



ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

The Heart of England Baptist Association
Registered Charity Number: 1080529 Registered Company Number: 00238738
Registered Office: 24 Weoley Park Road, Selly Oak, Birmingham B29 6QX

CONTENTS

	Page
Report of the Trustees	1 – 9
Independent Auditors Report	10 - 12
Statement of Financial Activities	13
Balance Sheet	14 - 15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 40
Appendix 1 – Grants paid	
Appendix 2 – Properties held as custodian or holding Trustee	

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

The Trustees, who are Directors for the purposes of company law, are pleased to present the Annual Report and Financial Statements of the charitable company for the year ended 31 December 2019, which are prepared to meet the requirements for a Director's report and accounts for Companies Act purposes. References to 'HEBA' throughout this report refer to the Heart of England Baptist Association.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the 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 (FRS102 – effective 1 January 2015).'

Objectives and Activities

The Objects of this charitable company are the advancement of the Christian faith, particularly in the Heart of England and 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 (BUGB).

The values espoused by the Trustees of the charitable company are Companionship, Generosity, Diversity, Learning and Innovation. These values are continually presented to churches for their encouragement and so that they understand the principles guiding the work of the charitable company. The values are presented at events to which churches are invited, through the regular mailings to churches, through the work of the HEBA office team and Regional Ministers and on the Trustees' social media outlets and channels.

The principle activities of the charitable company are the employment of a Regional Ministry and administrative staff team and the organisation of a number of volunteers, working in groups or individually, to offer support and guidance, training and financial resources to advance the Christian faith in a way which benefits Baptist churches and the communities they serve.

The charitable company is part of the family of Baptist organisations serving the needs of many of the Baptist churches in Great Britain, working particularly closely with the Baptist Union of Great Britain and BMS World Mission. The charity has a linked charity, the Heart of England Baptist Association Loan Fund (1080529 -1) and the Trustees are also Trustees of the Umberslade Church Endowment (255061) and Directors of the CST Corporate Trustee Limited (11454313).

The charitable company aims to:

- Co-operate with churches directly and through working groups by passing appropriate resolutions to enable building development projects, including the provision of grants and loans, including Sustainable Energy Funding. Many of these projects are directly aimed at making church buildings more accessible and available to the local community;
- Assist churches and ministers that are seeking new ministries through the National Settlement process;
- Assist individuals who are exploring a call to any Baptist ministry by signposting various routes to recognised Baptist ministry, interviewing candidates, supporting ministerial candidates and providing BUGB approved training for preachers and lay pastors;
- Make Safeguarding training available on a rolling programme, encouraging and enabling ministers and members of churches to receive training;
- Mediate disagreements arising within churches or between churches and their local community;
- Encourage the HEBA Grants Committee as it continues to seek creative ways of supporting churches in their mission using Baptist Home Mission and Association funds;
- Ensure, through its Finance Working Group, responsible and effective stewardship of the resources of the charitable company;
- Encourage churches to support Baptist Home Mission and BMS World Mission through prayer, direct partnership with mission personnel and financial gifts, so that the Gospel of Jesus Christ can continue to be shared in the UK and abroad;
- Receive and consider reports from all Working Groups and the Regional Ministers, enabling the charitable company to maintain effective governance, including receiving reports on the staff appraisals, budget proposals, safeguarding issues and other work with churches as appropriate;

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

- Support the staff employed by the charitable company through the provision of appropriate training and support, and provision of clear and effective staffing and other policies; and
- Seek appropriate and timely legal advice on issues having a potentially wide-ranging effect with a view to understanding and, where possible, mitigating their risk.

Public Benefit

The Trustees, having regard to the Charity Commission's guidance document, 'public benefit: running a charity (PB2)', continued to provide public benefit by seeking to advance the Christian faith and practice in accordance with the Objects of the charitable company.

The Trustees sought to achieve this in several ways including:

- encouraging churches to adopt robust safeguarding policies and practice through the provision of training for church members, ministers and pastors;
- keeping appropriate safeguarding records, including documents kept in long-term secure systems;
- acting to provide help and support to churches seeking to improve their own governance, projects or buildings, including advice on when and how to make Serious Incident Reports to the Charity Commission;
- holding staff accountable for their support for churches seeking to advance the Christian faith in their communities;
- Funding – with others – the provision of a Baptist minister for deaf and deafened people in Stafford;
- encouraging churches and ministers through theological reflection days, interaction with regional ministry staff and themes pursued at all joint events, to engage effectively and serve their local communities;
- Updating their knowledge of spiritual abuse through reflection on recent research and booking a training day on this subject, for Trustees and safeguarding trainers, in February 2020. Planning a theological reflection day for ministers on this subject later in the year; and
- Planning a Property Matters workshop for Spring 2020 for churches to help them keep their properties healthy and in good order for all users (cancelled due to the coronavirus pandemic).

Achievements and Performance

The Trustees supported their Regional Ministry team in their work through the provision of assistance in housing, in training and in permitting them to take sabbatical leave.

The Trustees and staff continued to support (with partners) the ministry of Revd Susan Myatt, Baptist Minister Amongst the Deaf, financially and through prayer.

Mr David Thompson, Grants and Finance Officer, retired from his post after ten years' service and, following a review of the post and recruitment process, Mrs Sue Coates was appointed Finance Manager to the Association. Mrs Lesley Hubball, Administrative Assistant, retired later in the year after twenty years' service. The Trustees reviewed her post and decided on the appointment of an Administration and Communications Officer, appointing Miss Sharon Jones to this position at the end of the recruitment process.

The Regional Ministers visited and worked with churches and ministers as they sought new ministry. As part of this process they met with churches and individual ministers, as well as those seeking Recognition as Baptist lay pastors or preachers right across the Association.

The charitable company, through its Ministerial Recognition Group, interviewed prospective ministers/pastors and one prospective pioneer. It authorised book grants to nine ministerial students and had contact with Newly Accredited Ministers and their Mentors.

Over eighty ministers attended the annual Ministers' Conference, several supported by HEBA and a successful Small Churches Day was attended by sixty representatives of HEBA churches.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

The charitable company's Learning @ the Centre programme was wound up because of the establishment of the Equipped to Minister programme by Spurgeon's College and BMS, based in the same venue, providing virtually the same modules to the same constituency. It was pleasing that three people finished their courses before the closure of Learning @ the Centre and HEBA offered support to those students transferring to the Equipped to Minister course.

The charitable company continued to model an organisational culture which prioritises safeguarding through their encouragement and support of churches to provide a safe and trusted environment for all those they come into contact with, particularly children, young people and Adults at Risk. This involved the provision of reduced cost or free safeguarding training at Levels 2 and 3 and constant signposting of training and resources in communications with the churches so that they have access to model safeguarding policies and procedures and know how to handle any incidents that arise. Revd Duncan MacLean served as Trustee for Safeguarding during the year and all Trustees were provided with a copy of the book 'Escaping the Maze of Spiritual Abuse' in preparation for a seminar on this early in 2020.

During 2019, the charitable company provided 31 safeguarding training opportunities around the Association (2018 = 38); 22 at Level 2 and 9 at Level 3. These were attended by 620 individuals (2018 = 939).

The charitable company, through its Grants Committee provided grants to churches and projects to a value of £328,440 using both Baptist Home Mission and Association funds. This includes grants towards overseas mission trips for young people and sabbatical studies for ministers in the Association. The Home Mission Fund was actively promoted through mailings to the churches, recognising that this is a key source of funding for many churches.

The charitable company, through its Finance Group, ensured that all funds were being held and spent appropriately. They reviewed budgets, spending and investments and met with the Investment Managers.

The charitable company continued to provide book-keeping and accounts production services to member churches. The Payroll service offered to churches and projects continued, and at the end of the year, payroll services were being undertaken for 66 churches/projects (116 individuals).

The charitable company, through its Trust Working Group (TWG), gave consideration and practical assistance to around 30 churches involved in: building purchase, disposal and development; changing their legal structure, including amalgamation; amending their governing instruments; works to church buildings and manses; and, regrettably, church closure. The TWG supported one Grade II Listed church with an application to the Listed Buildings Advisory Committee of the Baptist Union. It continued to offer advice to churches with dilapidated burial grounds. TWG also established a task group to identify and interview a number of surveyors who can now be recommended to churches alongside the existing, long-standing firm. One volunteer completed a list of trusts on which HEBA church properties are held and the process of transcribing this into electronic form will be completed during 2020.

The charitable company completed the following of its plans for the year.

- Gradual increase in the take-up of the Bookkeeping Service for churches;
- Establishing a holding company for churches held on the Cannon Street Trust;
- Completing a review of professional advisors used by the charitable company;
- Recruiting more Trustees to bring the number of Trustees up to twelve, including increasing its diversity. This has been partly realised as the number of Trustees is increasing and diversity improving; and
- Promoting the value of diversity amongst the churches of the Association as a key theme for the year.

Dickens Heath Church, Rainbow Hill Baptist church and the Church of the Redeemer all regrettably closed during the year, though Londonderry Baptist Church has been given permission to extend their ministry into the Church of the Redeemer premises. One property was accepted into trust with HEBA during the year – Shilton Baptist Church.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

Risk Review

The charitable company continued to review its Risk Management Matrix at least three times a year. Significant risks identified during the year were:

- The possibility of incidents or accidents in dilapidated burial grounds where the charitable company is holding Trustee. This remains an ongoing concern;
- Censure arising from a failure to properly implement the requirements of the General Data Protection Regulations has been identified as a risk to the charitable company. The charitable company sought legal assistance in producing a set of updated Data Protection and privacy documents and the Company Secretary continually reminds Trustees, staff and volunteers of their responsibilities in order to mitigate these risks; and
- The risk of reputational damage to the Gospel, the charitable company and the Baptist movement arising from a safeguarding incident in a church remains high and is a driving factor behind the charitable company's investment in safeguarding training for church ministers and members.

Financial Review

During 2019 the overall funds of the Association decreased by £47,493 to £3.859m (£3.906m 2018). Total income was £502,451 (£623,035 2018). Total expenditure was £863,774 (£846,082 2018) resulting in a loss prior to net gains/(losses) on investments of £314,767 (loss of £223,047 2018). Net gains on investment assets totalled £311,719 (loss of £261,282 2018) reflecting the improvement in the financial markets during the year. The General Fund at the year-end was £1.196m (£1.101m 2018).

The net movement on Designated Funds was £140,939 (£53,709 2018) excess of expenditure over income. This was primarily due to the ongoing use of the Mission Development Fund for grants to church and other mission projects. At the year end the total balance of designated funds was £0.778m (£0.919m 2018).

Other income and expenditure in the Restricted Funds primarily relate to income for the Retired Ministers and Missionaries Housing Fund (£1,323) and the Benevolent Fund (£1,355) and expenditure from the Helen Youth Fund (£2,000) and the Retired Ministers and Missionaries Fund (£2,281). The net movement across the restricted funds was a decrease of £1,603 (decrease of £11,121 2018). At the year end the balances across the restricted funds was £1.885m (£1.887m 2018).

The Association is part of a very complex multi-employer defined benefit pension scheme comprising approximately 1,200 employers. See Note 25 in the Financial Statements.

Investment powers, policy and performance

The Trustees have appointed Redmayne Bentley as Investment Managers for the Association's investment portfolio. The Managers have discretionary powers to invest in line with the Investment Policy which is classed as medium risk and aims for moderate growth in income whilst at least maintaining capital values over the medium to long term.

Reflecting the ethos of the Association, an ethical investment policy is in place to guide the investment manager. This focuses on positive aspects such as good governance and good working practices as well as excluding sectors which do not fit with the Association's ethos.

During the year, the portfolio return (total return basis) increased by 5.89%, against the portfolio benchmark return which increased by 2.83%.

The Association continued to maintain substantial balances on notice and term deposits. Most of these funds represent balances held on behalf of churches where minimal capital risk is important.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

Reserves policy

The Trustees consider a reserve of one year's costs is required to ensure a managed exit from all existing agreements and contracts. One year's costs is the total general fund expenditure excluding one off events – disposal of fixed asset (£42k) and including one year of grant funding from the Association's own resources (£179k), where grants are expected to be needed beyond the current year. This latter is to reflect commitments, often staff related, which have been entered into by grant receiving churches. On this basis reserves of £479k are required. Excluding tangible assets and restricted funds the Association's free reserves were £0.660m giving cover of 1.4 times. The reduction in cover of reserves required from 1.7 (2018) to 1.4 (2019) is the result of the Trustees previously declared intention of reducing the reserves on a managed basis whilst ensuring capacity to generate sufficient funds in the future.

Plans for future periods

During 2020, the charitable company will seek to continue to fulfil its objects in creative ways that will assist in the advancement of the Christian faith and the enrichment of church and community life in the Heart of England.

This will include:

- review of the Governing documents of the charitable company
- encouragement of HEBA Justice Hub
- Further use of the Governance Wheel to improve Board effectiveness and efficiency.
- Continuing their discussion around inclusivity - agenda, sexuality, poverty, disability, etc.
- encouragement of the Justice Hub

Structure, Governance, Management

The charitable company is governed by its Articles of Association and Rules of 16 June 2012. These will be reviewed by the Trustees during 2020 to ensure they remain fit for purpose.

The Objects of this charitable company are the advancement of the Christian faith, particularly in the Heart of England and 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.

During the year, the Trustees of the charitable company were involved in supporting a church that made a Serious Incident Report to the Charity Commission. As a result of HEBA's involvement, the Commission made recommendations to the Trustees about the governance and management of the charitable company. The Trustees accepted all the recommendations, adopting a Volunteer Policy and Agreement, updating the HEBA Safeguarding Policy and issuing advice to churches on when and how to make a Serious Incident Report, including signposting the Charity Commission website. This latter advice document became the basis of guidance note later published by the Baptist Union Corporation to all churches in the Baptist Union in Great Britain.

Trustees' Interests

No Trustee had any beneficial interest in the charitable company or in any contract or arrangement of a material nature with the charitable company during the year under review. One Trustee was in membership with a church receiving Home Mission support. Declarations of Interest are required at the start of every meeting of Trustees and Working Groups and the Association Administrator asks Trustees to update their written Declarations of Interest on an annual basis.

Recruitment, appointment, induction and training of Trustees

The charitable company is run by its Board of Trustees who are also Directors and who met five times during 2019, though one Trustee was permitted to miss some meetings due to illness. The business conducted in two of the meetings had to be followed up with Resolutions in Writing since a quorum of Trustees was not available to meet.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

The Trustees used their Skills Audit in the process of recruiting new members of the board. Trustees are recruited through invitations to member churches to nominate people whom they believe to be appropriate for the task. Nominees are sent copies of the charitable company's Articles of Association and its Conflict of Interests policy and are asked to complete and sign the Declaration of Qualification to serve as a Trustee. They usually have a meeting with the Moderator of the Board of Trustees and are advised that appropriate checks will be undertaken to confirm that they are eligible to serve in this capacity. If, after this, they still wish to serve, the churches of the Association are invited to affirm the nominees by email or letter to the Company Secretary.

One Trustee was appointed by affirmation of the churches during 2019, Revd Glen Gordon. His recruitment followed the Trustees' Recruitment Flowchart agreed earlier in the year and induction was undertaken by the Association Administrator.

Revd Keith Osmund-Smith retired, having come to the end of his term of service. Revd Duncan MacLean was appointed Moderator in place of Revd Timothy Fergusson and Mrs Judith Miller was appointed Deputy Moderator. The Association Administrator who is also the Company Secretary assisted all Trustees by signposting documents and conferences to help them in their work. This includes circulating information from the Charity Commission and the Churches' Legislation Advisory Service and invitations to seminars and training. The Administrator and one Trustee attended training for Trustees provided by a firm of solicitors and the Administrator attended an Employment Update seminar provided by another firm of solicitors during the year.

On appointment, they are invited to a formal induction meeting with the Administrator/Company Secretary who signposts essential documents available from the Charity Commission, Companies House and BUGB websites, as well as providing an overview of the activities of the charitable company.

The Trustees continued to work through the Charity Governance Code with direction from a task group of Trustees who met several times and made presentations to the full board, including an action plan. Outcomes from this work include the adoption of a Code of Conduct for Trustees, Role Descriptions for HEBA Trustee, Moderator and Treasurer and the appointment of one of the existing Trustees as Pastoral Trustee. The Trustees also adopted a Delegation of Authority Policy with its operational guidance.

COVID-19

The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic of 2020 and the ensuing economic shutdown has had a significant impact on the company's operations which will be described in next year's Report.

In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19.

This analysis also considers the effectiveness of available measures to assist in mitigating the impact. Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material impact on the financial sustainability of the organisation.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 DECEMBER 2019

Trustees at 31 December 2019

The Moderator and Treasurer are elected annually by the members of the Association.

Moderator	The Revd Duncan MacLean
Treasurer	Mr Eddy Rye
Regional Minister – Team Leader	The Revd Adrian Argile
The Revd Neil Bennett	Affirmed by the members of the charitable company
The Revd Timothy Fergusson	Retired as Moderator July and co-opted until the end of the year
The Revd Glenford Gordon	Affirmed by the members of the charitable company (25 July 2019)
Mrs Judith Miller	Affirmed by the members of the charitable company
The Revd Dr Edward Pillar	Affirmed by the members of the charitable company
Mrs Doreen Walker	Affirmed by the members of the charitable company
Ms Joanne Green	Affirmed by the members of the charitable company (23 April 2020)
Trustees retiring during the year	
The Revd Keith Osmund-Smith	Retired 25 July 2019

Related Parties

The charitable company is a member of the Baptist Union of Great Britain, paying a subscription to this charity. Funds from the Home Mission Fund, which is the principle working fund of the BUGB, are received by the charitable company and dispersed by its Grants Group.

The Registered Office of the charitable company is in property owned by BMS World Mission, and this occupation is based on a licence until 2022.

Key Management personnel remuneration

The charitable company consider their key management personnel to be:
The charitable company's Board of Trustees

The pay and remuneration of the employees of the charitable company is set by the charitable company through the Board and its Finance Group and is based upon the Baptist Home Mission recommended stipend.

Persons of Significant Control (PSC) Register

The charitable company has established a Register and recorded thereon one PSC who is the Association Treasurer.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

Association Information

Registered Charity Number	1080529
Registered Company Number	00238738
Registered Office	24 Weoley Park Road, Selly Oak, Birmingham B29 6QX
Other Office Holders	
Company Secretary/Administrator	Miss Karen Martindale
Regional Ministers serving the Association during 2018	The Revd Adrian Argile The Revd David Ellis The Revd Alison Mackay The Revd Neil Le Tissier
Legal Advisors	DWF LLP, One Snowhill, Snow Hill Queensway, Birmingham B4 6GA
Surveyor/Valuer	Shaw Gilbert & Froggatt 4 Warstone Parade East, Warstone Lane, Birmingham B18 6N
Auditor	MHA MacIntyre Hudson, Rutlind House, 148 Edmund Street, Birmingham B3 2FD
Bankers	HSBC Bank plc, 186 Broadway, Didcot OX11 8RP
Stockbrokers/Investment Advisors	Redmayne-Bentley LLP, 9 Bond Court, Leeds LS1 2JZ

Assets held as Custodian Trustee on Behalf of Others

The Directors of the charitable company continue to act as custodian Trustee for churches, with both property and cash deposits being held in this capacity. A full list of the churches on whose behalf assets are held can be found in the financial statements and at the end of this document.

Directors' responsibilities in relation to the financial statements

The Trustees (who are also Directors of The Heart of England Baptist Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report 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 these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information

This report was approved by the Board on and signed on their behalf by:

.....
Revd D MacLean
Moderator of the Association

Date:

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION

Opinion

We have audited the financial statements of The Heart of England Baptist Association (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2019 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION (CONTINUED)

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustee's Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee's Report and from the requirement to prepare a Strategic Report.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HEART OF ENGLAND BAPTIST ASSOCIATION (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustee's Responsibilities Statement, 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.

Auditors' 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 an Auditors' Report 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.

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 Auditors' Report.

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Rutland House
148 Edmund Street
Birmingham
B3 2FD

Date:

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	4	282,538	-	282,538	393,619
Charitable activities	5	54,266	-	54,266	58,917
Investments	6	146,228	2,678	148,906	157,443
Other income	7	16,741	-	16,741	13,056
		<u>499,773</u>	<u>2,678</u>	<u>502,451</u>	<u>623,035</u>
Expenditure on:					
Raising funds	8,9	46,556	-	46,556	37,676
Charitable activities	10	812,937	4,281	817,218	808,406
		<u>859,493</u>	<u>4,281</u>	<u>863,774</u>	<u>846,082</u>
Net gains/(losses) on investments		311,719	-	311,719	(261,282)
Net movement in funds before other recognised gains		<u>(48,001)</u>	<u>(1,603)</u>	<u>(49,604)</u>	<u>(484,329)</u>
Other recognised gains:					
Other gains		2,111	-	2,111	121,230
		<u>(45,890)</u>	<u>(1,603)</u>	<u>(47,493)</u>	<u>(363,099)</u>
Net movement in funds		<u>(45,890)</u>	<u>(1,603)</u>	<u>(47,493)</u>	<u>(363,099)</u>
Reconciliation of funds:					
Total funds brought forward		2,020,079	1,886,764	3,906,843	4,269,942
Net movement in funds		(45,890)	(1,603)	(47,493)	(363,099)
Total funds carried forward	20	<u>1,974,189</u>	<u>1,885,161</u>	<u>3,859,350</u>	<u>3,906,843</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 40 form part of these financial statements.

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)****REGISTERED NUMBER: 00238738**

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	1,313,937	1,175,925
Investments	15	3,256,414	2,962,291
		<u>4,570,351</u>	<u>4,138,216</u>
Current assets			
Fixed assets held for sale		-	117,500
Debtors	16	233,738	435,404
Investments	17	211,250	940,365
Cash at bank and in hand		764,827	237,989
		<u>1,209,815</u>	<u>1,731,258</u>
Creditors: amounts falling due within one year	18	(1,756,482)	(1,783,162)
Net current liabilities		<u>(546,667)</u>	<u>(51,904)</u>
Total assets less current liabilities		<u>4,023,684</u>	<u>4,086,312</u>
Creditors: amounts falling due after more than one year	19	(4,000)	(4,000)
Net assets excluding pension liability		<u>4,019,684</u>	<u>4,082,312</u>
Defined benefit pension scheme liability	22	(160,334)	(175,469)
Total net assets		<u>3,859,350</u>	<u>3,906,843</u>
Charity funds			
Restricted funds	20	1,885,161	1,886,764
Unrestricted funds	20	1,974,189	2,020,079
Total funds		<u>3,859,350</u>	<u>3,906,843</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

REGISTERED NUMBER: 00238738

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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

.....
Revd D MacLean

Moderator of the Association

Date:

The notes on pages 17 to 40 form part of these financial statements.

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
Cash flows from operating activities		
Net cash used in operating activities	(328,940)	(462,409)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	148,906	157,443
Purchase of tangible fixed assets	(140,344)	(540)
Proceeds from sale of investments	308,167	536,776
Purchase of investments	(329,106)	(432,061)
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(12,377)	261,618
	<hr/>	<hr/>
Cash flows from financing activities		
Deficiency payments against pension liability	(16,995)	(57,665)
	<hr/>	<hr/>
Net cash used in financing activities	(16,995)	(57,665)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(358,312)	(258,456)
Cash and cash equivalents at the beginning of the year	1,415,801	1,674,257
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,057,489	1,415,801
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 40 form part of these financial statements

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Heart of England Baptist Association is a private company (limited by guarantee) incorporated in England and is also a registered Charity in England and Wales. The registered office is 24 Weoley Park Road, Selly Oak, Birmingham B29 6QX.

The principal activities of the charitable company are the employment of a Regional Ministry and administrative staff team and the involvement of a number of volunteers, working in groups or individually, to offer support and guidance, training and financial resources to advance the Christian faith in a way which benefits Baptist churches and the communities they serve.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Heart of England Baptist Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in British Pound Sterling (£), which is the functional and presentational currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

2.2 Company status

The Company is limited by guarantee. The members of the Company are the Trustees named on pages 7 and 8. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations.

In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

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.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives .

Depreciation is provided on the following basis:

Fixtures and fittings	-	15% straight line
Computer equipment	-	33% straight line

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid

Loans to churches are concessionary loans made in furtherance of the charity's purposes. Loans are recognised at cost as adjusted for any repayments made less impairment.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and Provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

The Charity participates in a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations. The contributions are recognised as an expenditure when they are due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the charity in an independently administered fund.

Prior to 2012, the pension provision was made through two multi-employer defined benefit pension plans. Where it is not possible for the charity to obtain sufficient information to enable it to account for a plan as a defined benefit plan, it accounts for the plan as a defined contribution plan. Where the plan is in deficit and where the charity has agreed, with the plan, to participate in a deficit funding arrangement, the charity recognised a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the Statement of Financial Activities. The unwinding of the discount is recognised as a finance cost. A liability for the agreed pension scheme deficit plan of the Baptist Union Staff Pension Scheme has been included, in accordance with the Schedule of Contributions dated 31 March 2015 in the comparatives but has been settled in full in the current year (see note 25). A liability for the agreed pension scheme deficit plan of the Baptist Pension Scheme has been included, in accordance with the Schedule of Contributions dated 4 April 2015.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements in applying the entity's accounting policies:

Multi-employer defined benefit pension schemes - certain employees participate in multi-employer defined benefit pension schemes with other organisations. In the judgement of the Trustees, the charity does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the schemes are accounted for as defined contribution schemes.

Critical accounting estimates and assumptions:

Multi-employer defined benefit pension scheme - the charity has an obligation to pay a deficit funding arrangement in respect of two-multi employer defined benefit pension schemes (Baptist Pension Scheme and Baptist Union Staff Pension Scheme). The present value of the obligation depends on a number of factors including the RPI rate and the discount rate on corporate bonds. Management estimates these factors in determining the new pension obligation in the Balance Sheet.

Useful economic lives and residual values of tangible assets - the annual depreciation charge of tangible assets is sensitive to changes in the estimated useful economic lives and the residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, physical condition and future investments of assets.

4. Income from donations and legacies

	Unrestricted funds 2019 £	Total funds 2019 £
Home Mission Fund Grant	133,323	133,323
Home Mission grant for mission	149,215	149,215
Total 2019	<u>282,538</u>	<u>282,538</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Donations	10,000	10,000
Donations arising from church closure	97,929	97,929
Home Mission Fund Grant	136,475	136,475
Home Mission grant for mission	149,215	149,215
<i>Total 2018</i>	<u>393,619</u>	<u>393,619</u>

5. Income from charitable activities

	Unrestricted funds 2019 £	Total funds 2019 £
Minister's Conference	11,883	11,883
Other activities	42,383	42,383
Total 2019	<u>54,266</u>	<u>54,266</u>

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Minister's Conference	13,334	13,334
Other activities	45,583	45,583
<i>Total 2018</i>	<u>58,917</u>	<u>58,917</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Retired Minister Housing Income	5,568	-	5,568
Dividends and bond interest	140,660	-	140,660
Interest on loans	-	2,678	2,678
Total 2019	146,228	2,678	148,906

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Retired Minister Housing Income	3,065	3,140	6,205
Dividends and bond interest	149,163	-	149,163
Interest on loans	-	2,075	2,075
<i>Total 2018</i>	<i>152,228</i>	<i>5,215</i>	<i>157,443</i>

7. Other incoming resources

	Unrestricted funds 2019 £	Total funds 2019 £
Payroll service	13,215	13,215
Other activities	3,526	3,526
Total 2019	16,741	16,741

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Other incoming resources (continued)

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Payroll service	11,935	11,935
Other activities	1,121	1,121
<i>Total 2018</i>	<u>13,056</u>	<u>13,056</u>

8. Expenditure on raising funds

	Unrestricted funds 2019 £	Total funds 2019 £
Payroll scheme expenses	13,322	13,322
Interest on funds held for churches	14,556	14,556
Total 2019	<u>27,878</u>	<u>27,878</u>

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Payroll scheme expenses	10,278	10,278
Interest on funds held for churches	7,866	7,866
<i>Total 2018</i>	<u>18,144</u>	<u>18,144</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. Investment management costs

	Unrestricted funds 2019 £	Total funds 2019 £
Investment management fees	18,678	18,678
	<hr/> <i>Unrestricted funds 2018 £</i>	<hr/> <i>Total funds 2018 £</i>
Investment management fees	19,532	19,532

10. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Regional Ministry Team	194,547	-	117,984	312,531
Grants	-	328,440	23,835	352,275
Subscriptions	10,004	-	7,246	17,250
Minister's Conference	15,365	-	6,778	22,143
Association Activities	2,836	-	110,183	113,019
Total 2019	<hr/> 222,752 <hr/>	<hr/> 328,440 <hr/>	<hr/> 266,026 <hr/>	<hr/> 817,218 <hr/>

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2018 £</i>	<i>Grant funding of activities 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Regional Ministry Team	188,026	-	88,943	276,969
Grants	-	354,574	23,874	378,448
Subscriptions	10,032	-	7,256	17,288
Minister's Conference	15,471	-	6,788	22,259
Association Activities	6,245	-	107,197	113,442
<i>Total 2018</i>	<u>219,774</u>	<u>354,574</u>	<u>234,058</u>	<u>808,406</u>

Analysis of direct costs

	Regional Ministry Team 2019 £	Subscriptions 2019 £	Minister's Conference 2019 £	Association Activities 2019 £	Total funds 2019 £
Staff costs	144,619	-	-	-	144,619
Minister's conference	-	-	15,365	-	15,365
Regional Ministry Team	45,957	-	-	-	45,957
Subscriptions	-	10,004	-	-	10,004
Association activities	-	-	-	2,836	2,836
Finance cost (pension deficit)	3,971	-	-	-	3,971
Total 2019	<u>194,547</u>	<u>10,004</u>	<u>15,365</u>	<u>2,836</u>	<u>222,752</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Regional Ministry Team 2018 £</i>	<i>Subscriptions 2018 £</i>	<i>Minister's Conference 2018 £</i>	<i>Association Activities 2018 £</i>	<i>Total funds 2018 £</i>
Staff costs	141,846	-	-	-	141,846
Minister's conference	-	-	15,471	-	15,471
Regional Ministry Team	39,080	-	-	-	39,080
Subscriptions	-	10,032	-	-	10,032
Association activities	-	-	-	6,245	6,245
Finance cost (pension deficit)	7,100	-	-	-	7,100
Total 2018	188,026	10,032	15,471	6,245	219,774

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	105,062	88,070
Depreciation	2,332	4,021
Payroll scheme expenses	877	557
Premises costs and administration	64,138	32,795
Other staff costs including training	6,853	58,027
Property	2,374	8,784
Working groups	1,482	3,271
IT	5,932	3,298
Board expenses	2,503	2,381
Legal and professional	11,685	12,974
Other	8,858	8,468
Audit fee	11,430	11,412
Loss on disposal of fixed asset held for sale	42,500	-
Total 2019	266,026	234,058

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £7,074 (2018 - £7,192), and non audit services of £1,200 (2018 - £4,220).

12. Staff costs

	2019 £	2018 £
Wages and salaries	211,992	200,599
Social security costs	13,426	14,528
Pension costs (note 25)	24,263	14,789
	<u>249,681</u>	<u>229,916</u>

The average number of persons employed by the Charity during the year was as follows:

	2019 No.	2018 No.
	<u>9</u>	<u>8</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year the Rev A Argile, a trustee of the charitable company, received remuneration for his role as Regional Minister Team Leader and travel expenses in connection with that role. He was not remunerated for trustee duties. The cost to the charity of the remuneration (gross pay plus employer's national insurance and pension) was £44,601 (2018: £43,277) and expenses were £5,754 (2018: £2,810).

Key management personnel of the charity are considered to be the trustees. No other trustee receives any remuneration.

13. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL) except as disclosed above.

During the year ended 31 December 2019, expenses totalling £2,503 were reimbursed or paid directly to 7 Trustees (2018 - £2,381 to 8 Trustees).

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2019	1,166,811	34,152	6,792	1,207,755
Additions	139,065	-	1,279	140,344
At 31 December 2019	<u>1,305,876</u>	<u>34,152</u>	<u>8,071</u>	<u>1,348,099</u>
Depreciation				
At 1 January 2019	-	25,646	6,184	31,830
Charge for the year	-	1,480	852	2,332
At 31 December 2019	<u>-</u>	<u>27,126</u>	<u>7,036</u>	<u>34,162</u>
Net book value				
At 31 December 2019	<u>1,305,876</u>	<u>7,026</u>	<u>1,035</u>	<u>1,313,937</u>
At 31 December 2018	<u>1,166,811</u>	<u>8,506</u>	<u>608</u>	<u>1,175,925</u>

The following church buildings, all within Birmingham, except Smethwick, are owned by the Cannon Street Trust (a restricted fund within the financial statements). The buildings are occupied by the churches on the equivalent of fully insuring and repairing leases at a peppercorn rent. The 'leases' expire when the churches no longer require the property. The Trustees value these properties at £nil until such time as the properties become vacant.

Birmingham Central Baptist Church
Cannon Street Memorial Church
Castle Bromwich Baptist Church and Manse
Church of the Redeemer
City Road Baptist Church
People's Chapel
Small Heath Baptist Church
Smethwick Baptist Church
Stratford Road Baptist Church

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. Fixed asset investments

	Listed investments £	Cash held in capital account £	Total £
Cost or valuation			
At 1 January 2019	2,724,844	237,446	2,962,290
Additions	329,106	-	329,106
Disposals	(196,762)	-	(196,762)
Revaluations	317,814	-	317,814
Funds withdrawn	-	(156,034)	(156,034)
At 31 December 2019	3,175,002	81,412	3,256,414

All fixed asset investments are held in the UK.

16. Debtors

	2019 £	2018 £
Trade debtors	240	1,257
Other debtors	214,228	410,594
Prepayments and accrued income	19,270	23,553
	233,738	435,404

Included within other debtors are loans to churches of £214,228 (2018: £410,594) which are generally expected to be received after one year.

17. Current asset investments

	2019 £	2018 £
Deposits held on behalf of churches	211,250	940,365

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

18. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	(2,671)	14,853
Other taxation and social security	5,389	6,803
Other creditors	1,706,351	1,747,956
Accruals and deferred income	47,413	13,550
	<u>1,756,482</u>	<u>1,783,162</u>

19. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	<u>4,000</u>	<u>4,000</u>

Other creditors represents a contribution to Retired Housing which is an equity contribution by the tenants which is repayable on the sale of the property at Clee View, Bridgnorth.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2019 £
Designated funds						
Church Resources Fund	48,735	-	(4,001)	-	-	44,734
Minister's Resources Fund	88,205	-	-	(50,000)	-	38,205
Regional Ministry Fund	186,738	-	-	-	-	186,738
Mission Development	438,700	-	(136,938)	50,000	-	351,762
Monkspath Fund	90,387	-	-	-	-	90,387
Mission Grant Funds	-	149,215	(180,056)	30,841	-	-
Pension reserve	66,429	-	-	-	-	66,429
	<u>919,194</u>	<u>149,215</u>	<u>(320,995)</u>	<u>30,841</u>	<u>-</u>	<u>778,255</u>
General funds						
General Funds	<u>1,100,885</u>	<u>350,558</u>	<u>(538,498)</u>	<u>(30,841)</u>	<u>313,830</u>	<u>1,195,934</u>
Total Unrestricted funds	<u>2,020,079</u>	<u>499,773</u>	<u>(859,493)</u>	<u>-</u>	<u>313,830</u>	<u>1,974,189</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Statement of funds (continued)**Statement of funds - current year (continued)**

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Restricted funds						
Atch Lench Baptist Trust	28,443	-	-	-	-	28,443
Cannon Street Trust	462,375	-	-	-	-	462,375
Heart of England Loan Fund	850,863	-	-	-	-	850,863
Helen Youth Fund	3,581	-	(2,000)	-	-	1,581
Retired Ministers & Missionaries Housing Fund	529,112	1,323	(2,281)	-	-	528,154
Westmancote Baptist Trust	12,390	-	-	-	-	12,390
Benevolent Fund	-	1,355	-	-	-	1,355
	<u>1,886,764</u>	<u>2,678</u>	<u>(4,281)</u>	<u>-</u>	<u>-</u>	<u>1,885,161</u>
Total of funds	<u><u>3,906,843</u></u>	<u><u>502,451</u></u>	<u><u>(863,774)</u></u>	<u><u>-</u></u>	<u><u>313,830</u></u>	<u><u>3,859,350</u></u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2018 £</i>
Designated funds						
Church Resources Fund	53,260	-	(4,525)	-	-	48,735
Minister's Resources Fund	88,205	-	-	-	-	88,205
Regional Ministry Fund	186,738	-	-	-	-	186,738
Mission Development	585,813	-	(147,113)	-	-	438,700
Monkspath Fund	90,387	-	-	-	-	90,387
Mission Grant Funds	-	149,215	(194,584)	45,369	-	-
Pension reserve	(31,500)	-	-	97,929	-	66,429
	<u>972,903</u>	<u>149,215</u>	<u>(346,222)</u>	<u>143,298</u>	<u>-</u>	<u>919,194</u>
General funds						
General Funds	<u>1,399,156</u>	<u>468,603</u>	<u>(483,524)</u>	<u>(143,298)</u>	<u>(140,052)</u>	<u>1,100,885</u>
Total Unrestricted funds	<u>2,372,059</u>	<u>617,818</u>	<u>(829,746)</u>	<u>-</u>	<u>(140,052)</u>	<u>2,020,079</u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2018 £</i>
Restricted funds						
Atch Lench Baptist Trust	28,443	-	-	-	-	28,443
Cannon Street Trust	462,375	-	-	-	-	462,375
Heart of England Loan Fund	849,028	1,835	-	-	-	850,863
Helen Youth Fund	5,581	-	(2,000)	-	-	3,581
Retired Ministers & Missionaries Housing Fund	531,442	3,140	(5,470)	-	-	529,112
Westmancote Baptist Trust	12,390	-	-	-	-	12,390
Benevolent Fund	-	240	(240)	-	-	-
Ministers Conference	8,626	-	(8,626)	-	-	-
	<u>1,897,885</u>	<u>5,215</u>	<u>(16,336)</u>	<u>-</u>	<u>-</u>	<u>1,886,764</u>
Total of funds	<u><u>4,269,944</u></u>	<u><u>623,033</u></u>	<u><u>(846,082)</u></u>	<u><u>-</u></u>	<u><u>(140,052)</u></u>	<u><u>3,906,843</u></u>

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

21. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	787,210	526,727	1,313,937
Fixed asset investments	3,256,414	-	3,256,414
Current assets	(152,619)	1,362,434	1,209,815
Current liabilities	(1,756,482)	-	(1,756,482)
Non-current liabilities	-	(4,000)	(4,000)
Pension liability	(160,334)	-	(160,334)
Total 2019	1,974,189	1,885,161	3,859,350

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	649,198	526,727	1,175,925
Fixed asset investments	2,962,291	-	2,962,291
Current assets	367,221	1,364,037	1,731,258
Current liabilities	(1,783,162)	-	(1,783,162)
Non-current liabilities	-	(4,000)	(4,000)
Pension liability	(175,469)	-	(175,469)
Total 2018	2,020,079	1,886,764	3,906,843

22. Pension commitments

The Heart of England Baptist Association is an employer participating in the Baptist Pension Scheme ("the BPS") and prior to the current year-end was also participating in the Baptist Union Staff Pension Scheme ("the BUSPS"). The BPS is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The BUSPS has now wound up but was also a separate legal entity administered by the Pension Trustee.

From January 2012, the pension provision for the Ministers has been made through the Defined Contribution (DC) Plan within the BPS. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

22. Pension commitments (continued)

section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for BPS members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section of BPS pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

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

- In the BPS, a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income; and
- In the BUSPS, a pension of one seventieth of a member's average salary over the last three years of pensionable service.

The BPS, previously known as the Baptist Ministers' Pension Fund, started in 1925, and the BUSPS started in 1969. Both schemes were closed to future accrual of defined benefits on 31 December 2011. The BUSPS completed winding-up on 18 September 2019.

The table below summarises the main results of the most recent actuarial valuations of the BUSPS and the Defined Benefit (DB) Plan in the BPS. These valuations were performed by a professionally qualified Actuary using the Projected Unit Method.

	BPS DB Plan	BUSPS
Date of valuation	31 December 2019	01 January 2017
Date of next valuation	31 December 2022	n/a Scheme is in wind-up
Market value of scheme assets (A)	£298m	£10.3m
Technical provisions (B)	£316m	£16.2m
Deficit [(B) - (A)]	£18m	£5.9m
Funding level [(A) / (B)]	94%	64%

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

For the BPS, the standard rate of deficiency contributions payable remains at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income/Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Trustee and the Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020. In addition, the Baptist Union of Great Britain agreed to contribute a lump sum of £0.5m by 31 December 2020. The current Recovery Plan dated 30 September 2020 envisages deficiency contributions continuing until 30 June 2026.

For the BUSPS, previously agreed contributions of £759,000 pa (payable from 1 January 2016 and increasing each January in line with RPI inflation) were due until 31 January 2018. Following this, a lump sum payment of £2,734,062 was paid in February 2018 and further contributions were made to ensure the Scheme had sufficient assets to secure the BUSPS benefits in full with an insurer. The total contributions were split between the sponsoring employers in line with their estimated share of the BUSPS's liabilities. These significant contributions were part of a plan to wind up the BUSPS. The

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

22. Pension commitments (continued)

Scheme formally triggered wind-up on 31 August 2018, and wind-up was completed in September 2019. As part of this, the benefits for BUSPS members who are also active members of the BPS were increased to offset the fact that their BUSPS benefits will no longer increase in future in line with changes in their salary. An additional contribution was also been made to the DC Plan within the BPS for members who are yet to retire and have a BPS DC fund. In practice the Association paid money to BUGB in 2018 which was intended to cover all of the Association's outstanding commitments to the BUSPS, and a portion of this money (to the extent it was not required to secure the benefits in full and cover outstanding costs) was returned to the Association by BUGB in 2019.

The key financial assumptions underlying the valuations were as follows:

Type of assumption	BPS % pa	BUSPS % pa
RPI price inflation assumption	3.20	3.45
CPI price inflation assumption	2.70	2.70
Minimum Pensionable Income Increases (BPS only)	3.20	n/a
Pensionable Salary increase (BUSPS only)	n/a	3.70
Assumed investment returns		
- Pre-retirement	2.95	3.50
- Post retirement	1.70	2.25
Deferred pension increases		
- Pre April 2009	3.20	3.45
- Post April 2009	2.50	2.50
Pension increases		
- Pre April 2006	2.70	3.25
- Post April 2006	2.70	2.15

As there are numbers of contributing employers participating in both the BPS and the BUSPS, the charity is unable to identify its share of the underlying assets and liabilities of the schemes. Accordingly, the profit and loss charge for the period represents the employer contributions payable. The total pension cost for the charity in the year were £24,263 (2018: £13,776) for the BPS and £Nil (2018: £9,353) for the BUSPS with a final credit in 2018 on completion of the wind up of the BUSPS of £8,340.

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

23. Operating lease commitments

At 31 December 2019 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	26,083	26,083
Later than 1 year and not later than 5 years	27,041	53,124
	<u>53,124</u>	<u>79,207</u>

24. Related party transactions

The charity is a member of the Baptist Union of Great Britain and is in receipt of grants from the Home Mission Fund which is for of the Baptist Union. Grants of £282,538 (2018: £295,690) were received in this respect.

Trustees of the charity are drawn from the membership of the local Baptist Churches and there are therefore, from time to time, grant awards made to benefit either the individual or the church. There is a formal process in relation to grant applications which helps to ensure that any conflict of interest is mitigated by the exclusion of the conflicted individual in the decision making process.

During the year a laptop was sold to Tim Fergusson at its residual value of £67.

CST Corporate Trustee Limited

CST Corporate Trustee Limited is a trust corporation constituted as a company limited by guarantee of which HEBA is the sole member and director. The Company has been dormant throughout the year but work is ongoing to transfer the Cannon Street Trust church buildings (see note 14) and the restricted fund to the company to provide additional protection to HEBA.

Umberslade Endowment Charity

The trustees of HEBA are also trustees of the above named charity which is registered with the Charity Commission. There are no transactions between the two entities but HEBA oversees the activity of the charity.

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Appendix 1 – Grants paid during the year

	Unrestricted	Designated from Mission Grant	Designated	Restricted	2019 Total	2018 Total
Grants to Churches						
Alvechurch BC	-	-	1,000	-	1,000	-
Attleborough	-	-	-	-	-	1,000
Baddeley Edge	-	8,794	-	-	8,794	8,531
BCC Handsworth	-	-	-	-	-	2,844
Bewdley	-	500	-	-	500	2,000
Bromsgrove Cannon St Memorial BC	-	-	6,667	-	6,667	1,166
	-	-	1,000	-	1,000	-
Chelmsley Wood Cornerstone, Oswestry	-	5,863	-	-	5,863	11,463
	-	6,332	-	-	6,332	6,825
Dawley	-	8,567	-	-	8,567	2,606
Delves, Walsall	-	5,863	-	-	5,863	14,000
Dickens Heath	-	-	-	-	-	4,375
Droitwich Spa	-	2,736	-	-	2,736	4,550
Emmaus	-	4,690	-	-	4,690	4,550
Ewyas Harold	-	6,120	-	-	6,120	6,185
Fernhill Heath	-	-	-	-	-	1,000
Foleshill, Coventry	-	-	4,167	-	4,167	13,333
Gateway to Hope George Road, re Pioneer	-	5,276	-	-	5,276	5,688
	-	-	-	-	-	7,584
George Road Community Church	-	5,863	-	-	5,863	5,688
Glebe Farm	-	-	10,802	-	10,802	6,480
Green Lane, Walsall	-	-	9,575	-	9,575	9,250
Grenfell	-	-	-	-	-	1,000

THE HEART OF ENGLAND BAPTIST ASSOCIATION**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Appendix 1 – Grants paid during the year

	Unrestricted	Designated from Mission Grant	Designated	Restricted	2019 Total	2018 Total
Keele University LEP	-	4,750	-	-	4,750	7,500
Kings Community Church	-	-	6,000	-	6,000	8,000
Lentons Lane, Coventry	-	5,862	-	-	5,862	10,238
Limbrick Wood, Coventry	-	10,553	-	-	10,553	11,375
Londonderry	-	9,966	1,000	-	10,966	11,656
Madeley	-	8,208	-	-	8,208	7,963
Manor Court	-	-	-	-	-	1,000
New Hope	-	-	-	-	-	10,000
Newport	-	10,552	-	-	10,552	8,531
Radford Semele Rising Brook re Ministry among the Deaf	-	-	-	-	-	2,275
	-	8,333	23,950	-	32,283	23,400
Sandon Road	-	-	7,000	-	7,000	9,000
Shrewsbury BC	-	-	3,000	-	3,000	-
Six Ways Six Ways re Castle Vale Project	-	-	6,084	-	6,084	1,000
	-	11,725	-	-	11,725	18,375
Smethwick re BCUIM	-	8,983	-	-	8,983	8,760
South Street	-	21,105	4,956	-	26,061	27,497
Stafford, The Green	-	4,690	-	-	4,690	5,688
Stoke	-	5,863	8,000	-	13,863	15,688
Upton BC	-	-	4,000	-	4,000	-
Warley	-	-	9,000	-	9,000	8,000
Wade Street	-	-	1,600	-	1,600	-

THE HEART OF ENGLAND BAPTIST ASSOCIATION

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Appendix 1 – Grants paid during the year

	Unrestricted	Designated from Mission Grant	Designated	Restricted	2019 Total	2018 Total
Wednesbury	-	5,863	-	-	5,863	5,688
West Bromwich	-	-	-	-	-	3,000
Wolston	-	3,000	-	-	3,000	3,000
Yardley Wood	-	-	-	-	-	2,500
Other Grants (below £1,000)	500	-	-	-	500	65
Grants to Individuals						
Helen Youth Fund	-	-	-	2,000	2,000	2,000
Ministers in training	4,945	-	-	-	4,945	1,350
Grants to Organisations						
Churches Ind Group Bham	-	-	1,000	-	1,000	2,000
Faith at Work in Worcs	-	-	6,000	-	6,000	3,500
Urban Expression West Mids FE	-	-	11,250	-	11,250	5,600
Chaplaincy	-	-	4,555	-	4,555	4,555
Shropshire Hope Telford Christian Council	-	-	250	-	250	250
Heart of England Revival	-	-	2,000	-	2,000	-
Regents Park College -Sam Sharpe	-	-	1,000	-	1,000	-
Keele University Manse 21	-	-	2,500	-	2,500	-
Ministry among Deaf Exps	-	-	1,300	-	1,300	-
	-	-	3,283	-	3,283	5,002
Total	5,445	180,056	140,938	2,000	328,440	354,574

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

Appendix 2

Properties Held as Custodian or Holding Trustee on behalf of Others at 31 December 2019.

CST = Cannon Street Trust C = Conservation area L = Listed Churches

Name		Details
Acocks Green, Birmingham	L	Chapel, Hall, Manse
Alvechurch	C	Chapel, Halls, land at rear, Manse
Ashmore Park, Wednesfield		Chapel, Hall
Attleborough, Nuneaton		Church, Manse , other premises and land.
Austrey	L	Church Buildings
Baddeley Edge, Stoke-on-Trent		Chapel
Baptist Church Centre Handsworth, B'ham		Church Building
Baptist Church Timberley Lane, B'ham	CST	Church, Manse
Barnt Green		Chapel, Land, Manse
Bearwood		Church and Hall
Bedworth		Chapel and Hall, House
Bilston		Church Site, Buildings, Manse
Binley Woods, Coventry		Manse
Birmingham Central	CST	Church Buildings and Land adjoining
Bridgnorth	L	Chapel and 7 West Castle Street
Brierley Hill		Chapel, Schoolrooms, Burial ground
Bromsgrove		Chapel and School Hall, Manse
Butt Lane, Stoke-on-Trent		Chapel and School Hall
Cannon Street Memorial, Birmingham	CST	Church, Manse, House
Carters Lane, Halesowen		Chapel and School hall, Manse
Castle Hill Baptist Church, Warwick	C	Church, other buildings and Manse
Catshill		Chapel and Schoolroom, Burial Ground, Manse
Cedar Church, Birmingham		Church and Hall
Chadsmoor, Cannock		Chapel, Schoolrooms, Plot of land
Chase, Cannock		Church Premises
Chelmsley Wood, Solihull		Church Centre, Manse
Chester Road, Sutton Coldfield		Chapel , Manse
Chorley		Chapel, Burial Ground
Church of the Redeemer, Birmingham	CST	Church and Land, Manse
City Road, Birmingham	CST	Church, Manse
Darkhouse, Coseley		Chapel, School Hall, burial grounds
Dawley		Church, School Hall and Burial Ground, Manse
Delves, Walsall		Chapel, Church Hall, Manse
Donnington Wood		Chapel

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

Appendix (continued)

Edward Road, Birmingham	L	Chapel and Schoolrooms
Ewyas Harold		Chapel, Manse and land adjoining
Far Forest		Church
Fenton, Stoke-on-Trent		Chapel and School Hall
Fordhouses, Wolverhampton		Chapel and School Hall, Manse
Four Oaks, Sutton Coldfield		Chapel Halls, Church House
George Road Community Church, Warley		Church and site
Grace Community Church, Princes End		Church Building and Land adjoining
Grenfell, Birmingham		Chapel, Church Hall, land adjoining
Hall Green, Birmingham		Chapel and Halls, Manse
Hanbury Hill, Stourbridge		Chapel, Hall, Manse
Hanley, Stoke-on-Trent		Church Centre
Harborne, Birmingham		Church, Hall, Manse, Land.
Hearsall, Coventry		Manse
Heart of England Revival Church, Kenilworth		Church Centre
Highgate, Birmingham		Chapel building including Hall
Hockley Heath, Solihull		Church Hall and land adjoining
Kings Community Church, Oldbury		Church and Schoolroom
Kings Norton, Birmingham		Chapel, Hall and land adjoining, Manse
Ledbury	L	Church, Manse, House
Lentons Lane, Coventry		Church and School Hall, Land rear
Limbrick Wood, Coventry		Site, Church Hall, Manse
Lodge Farm, Netherton		Church Hall
Londonderry, Oldbury		Church buildings
Longbridge, Birmingham		Site, Chapel and Hall, Manse
Longford, Coventry		Salem School Halls, Manse
Ludlow		Union Place Church, Church Hall and burial ground
Marston Green, Birmingham		Church Centre
Netherton, Ebenezer		Chapel and hall
Newbridge, Birmingham		Chapel and Schoolroom
New Christ Church, Aston, Birmingham		Chapel, Hall and Manse
Newcastle-under-Lyme		Chapel, Manse
New Life, Birmingham		Chapel and other buildings on site
Newport		Church and Hall, Manse, Two houses
Northfield, Birmingham		Church Building
Olton, Solihull		Church Centre, Land
Olton, Solihull		Church Office
Oswestry	C	Church Buildings

THE HEART OF ENGLAND BAPTIST ASSOCIATION

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2019

Appendix (continued)

Peoples Chapel, Birmingham	CST	Church and Manse
Perry Beeches, Birmingham		Chapel
Polesworth		Church, School Hall, land
Pontesbury		Chapel, Manse
Providence, Coseley		Chapel, burial ground, Manse
Queen's Road, Coventry		Co-Trustees of Manse
Rugby	L	Chapel and School Halls Overslade Church Hall and site
Saint Peter's, Worcester		Church Centre, Manse
Saltley, Birmingham		Chapel
Sandon Road, Stafford		Chapel and Hall, House
Selly Park, Birmingham		Chapel and School Hall, Manse
Shilton		Chapel
Shrewsbury		Chapel, Claremont Street Crowmoor Church and Hall
Six Ways, Erdington, Birmingham		Chapel, Halls, Manse
Small Heath, Birmingham	CST	Church and other buildings on site
Smethwick	CST	Church
Stechford, Birmingham		Chapel, Manse
Stoke-on-Trent		Church, Manse
Stratford Road, Birmingham	CST	Church and Site
Tabernacle, Wolverhampton		Chapel, Car park, School halls, Manse
Tamworth		Site, Chapel, Manse Dosthill Chapel
Walsgrave, Coventry		Chapel and Hall, Manse
Warley		Church, land and Halls, Manse
Wednesbury		Chapel, Manse
West Bromwich		Chapel, Manse
Wolston, Nr Coventry	C	Chapel, Burial Ground
Word of Spirit and Life, Wolverhampton		Chapel
Yardley, Birmingham		Church, Hall, Manse
Yardley Wood, Birmingham		Church buildings, Manse