



EASTERN BAPTIST ASSOCIATION LIMITED

Annual Report and Statement of Accounts

at 31st December 2007

Eastern Baptist Association
Member of the Baptist Union of Great Britain
Registered charity no. 1089795
Company limited by guarantee registered in England no. 4221429
Registered office: 46 Churchill Road, Thetford, IP24 2JZ
www.easternbaptist.org.uk

EASTERN BAPTIST ASSOCIATION LIMITED

ACCOUNTS AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

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TRUSTEES	Andrew Dalwood		Paul Corson	
	Kevin Burdett		Brian Purton	
	John Holmes		Josephine Fowler	
	Graham Licence	Appointed 01.04.07	Paul Mizen	Appointed 01.04.07
	Barbara Crowe	Resigned 12.12.07	David Thompson	
	Alan Rider		Eric Havers	
	Steve Woolley		Brian Montague	
	Peter Dominey	Appointed 01.04.07	Paul Hills	
	Deborah Seymour	Appointed 01.04.07	Richard Lewis	
	Hugh Cozens		Sheila Martin	
	Linda Paterson		John Smith	

MODERATOR	Richard Lewis	Resigned 23.06.07
	Kevin Burdett	Appointed 23.06.07

REGISTERED OFFICE
46 Churchill Road
Thetford
Norfolk
IP24 2JZ

COMPANY REGISTRATION NUMBER 4221429

CHARITY REGISTRATION NUMBER 1089795

AUDITOR
Prentis & Co
Chartered Accountants
and Registered Auditors
115c Milton Road
Cambridge
CB4 1XE

BANKERS	Lloyds Bank Plc	CAF Bank Ltd
	13 Cornhill	25 Kings Hill Avenue
	Ipswich	Kings Hill
	Suffolk	West Malling
	IP1 1DG	Kent
		ME19 4JQ

EASTERN BAPTIST ASSOCIATION LIMITED
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

REPORT OF THE TRUSTEES

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their Annual Report and the audited accounts for the year ended 31 December 2007. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 in preparing the annual report and accounts of the charity.

STATEMENT OF TRUSTEES RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year.

In preparing those accounts, the trustees are required to:

- (i) Select suitable accounting policies and apply them consistently.
- (ii) Make judgements and estimates that are reasonable and prudent.
- (iii) Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue operating.
- (iv) State whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the accounts comply with the Companies Act 1985.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 "Members of Council"

- 1 The Association's constituency shall be divided into such Groups of Churches as the Council shall from time to time determine.
- 2 Each Group of Churches shall be entitled to appoint 2 Council members and such further Council Members as shall be decided by the Council from time to time having regard to the number of church members in the Group Council members so appointed shall serve for a period of three years (save for the first appointees under the provisions of Bye Law 4). At least one of the persons appointed by each group of persons shall be a lay person. Any person so appointed shall be eligible for re-appointment unless that person has immediately before such re-appointment already served two consecutive three years periods.
- 3 The appointment shall take effect for a term commencing with each Annual General Meeting of the Association.

EASTERN BAPTIST ASSOCIATION LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

REPORT OF THE TRUSTEES - Continued

- 4 One third of the Council members appointed by the Groups of Churches for the first time under these Bye Laws shall be appointed for one year, one third for two years and one third for three years.
- 5 A Group of Churches shall be entitled to fill any Council vacancy. A person filling that vacancy shall serve the remainder of the term of the person who ceased to be a Council member.

Trustee induction and training

The trustees are currently reviewing the procedures in place for trustee induction and training by reference to guidance published by the Charity Commission.

Organisational structure

The charity has a Council who meets twice yearly and are responsible for its strategic direction and policy. A group of trustees (known as the Executive) is appointed by the trustees to manage the day to day operations of the charity.

Risk management

In line with the requirements of the Charities Commission a risk assessment has been undertaken. Three people with experience to do so undertook a comprehensive review of the Association and policies and procedures have been reviewed and new procedures put in place as a result of this assessment. These will be reviewed on an annual basis

OBJECTIVES AND ACTIVITIES

The charity's object is to see God's Kingdom grow in the East of England, through healthy churches, living as wholesome communities and engaging in relevant mission.

ACHIEVEMENTS AND PERFORMANCE

1 Staffing

2007 was a year in which a full regional team was finally in place. The Revd Richard Lewis was inducted on 21st April as Regional Minister (Mission Strategy) bringing the team up to its full complement with Revd Paul Hills (Pastoral & Team Leader) and Revd Sheila Martin (Mission Resourcing). The service at Norwich Central Baptist Church reflected Richard's day to day care for the churches in the north of the association. The Revd Paul Goodliff (Head of Ministry at BUGB) conducted the induction, witnessed and shared in by a large congregation.

2 Association Assembly and AGM

The association returned to Norwich for its annual assembly on 23rd June. Entitled "Today's Church Facing Tomorrow's World" it looked at how we manage and adapt to the pressures facing our churches today. Seminars included "Everything for sale: blame, shame and saving the world", "Hoodies, Asbo's and the truth", "Where are today's Spurgeons?", "How to start a youth ministry", "From believers to disciples" and "Running a successful appeal". These were all designed to confront issues churches face in contemporary culture. The AGM of the association formed part of the day and grateful appreciation of the work of the treasurer, Brian Montague, was expressed as he announced he would vacate his role in the following year. The key note address given by Mark Greene of the London Institute of Contemporary Christianity concluded the day with a stimulating and encouraging call to equipping and setting people free to be witnesses in their workplace/home etc.. The day, which also included the induction of the new moderator of the EBA the Revd Kevin Burdett of Burwell Baptist Church, provided a significant boost to the churches of the association in seeking to engage in effective mission.

EASTERN BAPTIST ASSOCIATION LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

REPORT OF THE TRUSTEES - Continued

3 Forums around the region

Over the years it has become increasingly clear that effective mission can only be accomplished by healthy churches. On the recommendation of the regional team the Council of the EBA agreed to commend "Fit4Life" to the churches. This resource from the Baptist Union of Victoria helps a church assess and enhance its health. The association is giving copies of the material to every church and the association forums this year were devoted to introducing it. In several parts of the association the regional team led days in which leaders from churches could sample how "Fit4Life" could help develop self-awareness, healthy communication, handle differences, make decisions and clarify role expectations in their church. The goal of developing healthy churches will continue to be a major element of the association's strategy.

4 Format of the Council

The association council is undertaking a thorough review of its structures. It has become clear that a purely representational council does not attract the support of the churches. Therefore, reforms are under discussion which will give members of the churches a more active part in the day to day life of the association. These changes will be brought to the churches at this year's Annual General Meeting. The members of Council are Directors of the company and Trustees of the Association. This change in structure will mean that we will require to have only council meetings and not executive meetings also, as the number of Directors/Trustees/Council Members will be less.

5 Youth Work

The work undertaken by our Youth worker continues to be fruitful and we have been blessed as a region by what is happening through her ministry. There was a successful weekend held in February. Recharge 08 was lower in numbers than in previous years due to the fact that we have split the age range to accommodate more people. In spite of this we still had 80 young people in attendance from 7 different churches. The theme for the weekend was Micah 6v8 with an emphasis on social justice and walking with God. From reading the feedback reports all people that attended had a good time and were challenged in the way they view the world around them and in their personal relationship with God. It is always very exciting to hear of churches that have had the privilege of baptising young people who in their testimony have referred to Recharge as part of their journey into finding God for themselves. There is a weekend for the older age group due to take place in October of this year. Hayley continues to work closely with the Church workers in our Association and is to take a small party of teenagers to Leipzig in July to the BWA youth congress.

6 AMIGOS

The work with Portuguese speaking immigrants goes on and over these two years our Mission Enabler has been busy. The highlights have really been the relationship we have built with local government. In many occasions we have been invited by local government institutions as guest speaker to share what we as Baptists are doing for the migrant community. In Norfolk for example, for the first time the Norfolk County Council will hold a training for child minder in both languages, Portuguese and English, which means for the very first time we are going to have accredited Portuguese speaking child minders in that region. As a result many children won't be vulnerable in the hands of unregistered and unqualified child minders.

Our relationship with other religious organisations has been very positive, for instance, our meeting with the Archbishop of Canterbury. He was very impressed with the project and the way the Baptists are going forward in migrant issues.

The English classes that are helping many migrants to learn the language and being able to integrate in local society, find better jobs and have a better quality of life is thriving. The program does not just assist the Portuguese speaking migrants but all nationalities.

The listening ear and community services have helped many migrants to find a purpose for their lives. Many come to us with broken hearts and it just takes a few hours for them to realize that they are not alone and that somebody cares for them.

EASTERN BAPTIST ASSOCIATION LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

REPORT OF THE TRUSTEES - Continued

FINANCIAL REVIEW

Total incoming resources for the year received the benefit of part of the proceeds from the sale of the Swaffham Prior Chapel (£327,000). The Association acquired 46 Churchill Road Thetford at a cost of £249,950 as a replacement for the property previously used as a Manse in Dereham. At the yearend the Dereham property had been let on a short term lease pending improvements in the housing market, enabling an appropriate price to be obtained. The total of unrestricted funds carried forward to 2008 were £714,458 of which £533,078 is held as Freehold Property.

RESERVES POLICIES

General Fund

This Fund is in effect the Unrestricted Funds of the association as indicated in the Balance Sheet and Statement of Financial Activities. The agreed Policy of the Association is to maintain a minimum reserve in the region of £100,000.

Loans Fund

This fund exists to provide member Churches with loans to assist with major building projects. No interest is charged on loans but, on completion of repayments, Churches usually make a gift to the Fund in order to assist with maintenance of the capital value of the Fund. The balance between the total of outstanding loans and the cash available for the provision of new loans will vary from year to year depending on the needs of churches. Consequently, there is no policy of maintaining a minimum cash balance.

Ministers Benevolent Fund

This Fund exists to enable the Regional Ministers to provide pastoral response to the needs of the Pastors and Ministers of Member Churches should the occasion arise. The cash resources are provided by Member Churches following occasional appeals for input into the Fund. It is expected that such appeals will only be made when the cash balance falls below £2000.

Church of the Year Fund

This Fund exists to enable Member Churches to financially support a very small number of their fellow members to complete specific projects. It is intended to make an annual appeal and to disperse the cash received within the same year. Future year-end balances will therefore be minimal.

Manse Maintenance Fund

This fund has been created and maintained in order to equalise the cost of major repairs and maintenance of the Association's property over several years. It is funded annually since 2002 by a transfer from the general revenue of the Association. The amount of such transfer shall be the sum included in the Annual Budget agreed by Council, unless a specific resolution of the Executive or Council shall direct otherwise. It is anticipated that the minimum and maximum balances of the fund shall be £500 and £3,000 respectively for each property to be maintained.

Other identified Funds

Because of the nature of the activities undertaken by the other funds recorded in the accounts, no specific Reserve Policy is appropriate

INVESTMENT POLICY

No specific policy is in place in respect of investment of temporary surplus funds.

EASTERN BAPTIST ASSOCIATION LIMITED
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007
REPORT OF THE TRUSTEES - Continued

FUTURE DEVELOPMENTS

The challenges facing the association are great. New developments will make a greater impact on the region in the next year or so. The association has entered into a partnership with other denominations in providing a development officer, the Revd Tony Barker, to maintain a watch over the developments and to help the churches respond to the challenge of increased housing. In addition to this there is the daily challenge to develop churches as wholesome communities which can witness to the reality of Christ in their wider communities. The support of ministers is crucial to this and the regional team counts this as one of its major duties. As the members of the team preach around the association they take the challenge of Home Mission to the churches, and there are encouraging responses.

There is always more that could be done to get closer to the association's vision to see the kingdom of God come in the East of England through healthy churches living as wholesome communities and engaging in effective mission. The association looks ahead to a year where healthy churches on the cutting edge of mission will become a greater reality helped, at least in part, by the communal efforts of the churches acting in association.

AUDITORS

The Auditors, Prentis & Co, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the trustees on _____ and signed on their behalf.

TRUSTEE

EASTERN BAPTIST ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2007
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EASTERN BAPTIST ASSOCIATION LIMITED

We have audited the financial statements of Eastern Baptist Association Limited for the year ended 31st December 2007 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out within those notes.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work for this report or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

As described in the Statement of Trustees' Responsibilities on page 1, the charity's trustees, who are also the directors of Eastern Baptist Association Limited for the purposes of company law, are responsible for the preparation of the financial statements in accordance with applicable law, United Kingdom Accounting Standards and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We have read the Trustees' Report and considered the implications for our report if we have become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. However, with respect to the opening balances of £935456 the evidence available to us was limited as no audit had been carried out in the previous year as there was no legal requirement to appoint an auditor. Owing to the amount of time that has elapsed and the nature of the charity's records, we were unable to obtain appropriate audit evidence regarding the opening balances by other audit procedures. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for the financial effects of such adjustments, if any as might have been determined to be necessary had we been able to satisfy ourselves as to the opening balances, in our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31st December 2007 and of its incoming resources and application of resources including its income and expenditure in the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985; and

In respect solely of the limitation on our work relating to opening balances:

- we are unable to obtain all the audit evidence necessary for the purpose of our audit

In our opinion the information given in the Report of the Trustees is consistent with the financial statements

Prentis & Co
Chartered Accountants
and Registered Auditors
115c Milton Road
Cambridge
CB4 1XE

EASTERN BAPTIST ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31st December 2007

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Total 2006 £
<i><u>Incoming Resources</u></i>							
Voluntary Income	2	484,492.97	12,950.00	55,130.67	0.00	552,573.64	212,544.02
Investment Income	3	16,498.29	6,195.18	1,054.31	0.00	23,747.78	17,202.86
Income from Charitable Activities	4						
Other Incoming Resources	5						
		<u>500,991.26</u>	<u>19,145.18</u>	<u>56,184.98</u>	<u>0.00</u>	<u>576,321.42</u>	<u>229,746.88</u>
<i><u>Resources Expended</u></i>							
Costs of Generating Funds	6						
Charitable Activities	7	138,875.33	9,076.75	46,899.62	0.00	194,851.70	182,731.79
Governance Costs	8	5,769.80	0.00	0.00	0.00	5,769.80	5,656.84
Other Resources Expended	9	14,073.63	0.00	0.00	0.00	14,073.63	4,769.74
Total Resources Expended	10	<u>158,718.76</u>	<u>9,076.75</u>	<u>46,899.62</u>	<u>0.00</u>	<u>214,695.13</u>	<u>193,158.37</u>
Net Incoming Resources before Transfers		342,272.50	10,068.43	9,285.36	0.00	361,626.29	36,588.51
Transfers between Funds		-1,800.00	1,800.00	0.00	0.00	0.00	0.00
		<u>340,472.50</u>	<u>11,868.43</u>	<u>9,285.36</u>	<u>0.00</u>	<u>361,626.29</u>	<u>36,588.51</u>
Funds Brought Forward at 1st January		373,985.94	464,880.53	11,779.22	84,810.46	935,456.15	898,867.64
Funds Carried Forward at 31st December		<u>714,458.44</u>	<u>476,748.96</u>	<u>21,064.58</u>	<u>84,810.46</u>	<u>1,297,082.44</u>	<u>935,456.15</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

None of the charity's activities were acquired or discontinued during the year, and there were no recognised gains or losses for 2007 or 2006 other than those included in the Statement of Financial Activities.

The pages of notes numbered from 10 to 16 form part of these accounts.

EASTERN BAPTIST ASSOCIATION LIMITED

BALANCE SHEET
as at 31st DECEMBER 2007

		2007		2006	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	17		537,145.00		286,350.00
Investments	18		537,145.00		286,350.00
CURRENT ASSETS					
Stocks	19	0.00		0.00	
Debtors	20	327,061.03		273,081.19	
Investments	21	88,014.46		88,014.46	
Bank and Cash	22	345,861.95		296,080.51	
			760,937.44	657,176.16	
			1,298,082.44	943,526.16	
CURRENT LIABILITIES					
Creditors	23		1,000.00		8,070.00
			1,297,082.44	935,456.16	
RESERVE FUNDS					
Endowment Funds	25		84,810.46		84,810.46
Restricted Funds	26		21,064.58		11,779.22
Designated Funds	27		476,748.96		464,880.53
Unrestricted Funds			714,458.44		373,985.94
			1,297,082.44	935,456.15	

The accounts were approved by the trustees on

and signed on their behalf.

TRUSTEE

The Notes on Pages 10 to 16 form part of these accounts.

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

1 Accounting Policies

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice 2005.

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 Order of the Charity Commissioners as to their use.

Endowment Funds are monies which are not available for use by the Association without reference and approval of the Charity Commissioners, although the interest thereon is available for unrestricted use.

c. Incoming Resources

All incoming resources are included in the statement of financial activities when the Association is entitled to them.

d. Resources Expended

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

e. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. The costs of minor assets, including all assets costing less than £100 are written off in the year of purchase.

f. Depreciation

Depreciation is charged at 20% of the original cost per year, the first charge being made in the year of purchase irrespective of the actual date of purchase. This heading includes the full costs of low value assets written off at time of purchase. (See 'e' above)

2 Donations and Grants

	Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
	£	£	£	£	£	£
Baptist Union Grants	147,629.94	0.00	0.00	0.00	147,629.94	145,430.16
Preaching fees and expenses	8,847.70	0.00	0.00	0.00	8,847.70	10,739.12
Miscellaneous Offerings	328,015.33	12,950.00	55,130.67	0.00	396,096.00	56,374.74
	<u>484,492.97</u>	<u>12,950.00</u>	<u>55,130.67</u>	<u>0.00</u>	<u>552,573.64</u>	<u>212,544.02</u>

3 Source of Investment Income

	Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
	£	£	£	£	£	£
Bank Interest	1,463.40	2,222.90	55.45	0.00	3,741.75	3,984.70
Fixed Term Investment interest	10,662.71	3,404.13	0.00	0.00	14,066.84	8,251.34
BU Corporation	3,632.10	568.15	998.86	0.00	5,199.11	4,366.07
Baptist Insurance Co	600.75	0.00	0.00	0.00	600.75	600.75
Net Rental of 8 Shakespeare Close	139.33	0.00	0.00	0.00	139.33	0.00
	<u>16,498.29</u>	<u>6,195.18</u>	<u>1,054.31</u>	<u>0.00</u>	<u>23,747.78</u>	<u>17,202.86</u>

4 Incoming Resources from Charitable Activities

The Charity has no significant activities designed to generate financial resources

5 Other Incoming Resources

There were no incoming resources in addition to those accounted for under Notes 2 and 3 above.

6 Costs of Generating Funds

The charity has no expenses directly attributable to the generation of Funds.

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

Continued

7	Costs of activities in furtherance of the Charities objectives						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	Ministry - Employment costs	83,160.09	0.00	25,696.17	0.00	108,856.26	102,926.80
	Ministry - Expenses	21,318.17	0.00	11,062.87	0.00	32,381.04	36,409.55
	Manse Expenses	10,661.64	6,000.00	8,165.58	0.00	24,827.22	11,942.27
	Mission	11,331.07	3,076.75	1,975.00	0.00	16,382.82	13,965.48
	Establishment	12,404.36	0.00	0.00	0.00	12,404.36	17,487.69
		<u>138,875.33</u>	<u>9,076.75</u>	<u>46,899.62</u>	<u>0.00</u>	<u>194,851.70</u>	<u>182,731.79</u>
8	Governance Costs						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	Company Secretary	4,500.00	0.00	0.00	0.00	4,500.00	4,320.00
	Reporting Accountant Fees	0.00	0.00	0.00	0.00	0.00	496.00
	Audit Fees	512.00	0.00	0.00	0.00	512.00	0.00
	Legal and statutory payments	757.80	0.00	0.00	0.00	757.80	840.84
		<u>5,769.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,769.80</u>	<u>5,656.84</u>
9	Other Resources Expended						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	Other Resources Expended	14,073.63	0.00	0.00	0.00	14,073.63	4,769.74
		<u>14,073.63</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>14,073.63</u>	<u>4,769.74</u>
10	Total Resources Expended						
		Relevant Note	Charitable Activities £	Grant Funding £	Support Costs £	Total £	Total 2006 £
	Ministry	7	166,064.52			166,064.52	151,278.61
	Mission	7	6,701.75	9,681.07		16,382.82	13,965.48
	Establishment	7			12,404.36	12,404.36	17,487.69
	Governance Costs	8			5,769.80	5,769.80	5,656.84
	Other	9			14,073.63	14,073.63	4,769.74
			<u>172,766.27</u>	<u>9,681.07</u>	<u>32,247.79</u>	<u>214,695.13</u>	<u>193,158.36</u>
11	Grants Payable						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	National & local Initiatives	9,831.07	-150.00			9,681.07	9,977.98
		<u>9,831.07</u>	<u>-150.00</u>	<u>0.00</u>	<u>0.00</u>	<u>9,681.07</u>	<u>9,977.98</u>
12	Support Costs						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	Administrative Staff	1,506.96				1,506.96	2,844.00
	Other Administrative Costs	10,897.40				10,897.40	14,643.69
		<u>12,404.36</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>12,404.36</u>	<u>17,487.69</u>
13	Gross Transfers between Funds						
		Unrestricted	Designated	Restricted	Endowment	Total	Total 2006
		£	£	£	£	£	£
	Manse Repair Fund	-1,800.00	1,800.00			0.00	0.00
		<u>-1,800.00</u>	<u>1,800.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

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14 **Gains and losses on revaluation of fixed Assets for the Association's use**
 There has been no revaluation of fixed assets during the year (2006 - nil)

15 **Gains and losses on revaluations and disposals of investment assets**
 There are no assets held for investment purposes. (2006 - nil)

16 **Staff Costs and Trustee expenses**

	2007	2006
	£	£
Salaries	95,355.56	88,596.82
Social Security Costs	7,849.71	6,914.63
Pension Costs	9,610.96	9,779.60
Other Costs	24,827.22	11,942.26
Total	137,643.45	117,233.31
Number of full-time employees at 31st December	4	3
Number of vacant full-time posts at 31st December	0	1
Number of part-time employees at 31st December	3	5
Number of vacant part-time posts at 31st December	1	0
Number of part-time posts at 31st December temporarily unpaid	1	1
One employee was made redundant during the year (2006 - 0)		

- a.** No employee received emoluments in excess of £60,000 during the year (2006 - nil)
- b.** Two Trustees, who are also employees lived in a property wholly owned by the Association (2006 - Two)
- c.** No sums were reimbursed to the Trustees for their work as Trustees (2006 - nil)
- d.** The Association pays pension contributions for the three Regional Minister employees (2006 - three) to the Baptist Ministers Pension Trust Limited, which is a final salary defined benefit scheme, not contracted out of the State second pension. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Association. The Association also paid pension contributions for one other employee in 2006 (2007 - none) to the Baptist Staff Pension Scheme, which is a final salary defined benefit scheme, not contracted out of the State second pension. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Association. On the resignation of the last remaining employee in the Baptist Staff Pension Scheme, all liabilities of the Association have been met. In accordance with FRS17 therefore, the schemes are accounted for as defined contribution schemes.

17 **Tangible Fixed Assets**

	Manses	Furniture & Fittings	Computers & Equ't	Total
	£	£	£	£
Cost				
Bt Forward at 1st January	283,128.00	0.00	10,078.92	293,206.92
Additions during year	249,950.00	0.00	3,370.23	253,320.23
Disposals	0.00	0.00	-189.00	-189.00
Total Cost at 31st December	533,078.00	0.00	13,260.15	546,338.15
Depreciation				
Bt Forward at 1st January	0.00	0.00	6,856.92	6,856.92
Charge for the year	0.00	0.00	2,525.23	2,525.23
On Disposals	0.00	0.00	-189.00	-189.00
Total Depreciation at 31st December	0.00	0.00	9,193.15	9,193.15
Net Book Value				
At 31st December 2007	533,078.00	0.00	4,067.00	537,145.00
At 31st December 2006	283,128.00	0.00	3,222.00	286,350.00

With the exception of the freehold property situated at 8 Shakespeare Close Dereham Norfolk, all of the fixed assets are used for direct charitable purposes. 8 Shakespeare Close has been leased at a market rent on a six-month tenancy from 1st December 2007. The property will be offered for sale when market conditions indicate that a successful sale may be achieved.

18 **Investments**
 The Association does not hold any non-cash investments

19 **Stocks**
 The Association does not hold any significant stocks

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

Continued

20	Debtors						
				2007		2006	
				£		£	
	Loans Fund advances o/s			322,138.50		271,036.50	
	Council Tax			700.03		701.39	
	Other Prepayments			4,222.50		1,343.30	
				<u>327,061.03</u>		<u>273,081.19</u>	
21	Investments						
				2007		2006	
				£		£	
	B I S Shares			801.00		801.00	
		Loan Fund		2,403.00		2,403.00	
		General Fund		84,810.46		84,810.46	
	Southminster B C Trust			<u>88,014.46</u>		<u>88,014.46</u>	
22	Bank & Cash Balances						
				2007		2006	
				£		£	
	Imprest Accounts			0.00		300.00	
	Lloyds TSB Bank			1,388.56		1,725.40	
	CAF Bank - Cheque account			2,068.05		2,973.80	
	CAF Bank - Cheque account - AMIGOS			7,516.58		0.00	
	CAF Cash - Benevolent Fund			1,389.97		50.11	
	CAF Gold Deposit (Loan Fund)			21,228.95		94,603.92	
	CAF Gold Deposit			13,575.86		32,460.69	
	Birmingham Midshires			285,000.00		150,000.00	
	BU Corporation Deposit (Loan Fund)			13,693.98		13,125.83	
	Royal Bank of Scotland			0.00		840.76	
				<u>345,861.95</u>		<u>296,080.51</u>	
23	Creditors: Amounts falling due within one year						
				2007		2006	
				£		£	
	Loans and overdrafts			0.00		0.00	
	Other creditors			1,000.00		2,150.00	
	Receipts in Advance			0.00		5,920.00	
				<u>1,000.00</u>		<u>8,070.00</u>	
24	Creditors: Amounts falling due after one year						
	There are no items falling due under this heading						
25	Endowment Funds						
		1.1.2007	Incoming Resources	Resources Expended	Gains and Losses	Transfers	31.12.2007
		£	£	£	£	£	£
	Southminster Baptist Church Trust	84,810.46	0.00	0.00	0.00	0.00	84,810.46
		<u>84,810.46</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>84,810.46</u>
26	Restricted Funds						
		1.1.2007	Incoming Resources	Resources Expended	Gains and Losses	Transfers	31.12.2007
		£	£	£	£	£	£
	AMIGOS Project	3,787.54	41,479.52	37,750.48	0.00	0.00	7,516.58
	Church of the Year	200.00	2,950.00	1,975.00	0.00	0.00	1,175.00
	Ministers Benevolent Fund	7,160.08	1,333.10	2,046.99	0.00	0.00	6,446.19
	Orton Farm (Upwell) Trust	545.50	998.86	906.18	0.00	0.00	638.18
	Youth Worker	86.10	9,423.50	4,220.97	0.00	0.00	5,288.63
		<u>11,779.22</u>	<u>56,184.98</u>	<u>46,899.62</u>	<u>0.00</u>	<u>0.00</u>	<u>21,064.58</u>

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

Continued

27 Designated Funds

	1.1.2007	Incoming Resources	Resources Expended	Gains and Losses	Transfers	31.12.2007
	£	£	£	£	£	£
Loans Fund	448,567.25	9,145.18	-150.00	0.00		457,862.43
Identified Donations	0.00	0.00	0.00	0.00		0.00
Manse Maintenance	6,313.28	0.00	6,000.00	0.00	1,800.00	2,113.28
New Mission Initiative	10,000.00	10,000.00	3,226.75	0.00		16,773.25
	<u>464,880.53</u>	<u>19,145.18</u>	<u>9,076.75</u>	<u>0.00</u>	<u>1,800.00</u>	<u>476,748.96</u>

With the exception of loans to churches shown under Note 30, the Assets of all designated funds are held in bank or building society accounts

28 Analysis of Net Assets

	Fixed Asset	Investment	Current Asset	Total
	£	£	£	£
Endowment Funds per Note 25		84,810.46		84,810.46
Restricted Funds per Note 26			21,064.58	21,064.58
Designated Funds per Note 27		801.00	475,947.96	476,748.96
Unrestricted Funds	537,145.00	2,403.00	174,910.44	714,458.44
TOTALS	<u>537,145.00</u>	<u>88,014.46</u>	<u>671,922.98</u>	<u>1,297,082.44</u>

29 Pensions

The Association is an employer of two pension schemes known as the Baptist Union Staff Pension Scheme ("the Staff Scheme") and the Baptist Ministers' Pension Scheme ("the Ministers' Scheme"). Employees are eligible to join the appropriate Scheme, which are both multi-employer defined benefit schemes, which are funded and not contracted out of the state scheme.

The main benefit provided by the Staff Scheme is a pension of one seventieth of the average salary over the last three years of employment, for each year of service. Employees pay 6% of their salary, and the employer pays the balance of the necessary contribution, currently 15%. The scheme started in 1969. A formal valuation was performed at 1st January 2005 by a professionally qualified Actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £4,053,992.

The main benefit provided by the Ministers' Scheme is a pension of one eightieth of final Minimum Pensionable income for each year of service together with additional pension in respect of premiums paid on Pensionable Income in excess of minimum Pensionable Income. Ministers pay 6% of their Pensionable Income and the employer pays 12%. A formal valuation was performed at 31st December 2004 by a professionally qualified Actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £83,320,000.

As there are a number of contributing employers to both schemes, the Association is unable to identify its share of the underlying assets and liabilities of the schemes. Due to the nature of the schemes, the profit and loss charge for the period represents the employer contribution payable. The total pension cost for the Association is £9,611 (2006 - £9,779).

The financial assumptions underlying the valuations were as follows:-

	Staff	Ministers
Discount rate pre retirement	6.50%	7.00%
Discount rate post retirement	5.00%	5.00%
Rate of price inflation	2.90%	2.90%
Rate of revaluation on deferred pensions	2.90%	2.90%
Rate of pension increases	2.70%	2.70%

The valuation of the staff scheme revealed a surplus of assets compared with the value of liabilities of £116,000 (equivalent to a past service funding level of 103%). The employer's ongoing future service contribution rate was assessed at 15% of pensionable salaries.

The valuation of the Ministers' scheme revealed a deficit of assets compared with the value of liabilities of £9,141,000 (equivalent to a past service funding level of 90%). The employer's ongoing service contribution rate, to include eliminating the deficit, was assessed at 12% of pensionable salaries.

The next actuarial valuation of the ministers' Scheme will be as at 31st December 2007, and the next valuation of the Staff Scheme will be as at 1st January 2008.

EASTERN BAPTIST ASSOCIATION LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2007

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Related Charities

The custodian Trustee of the freehold property is the Baptist Union Corporation Limited which is a charity number 249635, and which is controlled by the Baptist Union Council. The Association is also a member of the Baptist Union of Great Britain.

The Association received Grants from the Baptist Union Home Mission Scheme as set out in Note 2

The Association has made loans to the following members of the Association as detailed below

Church	Balance Outstanding 01/01/2007 £	Loans Made 2007 £	Repay's 2007 £	Balance Outstanding 31/12/2007 £
Attleborough	17,800		2,400	15,400
Burlington	0	30,000	1,000	29,000
Burwell	28,500		3,000	25,500
Cambridge, Zion	4,500		4,500	0
Clacton	19,374		2,004	17,370
Dagenham (Becontree Ave.)	22,309		2,502	19,807
Elm Park*	5,000			5,000
Girton	0	25,000	250	24,750
Grays	10,500		6,500	4,000
Haddenham	9,000		1,000	8,000
Hawkwell	10,000		2,000	8,000
Histon	0	18,000	1,750	16,250
Hornchurch, North Street	5,720		5,720	0
Kings Lynn	2,500		1,000	1,500
March Centenary (1)	2,250		1,000	1,250
March Centenary (2)	875		250	625
March Centenary (3)	23,940		2,520	21,420
Mildenhall	27,000		3,000	24,000
Norwich, Silver Road	4,500		500	4,000
Rushmere	27,000		3,000	24,000
Saffron Waldon	15,000		2,000	13,000
Southend, Belle Vue	0	30,000	2,000	28,000
Southend, Earls Hall	26,250		3,000	23,250
Worsted	9,018		1,002	8,016
	<u>271,036</u>	<u>103,000</u>	<u>51,898</u>	<u>322,138</u>

* No specific repayment terms are applicable in respect of this loan, which covers costs of work pending settlement of Fire Insurance claim