Income Funds			1,955,324		2,015,442
Designated Income Funds	11		57,666		62,666
Restricted Income Funds	12		108,484		141,599
<b>TOTAL CHARITY FUNDS</b>			<b>2,121,474</b>		<b>2,219,707</b>

The trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of Section 477(1) of the Companies Act 2006. Members have not required the charitable company under Section 476 of the Companies Act 2006, to obtain an audit for the year ended 31 December 2023. The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 December 2023 and of its deficit for the year then ended in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the charitable company.

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the board on 8<sup>th</sup> July 2024 and signed on it behalf.

  
 .....  
 Richard Lewis  
 Trustee

The notes on pages 11 to 21 form part of these financial statements.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## STATEMENT OF CASH FLOWS

	Notes	2023 £	2022 £
<b>CASH FROM OPERATING ACTIVITIES</b>			
<b>Net cash used in operating activities</b>	16	(138,921)	11,836
<b>Cash flows from investing activities</b>			
Dividends, interest and rents		52,341	34,729
Purchase of fixed asset		-	(355,500)
<b>Net cash provided by investing activities</b>		52,341	(320,771)
<b>Change in cash and cash equivalents in the year</b>		(86,580)	(308,935)
<b>Cash and cash equivalents at the beginning of the year</b>		360,334	669,269
<b>Cash and cash equivalents at the end of the year</b>		273,754	360,334

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES

## (a) BASIS OF PREPARATION OF ACCOUNTS

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 notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second edition, issued October 2019, the Charities Act 2011 and The Companies Act 2006. The financial statements have been prepared on a going concern basis.

The Trustees are of the view that they hold sufficient liquid assets to meet operating costs in the medium term. The principle uncertainties are the future upkeep costs of the properties.

The charity constitutes a public benefit as defined by FRS 102.

The accounts are presented in sterling, the charity's functional currency.

## (b) FUND ACCOUNTING

Unrestricted Funds	are available for use at the discretion of the Council of the Association in furtherance of the objectives of the Association
Designated Funds	are funds set aside by the Association in order to undertake specific projects, or equalise anticipated major expenditure on maintenance of fixed assets in future years.
Restricted Funds	are monies subject to regulation by the donors of the funds as to their use.

## (c) INCOME

Income is recognised in the year in which the charity is entitled to the receipt, and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future year.

## (d) EXPENDITURE

Expenditure is included on an accruals basis at the time a liability is incurred. VAT is reported as part of the expenditure to which it relates.

## (e) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income as incurred.

## (f) OPERATING PROPERTIES

The Trustees recognise 4 properties as operating properties. They have been initially recognised at cost and the building proportion is depreciated over 100 years.

## (g) INVESTMENT PROPERTY

The trustees recognise property 40 Melville Drive as an investment property. This is revalued on a yearly basis using a third party source. The difference between the properties value at the year end is adjusted through the statement of financial activities.

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES - continued

## (h) DEPRECIATION

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

Office and computer equipment	20% straight line basis
Operating property	2% on property costs only

The charity has a policy to write off any capital items which cost less than £500 in the year in which the expense is incurred.

## (i) DEBTORS

Debtors are recognised at the settlement amount due after any discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

## (j) CREDITORS

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

The pension scheme was bought out in the year ended 31 December 2023. Therefore no pension provision has arisen in the year.

## 2. GRANTS AND DONATIONS - CURRENT YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total Funds £
Baptist Union Grants	98,349	-	90,783	189,132
Other grants and donations	3,550	-	1,565	5,115
Preaching fees and expenses	6,393	-	-	6,393
Ministers Conference	11,350	-	-	11,350
Training courses	14,350	-	-	14,350
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	133,992	-	92,348	226,340
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## GRANTS AND DONATIONS - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total Funds £
Baptist Union Grants	140,147	-	129,367	269,514
Other grants and donations	71,726	-	9,528	81,254
Preaching fees and expenses	9,307	-	32	9,339
Ministers Conference	9,840	-	-	9,840
Training courses	9,830	-	-	9,830
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	240,850	-	138,927	379,777
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## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 3. INVESTMENT INCOME - CURRENT YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total Funds £
Bank interest	11,422	-	-	11,422
Baptist Insurance Company	801	-	-	801
Property rental	40,118	-	-	40,118
	<u>52,341</u>	<u>-</u>	<u>-</u>	<u>52,341</u>

## INVESTMENT INCOME - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total Funds £
Bank interest	6,566	-	-	6,566
Baptist Insurance Company	801	-	-	801
Property rental	27,362	-	-	27,362
	<u>34,729</u>	<u>-</u>	<u>-</u>	<u>34,729</u>

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

4	CHARITABLE ACTIVITIES - CURRENT YEAR	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total Funds £
	Ministry employment costs	101,723	-	-	101,723
	expenses	18,293	-	-	18,293
	Baptist deficit pension adjustment	(12)	-	-	(12)
	Safeguarding Officer	7,816	-	-	7,816
	Safeguarding officer expenses	1,198	-	-	1,198
	Manse regular expenses	11,176	-	-	11,176
	One off Manse expenses	8,640	-	-	8,640
	Manse rental	3,984	-	-	3,984
	Manse repairs/services/rental	7,319	-	-	7,319
	Mission	6,926	5,000	117,637	129,563
	Establishment	17,694	-	-	17,694
	Ministers conference	14,580	-	280	14,860
	Other expenditure	3,999	-	6,321	10,320
	EBA Assembly	442	-	-	442
	Depreciation	10,000	-	-	10,000
		----- 213,778	----- 5,000	----- 124,238	----- 343,016
		-----	-----	-----	-----
	Support Costs	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total Funds £
	Company secretary's salary	24,503	-	-	24,503
	Company secretary's expenses	4,614	-	-	4,614
	Independent examiner's fees	1,886	-	-	1,886
	Legal and statutory payments	2,895	-	-	2,895
		----- 33,898	----- -	----- -	----- 33,898
		-----	-----	-----	-----
	Total Charitable Activities	247,676	5,000	124,238	376,914
		-----	-----	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 4. CHARITABLE ACTIVITIES - PRIOR YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total Funds £
Ministry employment costs	119,387	-	-	119,387
expenses	23,488	-	-	23,488
Baptist deficit pension adjustment	(55,392)	-	-	(55,392)
Safeguarding Officer	5,807	-	-	5,807
Safeguarding Officer expenses	317	-	-	317
Manse regular expenses	9,343	-	-	9,343
One off Manse expenses	9,717	-	-	9,717
Manse rental	2,670	-	-	2,670
Manse repairs/services/rental	3,095	-	-	3,095
Mission	7,409	12,144	118,449	138,002
Establishment	15,627	-	-	15,627
Ministers conference	12,102	-	-	12,102
Other expenditure	3,702	-	7,397	11,099
EBA Assembly	437	-	-	437
Youth expenses	204	-	-	204
Depreciation	7,630	-	-	7,630
	-----	-----	-----	-----
Support Costs	165,543	12,144	125,846	303,533
	-----	-----	-----	-----
				2022 Total Funds £
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	
Company secretary's salary	22,374	-	-	22,374
Company secretary's expenses	2,998	-	-	2,998
Independent examiner's fees	1,770	-	-	1,770
Legal and statutory payments	3,520	-	-	3,520
	-----	-----	-----	-----
Total Charitable Activities	30,662	-	-	30,662
	-----	-----	-----	-----
	196,205	12,144	125,846	334,195
	-----	-----	-----	-----

## 5. TRUSTEE AND STAFF REMUNERATION

	2023 £	2022 £
The staff costs were:		
Trustees (Regional Ministers) and support staff	117,488	128,109
Salaries	4,716	6,238
Social security costs	11,826	13,220
Pension costs	-----	-----
	134,030	147,567
	-----	-----
Average weekly number of staff employed during the year:		
Full time	3	3
Part time	3	3
	-----	-----
	6	6
	-----	-----

David Mayne is a Regional Minister and also a trustee of the Association.  
Clare Blatchford and Gale Richards are Regional Ministers and not Trustees.



## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 5 TRUSTEE AND STAFF REMUNERATION continued

No member of staff received remuneration of more than £60,000 during the year.

Four regional Ministers live in properties wholly owned by the Association. The Baptist Union pays market rent to the Association to cover the Station Road Manse.

Expenses totalling £4,028 (2022: £7,566) were reimbursed to the Trustees (regional Ministers and other Trustees).

The Trustees consider they are the key management and the Regional Ministers are remunerated. The total compensation received by key management including benefits is £39,308 (2022: £36,703).

6	NET INCOME FOR THE YEAR		2023	2022
			£	£
	Net income for the year is stated after charging:			
	Independent examiner's fees		1,886	1,770
			-----	-----
7	TANGIBLE FIXED ASSETS - CURRENT YEAR			
		Office and computer equipment	Operating property	Total
	COST	£	£	£
	Balance at 1 January 2023	3,779	1,499,950	1,503,729
	Disposal	(3,779)	-	(3,779)
		-----	-----	-----
	Balance at 31 December 2023	-	1,499,950	1,499,950
		-----	-----	-----
	DEPRECIATION			
	Balance at 1 January 2023	3,779	29,830	33,609
	Depreciation charge	-	10,000	10,000
	Eliminated depreciation	(3,779)	-	(3,779)
		-----	-----	-----
	Balance at 31 December 2023	-	39,830	39,830
		-----	-----	-----
	NET BOOK VALUE at 31 December 2023	-	1,460,120	1,460,120
		-----	-----	-----
	TANGIBLE FIXED ASSETS - PRIOR YEAR			
		Office and computer equipment	Operating property	Total
	COST	£	£	£
	Balance at 1 January 2022	3,779	1,144,450	1,148,229
	Additions	-	355,500	355,500
		-----	-----	-----
	Balance at 31 December 2022	3,779	1,499,950	1,503,729
		-----	-----	-----
	DEPRECIATION			
	Balance at 1 January 2022	3,779	22,200	25,979
	Depreciation charge	-	7,630	7,630
		-----	-----	-----
	Balance at 31 December 2022	3,779	29,830	33,609
		-----	-----	-----
	NET BOOK VALUE at 31 December 2022	-	1,470,120	1,470,120
		-----	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

		Book Value as at 31/12/2023 £	Book Value as at 31/12/2022 £
OPERATING PROPERTY NET BOOK VALUE			
	46 Churchill Road, Thetford	241,720	243,150
	2 Buchanan Gardens, Wickford	345,100	347,480
	17 Station Road	481,400	484,720
	16 Firethorn Court	391,900	394,770
		-----	-----
		1,460,120	1,470,120
		-----	-----
8	INVESTMENTS - CURRENT YEAR	Freehold Property £	Unlisted investment £
	Market value at 1 January 2023	377,000	3,204
	Market value at 31 December 2023	-----	-----
		377,000	3,204
		-----	-----
	INVESTMENTS - PRIOR YEAR	Freehold Property £	Unlisted investment £
	Market value at 1 January 2022	377,000	3,204
	Market value at 31 December 2022	-----	-----
		377,000	3,204
		-----	-----
	Unlisted investment		
			2023 £
	Baptist Insurance Company shares		2022 £
	Loan fund		801
	General fund		2,403
			-----
			3,204
			-----
9	DEBTORS: Due within one year		2023 £
	Loans to Churches		2022 £
	Trade debtors	15,291	24,791
	Other debtors	420	420
	Prepayments	2,920	2,520
		1,685	-
		-----	-----
		20,316	27,731
		-----	-----
10	CREDITORS: Due within one year		2023 £
	Trade payables		2022 £
	Accruals	-	1,572
	Deferred income	1,730	1,560
		11,190	15,550
		-----	-----
		12,920	18,682
		-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

11.	DESIGNATED FUNDS - CURRENT YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Mission	62,666	-	(5,000)	(5,000)	-	57,666
		<u>62,666</u>	<u>-</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>57,666</u>
	DESIGNATED FUNDS - PRIOR YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Pension Reserve Fund	200,003	-	-	-	(200,003)	-
	Pioneer	5,000	-	-	-	(5,000)	-
	Mission	67,892	-	(12,144)	(12,144)	6,918	62,666
		<u>272,895</u>	<u>-</u>	<u>(12,144)</u>	<u>(12,144)</u>	<u>(198,085)</u>	<u>62,666</u>
12.	RESTRICTED FUNDS - CURRENT YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Home Mission Fund	83,491	90,783	(117,637)	(26,854)	(1,050)	55,587
	Southminster Fund	39,143	345	(1,169)	(824)	-	38,319
	Lay Ministry Fund	9,425	-	(765)	(765)	-	8,660
	Ministers' Benevolent Fund	3,451	1,220	(1,116)	104	(175)	3,380
	Ministers Training Fund	6,089	-	(3,551)	(3,551)	-	2,538
		<u>141,599</u>	<u>92,348</u>	<u>(124,238)</u>	<u>(31,890)</u>	<u>(1,225)</u>	<u>108,484</u>
	RESTRICTED FUNDS - PRIOR YEAR	Brought forward £	Income £	Expenditure £	Movement £	Transfers £	Carried forward £
	Home Mission Fund	61,457	137,229	(115,195)	22,034	-	83,491
	Southminster Fund	51,600	284	(5,100)	(4,816)	(7,641)	39,143
	Lay Ministry Fund	1,654	-	-	-	7,771	9,425
	Ministers' Benevolent Fund	3,566	1,414	(1,989)	(575)	460	3,451
	Ministers Training Fund	9,782	-	(3,562)	(3,562)	(131)	6,089
		<u>128,059</u>	<u>138,927</u>	<u>(125,846)</u>	<u>13,081</u>	<u>459</u>	<u>141,599</u>

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 12. DESCRIPTION OF RESTRICTED FUNDS

Home Mission Fund - support grants to EBA churches or to special ministries

Southminster Fund - training for mentors of newly accredited ministers, gatherings for leaders of small churches.

Lay Ministry Training - training grants and support for non-ministerial leaders.

Ministers Benevolent Fund - support for church pastors where financial need arises.

Ministers Training Fund - combined Accredited Ministers Fund Bursary Fund in 2016.

13. ANALYSIS OF NET ASSETS - CURRENT YEAR	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,460,120	-	-	1,460,120
Investments	379,403	801	-	380,204
Net current assets	115,801	56,865	108,484	281,150
	-----	-----	-----	-----
	1,955,324	57,666	108,484	2,121,474
	-----	-----	-----	-----

ANALYSIS OF NET ASSETS - PRIOR YEAR	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,470,120	-	-	1,470,120
Investments	379,403	801	-	380,204
Net current assets	165,919	61,865	141,599	369,383
	-----	-----	-----	-----
	2,015,442	62,666	141,599	2,219,707
	-----	-----	-----	-----

## 14. LIABILITY OF THE MEMBERS

The Association is limited by guarantee. In the event of the Association being wound up, the liability of the members is limited to £10.

## 15. RELATED PARTIES

During the year there were no related party transactions.

## 16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period as per SOFA	(98,233)	80,311
Adjustments for:		
Dividends, interest and rents from investments	(52,341)	(34,729)
Depreciation	10,000	7,630
Decrease in debtors	7,415	6,560
Increase/(decrease) in creditors	(5,762)	15,464
Increase/(decrease) in pension provision	-	(63,400)
	-----	-----
Net cash used in operating activities	(138,921)	11,836
	-----	-----

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 17. PENSION SCHEME

The Charity is an employer participating in a pension scheme known as the Baptist Pension Scheme (“the scheme”), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The assets of the scheme are held separately from those of the employer and the other participating employers.

The scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on pensionable income in excess of minimum pensionable income.

From January 2012, pension provision is being made through the Defined Contribution (DC) plan within the scheme. In general, members pay 8% of their pensionable income and employers pay 6% of members' pensionable income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. 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 if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. (Members of the Basic Section pay reduced contributions of 5% of pensionable income, and their employers also pay a total of 5%).

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the scheme's assets and liabilities to specific employers, the scheme is accounted for as if the scheme was a defined contribution scheme.

The Ministers are eligible to join the scheme.

**Actuarial valuation as at 31 December 2019**

A formal valuation of the DB plan as at 31 December 2019 was carried out by a professionally qualified actuary using the projected unit method. At the valuation date the market value of the DB plan assets was £298 million, whilst the level of assets needed to pay benefits was £316 million, giving a deficit of £18 million (equivalent to a past service funding level of 94%). The Charity and the other participating employers in the DB plan are collectively responsible for funding this deficit.

The key financial assumptions underlying the valuation were as follows:

<b>Type of assumption</b>	<b>% p.a.</b>
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum pensionable income increase adjustment (above CPI)	0.50
Pre-retirement assumed investment returns (gilt yield plus 1.75% pa)	2.95
Post retirement assumed investment returns (including benefits matched by the insurance policy) (gilt yield plus 0.5 pa)	1.70
Minimum pensionable income increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pension increases	
Based on CPI with an annual floor of 0% and annual cap of 5%	2.70

## ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

## NOTES TO THE ACCOUNTS

## 17. PENSION SCHEME - continued

Mortality is assumed in accordance with 80% of the S3NA standard mortality table. Future improvements projected from 2013 in line with the "CMI 2019" projection with a long-term rate of improvement of 1.75% p.a. for males and 1.5% p.a. for females with the core smoothing parameter and with additional initial mortality improvement factor A=0.5%.

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

**Recovery Plan**

In addition to the contributions to the DC plan set out above, where a valuation of the DB plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB plan. Following the 2019 valuation a recovery plan was signed in September 2020 under which deficiency contributions are payable until June 2026. These contributions were broadly based on each employer's membership at 31 December 2014 and increase annually in line with increases to minimum pensionable income as defined in the Rules.

On 30 June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DP plan members' pension benefits. Just are now providing financial backing for all pensions provided through the scheme's DB plan and following this transaction, the scheme no longer has a shortfall. An updated recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB plan reduced to £1 per month from August 2022.