

Company registration number: 00209503  
Charity registration number: 0247113

# North Western Baptist Association

Annual Report and Financial Statements  
for the Year Ended 31 December 2015

# **North Western Baptist Association**

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**North Western Baptist Association**  
**Reference and Administrative Details**

**Charity name** North Western Baptist Association

**Charity registration number** 0247113

**Company registration number** 00209503

**Principal office** IM Resource Centre  
Fleet Street  
Pemberton  
Wigan  
WN5 0DS

**Registered office** IM Resource Centre  
Fleet Street  
Pemberton  
Wigan  
WN5 0DS

**Secretary** Mr M R Heaton

**Bankers** Unity Trust Bank  
Nine Brindleyplace  
Birmingham  
B1 2HB  
  
Barclays Bank PLC  
Victoria House  
6 Market Place  
Wigan  
Lancashire  
WN1 1QS  
  
Scottish Widows Bank  
PO Box 12757  
Morrison Street  
Edinburgh  
EH3 8YJ

## **North Western Baptist Association**

### **Reference and Administrative Details**

#### **Trustees**

Rev P Elson

Rev P Jump, Regional Minister

Rev S Crawford, Regional Minister

Rev A Crawford

Rev R Preston

Mrs S Nutter

Mrs D Landriau

Mr A Clunie

Rev Dr S Oxley

Mrs L Hopkins

Rev N J Brighton

Rev T Presswood, Regional Minister

Rev S Hough

Rev J A Dodd

Rev G Ayoma

Rev T J Casey

Rev J Bradbury

(appointed 26 February 2015)

Rev D Livermore

(appointed 26 February 2015)

Mrs S Geere

(appointed 22 October 2015)

Rev I Geere

(appointed 22 October 2015)

Mrs D Kendrick

(resigned 26 February 2015)

Rev R Booth

(resigned 20 February 2015)

**North Western Baptist Association**  
**Reference and Administrative Details**

**Investment Advisor**

Tradition Asset Management Ltd  
East India House  
109-117 Middlesex Street  
London  
E1 7JF

**Accountants**

KM  
4-6 Grimshaw Street  
Burnley  
BB11 2AZ

**Independent Examiner**

C Cooper FCA  
St Crispin House  
St Crispin Way  
Haslingden  
Rossendale  
BB4 4PW

# **North Western Baptist Association**

## **Trustees' Report**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

The Company is governed by Memorandum and Articles of Association dated 6th November 1925 as amended by Special Resolutions dated 20th September 1997 and 16th November 2001.

A review of the Articles and supporting Regulations is in progress.

#### **Structure**

The Association is divided into nine geographic areas with eight elected Network Ministers to sit on the Council, together with individuals elected by member churches of NWBA. Co-opted and resource facilitators can make the number to equal two members from each geographic area. In addition the Council consists of; The Moderator, The Regional Ministers, The Company Secretary, The Treasurer and up to two representatives of Northern Baptist College

The Council is appointed for a three year term of office.

Further sub committees are appointed when and if required by Council for specific purposes.

#### **Risk Assessment**

The Trustees have introduced a risk management process to assess business risks and implement systems to mitigate these risks.

The procedures will be periodically reviewed to ensure that they still meet the needs of the Charity.

### **OBJECTS**

The objects of the charity as set out in its Memorandum of Association are:

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

#### **Public benefit**

The Trustees have had regard to the Charity Commission's guidance on public benefit in carrying out the activities of the charity.

### **OBJECTIVES and ACTIVITIES**

#### **Report of 2015**

Our work as an Association continues to be enabled through the work of a Regional Team supported by a raft of honorary office holders and volunteers to whom we owe a debt of gratitude. However, in accord with the objectives of our Transition plan, it is increasingly the case that the distinction between paid and honorary office holders is blurring. For much of 2015, two of our Regional Ministers have been in part-time secondment with the Baptist Union; three individuals serve as Regional Minister in specific capacities on a part-time basis, and we are working in increasingly close partnership with Northern Baptist College (NBC). There is also a specific objective to establish a "Formation Hub" with NBC in 2015, which will create an integrated role of Regional Minister, Honorary Tutor and Church Minister from the outset. We see this very much as defining how we will operate in years ahead.

In addition to the ongoing operation of NWBA, provision of trust, safeguarding advice, settlement and pastoral support, much of our work is responsive to immediate queries, concerns and occasional crises. In addition to this, we have continued to structure our work around the strategic framework developed by the Baptist Union in 2012, even though this has ceased to be used by BUGB.

## **North Western Baptist Association**

### **Trustees' Report**

In 2014's annual report we offered 29 key strategic objectives for the year ahead, of these 26 have been met or partially met, with clear reasons or changes of priority accounting for the remaining 3. Further details of our activities for the year are outlined below:

#### **Renewing God's Church**

We offered two specific "Open to God" leaders' days in 2015, at which a combined total of around 25 churches were represented. Feedback is that this has been beneficial to both individual leaders and church communities as a whole. This has provided a platform for similar work at a local church level, both through Sunday preaching and in working strategically with local leaders.

"Open to God" was also the key focus of our Association Forum in autumn 2015, which attracted over 100 participants.

We undertook the process of reflecting on the spiritual wellbeing of our churches, and while several have been engaged either through "Open to God" or one to one engagement, there has been no overall strategy for taking this forward. This is at least in part a reality of being "Baptist" whereby each church is independent. However we can celebrate that for various reasons a significant number of churches, who had not previously done so, have engaged with us and are now involved in working with regional and network ministers to explore their spiritual health.

#### **Equipping God's people**

We continue to work in partnership with NBC, Northern Baptist Association (NBA) and Yorkshire Baptist Association (YBA) to maintain a structured programme for Newly Accredited Ministers, and to develop a broader strategic vision for ministry in the north.

It has been a particular benefit to be able to do this in 2015 alongside the BU IGNITE initiative, which has explored a vision for ministry across our Union in the decades ahead. We look forward to developing its principles and recommendations in a regional context in 2016 and beyond.

We remain committed to an intentional approach to developing women leaders, and this year held a retreat day for women leaders with BU President Jenni Entrican.

Our Annual IMPACT weekend for young people and leaders was the highest attended with a growing number of churches involved.

We have maintained and developed our Young Leader's Programme, including the planning and operation of a mission with Emmanuel Church, Netherton.

This year we ran our first structured CMD programme in partnership with Northern Baptist College. While being pleased with the quality of events we were able to organise, the level of interest from ministers was disappointing. However we note and celebrate that ministers in South Manchester have established a regular gathering "Faith Thinking" which brings ministers together for regular reflection and interaction. The North Wales group have now established a similar structured programme.

We have continued to offer training in safeguarding on a regular basis.

We have worked with Hawkeshead Hill Baptist Chapel, taking advantage of the appointment of Kath and Andrew Dodd as Regional Ministers, to develop it as a centre for ministry support and personal development. Kath has particularly played a key role in piloting self-development interviews with ministers as part of the IGNITE programme.

# **North Western Baptist Association**

## **Trustees' Report**

### **Pursuing God's Justice**

Due to one of our Regional Minister's secondment, we have been able to develop a close working relationship with the Joint Public Issues Team (JPIT), a joint venture with the Baptist Union, Methodist and United Reformed Church (URC). Conversations with Methodist and URC leaders are ongoing with a view to establishing some expression of JPIT centred on Liverpool and Manchester. Although implemented in this context, this has enabled us to make resources available to churches to encourage engagement in the Election Campaign, 70th Anniversary of Hiroshima, WW1 centenary remembrance events, responding to the Refugee Crisis, and being aware of the impact of benefit cuts, highlighted again through a series of Advent resources.

This enables a connectivity between our national campaigns and the work of local churches. For example a number of churches engaged in food banks and drop-in centres have raised particular concerns about the impact of Benefit Sanctions. It provides encouragement when their concerns can be expressed in national campaigns, but also adds credibility to those campaigns when they are rooted in local experience.

Regional Ministers have been part of delegations to Party Conferences when held in the North West area, and have engaged in civic life, particularly in Merseyside through the work of Together Liverpool and SAS Asylum Link.

We jointly hosted the Beckly Lecture as part of the Methodist Conference in Southport and have been involved in initial discussions with NBC and other partners with a view to establishing an "urban theology" centre.

Through links with Salt of the Earth (churches together in Cheshire), Christian Aid, Industrial Christian Fellowship, Mission in the Economy, North West Christian Business Forum we have continued to engage with the business community, develop chaplaincy and promote issues of workplace justice and business ethics.

We have remained pro-active in seeking diversity in all our activities and structures.

### **Enabling God's Mission**

We remain committed to better developing Pioneer Ministries in our area, and despite continued efforts to work with the Pioneer Collective, have struggled to engage with this. Towards the end of the year we have begun to explore with YBA and NBA the appointment of a Pioneer Enabler partly funded by BUGB.

As well as the mission in Netherton (see above) we also arranged a season of intentional mission with churches during Holy Week under the banner of "Love – Hope – Acceptance". Around 10 churches participated in a series of outreach evenings. This has stimulated a national initiative (40 days of Good News) in which NWBA will be participating in 2016. This will be defined by the Association theme for 2016 "Love – Hope – Acceptance".

We are pleased that a more strategic and interactive approach to working with Home Mission supported churches has continued, and that our annual Home Mission churches' evening continues to be one of the proportionately highest attended events we hold

Mission clusters continue to develop and although progress is slow, we sense that this more "organic" approach results in more sustainable outcomes. Several groups of churches are reporting positively on the experience as well as practically engaging in new expressions of mission. We continue to offer "Sharing the story" downloads on our website, and there are increasing numbers of these being generated. We have also collated a number of these stories into a booklet celebrating the work of Home Mission which has attracted some attention nationally (see below)

The Christmas Starts with Christ initiative continued on Merseyside which is having growing impact within and beyond the region. This year it included a "carol service" resource which several churches seem to have used in their local communities. The Regional Minister has taken a lead role in the re-structuring Churches Together in Merseyside Region, which is now almost complete and has resulted in a far more mission focussed ecumenical life on Merseyside.



## **North Western Baptist Association**

### **Trustees' Report**

#### **Expressing God's love**

We remain committed to deepening a covenantal understanding of our shared life as Baptists, but acknowledge little strategic progress in this respect. However it should be noted that much of the reasoning of the BU "IGNITE" project is rooted in a covenantal approach to ministry and church life. In participating in its implementation, we anticipate a natural development of covenantal thinking.

An important expression of our covenant relationship is through the County Ecumenical bodies of which we are full members. We continue to engage in these, with Regional Ministers serving as presidents on several of them. We particularly celebrate the appointment of Brian Drury as our Ecumenical Officer for Lancashire, a role he has undertaken with enthusiasm and effectiveness. We note the retirement of Chris Shelley from a similar role in Greater Manchester and express our thanks to Chris.

We remain concerned at the sense of "disconnect" that can exist between the work and vision of local churches and that of NWBA/BUGB. It is hard to define what "success" looks like in responding to this, but can celebrate that several churches and individuals have become more engaged with us in the last 12 months. We rejoice that the Urban Expression Team in Victoria Park, Manchester have transitioned to being fully-fledged church under the name of Church without Walls. We are also pleased that the God is Faithful Church in Irlam O'Th Heights has begun the journey to full membership of the Association by becoming Covenant Members. We would also highlight that there is a growing connectivity within some of our Mission Networks either through the ongoing work of Network Ministers and/or initiatives like "Faith Thinking" (South Manchester).

#### **Financial Sustainability/Organisational Objectives**

It has been difficult to establish a sustainable financial plan for NWBA, as BUGB funding negotiations were protracted through much of the year. We continue to operate at a deficit, but are in a controlled situation with sufficient reserves to address our short term needs. We note that significant discussion are due in 2016 with a view to a revised funding system. It is obviously difficult to make strategic long-term plans for financial sustainability against such a backdrop of uncertainty. However we celebrate the intent of this approach which is seeking both fairness and strategic effectiveness.

In 2015 we re-launched our "£5 per month scheme" under the banner "Count Me In". This included the production of a printed "Sharing the Story" resource. We will actively promote this in 2016. We should celebrate that NWBA churches increased their giving to Home Mission in 2015 – we extend huge appreciation to our churches for this.

We have introduced some cosmetic improvements give the website a more up to date feel, but have not completed the structural changes. This is partly because many of the original pages are not saved in text format so will require greater work than originally anticipated.

We have made significant progress in introducing an integrated IT platform incorporating Office 365 and Sharepoint and continue to fully participate in the BU "Collaborate" project with a view to a shared national database under the leadership of the Transitional Regional Minister..

Council has agreed a full transfer of our trust work to the Baptist Union Corporation and we will be contacting churches in 2016 to implement this.

The "Sharing our Story" programme has continued with around 25 new stories added to the website and a printed publication being launched in autumn 2015.

#### **Key objectives for 2016**

##### **Renewing God's Church**

Offer a further "Open to God" leaders' day towards the end of 2016

## **North Western Baptist Association**

### **Trustees' Report**

Continue to work with churches on a one to one basis, promoting “spiritual health” as a key issue in local church life.

Participate in 2017 Merseyside Pentecost Festival

#### **Equipping God's people**

Work in partnership with NBC to develop a “formation hub” for local leaders and ministers

Arrange the annual IMPACT weekend for young people and leaders

Develop a local plan for the implementation of the BUGB IGNITE report as this develops.

Offer a training/update event with a particular emphasis on pension, finance and trustee matters.

Offer a further “Help I’m a Deacon” training day.

Continue to work in partnership with NBC, YBA and NBA to develop a vision for “Ministry in the North”.

Continue to develop a 5 year programme for Women in Leadership.

Review and develop the Young Leaders programme.

Provide access to appropriate training and support for churches in relation to Safeguarding issues.

Review the first year Continuing Ministerial Development initiative and continue to promote and encourage CMD.

Continue to work ecumenically to provide training for youth workers and leaders.

#### **Enabling God's Mission**

Promote the “Love-Hope- Acceptance” initiative and arrange participation in BUGB “40 days of Good News” encouraging all of our churches to engaged afresh in a vision for evangelism.

Encourage Mission Networks to hold a roadshow in the early part of 2016 around the “Love- Hope-Acceptance” theme and also make this the foundation of the autumn forum event.

Continue to develop and support Mission hubs

Continue to operate and develop Home Mission funding arrangements with a clear emphasis on enabling strategic mission.

Continue to offer a programme of youth work support centred around the annual Impact Weekend.

Develop an NWBA expression of the Pioneer Collective in partnership with YBA and NBC .

#### **Pursuing God's Justice**

To work with BUGB in developing and co-ordinating an appropriate response to the refugee crisis.

Working with a particular focus on Merseyside to support refugee families (Liverpool is the last location for asylum appeals in the UK, so attracts an unusually high number of asylum seekers)

Continue to work with JPIT and ecumenical partners to support and develop local church commitment to justice issues.

To continue the partnership with NBC to explore the development of an Urban Theology Centre.

To work with Christian Aid, Industrial Christian Fellowship and Salt of the Earth to explore and highlight issues of business ethics, workplace justice etc.

## **North Western Baptist Association**

### **Trustees' Report**

Work in partnership with Church Action on Poverty and other agencies to develop ways in which churches can provide strategic ways to address economic hardship, focusing on the development of Self Reliant Groups

#### **Expressing God's Love**

Recognising that our primary task is to support and encourage the local church, as the key expression of God's love in our communities, we remain committed to making "covenant" the defining foundation of all of our work. Express examples of this would be mission hubs, LRM programme etc.

Work with Mission Networks to increase a sense of connectivity across NWBA.

#### **Organisational Objectives**

Develop an overall Transition Strategy for 2016-2017

Further update and develop the NWBA website

Fully implement the Baptists Together Collaborate (shared database) project with a view to NWBA stand-alone database becoming obsolete.

Complete Introduction of shared serve access to Office 365 and Sharepoint

Continue and develop "Sharing our Story" programme

#### **FINANCIAL REVIEW**

The Charity's main sources of annual recurring income on Unrestricted Funds are the grants from the Baptist Union, Home Mission refund and investment income.

The levels of Baptist Union grants are determined annually and may not remain at present levels, and the Home Mission refund is based on the Home Mission giving received from the churches of the Association in the previous year. The Association therefore keeps under constant review the relationship between its annual recurring income and its likely level of expenditure in the future.

#### **Unrestricted funds**

The Charity's unrestricted reserve consists of a general fund and five designated funds, which at the year-end amounted to £1,002,375 (2014 £1,008,934) which the Trustees have allocated as follows:

#### **Restricted funds**

There are two restricted funds:

Ministerial Emergency Fund:

This is funded by donations and is used to enable study grants and financial support for ministers in need.

Merseyside Fund

A donation of £80,000 was given in 2011 from the sale proceeds of Cornerstone Baptist Church for work in Merseyside £11,796 has been utilised in the year, leaving £59,161 to be carried forward for future projects in the area.

#### **Investment Powers and Restrictions**

The Association uses the services of an investment manager for both Association and Church investments. The policy is to maximise return on investment within a secure base, on a sound ethical platform.

#### **Investment performance achieved against investment objectives set**

NWBA seeks to gain appropriate returns on investments within the following criteria:

## **North Western Baptist Association**

### **Trustees' Report**

Financial and equity investments should be made within an ethical framework;

Where possible capital investments, particularly housing stock should be useable to further the mission purposes of the Association.

The investment performance achieved against the objectives set was considered satisfactory.

#### **Grants policy**

The Association does not normally give grants to outside bodies or members churches. We may in exceptional circumstances offer support funding for activities which are agreed by Council as "Strategic Mission projects".

Funding is also given with the approval of Council to member churches in emergency situations.

Wherever possible we seek to do this on a loan basis.

At the year end, loans outstanding amounted to £88,989 (2014 £92,792). The Trustees have designated a maximum of £200,000 for such loans. This leaves over £110,000 available as at the balance sheet date.

#### **FUNDS HELD AS CUSTODIAN TRUSTEE**

The NWBA is a Custodian Trustee for many churches in its membership. It holds property, stocks and shares and bank accounts in its position as trustee. Deeds to properties are held with the Baptist Union Corporation, other assets are held separately from Association own assets. This will be reviewed during 2016 with a view to transferring this work to Baptist Union Corporation.

#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:

.....  
Rev P Elson  
Trustee

Date:.....

## **Independent Examiner's Report to the Trustees of North Western Baptist Association**

I report on the accounts of the company for the year ended 31 December 2015, which are set out on pages 12 to 24.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

# North Western Baptist Association

## Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 December 2015

		Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	Note	£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	2	196,934	472	197,406	194,909
Investment income	4	5,861	-	5,861	7,808
Incoming resources from charitable activities	5	18,000	-	18,000	13,417
Total incoming resources		<u>220,795</u>	<u>472</u>	<u>221,267</u>	<u>216,134</u>
<b>Resources expended</b>					
Costs of generating funds					
Investment management costs	6	7,722	-	7,722	6,936
Charitable activities	7	227,993	500	228,493	243,427
Governance costs	10	16,500	-	16,500	10,856
Total resources expended		<u>252,215</u>	<u>500</u>	<u>252,715</u>	<u>261,219</u>
Net expenditure before transfers		(31,420)	(28)	(31,448)	(45,085)
<b>Transfers</b>					
Gross transfers between funds		<u>11,796</u>	<u>(11,796)</u>	<u>-</u>	<u>-</u>
Net expenditure before other recognised gains and losses		(19,624)	(11,824)	(31,448)	(45,085)
<b>Other recognised gains/losses</b>					
Unrealised gains/(losses) on revaluation of investment assets		8,212	-	8,212	20,099
Realised gains/(losses) on disposal of investment assets		<u>4,853</u>	<u>-</u>	<u>4,853</u>	<u>(3,872)</u>
Net movements in funds		(6,559)	(11,824)	(18,383)	(28,858)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,008,934</u>	<u>75,545</u>	<u>1,084,479</u>	<u>1,113,337</u>
Total funds carried forward		<u>1,002,375</u>	<u>63,721</u>	<u>1,066,096</u>	<u>1,084,479</u>

The notes on pages 14 to 24 form an integral part of these financial statements.

**North Western Baptist Association (Registration number: 00209503)**

**Balance Sheet as at 31 December 2015**

		2015		2014	
	Note	£	£	£	£
<b>Fixed assets</b>					
Investments	14		710,364		702,275
Programme related investments	14		292,264		296,067
<b>Current assets</b>					
Debtors	15	8,293		3,793	
Cash at bank and in hand		<u>164,178</u>		<u>268,232</u>	
		172,471		272,025	
<b>Creditors: Amounts falling due within one year</b>	16	<u>(109,003)</u>		<u>(185,888)</u>	
<b>Net current assets</b>			<u>63,468</u>		<u>86,137</u>
<b>Net assets</b>			<u><u>1,066,096</u></u>		<u><u>1,084,479</u></u>
<b>The funds of the charity:</b>					
<b>Restricted funds</b>			63,721		75,545
<b>Unrestricted funds</b>					
Unrestricted income funds			<u>1,002,375</u>		<u>1,008,934</u>
<b>Total charity funds</b>			<u><u>1,066,096</u></u>		<u><u>1,084,479</u></u>

For the financial year ended 31 December 2015, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008 January 2015).

Approved by the Board on ..... and signed on its behalf by:

.....

Rev P Elson  
Trustee

The notes on pages 14 to 24 form an integral part of these financial statements.

## **North Western Baptist Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

##### **Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 20.

##### **Incoming resources**

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

##### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are investment management fees.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.



## **North Western Baptist Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

..... *continued*

#### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Investment properties**

Certain of the charity's properties are held for long-term investment. Investment properties are accounted for in accordance with FRSSE, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the statement of financial activities account for the year.

This treatment as regards the charity's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the trustees consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Programme related investments are made in furtherance of the charity's objects and any investment return is secondary to the charitable purpose supported by the investment. Such investments are included at their cost. Any loss or impairment arising from such investments is charged as part of charitable activities within the statement of financial activities.

#### **Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

# North Western Baptist Association

## Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

### Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

### 2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Donations and legacies</b>				
Donations	25,482	472	25,954	20,919
<b>Grants</b>				
Grants receivable	163,327	-	163,327	150,950
<b>Other voluntary income</b>				
Resource activities/sundry income	6,125	-	6,125	21,040
Employment allowance	2,000	-	2,000	2,000
	8,125	-	8,125	23,040
	196,934	472	197,406	194,909

### 3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
BUGB	158,230	-	158,230	150,950
Reyner Trust	5,097	-	5,097	-
	163,327	-	163,327	150,950

# North Western Baptist Association

## Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

### 4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Income from investment properties	2,124	-	2,124	2,070
Income from listed investments	2,235	-	2,235	2,189
Income from unlisted investments	200	-	200	201
Bank interest receivable	319	-	319	453
Loan interest received	983	-	983	2,895
	<u>5,861</u>	<u>-</u>	<u>5,861</u>	<u>7,808</u>

### 5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Mission and evangelism</b>				
Youth activities	9,865	-	9,865	6,165
Ministers Conference	8,135	-	8,135	7,252
	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>13,417</u>

### 6 Investment management costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Investment management fees	7,211	-	7,211	6,528
Investment property management costs	511	-	511	408
	<u>7,722</u>	<u>-</u>	<u>7,722</u>	<u>6,936</u>

# North Western Baptist Association

## Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

### 7 Details of charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support costs allocated £	2015 £	2014 £
Mission and evangelism	216,760	-	11,233	227,993	242,669
Grants	-	500	-	500	758
	<u>216,760</u>	<u>500</u>	<u>11,233</u>	<u>228,493</u>	<u>243,427</u>

### 8 Support costs

	Mission and evangelism £	Total £
Employment costs	<u>11,233</u>	<u>11,233</u>

### 9 Grantmaking

	Grants to individuals £
Grants	<u>500</u>

The support costs associated with grant making are £0.

### 10 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Accountancy fees	2,400	-	2,400	3,056
Independent examiner's fees	780	-	780	750
Legal and professional costs	<u>13,320</u>	<u>-</u>	<u>13,320</u>	<u>7,050</u>
	<u>16,500</u>	<u>-</u>	<u>16,500</u>	<u>10,856</u>

## North Western Baptist Association

### Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

#### 11 Trustees' remuneration and expenses

Directors salaries of £73,417 (2014: £71,891) were paid during the year. These are authorised by the Memorandum and Articles.

Housing payments of £19,687 (2014: £19,561) and travelling expenses of £12,773 (2014: £15,673) and other expenses of £8,738 (2014: £5,262) were paid to the Regional Ministers.

Members of the Ministerial Recognition Committee, Network Ministers and Treasurer received travelling expenses of £1,258 (2014: £1,327).

#### 12 Employees' remuneration

The average number of persons employed by the charity (excluding trustees) during the year, analysed by category, was as follows:

	2015 No.	2014 No.
Mission and evangelism	4	4
Administration	1	1
Melling project	1	1
	<u>6</u>	<u>6</u>

The aggregate payroll costs of these persons were as follows:

	2015 £	2014 £
Wages and salaries	118,210	113,776
Social security	8,084	9,892
Other pension costs	14,589	14,667
	<u>140,883</u>	<u>138,335</u>

#### 13 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

**North Western Baptist Association**  
**Notes to the Financial Statements for the Year Ended 31 December 2015**

**14 Investments held as fixed assets**

	Investment properties £	Listed investments £	Unlisted investments £	Cash deposits £	Total commercial investments at market value £	Programme related investments at cost £
<b>Market value/Cost</b>						
As at 1 January 2015	145,000	489,747	4,005	63,523	702,275	296,067
Revaluation	(10,000)	23,065	-	-	13,065	-
Additions	-	304,929	-	-	304,929	966
Disposals	-	(275,372)	-	(34,533)	(309,905)	(4,769)
As at 31 December 2015	<u>135,000</u>	<u>542,369</u>	<u>4,005</u>	<u>28,990</u>	<u>710,364</u>	<u>292,264</u>
<b>Net book value</b>						
As at 31 December 2015	<u>135,000</u>	<u>542,369</u>	<u>4,005</u>	<u>28,990</u>	<u>710,364</u>	<u>292,264</u>
As at 31 December 2014	<u>145,000</u>	<u>489,747</u>	<u>4,005</u>	<u>63,523</u>	<u>702,275</u>	<u>296,067</u>

## North Western Baptist Association

### Notes to the Financial Statements for the Year Ended 31 December 2015

All investment assets were held in the UK.

#### Listed investments

Investments having a net book value of £542,369 (2014 - £489,747) are listed on a recognised stock exchange and had a market value of £542,369 at the end of the year (2014 - £489,747).

The net book value of programme related investments includes:

	2015 £	2014 £
Loan	88,989	92,792
Property	203,275	203,275
	<u>292,264</u>	<u>296,067</u>

#### 15 Debtors

	2015 £	2014 £
Other debtors	5,000	1,045
Prepayments and accrued income	3,293	2,748
	<u>8,293</u>	<u>3,793</u>

#### 16 Creditors: Amounts falling due within one year

	2015 £	2014 £
Other creditors	95,412	175,245
Accruals and deferred income	13,591	10,643
	<u>109,003</u>	<u>185,888</u>

#### 17 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

#### 18 Pension scheme

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £14,589 (2014 - £14,667).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

## **North Western Baptist Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

..... *continued*

The Association makes contributions to the Baptist Minister's Pension Trust Limited which provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Association. The Association is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement benefits', accounts for the scheme as if it was a defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents contributions payable to the scheme in respect of the accounting period.

#### **19 Related parties**

##### **Controlling entity**

The Charity is under the control of the Trustees named in the Trustees Report.

##### **Related party transactions**

Transactions with Trustees:

Four Trustees receive remuneration from the Association. The remuneration is due to their employment as Regional Ministers in accordance with the Memorandum and Articles of the Association.

P Jump, Trustee, received a loan of £2,500 from the charity repayable over 2 years at 3.5% interest. The amount outstanding at 31st December 2015 was £Nil (2014: £1,045).

Transactions with Baptist Union Great Britain (BUGB):

During the year the Association received grants from the Baptist Union Great Britain (BUGB). BUGB is funded substantially by giving from Churches throughout the Country, out of which it makes grants.



# North Western Baptist Association

## Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

### 20 Analysis of funds

	At 1 January 2015	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 December 2015
	£	£	£	£	£	£
<b>Designated Funds</b>						
Investment property	145,000	-	-	-	(10,000)	135,000
Programme related investments - property	203,275	-	-	-	-	203,275
Loan fund	200,000	-	-	-	-	200,000
One year's running costs	200,000	-	-	-	-	200,000
East Lancashire fund	123,627	313	(1,752)	-	9,616	131,804
	<u>871,902</u>	<u>313</u>	<u>(1,752)</u>	<u>-</u>	<u>(384)</u>	<u>870,079</u>
<b>General Funds</b>						
General funds	<u>137,032</u>	<u>220,482</u>	<u>(250,463)</u>	<u>11,796</u>	<u>13,449</u>	<u>132,296</u>
<b>Restricted Funds</b>						
Ministerial						
Emergency fund	4,588	472	(500)	-	-	4,560
Merseyside fund	70,957	-	-	(11,796)	-	59,161
	<u>75,545</u>	<u>472</u>	<u>(500)</u>	<u>(11,796)</u>	<u>-</u>	<u>63,721</u>
	<u>1,084,479</u>	<u>221,267</u>	<u>(252,715)</u>	<u>-</u>	<u>13,065</u>	<u>1,066,096</u>

# North Western Baptist Association

## Notes to the Financial Statements for the Year Ended 31 December 2015

..... continued

### 21 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	£	£	£	£
Investments	1,002,628	-	1,002,628	998,342
Current assets	108,750	63,721	172,471	272,025
Creditors: Amounts falling due within one year	(109,003)	-	(109,003)	(185,888)
Net assets	<u>1,002,375</u>	<u>63,721</u>	<u>1,066,096</u>	<u>1,084,479</u>