

**REGISTERED COMPANY NUMBER: 00209503 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 0247113**

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 December 2018  
for  
North Western Baptist Association

North Western Baptist Association

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for the Year Ended 31 December 2018

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North Western Baptist Association

Reference and Administrative Details  
for the Year Ended 31 December 2018

**TRUSTEES**

Rev P Elson (resigned 28.3.19)  
Rev P Jump  
Rev A Crawford (resigned 22.2.18)  
Rev R Preston  
Mrs S Nutter  
Mrs D Landriau  
Rev Dr S Oxley  
Rev T Presswood (resigned 28.3.19)  
Rev S Hough (resigned 28.3.19)  
Rev J A Dodd (resigned 28.3.19)  
Rev G Ayoma  
Rev T J Casey (resigned 28.3.19)  
Rev J Bradbury  
Rev D Livermore (resigned 31.12.18)  
Rev E Cirtina (appointed 28.3.19)  
Mr R Pengelly - Phillips (appointed 28.3.19)  
Ms L Quigley (appointed 28.3.19)

**COMPANY SECRETARY**

Mr Mark Heaton

**REGISTERED OFFICE**

IM Resource Centre  
Fleet St  
Pemberton  
Wigan  
WN5 0DS

**REGISTERED COMPANY NUMBER**

00209503 (England and Wales)

**REGISTERED CHARITY NUMBER**

0247113

**INDEPENDENT EXAMINER**

Baldwins  
St Crispin House  
St Crispin Way  
Haslingden  
Lancashire  
BB4 4PW

North Western Baptist Association

Reference and Administrative Details  
for the Year Ended 31 December 2018

**BANKERS**

Unity Trust Bank  
Nine Brindleyplace  
Birmingham  
B1 2HB

Barclays Bank PLC  
Victoria House  
6 Market Place  
Wigan  
Lancashire  
WN1 1QS

## North Western Baptist Association

### Report of the Trustees for the Year Ended 31 December 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **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.

The Association has continued to operate core activities including maintaining and developing a programme for ministerial recognition, training and development, actively participating in the national settlement process for ministers, and working to develop alternative approaches to ministry in those churches that cannot resource traditional patterns of paid ministry. We continue to encourage relationships between churches through a structure of mission networks and key events for training, celebration and mutual interaction. Team members are deployed for a significant amount of their time to work with churches on a one-to-one basis on issues of strategy, legal trust, buildings advice, church life, pastoral support of ministers and leaders and also operating in a representative role for the Baptist community in wider public life. The Association has maintained the necessary administrative structures to facilitate this work, including maintaining effective links with the Baptist Union of Great Britain, other UK Baptist Associations and Unions and some Baptist communities overseas.

##### **Objects and Public Benefit**

##### **Public benefit**

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

## **ACHIEVEMENT AND PERFORMANCE**

### **Report on Key Objectives for 2018**

**Finance: Grow "Count me in" donor base to a minimum of 120 by the end the year.**

**Partially Complete:** The programme was actively promoted by the team during the year. This included a new leaflet produced for 2018 AGM. Giving has increased - actual number of donors is xx.

**Transition: Complete and agree constitutional changes as final stage of transition programme.**

**Mostly Complete:** All constitutional changes were made and submitted to the Charity Commission. A special General Meeting was held in March 2019.

**Church Life: Identify and establish an effective Church Life Team in accord with transition proposals.**

**Partially Complete:** Transition report was completed, and Church Life roles were scoped and advertised. Expressions of Interest have been received and appointment is ongoing.

**Organise ongoing NWBA events as outlined in "Key Dates" plan**

**Completed:** Various events were organised and evaluated.

**Safeguarding; Consolidate the work done to establish an effective training network/programme and safeguarding support in partnership with BUGB.**

**Completed:** Regular training is now available and ongoing and online monitoring of Accredited Minister participation and DBS status is in place.

**Develop Buildings intervention initiative: Work with existing Buildings Advisory Group, other relevant professionals and interested churches to develop a pilot initiative to help congregations explore major re-development of site and buildings for sustainable futures.**

**Not complete:** This has been carried forward to our 2019 objectives

**Young Leaders Programme: Build on existing work done to develop a structured and sustainable programme.**

**Complete/Ongoing:** A programme has been scoped {DISCIPLE} and a small cohort of young leaders have participated. Roll-out is ongoing. Appointment of Youth Co-ordinator in Autumn 2018 provides resource to take this forward.

**Latchford Leaders Days: Continue to offer a monthly gathering for emerging and non-accredited local church leaders and ministers.**

**Complete/Ongoing:** Many of the 2017/18 cohort are now in ministry formation. 2018/19 group are largely early-retired local leaders who are meeting monthly.

**Hawkeshead Leaders Days - Offer series of retreat days during the year.**

**Complete/Ongoing:** Regular leaders days continue to be offered.

**Ministry Development: Work on existing review of MR/NAM process to develop an integrated ministry support group including local leadership development, MR and NAM support.**

**Completed:** A new structure is in place; recruitment and training have been arranged; terms of reference etc. to be agreed at NWBA Council in February 2019

**Pioneer Development: Continue work with YBA/NBA/BUGB to develop a clear support and development network for Pioneers.**

**Complete/Ongoing** - This has been developed during 2018. RMTL now has regular meetings with Pioneer Co-ordinator and a strategy for NWBA has been developed.

## **ACHIEVEMENT AND PERFORMANCE**

### **Report on Key Objectives for 2018**

**Leadership Programme: Build on successful first year Pilot to offer an ongoing programme with a least one further hub in place by the end of 2018. Aim for take up of at least 50% of ministers (excluding NAM's).**

**Complete/Ongoing** - A further year programme has operated and an additional group is now in place. Initial plans for at least one additional group are being developed.

**Inter-generational Church: Build on existing work done to develop resources to help churches explore working together across generations.**

**Complete/Ongoing** - A programme was offered through 2018. Plans for 2019 include a focus on specific festivals etc; development of "core documents" and exploration of an NWBA all age gathering.

**Faithspace: Work with Melling Community Hub to develop "accessible" worship resources available for other pioneer contexts. (see [www.faithspace.org.uk](http://www.faithspace.org.uk))**

**Complete/Ongoing** - Regular gatherings were held throughout 2018 with a growing set of resources and web-based materials. Conversations are ongoing with around 4 churches about possible roll-out.

**Autism Project: Produce tangible resource as an outcome of research to provide practical support and advice to churches seeking to better understand and include people with Autism.**

**Not complete** - Capacity issues prevented this from moving forward, though NWBA team members have given direct support to churches seeking help in this area. The project is currently on hold.

**Learning Initiatives: Continue to encourage informed theological discussion and learning around key ethical issues including deliverance ministry and human sexuality & gender identity.**

**Complete/Ongoing** - The deliverance group is handling a growing number of referrals and we have made an approach to BUGB for further discussion of its "Pilot" status. We continue to enable consultation on key issues through direct working with churches and ministers and through wider gatherings.

**Willesden Green Partnership: Develop and maintain an exchange partnership programme enabling young adults in London and Liverpool to experience each other's culture and to engage in mission between the two cities.**

**Not complete** - NWBA has remained open to this partnership, but other issues have this from going forward. However, the initial groundwork has enabled us to work with Richmond Baptist Church to establish a new pioneer project which Willesden Green have supported financially.

**Unlocking the Potential: Maintain this theme and develop specific resources identified through the November 2017 conference including: Support and resources for good practice in worship leading Resources to help churches identify gifts and abilities within the congregation.**

**Complete/Ongoing:** Various programmes have been offered and developed during the year the effectiveness of which has caused us to continue this as our "theme" for 2019.

**Focussed resources, initially aimed at moderators around the management of change.**

**Partially Complete:** Initial work has been done, but success in other areas has reduced capacity to take this fully forward. It remains a key objective for 2019.

**Input and challenge for minister encouraging a shift from "church managers" to "enabling and developing others"**

**Complete/Ongoing:** A major publication "Disciple Forming Communities" was launched in 2018 and this has been a key focus of the growing leadership development programme. It also shapes our objectives for 2019.

## **ACHIEVEMENT AND PERFORMANCE**

### **Report on Key Objectives for 2018**

**Refugees: Continue to work with BUGB and YBA to support and encourage churches in ministry to refugees.**

**Complete/Ongoing:** Churches across NWBA continue to offer welcome and support to Christian disciples from overseas. A small group from NWBA attended a European Conference in 2018 in partnership with BUGB, and we continue to encourage and enable networking between churches who are supporting refugee disciples.

**Ecumenical: Work with CTMR to arrange bi-annual Pentecost Festival Work with CTMR/Liverpool Hope Uni to support "The Big Hope"**

**Complete/Ongoing:** We continue to play a full role in ecumenical life across the North West. This represents a significant commitment from team members. Team members suggest some form of review of our Ecumenical engagement in 2019/20.

## **FINANCIAL REVIEW**

### **Sources of income**

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.

In February 2019 NWBA became responsible for payment of Home Mission grants to its churches. We now receive one grant from BUGB to cover both Home Mission and Association work.

Reserves of the charity are detailed below. With NWBA now responsible for distributing HM grants to churches directly through its block grant a full review of the reserves policy is in progress. At present the charity aims to have at least one years expenditure in reserve.



## **FINANCIAL REVIEW**

### **Funds**

#### **Unrestricted funds**

The Charity's unrestricted reserve consists of a general fund and five designated funds, which at the year-end amounted to £833,858 (2017 £953,067) which the Trustees have allocated as follows:

General fund £199,088  
Social investment Property £203,276  
Loan fund £910  
One year's running costs £200,000  
East Lancashire fund £127,184  
Pension reserve £103,400

The pension reserve is to cover the calculated deficit that would be due to the Baptist Ministers Pension Fund for NWBA current and former employees.

#### **Restricted funds**

There are four restricted funds:

##### **Ministerial Emergency Fund:**

This is funded by donations and is used to enable study grants and financial support for ministers in need. Grants of £Nil (2017 - £375) have been made during the year.

##### **Merseyside Fund**

A donation of £80,000 was given in 2011 from the sale proceeds of Cornerstone Baptist Church for work in Merseyside. £12,876 (2017 - £12,690) has been utilised in the year, leaving £22,082 (2017 - £34,958) to be carried forward for future projects in the area.

##### **Sale of Fishergate Church**

This arose from the sale of this closed church with the intention of it being used for mission in NWBA.

##### **Skelmersdale**

Grants provided for this refurbishment are administered by NWBA.

#### **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:

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.

North Western Baptist Association

Report of the Trustees  
for the Year Ended 31 December 2018

**FINANCIAL REVIEW**

**Funds**

**Grants policy**

The Association no longer makes loans available to churches due to changes in regulations. We do give grants to churches on application for two purposes: Mission and Equipment grants plus grants to enable churches to cover deficits on the Baptist Ministers Pension Fund (defined benefit scheme).

At the year end, loans outstanding amounted to £910 (2017 £18,430).

## **OBJECTIVES FOR 2019**

For some years now, we have centred the work of NWBA around an annual theme. This seeks to express something of what we believe that God is saying to us as an NWBA community, and also provides a degree of cohesion and identity for the various initiatives and activities we offer.

For 2018, our focus was "Unlocking the Potential" and for 2019 we believe we should continue with this.

Unlocking the Potential could be summarised as "build your vision for your church around what you have and who you are - not what you don't have or think you should be". We have begun to use UTP as a framework for our work by identifying 5 "**points of intervention**" that we offer to churches. We present these as interlocking circles to recognise that they are not exclusive from one another - one often leads to or involves another.

## **Recognised Ministry**

While promoting a broader vision, we have recognised the need to affirm and value our existing practice of accredited ministry. We will enable this by:

- Supporting churches and ministers through the settlement process
- Implement revised MR processes and structures in line with BUGB IGNITE report.
- Providing a NAM programme in partnership with YBA/NBA
- Supporting Pioneer and Sector ministry in partnership with YBA/NBA
- Arrange the annual Ministers' Conference
- Overseeing and providing pastoral support for ministers
- Developing the ministry of Hawkshead Hill as a centre of retreat and support for ministers and leaders.
- Introducing a leadership development programme which currently engages around 30 ministers. (Our aim is for this to be available for all NWBA ministers)
- Participate in a northern gathering to encourage women in leadership arranged to mark the centenary of Violet Hedger being the first woman to train for Baptist ministry in the UK.

## **Local Leadership**

Not every church appoints a recognised minister, and where they do, ministry operates best when they are encouraged, enabled and equipped to carry leadership responsibility within the church. We want to encourage this, giving increasing priority to training and equipping local church leaders. We are seeking to do this by:

- Developing the Latchford Centre as a learning community of individuals engaged in significant local leadership but not currently through accredited ministry. This is in its third year, and at least 3 former participants are now in BU ministry formation.
- Providing a day workshop for new deacons - "Help I'm a deacon"
- Young Leaders' Programme - a leadership programme for young adults based on around our annual youth weekend.
- Intergenerational ministry - offering two parallel streams to help churches explore intergenerational life and worship. One explores intergenerational working generally, the other offers a workshop to develop and share ideas around celebrating key Christian festivals.
- Providing ongoing safeguarding training

Some years ago NWBA led a national pilot programme to support ministers and leaders in deliverance ministry. This has now been operating successfully for some time and would benefit from some form of joint review in 2019.

In 2019 we will particularly explore how to better equip those who provide pastoral care within the local church, managing and developing buildings and understanding and leading worship.

## **Purposeful relationship**

Recognising that "association" is first and foremost not a regional structure but a way of life, we want to encourage and enable churches to seek support from one another. In some contexts there are well-established networks which we seek to encourage while also seeking to initiate and foster this where appropriate. Some key initiatives for 2019 will be:

- Developing the "hub church network" - working with around 12 larger churches to intentionally explore their role in supporting others in mission and ministry.
- Participating in Northern Light - seeking to partner with churches in NBA in a season of planned mission and evangelism.
- Developing a "church life team" and increasingly rooting regional roles in a local church context.

Arranging and participating in "Beach Life" summer mission  
"Share our story" - weekly focus on the work of one NWBA church  
Ecumenical and Baptist Engagement  
Explore a possible family event in 2019 or early 2020

### **Effective Resources**

For many of our churches and leaders, realising their potential will include being helped to access and use relevant resources. We particularly recognise the role that new technologies might have in this respect (e.g. a Regional Minister can potentially impact more churches by circulating a video message, than by visiting week by week as a preacher.) We are seeking to do this by:

Working with the Melling Community hub to develop worship resources for a pioneer context through [www.faithspace.org.uk](http://www.faithspace.org.uk)  
Making better use and increasing our capability with new technologies  
Impact Youth Weekend  
"Disciple Forming Communities"  
Developing our relationship with Seventy-Two  
Providing ongoing Home Mission oversight and financial support.

### **Meaningful Change**

Another strapline of UTP is "it doesn't have to be this way". But if churches are to change, they will benefit from help and support. We recognise that not only does change need to be managed, but that change for change's sake can be at best an unnecessary waste and at worst debilitating and divisive. We want to explore ways of working intentionally with churches to help them develop a vision that is right for them, genuinely Spirit-seeking and to work out how it can be embraced in a way that is beneficial for all. We are seeking to do this by:

The appointment of a Regional Minister for Transition - personally supporting churches through change, but also seeking to equip others to fulfil this role.  
Exploring the development of some resources around intentional change.  
Developing some outline vision papers, both for use within the team but also to help churches and leaders move from considering "what they do" to "why they do it" - helping them do things differently without abandoning their core vision.  
Working with the hub church network to explore how we can develop Ken Benjamin's BUGB presidential theme "Where do we grow from here?"  
Intentionally supporting and nurturing new relationships and expressions of mission and ministry, particularly seeking to help local ideas be better recognised and affirmed.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Company is governed by its Articles of Association dated 28th March 2019, as approved at the Special General Meeting of member churches. The principal changes are:

Reduction in the number of trustees to a maximum of twelve (including the employee trustee).

Reduction in the number of employee trustees to a maximum of one.

Updating of the Articles in line with current practice from the Charity Commission.

Supporting these are procedures on electing trustees.

Trustees serve for up to a three year period and a maximum nine years.

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.

### **CUSTODIAN TRUSTEESHIP**

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 report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 16 May 2019 and signed on its behalf by:

Rev Dr S Oxley - Trustee

North Western Baptist Association

Statement of Trustees Responsibilities  
for the Year Ended 31 December 2018

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

**Independent examiner's report to the trustees of North Western Baptist Association ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2018.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies

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

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

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

Nicholas Stockton  
FCA  
Baldwins  
St Crispin House  
St Crispin Way  
Haslingden  
Lancashire  
BB4 4PW

14<sup>th</sup> June 2019

North Western Baptist Association

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	31.12.18 Total funds £	31.12.17 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	308,444	78,030	386,474	223,014
<b>Charitable activities</b>					
Mission and evangelism		15,770	-	15,770	9,616
Investment income	3	<u>1,962</u>	<u>-</u>	<u>1,962</u>	<u>2,141</u>
<b>Total</b>		326,176	78,030	404,206	234,771
<b>EXPENDITURE ON</b>					
Raising funds	4	9,134	-	9,134	10,264
<b>Charitable activities</b>					
Mission and evangelism		<u>413,064</u>	<u>17,103</u>	<u>430,167</u>	<u>301,553</u>
<b>Total</b>		422,198	17,103	439,301	311,817
Net (losses) gains on investments		<u>(23,187)</u>	<u>-</u>	<u>(23,187)</u>	<u>52,940</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(119,209)</u>	<u>60,927</u>	<u>(58,282)</u>	<u>(24,106)</u>
<b>Net movement in funds</b>		(119,209)	60,927	(58,282)	(24,106)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>953,067</u>	<u>39,513</u>	<u>992,580</u>	<u>1,016,686</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>833,858</u></u>	<u><u>100,440</u></u>	<u><u>934,298</u></u>	<u><u>992,580</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.



North Western Baptist Association

Balance Sheet

At 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	31.12.18 Total funds £	31.12.17 Total funds £
<b>Investments</b>					
Investments	11	619,366	95,423	714,789	760,646
Social investments	12	<u>204,185</u>	<u>-</u>	<u>204,185</u>	<u>221,705</u>
		823,551	95,423	918,974	982,351
<b>CURRENT ASSETS</b>					
Debtors	13	-	-	-	535
Cash at bank and in hand		<u>20,095</u>	<u>5,017</u>	<u>25,112</u>	<u>19,397</u>
		20,095	5,017	25,112	19,932
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>(9,788)</u>	<u>-</u>	<u>(9,788)</u>	<u>(9,703)</u>
<b>NET CURRENT ASSETS</b>		<u>10,307</u>	<u>5,017</u>	<u>15,324</u>	<u>10,229</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>833,858</u>	<u>100,440</u>	<u>934,298</u>	<u>992,580</u>
<b>NET ASSETS</b>		<u><u>833,858</u></u>	<u><u>100,440</u></u>	<u><u>934,298</u></u>	<u><u>992,580</u></u>
<b>FUNDS</b>					
Unrestricted funds	15			833,858	953,067
Restricted funds				<u>100,440</u>	<u>39,513</u>
<b>TOTAL FUNDS</b>				<u><u>934,298</u></u>	<u><u>992,580</u></u>

The notes form part of these financial statements

North Western Baptist Association

Balance Sheet - continued

At 31 December 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 16 May 2019 and were signed on its behalf by:

Rev Dr S Oxley -Trustee

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

### **Income**

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

### **Expenditure**

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### **Taxation**

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

### **Fund accounting**

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

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

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

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**2. DONATIONS AND LEGACIES**

	31.12.18	31.12.17
	£	£
Donations	22,866	25,918
Grants	284,573	162,391
Other income	<u>79,035</u>	<u>34,705</u>
	<u><u>386,474</u></u>	<u><u>223,014</u></u>

Grants received, included in the above, are as follows:

	31.12.18	31.12.17
	£	£
Baptist Union of Great Britain	256,073	151,891
Reyner Trust for use in Merseyside	-	1,000
Blackburn Project	-	3,500
Baptist Men's Movement	-	3,000
Young Leaders Programme	-	3,000
Other grants	<u>28,500</u>	<u>-</u>
	<u><u>284,573</u></u>	<u><u>162,391</u></u>

**3. INVESTMENT INCOME**

	31.12.18	31.12.17
	£	£
Rents received	-	500
Listed investment income	1,465	904
Unlisted investment income	200	200
Interest receivable on social investment loans	<u>297</u>	<u>537</u>
	<u><u>1,962</u></u>	<u><u>2,141</u></u>

**4. RAISING FUNDS**

**Investment management costs**

	31.12.18	31.12.17
	£	£
Portfolio management	<u>9,134</u>	<u>10,264</u>

**5. GRANTS PAYABLE**

	31.12.18	31.12.17
	£	£
Mission and evangelism	<u>170,183</u>	<u>53,227</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**5. GRANTS PAYABLE - continued**

The total grants paid to institutions during the year was as follows:

	31.12.18	31.12.17
	£	£
Pension deficit grants	37,800	36,402
Mission and equipment grants	14,305	16,450
Home Mission	<u>118,078</u>	<u>-</u>
	<u>170,183</u>	<u>52,852</u>

**6. SUPPORT COSTS**

	Management	Governance	Totals
	£	costs	£
	£	£	£
Mission and evangelism	<u>12,850</u>	<u>954</u>	<u>13,804</u>

**7. NET INCOME/(EXPENDITURE)**

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

	31.12.18	31.12.17
	£	£
Independent examiner fee	<u>750</u>	<u>924</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

Directors salaries of £51,373 (2017: £62,640) were paid during the year. These are authorised by the Memorandum and Articles.

Housing payments of £14,864 (2017: £20,960) and travelling expenses of £10,814 (2017: £15,135) were paid to the Regional Ministers.

**Trustees' expenses**

Other trustees received travelling expenses of £837 (2017: £Nil).

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**9. STAFF COSTS**

	31.12.18	31.12.17
	£	£
Wages and salaries	128,658	121,584
Social security costs	8,006	9,255
Other pension costs	<u>11,566</u>	<u>10,899</u>
	<u>148,230</u>	<u>141,738</u>

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

	31.12.18	31.12.17
Mission and evangelism	7	5
Administration	<u>1</u>	<u>1</u>
	<u>8</u>	<u>6</u>

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

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	222,628	386	223,014
<b>Charitable activities</b>			
Mission and evangelism	9,616	-	9,616
Investment income	<u>2,141</u>	<u>-</u>	<u>2,141</u>
<b>Total</b>	234,385	386	234,771
<b>EXPENDITURE ON</b>			
Raising funds	10,264	-	10,264
<b>Charitable activities</b>			
Mission and evangelism	<u>288,488</u>	<u>13,065</u>	<u>301,553</u>
<b>Total</b>	298,752	13,065	311,817
<b>Net gains/(losses) on investments</b>	<u>52,940</u>	<u>-</u>	<u>52,940</u>
<b>NET INCOME/(EXPENDITURE)</b>	(11,427)	(12,679)	(24,106)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	964,494	52,192	1,016,686
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>953,067</u>	<u>39,513</u>	<u>992,580</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**11. FIXED ASSET INVESTMENTS**

	Listed investments £	Unlisted investments £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2018	756,640	4,005	760,645
Additions	38,436	-	38,436
Disposals	(24,134)	-	(24,134)
Revaluations	(60,158)	-	(60,158)
At 31 December 2018	<u>710,784</u>	<u>4,005</u>	<u>714,789</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>710,784</u>	<u>4,005</u>	<u>714,789</u>
At 31 December 2017	<u>756,640</u>	<u>4,005</u>	<u>760,645</u>

There were no investment assets outside the UK.

**12. SOCIAL INVESTMENTS**

	Programme related investments		Totals £
	Loans £	Other investments £	
<b>MARKET VALUE</b>			
At 1 January 2018	18,430	203,275	221,705
Additions	298	-	298
Disposals	(6,850)	-	(6,850)
Write off of loans	(10,968)	-	(10,968)
At 31 December 2018	<u>910</u>	<u>203,275</u>	<u>204,185</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>910</u>	<u>203,275</u>	<u>204,185</u>
At 31 December 2017	<u>18,430</u>	<u>203,275</u>	<u>221,705</u>

Other investments- property in Melling, Merseyside.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.18 £	31.12.17 £
Other debtors	<u>-</u>	<u>535</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.18	31.12.17
	£	£
Accruals and deferred income	<u>9,788</u>	<u>9,703</u>

**15. MOVEMENT IN FUNDS**

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
<b>Unrestricted funds</b>				
General Fund	234,077	(119,507)	84,518	199,088
Social investments - property	203,276	-	-	203,276
Social investments - Loans	18,430	298	(17,818)	910
One year's running costs	200,000	-	-	200,000
East Lancashire Fund	127,184	-	-	127,184
Pension reserve	<u>170,100</u>	<u>-</u>	<u>(66,700)</u>	<u>103,400</u>
	953,067	(119,209)	-	833,858
<b>Restricted funds</b>				
Ministerial Emergency Fund	4,555	462	-	5,017
Merseyside Fund	34,958	(12,876)	-	22,082
Sale of Fishergate Church Preston	-	52,568	-	52,568
Skelmersdale Church refurbishment	<u>-</u>	<u>20,773</u>	<u>-</u>	<u>20,773</u>
	39,513	60,927	-	100,440
	<u>992,580</u>	<u>(58,282)</u>	<u>-</u>	<u>934,298</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	325,878	(422,198)	(23,187)	(119,507)
Social investments - Loans	<u>298</u>	<u>-</u>	<u>-</u>	<u>298</u>
	326,176	(422,198)	(23,187)	(119,209)
<b>Restricted funds</b>				
Ministerial Emergency Fund	462	-	-	462
Sale of Fishergate Church Preston	52,568	-	-	52,568
Skelmersdale Church refurbishment	25,000	(4,227)	-	20,773
Merseyside Fund	<u>-</u>	<u>(12,876)</u>	<u>-</u>	<u>(12,876)</u>
	78,030	(17,103)	-	60,927
	<u>404,206</u>	<u>(439,301)</u>	<u>(23,187)</u>	<u>(58,282)</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
<b>Unrestricted Funds</b>				
General Fund	52,034	(11,427)	193,470	<b>234,077</b>
Investment Property	203,276	-	-	<b>203,276</b>
Social investments - Loans	200,000	-	(181,570)	<b>18,430</b>
One year's running costs	200,000	-	-	<b>200,000</b>
East Lancashire Fund	127,184	-	-	<b>127,184</b>
Pension reserve	<u>182,000</u>	<u>-</u>	<u>(11,900)</u>	<u><b>170,100</b></u>
	964,494	(11,427)	-	<b>953,067</b>
<b>Restricted Funds</b>				
Ministerial Emergency Fund	4,544	11	-	<b>4,555</b>
Merseyside Fund	<u>47,648</u>	<u>(12,690)</u>	<u>-</u>	<u><b>34,958</b></u>
	52,192	(12,679)	-	<b>39,513</b>
<b>TOTAL FUNDS</b>	<u><u>1,016,686</u></u>	<u><u>(24,106)</u></u>	<u><u>-</u></u>	<u><u><b>992,580</b></u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	234,385	(298,752)	52,940	<b>(11,427)</b>
<b>Restricted funds</b>				
Ministerial Emergency Fund	386	(375)	-	<b>11</b>
Merseyside Fund	<u>-</u>	<u>(12,690)</u>	<u>-</u>	<u><b>(12,690)</b></u>
	386	(13,065)	-	<b>(12,679)</b>
<b>TOTAL FUNDS</b>	<u><u>234,771</u></u>	<u><u>(311,817)</u></u>	<u><u>52,940</u></u>	<u><u><b>(24,106)</b></u></u>

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018, except as disclosed in Note 8.

17. ULTIMATE CONTROLLING PARTY

The Charity is under the control of the Trustees. The members of the company are various churches in the North West of England. There are no Persons of Significant Control.

**18. BAPTIST MINISTERS PENSION FUND**

The Association is an employer participating in the Baptist Pension Scheme (BPS). This is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited).

From January 2012, pension provision for two employees of the Association is being made through the Defined Contribution plan within the BPS. Other employees' pension provision is with companies external to the BPS.

Benefits for one employee (2017: 1) in respect of service prior to 1st January 2012 are provided through the Defined Benefit (DB) Plan within the BPS. The main benefits; a defined benefit pension of 1/80th of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on pensionable income in excess of minimum pensionable income. The BPS closed to future accrual of defined benefits on 31st December 2011.

The table below summarises the main results of the most recent actuarial valuation of the DB Plan in the BPS. This was performed by a professionally qualified Actuary using the Projected Unit Method.

Date of valuation	31 December 2016
Date of next valuation	31 December 2019
Market value of scheme assets (A)	£219m
Technical provisions (B)	£312m
Deficit (A-B)	£93m
Funding level (A/B)	70%

As a result of the valuation the standard rate of deficiency contributions payable by churches and other employers involved in the DB Plan was increased from 11% of pensionable Income to 12% from 1st January 2016. The recovery plan envisages deficiency contributions continuing until 31 December 2028.

As there are several contributing employers participating in the BPS the Association is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly the expenditure for the year represents the employer contributions payable.

**Designated fund**

At the year end date the BPS has calculated an estimated employer debt of the Association of £103,400 assuming cessation on that date. A designated fund has been established to cover this estimated debt. The assumptions on which this calculation is based are not directly comparable with the above.