

NORTHERN BAPTIST ASSOCIATION

England & Wales · Charity number 1092595

Details

Status	Registered
Legal form	Charitable company
Company number	04340889
Registered	2002-06-24
Register	View on the Charity Commission register

Contact

Address	Westgate Baptist Church 366 Westgate Road Newcastle Upon Tyne NE4 6NX
Phone	07543 553182
Email	admin@thenba.org.uk
Website	www.thenba.org.uk

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN RELIGION ESPECIALLY BY THE MEANS OF AND IN ACCORDANCE WITH THE PRINCIPLES OF THE BAPTIST DENOMINATION.

Activities: Religious Activities

Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** ENGLAND AND WALES
- Darlington
- Durham
- Gateshead
- North Tyneside
- Northumberland
- Redcar And Cleveland
- South Tyneside
- Stockton-on-tees

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£288,475	£242,805	-	-
2023-12-31	£219,609	£203,038	-	-
2022-12-31	£215,621	£168,710	-	-
2021-12-31	£188,276	£170,034	-	-
2020-12-31	£156,062	£160,192	-	-

Trustees

Name	Role	Appointed
Gavin Paul Monument		2020-09-01
Philip Needham Dixon		2021-04-24
Rev David Peter Tubby		2025-04-26
Rev Johnny Pozzo		2023-06-19
Rev Karen Smith		2025-04-26
Rev Linda Donaldson		2023-06-19
Rev Mairi McBain		2023-05-13
Rev Michael Munroe		2024-09-14
Rev Paul Knight		2023-05-13
Rev Roy Searle		2023-05-13

Accounts



The Northern Baptist Association

A charitable company limited by guarantee.

Charity Number 1092595

Company Number 4340889

ANNUAL REPORT for the year ended 31 December 2024

ANNUAL REPORT



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STATUTORY INFORMATION

DIRECTORS AND TRUSTEES

Rev P Dixon

Rev L Donaldson – Regional Minister: Co-Team Lead

Rev Caroline Friend

Mrs A J Hegarty (term ended April 2024)

Mrs J Holder

Rev R Holland

Rev P Knight

Rev M McBain – Moderator

Mr G P Monument – Treasurer

Rev M Munroe (appointed September 2024)

Rev J Pozzo – Regional Minister: Co-Team Lead

Rev A V Ruddle

Rev R Searle – Home Mission representative

Company secretary Mrs H S Rowan

Registered office 366 Westgate Road, Newcastle upon Tyne, NE4 6NX

Company number 4340889

Charity registration number 1092595

Bankers

Unity Trust Bank plc, Four Brindley Place. Birmingham B1 2JB

CCLA Fund Managers Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Independent examiner John W Watson FCA

COMBINED TRUSTEES' AND DIRECTORS' REPORT

for the year ended 31 December 2024

Structure, governance and management

The Northern Baptist Association (NBA) is a company limited by guarantee which is registered as a charity with the Charity Commission. The Company has adopted Bylaws and a Memorandum and Articles of Association which together comprise its constitution. The members of the Company are the Baptist churches situated within the Northern region of England.

The Articles of Association require that an Annual General Meeting be held in each year and provide for the convening of other general meetings if required. Each member church has the right to appoint one or more representatives (depending on the number of persons in membership with the church) to attend and vote at general meetings, and each minister in post at a member church shall also be a representative.

The NBA has a Council whose members are the Directors of the Company and the Trustees for the purposes of the Charities Act. The Council consists of:

- up to twelve members elected by the representatives at the Annual General Meeting;
- the Regional Ministers appointed by the Association;
- the Association Treasurer, the BMS World Mission representative, and the Home Mission representative;
- up to four co-opted members to provide a balance of lay, ordained, experience, age, sex and ethnic origin membership among the member churches;
- up to three co-opted members from the Association's representatives on the Baptist Union Council.

The members of Council who served as Directors and Trustees during the year are shown on page 3.

Objectives and activities

The objective stated in the Memorandum of Association is the advancement of the Christian religion especially by the means of and in accordance with the principles of the Baptist denomination as set out in the Declaration of Principle of the Baptist Union of Great Britain. The NBA has reviewed and updated its mission statement to ‘building together for God’s Kingdom’ underpinned by our values of being centred on mission; creative in approach; relational at the core; spirit-led in practice; committed to justice and seeking well-being. Developing collaboration, providing training, supporting churches in their regular life and specific mission focus, as well as providing pastoral support to ministers and others remains at the heart of all that we do.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission’s public benefit guidance.

As a small Charity, the remainder of the Trustees’ Report focuses on the main activities undertaken by the NBA to further its charitable purposes for the public benefit.

From the Moderator

The Northern Baptist Association has been focusing on collaborative efforts to fulfil its mission and vision this year. By joining where God is already working, we're aiming to see the presence of Christ making a difference in lives and communities across the region.

At the time of writing, I am sorry to report that Johnny Pozzo, Regional Minister Co-Team Leader, is absent from ministry as he recovers from a heart attack; and we are very grateful for your prayers for him and Linda Donaldson, Regional Minister Co-Team Leader, as she leads the Association.

There have been some changes to the staff team serving the Association: Graham McBain resigned from being the Pastoral Facilitator in March; Clare Cockerill stepped down from the role of NBA Administrator in July and Susanna Hinton concluded her role as Wellbeing Facilitator in December – we give thanks for the contribution each made to the ministry of the NBA.

Dan Holland was appointed as the Safeguarding Lead in September, and we welcomed Hannah Rowan as Administrator in November. I trust you will enjoy reading the ministry updates given in this annual report.

Amanda Hegarty completed her term serving on the NBA Council we thank her for her contribution, and we welcomed Rev Micky Munroe to Council at our Council Away Day in November following his appointment as Trustee in September.

We have seen God at work across the region in churches and pioneering contexts and it has been wonderful to see the values of the Association being embraced and championed. It's clear we are a region rich in talent, but we continue to face considerable financial challenges. 2025 is an important year as the Baptist Union of Great Britain restructures its financial model; financial sustainability is the aim but difficult decisions may be required. Please join us as we continue to seek God's provision for the future mission and ministry here in the North-East.

We hold onto the truth that God's Kingdom is being revealed in every area of life and this brings a deep sense of peace and purpose. It's also a powerful reminder that God's transformation is always happening, even when we might not tune in closely to notice or discern the Holy Spirit in action. It has been a privilege to serve as Moderator in 2024, and I wish you peace, joy, and fulfilment as you serve the Lord in the year ahead.

Rev Mairi McBain: NBA Moderator

Ministry and Mission

Johnny Pozzo and Linda Donaldson's first full year in post as RM:Co-TLs proved to be a very steep learning curve, with many challenges to negotiate and also many joys and privileges along the way. For the Baptist Union it was a difficult year with the conclusion of the Ministerial Rules Consultation in March, and the ongoing Financial Model Review. This dominated much of the collective time at national gatherings of leaders whether Core Leadership Team, Regional Minister Team Leads gatherings or BU Council. The NBA finds itself at the sharp (or poor) end of that story which is a vulnerable place to be. This means that - more than most - the NBA needs resolution which offers sustainability. These national issues, particularly the Financial Model Review, were not only the backdrop to Johnny and Linda's first full year in post, but also to the first two years of the NBA operating under a new structure, which assumed an annual income of £140,000 enabling the team to function and the association to offer mission grants to our churches and ministries. Happily, in 2024 Home Mission Grants were made to seven ministries in the association.

Whilst there has undoubtedly been challenges and pressures, there were enormous blessings;

- Ordination and induction of 4 new ministers in the association.
- Conversations with others who believe God is calling them to the North-East, and those whom God may be calling into ministry.
- Lynn Green's visit to the Association, speaking on 'Seasons in Leadership'
- Ministers' conferences and clusters, a retired ministers' lunch and a-new-for-2024, and much appreciated, Pre-Advent Retreat. It was particularly timely that on the day after the General Election was announced we had a planned Ministers Conference with Rev Steve Tinning, Baptist Union Public Issues Enabler.
- Many and varied expressions of ministry and outreach taking place.
- Creative and innovative ministers and ministries from Berwick to Northallerton.

- Witnessing growth in many of our churches.
- Witnessing what we see as an emerging model for pioneering ministry between pioneers and inherited churches in two new locations.

The NBA staff team has undergone some changes again in 2024; with sadness we received the resignations of Rev Graham McBain as Pastoral Facilitator, Clare Cockerill as administrator and Susanna Hinton's term in post came to an end. We are grateful for each of their contributions to the NBA and grateful they all remain in ministry in some form in the North-East.

We were delighted that Dan Holland agreed to extend his hours with the NBA to become the Association Safeguarding Lead, in addition to his role as Children and Young Families Facilitator. Hannah Rowan joined the team in November 2024, bringing excellent administrative and organisational skills and very quickly becoming a much-valued team member.

As 2025 approaches, the Staff and Trustees of the NBA continue to endeavour to retain our focus, as expressed in the NBA vision: Building Together for God's Kingdom. To that end, in all that we do, we seek to continue to be:

Centred on Mission
 Creative in Approach
 Relational at the Core
 Spirit-Led in Practice
 Committed to Justice
 Seeking Well-being

In 2025 we are looking forward to creating space and time to continue to listen to God, to think creatively, strategically, and missionally and to serve the churches and ministries of the NBA as God would lead us.

Finally, we record our thanks to excellent staff, past and present and to the NBA Trustees for their wisdom, encouragement, support and their time so freely and tirelessly given.

Rev Johnny Pozzo & Rev Linda Donaldson: Regional Minister: Co-Team Leads

Ministerial Formation

2024 has been a busy year and a year of change as we continue to prioritise the development of godly leaders. The implementation of EXPLORE – an internship programme for 18–26-year-olds offering ministry, mentoring and theological training has seen the collaboration of Northwest Baptist Association, Northern Baptist College and with Dan Holland, CYF Facilitator leading for the NBA. In its first year we have been able to appoint two interns, one based in Whitley Bay Baptist Church and another in Oxford Road Baptist Church, Hartlepool.

NBC Hub At Cranmer Hall

Sadly, in the summer of 2024, the decision was taken to discontinue the Northern Baptist College Hub at Cranmer Hall, St John's College. There were several reasons for this; lower numbers of people enquiring about ministerial formation and a lack of recruitment directly from those studying at Cranmer on the Free Church Track meant that in the academic year beginning September 2024 we had no students. Northern Baptist College's other Hubs were also winding down and it seems that this season was drawing to a close.

We give thanks for a season of ministerial formation which continues to produce riches in our association in those ministers who studied at Cranmer over the last 8 years; and look forward to the new thing God will do in our midst.

Ministers in Training (MIT) and Recognised Local Ministers in Training (RLM)

As we had only one MIT in the NBA in 2024 we combined the formation group required in the formation of RLMs with the Discipleship Group which was the weekly meeting of MITs in Cranmer Hall. This has become an online formation Group as we welcomed one RLM in training from Northwest Baptist Association

MITs

Karen Smith (until July 2024)	Alnwick Baptist Church
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RLMs

Amanda Hegarty:	West View Baptist Church, Hartlepool
Marion Hodgson:	Bishop Auckland Baptist Church

Newly Accredited Ministers (NAMs)

In 2024 we had six newly accredited ministers at different points in their NAMs process. Each NAM has a NBA mentor and a NAMs college supervisor for ongoing theological reflection and learning and for ministerial and spiritual support. We are grateful to those ministers who give their time to support NAMs in our association in that way.

Current NAMs:

Rev Mairi McBain (2 nd year):	Pioneer Minister, Hartlepool
Rev Fiona Preston (2 nd year):	Headland Baptist Church, Hartlepool
Rev Peter Webster (2 nd year):	Grange Rd Baptist Church, Jarrow
Rev Aileen Innes (1 st year):	Stocksfield Baptist Church
Rev Karen Smith (1 st year):	Pioneer Minister, Alnwick Baptist Church
Rev David Schannen (1 st year):	Community Minister, Whitley Lodge Baptist Church

Inductions and Ordinations

It's been a huge joy and privilege to see the following ministers ordained and inducted into ministry in the NBA in 2024.

Inductions

Mr Ross Smith:	Co-Pastor, Westgate Baptist Church
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Ordinations and Inductions

Rev Aileen Innes:	Minister, Stocksfield Baptist Church
Rev Karen Smith:	Pioneer Minister, Alnwick Baptist Church
Rev David Schannen:	Community Minister, Whitley Lodge Baptist Church

Transfers to List of Fully Accredited Ministers

In 2024 we saw two of our ministers complete their newly accredited ministers' studies and were blessed to interview them in November. Congratulations to Rev Rachel Holland (Portrack) and Rev Mark Hubbard (Redcar) who will now transfer to the list of fully accredited ministers.

Rev Linda Donaldson: Regional Minister: Co-Team Lead/Ministry & Formation

Administrator's Report

Our NBA Administrator, Clare Cockerill, resigned from her post in July 2024. Following a recruitment process, Hannah Rowan was appointed as Administrator from 1st November 2024. Hannah divides her time between working at home and working at an office in Westgate Baptist Church. Outside of her NBA employment, Hannah is studying at Cranmer Hall for a Higher Education Certificate in Ministry, Mission and Theology with a Children & Youth focus.

The main focus of the Administrator role is to be a first point of contact for the NBA. This tends to be through email although it can also be phone calls. Checking and answering emails tends to be the focus of each morning. Time is spent throughout the month preparing and compiling the monthly e-newsletter which goes out in the last week or first week of the month. They also take minutes at meetings, post on social media, and update the website. She also updates the minister's details on Dynamo, the national database of ministers and churches and uploads the minister's documents to MIX, the Baptist Union's document centre. This includes the Ministerial Recognition documents. The Administrator works directly for the Regional Ministers and meets with them weekly in an admin meeting. In addition they book and manage events, liaise with churches, and produce publicity. Organising safeguarding training is an important part of their role which includes liaising with our Safeguarding Lead and trainers, organising a host church, publicity, managing the booking on the WIX booking management system and after the training has happened, they update the safeguarding database and issue certificates. They also manage ministers' Disclosure and Barring Service (DBS) checks and meet with them to verify their documents.

The administrator hours were reduced from 20 hours to 15 hours a week from 1st November, and Hannah therefore works 9.30am-2.30pm Wednesday, Thursday and Friday.

We extend thanks to Hannah Rowan, Association Administrator

Home Mission

At our annual NBA assembly in Newcastle, Roy Searle, our Home Mission Co-ordinator shared his observation that in the midst of many challenges, there is a real sense that the Spirit of God is moving and there is a wonderful, diverse kaleidoscope of missional happenings bringing life, light and hope to individuals and communities within the North East. Nothing since then has changed their opinion. The world is being shaken and so much is unravelling. In the midst of the uncertainty is a reminder that our calling is to love God and our neighbour. It's the **Great Commandment and the Great Commission**.

Home Mission is integral to that calling, both individually within our local churches and pioneering initiatives and together as an association. Our very low-key NBA Home Mission strategy: **PEGS - partnership, encouragement, giving and support** was shared at our NBA Gathering. Associating together may take more effort but in a difficult economic climate we want to encourage mutual support, learning and to bring encouragement and foster our belonging together.

We are incredibly grateful for individuals and for every church that has continued to support Home Mission. Your generosity and commitment to stand with others ensuring the good news of the gospel is greatly needed and much appreciated.

As a result of Home Mission giving we were really encouraged in 2024 to make grants in support of the following ministries:

- New Life Baptist Church, Northallerton
- Bishop Auckland Baptist Church
- Portrack Baptist Church
- Oxford Road Baptist Church
- Whitley Lodge Baptist Church
- Alnwick Baptist Church
- Berwick Baptist Church
- South Bank Baptist Church
- Hartlepool Headland Baptist Church
- The EXPLORE internship programme.

We are also hugely encouraged and very grateful for the support of the Baptist Insurance Company which awarded £12,000 to NBA churches and ministries in 2024. We are grateful too for the collaboration in mission made possible by partnering with the Lady Hewley Trust.

PEGS - partnership, encouragement, giving and support makes a difference. It helps in the fulfilling of the Great Commandment in the Great Commission. It makes the sharing of God is good news to the North-East possible.

Let's continue to journey together, as an association, to see the kingdom of God come here on earth as it is in heaven.

We extend thanks to Rev Roy Searle, NBA Trustee & Home Mission Representative

Children, Youth and Families' Facilitation (CYF)

We have seen another busy year amongst Children's Youth and Family Work across the NBA. In February the CYF Facilitator was part of a gathering of youth workers looking at how CYF Renew Wellbeing spaces are working in the North. One of the first of these spaces is being pioneered in the NBA.

In March, the CYF Facilitator joined the CYF Roundtable in Stafford, gathering with others to talk about the latest needs and challenges in CYF work. In October the CYF Roundtable met jointly with the Young Adult Roundtable, gathering specialists from across the Baptist family to discuss how churches and regions can help support times of transition for children, youth and young adults. It was exciting to have three representatives from the NBA as part of these conversations.

It is also exciting that the NBA's CYF Facilitator has been asked to be part of the core team for the CYF Roundtable and also to represent children and young people (and the NBA) as part of the Baptist Council.

One big highlight of this year was the launch of our new internship program - Explore in September. This year we have four interns on the Explore program across both the NBA and the North Western Baptist Association (NWBA). Explore is a partnership between both associations and Northern Baptist College. The program has been going well with the interns in the NBA offering a lot to their local churches, as well as being drawn into regional and national Baptist Life. We're excited about the prospect of future interns and church placements.

Throughout the year the CYF Facilitator has been involved in supporting youth groups. It has been a pleasure to meet young people and their leaders.

Once again the CYF Facilitator has been heavily involved with planning and running the Kairos Christian Youth Camp. It was an excellent few days over the August bank holiday and it was great to have more NBA groups involved.

Events and Developments to look out for in 2025

CYF Away Day: we are planning another CYF Away Day for leaders and volunteers. It will be a great chance to share and spend some time together reflecting on our work and how best we can serve children, youth and families in the NBA over the year.

Youthscape Essentials Course; a youth volunteer training course seeking to equip those volunteering with young people and so better supporting youth work in the NBA. The CYF Facilitator is licensed and trained to run this course and will be doing so in partnership with the Yorkshire Baptist Association. Hopefully a great time of learning and reflection.

Refresh training day: The CYF Facilitator is part of an ecumenical team heading up this day aimed at equipping CYF workers across the North East.

We extend thanks to Dan Holland: CYF Facilitator

Safeguarding

A safeguarding lead was employed by the NBA in September 2024. This has been a busy year for safeguarding training with 194 L2 and L3 safeguarding qualifications completed. This number shows how highly churches across the NBA value safeguarding training, which is encouraging.

Up until September, Linda Donaldson was acting safeguarding lead ably supported by the national safeguarding team. This support and guidance will continue as the new safeguarding lead will now be part of the National Safeguarding Core Group which meets both in person and online over the course of the year.

For 2024, safeguarding training has been delivered by Tim Presswood, a regional minister with the NWBA. Tim will continue offering L3 training and some L2 sessions in 2025.

Excitingly, the NBA Safeguarding Lead has been through the train-the-trainer training and so in 2025 he will also be offering L2 training sessions.

In 2025, more L2 and L3 training sessions are available as well as further training for Designated Persons for Safeguarding (DPS) and DBS verification training. Also coming up this year is a DPS/Deputy DPS and Safeguarding Trustee Afternoon Tea which seeks to gather and support those people responsible for safeguarding in the individual churches in the NBA.

We extend thanks to Dan Holland, Association Safeguarding Lead

Pastoral Facilitator

Graham McBain was in post as Pastoral Facilitator until March 2024 when he was offered work with Sustrans in the Hartlepool Walking and Cycling Hub. Graham noted at the time that the overlap and symmetry of the Sustrans work with his community pastor role was incredible and hard at times to differentiate between the two; while sad to lose Graham from the team, we were delighted with this development in his community ministry in Hartlepool. By March 2024 the ministers' clusters had been set up (the purpose of the Pastoral Facilitator post), and therefore the task appeared largely complete.

Following Graham's resignation, Rev Johnny Pozzo has provided the clusters with a link to the Association Team.

In addition to the three geographical clusters (northern, middle and southern), a cluster bringing together Pioneer ministers across the association has begun to meet in 2024.

We extend thanks to Rev Graham McBain

Renew Wellbeing Facilitator

The Renew Wellbeing Facilitator role came to an end in December 2024 and therefore Susanna Hinton stepped down from her role with the NBA Team at the end of the year. Before doing so, she organised and led a pre-advent retreat for ministers and church leaders entitled “Let the Important Overwhelm the Urgent”. This was well-attended and very much appreciated with requests received for an annual such event (watch this space).

Susanna was an integral part of the team and we are grateful that she continues with her own wellbeing work in ‘Feet of Faith’ and serves as an elder in one of our churches - New Life BC, Northallerton.

In the course of the two year position, Susanna oversaw the development of two new Renew Wellbeing (RW) spaces in Hartlepool, and crucially witnessed the language of wellbeing becoming more accepted all around the association. Susanna’s observation was that the focus on wellbeing raised awareness of the need to look after everyone’s wellbeing, whether that be church members, the local community, or ministers.

Susanna noted:

“ As I have travelled round the region, I have noted how many churches are providing spaces for their communities that offer multiple ways to help people look after their wellbeing as well as their physical needs. Although there are now only two more Renew Wellbeing spaces running from Baptist Churches, there are now ten in total in the North-East (as far south as Thirsk), run by several denominations.”

We extend thanks to Susanna Hinton.

BMS World Mission

Unfortunately in 2024 we were unable to appoint a NBA Trustee as association representative to BMS. While Rev Johnny Pozzo has assumed this role in the meantime, we are actively seeking to make an appropriate appointment.

Financial Summary

Key changes

This financial year has been one of consolidation for the Association. As our regional ministers own their own properties the manse the association owned was deemed surplus to requirements and sold. We were also able to provide additional grant support into mission-based schemes in churches due to additional support funding provided by BUGB. We continued to be blessed by the work of Rev L Donaldson and Rev J Pozzo in their capacity as our job share Regional Minister: Co-Team Leads.

Income

During the year, total income of the Association increased by £69,000. This was primarily as a result of additional support funding from BUGB of £50,000, recognising the baseline needs of the association to be able to support mission work across the region. The association also received additional support from the Lady Hewley Trust to support our pioneering project across Hartlepool. Furthermore, there was a net gain of £85,000 arising from the sale of the manse after accounting for the repayment of the loan from YBA and associated estate agent and solicitors' fees.

Expenditure

The total expenditure of the Association increased by £128,000. The main cause of this was the loan repayment to the YBA. The association was also able to increase mission grants by £45,000. The costs of the staff team rose by £16,000, mostly due to 2023 seeing savings arising from vacancies in the regional minister and administrator roles. 2024 also saw a reduction in contracted staff, where time-bound roles were concluded, including the pioneer and pastoral facilitator roles.

Net resources

The sale of the manse, which also allowed the transfer of those funds from Designated funds to Unrestricted Funds, meant that net resources increased by £52,000. Unrestricted funds now stand at £300,000 (£75,000 at the end of 2023).

Looking ahead

Baptists Together continues the work on its financial review since mid-2024, but have pre-empted this by recognising the material reduction in Home Mission levels nationally. The position will be extremely challenging and Baptists Together have agreed a Transitional Support Fund for 2025 in order to continue planned levels of service without having to make significant reductions before the result of the financial review is published. The NBA remains successful at bringing in resources to support pioneering work, maintaining our ability to support churches in 2025 through a grants budget of £89,000 (£112,000 in 2024).

Reserves

It is the policy of the Trustees to seek to maintain unrestricted reserves in the Association's General Fund equivalent to a minimum of 50% of the Association's annual unrestricted expenditure. The long-term funding position remains uncertain so Trustees will look to exceed this to hold reserves that will support a manageable transition to the new funding arrangements, when announced.

The Trustees declare that they have approved the Trustees' report (including Directors' report) above.

Linda Donaldson

Rev L Donaldson

7 April 2025

Regional Minister: Co-Team Lead

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as Directors of the company, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company at the end of the financial year and of its surplus or deficit for the year. In doing so, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operational existence.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

REPORT OF THE INDEPENDENT EXAMINER

to the Trustees/Directors of The Northern Baptist Association
(company number 4340889) (“the Company”)

I report on the financial statements of the Company for the year ended 31 December 2024, which are set out on pages 22 to 30.

Responsibilities and basis of report

As the Charity’s Trustees of the Company (who are also the Directors of the company 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 for this year 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

The charity’s gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.

J W Watson

John W Watson FCA
43 Norham Drive Morpeth NE61 2XA

7 April 2025

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2024

	Note	2024				2023			
		Unrestricted £	Designated £	Restricted £	Total £	Unrestricted £	Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS									
Donations and legacies	2	3,980	–	–	3,980	27,450	–	–	27,450
Investment income	3	6,177	–	–	6,177	5,101	–	–	5,101
Income from Charitable activities	4	198,995	–	–	198,995	149,420	–	–	149,420
Other income	5	79,323	–	–	79,323	37,638	–	–	37,638
Total income and endowments		288,475	–	–	288,475	219,609	–	–	219,609
EXPENDITURE									
Expenditure on Charitable activities	6	(242,805)	–	–	(242,805)	(203,038)	–	–	(203,038)
Total expenditure		(242,805)	–	–	(242,805)	(203,138)	–	–	(203,138)
Net income/(expense) for the year before transfers		45,670	–	–	45,670	16,571	–	–	16,571
Transfers between funds	14	172,500	(172,500)	–	–	–	–	–	–
Other Gains	14	6,714	–	–	6,714	–	–	–	–
NET MOVEMENT IN FUNDS		224,884	(172,500)	–	52,384	16,571	–	–	16,571
Total funds brought forward		75,078	200,892	–	275,970	58,507	200,892	–	259,399
TOTAL FUNDS CARRIED FORWARD		299,962	28,392	–	328,354	75,078	200,892	–	275,970

All of the above arises from continuing operations. The Charity has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses is presented.

BALANCE SHEET

as at 31 December 2024

	Note	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS					
Tangible fixed assets	9	–		172,500	
Investments	10	<u>2,355</u>		<u>2,355</u>	
			2,355		174,855
CURRENT ASSETS					
Debtors	11	–		12,325	
Cash at bank and in hand	12	<u>327,520</u>		<u>182,494</u>	
		327,500		194,820	
CURRENT LIABILITIES					
Creditors	13	<u>(1,521)</u>		<u>(93,704)</u>	
NET CURRENT ASSETS			325,999		101,115
NET ASSETS			<u>328,354</u>		<u>275,970</u>
CHARITY FUNDS					
Endowment	14	–		–	
Restricted	14	–		–	
Designated	14	28,392			200,892
Unrestricted	14	299,962			75,078
TOTAL CHARITY FUNDS	15	<u>328,354</u>			<u>275,970</u>

For the year ended 31 December 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. At the request of the Directors an independent examination of the financial statements has been carried out in accordance with the general Directions given by the Charity Commission and the Independent Examiner's Report is on page 21.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes on pages 24 to 30 form an integral part of these financial statements.

These financial statements were approved by the Directors on 7 April 2025 and signed on their behalf by:

Linda Donaldson

G P Monument

Rev L Donaldson
Regional Minister: Co-Team Lead & Director
Company number: 4340889

Mr G P Monument
Treasurer and Director

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); and with the Charities Act 2011. The Charity has claimed the exemption in accordance with section 7 of FRS 102 not to prepare a cash flow statement.

The Northern Baptist Association is a registered Charity, number 1092595, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

Donations are accounted for gross when received and will include any tax reclaimed on amounts received under gift aid.

Legacies

Legacies are accounted for on the earlier of notification of an impending distribution and the legacy being received, provided that the legacy can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable

The Charity makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office and governance costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold land and buildings	Not depreciated
Office Equipment	50% straight line

Freehold land and buildings comprised a manse which was sold in 2024.

Investment assets

Investments are initially recognised at cost. Subsequently they are measured at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 Accounting policies (continued)

Cash at bank and in hand

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the Charity. Income arising from endowment funds can be used in accordance with the objects of the Charity and is included in unrestricted income. Any capital gains or losses arising on investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Employee benefits

The Association operates a Defined Contribution (DC) Pension Plan for its employees (note 16). A DC plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid, the Association has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid at the year-end are shown in accruals in the balance sheet. The assets of the plan are held separately from the Association in an independently administered fund.

Prior to 2012, pension provision was made through a multi-employer Defined Benefit (DB) Pension Plan. The Association settled its deficit to this pension plan in 2019.

2 Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
Donations and legacies	2,589	—	—	2,589	26,574
NBA Gathering Income	295	—	—	295	456
Contributions to preaching costs	1,096	—	—	1,096	420
	3,980	—	—	3,980	27,450

During the year ended 31 December 2023 all of the income related to unrestricted funds.

3 Investment income

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
CCLA COIF Charities Deposit	5,977	—	—	5,977	4,901
Fund interest	200	—	—	200	200
Investment income	6,177	—	—	6,177	5,101

During the year ended 31 December 2023 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2024

4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
Baptist Union of Great Britain Core Funding	198,995	–	–	198,995	149,420
	198,995	–	–	198,995	149,420

During the year ended 31 December 2023 all of the income related to unrestricted funds.

5 Other income

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
Grant from Lady Hewley Trust	71,390	–	–	71,390	29,826
Other grants	–	–	–	–	1,250
Course Fee Income	3,164	–	–	3,164	5,145
Other income	4,769	–	–	4,769	1,417
	79,323	–	–	79,323	37,638

During the year ended 31 December 2023 all of the income related to unrestricted funds.

6 Expenditure on Charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
Grants payable	112,624	–	–	112,624	77,106
Staff salaries	69,585	–	–	69,585	54,882
Employer's National Insurance	–	–	–	–	1,080
Employer's pension contributions	7,996	–	–	7,996	5,220
Contracted staff	16,670	–	–	16,670	24,204
Housing expenses	15,905	–	–	15,905	13,019
Conferences and courses	2,365	–	–	2,365	2,470
Travel expenses	7,059	–	–	7,059	8,358
Committee travel and expenses	169	–	–	169	337
NBA Gatherings	–	–	–	–	23
Loan repayments	893	–	–	893	6,075
Legal and Professional Fees	3,150	–	–	3,150	–
Other expenses	3,243	–	–	3,243	5,933
	239,659	–	–	239,659	198,707
<i>Support costs:</i>					
Telephone, stationery, postage	1,772	–	–	1,772	2,354
Depreciation of equipment	–	–	–	–	214
Insurance	1,374	–	–	1,374	1,763
	242,805	–	–	242,805	203,038

During the year ended 31 December 2023, all expenditure related to unrestricted funds.
The average number of employees during the year was 3 (2023: 3).

No employee received emoluments in excess of £60,000 during either the current or previous year.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2024

7 Grants and donations payable

	Unrestricted £	Designated £	Restricted £	Total 2024 £	Total 2023 £
Home Mission grants					
<u>Annual grants</u>					
Alnwick	5,000	—	—	5,000	—
Berwick	3,250	—	—	3,250	3,250
Bishop Auckland	4,000	—	—	4,000	—
College Tutor	—	—	—	—	2,797
Hartlepool, Headland	70,101	—	—	70,101	65,103
Marsden Road	—	—	—	—	1,000
New Life Northallerton	3,294	—	—	3,294	—
Northern Baptist College	10,000	—	—	10,000	—
Oxford Road	3,040	—	—	3,040	—
Portrack	3,643	—	—	3,643	—
Redcar	—	—	—	—	4,500
Southbank	5,000	—	—	5,000	—
Whitley Lodge	5,000	—	—	5,000	—
	112,328	—	—	112,328	76,650
Donations					
BMS World Mission	148	—	—	148	228
Home Mission	148	—	—	148	228
	112,624	—	—	112,624	77,106

During the year ended 31 December 2023 all amounts paid related to unrestricted funds.

8 Trustees' remuneration and expenses

The following payments were made to Trustees under Section 5d, 5e and 6 of the Memorandum of Association:

	2024 £	2023 £
Salaries	58,168	41,520
Pension costs	6,746	4,073
Housing expenses	16,352	7,670
Travel expenses	6,995	8,198
	88,261	61,461

Rev. L Donaldson acts as one of the Association's Trustees and received remuneration of £38,378, housing expenses of £7,773 and travel expenses of £1,965. In addition, the Charity made pension contributions totalling £4,465.

Rev. J Pozzo acts as one of the Association's Trustees and received remuneration of £19,790, housing expenses of £8,579 and travel expenses of £5,030. In addition, the Charity made pension contributions totalling £2,281.

During the year, excluding expenses set out in the above table, further expenses of £107 were incurred by one Trustee. These expenses were in relation to travel and subsistence.

The Trustees are the key management personnel of the Charity.

The pensions costs relate to employer contributions to the Defined Contribution plan within the Baptist Pension Scheme.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2024

9 Tangible fixed assets

	Freehold land & buildings	Fixtures, fittings and equipment	Total 2024	Total 2023
	£	£	£	£
At the beginning of the year	172,500	1,079	173,579	173,579
Additions	–	–	–	–
Disposals at cost	(172,500)	–	(172,500)	–
At end of the year	–	1,079	1,079	173,579

Depreciation and impairments

	Basis Rate	None	Straight Line 50%	
At beginning of the year		–	1,079	1,079
Disposals		–	–	–
Depreciation		–	–	214
At end of the year		–	1,079	1,079

Net book value

Net book value at the beginning of the year	172,500	–	172,500	172,714
Net book value at the end of the year	–	–	–	172,500

In 2024, the charity sold its freehold property for £176,000. This property served the purpose as a manse for a previous Regional Minister and was deemed surplus to requirements.

The sale also required the charity to repay the balance of a £100,000 loan from the Yorkshire Baptist Association (YBA) (see note 14).

10 Investments

	2024 £	2023 £
Cost		
At 1 January	2,355	2,355
Additions	–	–
Disposals	–	–
At 31 December	2,355	2,355

The investments are analysed as:-

	2024 £	2023 £
Baptist Insurance Company plc – 471 £5 shares fully paid	2,355	2,355
	2,355	2,355

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2024

11 Debtors

	2024 £	2023 £
Prepayments and other debtors	—	12,325

12 Cash at bank and in hand

	2024 £	2023 £
Unity Trust Bank plc	206,684	67,547
CCLA COIF Charities Deposit Fund	120,836	114,948
	327,520	182,495

13 Creditors

	Amounts falling due within one year		Amounts falling due after one year	
	This year £	Last year £	This year £	Last year £
Accrued expenses and deferred income	1,521	2,311	—	—
Loan from YBA	—	4,917	—	86,476
	1,521	7,228	—	86,476

14 Summary of fund movements

	Balance brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Balance carried forward £
Unrestricted					
General Fund	75,708	295,189	(242,805)	172,500	299,962
Designated					
Mission Support Fund	28,392	—	—	—	28,392
Manse	172,500	—	—	(172,500)	—
Restricted					
	—	—	—	—	—
	275,970	383,519	(331,135)	—	328,354

Manse

The manse (freehold land buildings) was sold in 2024 after Trustees deemed it surplus to requirements. The outstanding balance on the loan from YBA was settled from the proceeds of the sale. As there are no restrictions on proceeds, the funds have been transferred to the General Fund.

	£
Sale Price	176,150
Remove net value in 2023 accounts	(172,500)
Loan repayment to YBA on sale	(88,329)
Outstanding loan (creditors) as at end of 2023 (see note 13)	91,393
Surplus on sale of asset	6,714

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2024

15 Analysis of net assets

	Fixed assets	Investments	Current assets	Current liabilities	Provisions	Total
	£	£	£	£	£	£
Endowment funds	–	–	–	–	–	–
Restricted funds	–	–	–	–	–	–
Designated funds	–	–	28,392	–	–	28,392
Unrestricted funds	–	2,355	299,128	(1,521)	–	299,962
	–	2,355	327,520	(1,521)	–	328,354

16 Pensions

Baptist Pension Scheme

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

The Ministers and staff employed by the Association are eligible to join the Scheme.

The Scheme, previously known as the Baptist Ministers’ Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final 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.

In 2019 the Association enacted a voluntary cessation event under Section 75 of the Pensions Act 1995. This made the Association liable for a proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its current and previous Ministers who were members of the Scheme prior to 2012. The Association settled its debt during 2019 and now has no further obligations to the DB Plan within the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members’ Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The total Defined Contribution pension cost for the Association for the year was £7,996 (2023 £5,220).

17 Related party transactions

There were no related party transactions, other than those with the Trustees (note 8), in either the current or previous year.

18 Funding commitments

The Charity is committed to paying £69,077 of Home Mission grants during the year ending 31 December 2025 subject to certain conditions being satisfied.

These funding commitments are not recognised as a liability or provision within these financial statements.

Accounts



The Northern Baptist Association

A charitable company limited by guarantee.

Charity Number 1092595

Company Number 4340889

ANNUAL REPORT for the year ended 31 December 2023

ANNUAL REPORT



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STATUTORY INFORMATION

DIRECTORS AND TRUSTEES

Rev P Dixon

Rev L Donaldson – Regional Minister: Co-Team Lead (appointed September 2023)

Rev Caroline Friend

Mr J Hedges (resigned April 2023)

Mrs A J Hegarty

Mrs J Holder

Rev R Holland

Mrs P Hyde - BMS World Mission representative (resigned December 2023)

Rev P Knight (appointed May 2023)

Rev M McBain – Moderator (appointed May 2023. Appointed Moderator November 2023)

Mr G P Monument - Treasurer

Rev V Pansacala (resigned January 2024)

Rev J Pozzo – Regional Minister: Co-Team Lead (appointed July 2023)

Rev A V Ruddle (resigned as Moderator February 2023)

Rev R Searle – Home Mission representative (appointed March 2023)

Mrs J Steel - Home Mission Co-ordinator (appointed Moderator March 2023, resigned November 2023)

Rev D P Tubby (resigned March 2023)

Rev H Young - Regional Minister, Strategy and Transition (resigned June 2023)

Company secretary Mrs C M Cockerill

Registered office 52-54 High Street, Northallerton, North Yorkshire DL7 8EG

Company number 4340889

Charity registration number 1092595

Bankers

Unity Trust Bank plc, Four Brindley Place. Birmingham B1 2JB

CCLA Fund Managers Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Independent examiner John W Watson FCA

COMBINED TRUSTEES' AND DIRECTORS' REPORT

for the year ended 31 December 2023

Structure, governance and management

The Northern Baptist Association (NBA) is a company limited by guarantee which is registered as a charity with the Charity Commission. The Company has adopted Bylaws and a Memorandum and Articles of Association which together comprise its constitution. The members of the Company are the Baptist churches situated within the Northern region of England.

The Articles of Association require that an Annual General Meeting be held in each year and provide for the convening of other general meetings if required. Each member church has the right to appoint one or more representatives (depending on the number of persons in membership with the church) to attend and vote at general meetings, and each minister in post at a member church shall also be a representative.

The NBA has a Council whose members are the Directors of the Company and the Trustees for the purposes of the Charities Act. The Council consists of:

- up to twelve members elected by the representatives at the Annual General Meeting;
- the Regional Ministers appointed by the Association;
- the Association Treasurer, the BMS World Mission representative and the Home Mission representative;
- up to four co-opted members to provide a balance of lay, ordained, experience, age, sex and ethnic origin membership among the member churches;
- up to three co-opted members from the Association's representatives on the Baptist Union Council.

The members of Council who served as Directors and Trustees during the year are shown on page 3.

Objectives and activities

The object stated in the Memorandum of Association is the advancement of the Christian religion especially by the means of and in accordance with the principles of the Baptist denomination as set out in the Declaration of Principle of the Baptist Union of Great Britain. The NBA has reviewed and updated its mission statement to 'building together for God's Kingdom' underpinned by our values of being centred on mission; creative in approach; relational at the core; spirit-led in practice; committed to justice and seeking well-being. Developing collaboration, providing training, supporting churches in their regular life and specific mission focus, as well as providing pastoral support to ministers and others remains at the heart of all that we do.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

As a small Charity, the remainder of the Trustees' Report focuses on the main activities undertaken by the NBA to further its charitable purposes for the public benefit.

From the Moderator

This year has seen the Northern Baptist Association continue in its vision to build together for God's Kingdom and we have resonated with the theme of 'changing landscapes' as we have sought together to join in where we have seen God at work to see lives and communities transformed by the presence of Christ.

Those serving as part of the Association team began their ministries in January and you can read more of their work later in this report. We have also seen Council members leave and join us and want to thank Dr Penny Hyde and Jess Steele for their leadership on Council for safeguarding, BMS World Mission and as Moderator.

Rev Hayley Young, our Regional Minister for Strategy and Transition, responded to a call to serve the Baptist movement in another Association, and we thank God for her strategic thinking, energy and commitment to scoping the foundations for this season in the Association's mission and ministry. At our Annual General Meeting in May we were delighted to announce that Rev Linda Donaldson and Rev John Pozzo would serve as Regional Ministers in a co-leadership, job share capacity and they were inducted into their role on 1st October 2023 at Heaton Baptist, Newcastle.

We have seen God at work across the region in churches and pioneering contexts and it has been wonderful to see the values of the Association being embraced and championed. We are an Association facing incredible financial challenges, and very much look forward to discovering the results of the Baptists Together National Funding Review in June 2024. You will see from our accounts that we are very grateful for the financial support from grant awarding organisations to be able to operate and we continue to seek God's provision for the future mission and ministry here in the Northeast.

We are living through an epoch changing time in history when established churches are adapting to changing landscapes. Nevertheless, we hold on to the truth that God's Kingdom is being revealed across our Association and we know that in all things the Lord is making all things new (Revelation 21:5).

I was appointed to the role of Moderator in October 2023, and I take this opportunity to wish you every blessing as we serve together. May you know peace and joy in the coming days.

Mairi

Rev Mairi McBain

Ministry and Mission

2023 brought both encouragements and challenges, new beginnings and endings, all of which were accompanied by a continuing sense that God is doing something new in the Northern Baptist Association.

The work undertaken in 2022 by the Regional Minister for Strategy and Transition identified and implemented a new staffing structure which was configured to address the following priority areas arising from the established vision and values of the NBA

(www.thenba.org.uk/values):

Developing and Investing in Leadership (including Continuing Ministerial Development (CMD), lay leadership)

Children, Youth and Families

Mission: Pioneering and Planting

Seeking Well-being

Following successful recruitment in late 2022, the newly appointed staff team took up their posts in January 2023 with a remit to embed the vision and values of the NBA, committed to our shared vision: “Building Together for God’s Kingdom”.

In an early staff meeting the team began to plan the Annual Assembly (held May 13th 2023) themed around the phrase, “changing landscapes”. This was to prove more than a theme for a day as we were to encounter a variety of changing landscapes throughout the year.

In January 2023 the team consisted of:

Regional Minister: Strategy & Transition	Rev Hayley Young
Administrator	Mrs Clare Cockerill
Ministry and Formation Facilitator	Rev Linda Donaldson
Pastoral Facilitator (for cluster formation)	Rev Graham McBain
Children, Youth, and Families Facilitator	Mr Dan Holland
Pioneer Facilitator	Rev John Cooper*
Renew Wellbeing Facilitator	Mrs Susanna Hinton
Safeguarding Lead	Vacant**

*Rev John Cooper stepped down in Sept 2023 due to work commitments since which time the Pioneer Facilitator post has remained vacant.

** No applications were received for this post which remains an ongoing concern. The role was covered by Rev Tim Presswood until November 2023 when Rev Linda Donaldson assumed responsibility for Association Safeguarding in lieu of making an appointment. The Post is being advertised again in Feb/March 2024.

In March 2023 upon her appointment as Regional Minister: Co-Team Leader of Southern Counties Baptist Association, Rev Hayley Young resigned as Regional Minister: Strategy & Transition with the NBA. We record here, as we did in person, our profound thanks to Hayley for the excellent work she undertook whilst in the NBA.

The recruitment process to appoint a new Regional Minister: Team Lead (RMTL) took place between March and May 2023; an interview panel was appointed, interviews were held in early May, and the names of the successful candidates were presented for appointment to the AGM of the NBA on May 13th 2023. The theme of 'Changing Landscapes' proved pertinent that day, heralding a new season in the life and ministry of the NBA but also pointing to our calling under God to always be an Association and a people on the move with God.

Sensing the call and leading of God, Revs. Johnny Pozzo and Linda Donaldson applied together to undertake the role as a job share and were duly appointed Regional Minister: Co-Team Leads (Co-RMTLs). Rev Johnny Pozzo was new to the Association, having worked for many years in churches in London Baptist Association, and took up his position with the NBA on July 1st 2023. Rev Linda Donaldson was, and continues to be, the NBA Ministry and Formation Facilitator and joined Johnny in the Team Lead role on September 1st 2023.

Together with the team they continue the work of embedding the new structure and the Vision & Values of the NBA. An early and ongoing priority and encouragement has been working on the NBA value of 'being relational to the core', seeking to serve the ministers, pioneers, chaplains, churches, and ministries of the NBA.

The financial crisis which has been referred to in previous years' reports reached a critical level this year, not only in the NBA but nationally across the Baptist family. This has been significantly in focus since September 2023, taking up a considerable amount of time for both the Co-RMTLs and Gavin Monument, the Association Treasurer. At a national level, colleagues in BUGB and Baptists Together are undertaking a financial model review, the outcome of which will be presented to BU Council in June 2024, for implementation in 2025. Sadly, the impact of the national financial situation upon the NBA is that, as yet, we have been unable to offer any Home Mission grants for 2024.

Amongst the many challenges there are also many encouragements to celebrate over the year. Our new pattern of Ministers' Conferences meant we had a day's conference in March at Whitley Bay Baptist Church where we were blessed by the ministry of Ruth Rice, founder of Renew Wellbeing. In October we met at Westgate Baptist Church when we were joined by Kang-San Tang, General Director of BMS World Mission, who challenged and encouraged us as we gathered around the topic: 'Jesus and the Kingdom of God: Implications for Missional Leadership'. A highlight of that day were the many stories about creative missional initiatives taking place up and the down the Association.

In 2024 we are looking forward to creating space and time to continue to listen to God, to think creatively, strategically, and missionally as we continue to navigate changing landscapes as an Association, as churches and as those called to serve the Kingdom of God together here in the Northern Baptist Association.

Lastly, we record our thanks to a wonderfully gifted and committed staff team and for the support and encouragement of the Trustees of the NBA all of whom give their time freely and tirelessly.

Rev Johnny Pozzo & Rev Linda Donaldson: Regional Minister: Co-Team Leads

Ministerial Formation

Recognised Local Ministers

In 2023 Baptists Together introduced a new category of ministry – Recognised Local Ministers (RLM). An RLM is ‘recognised’ by their regional association because they have undergone a programme of training and formation set by Baptists Together. They are ‘local’ because their recognition is for their particular ministry and setting. And they are a ‘minister’ because they are entrusted by a Baptist church with the spiritual oversight of the church or the mission that emerges from it. An RLM does not have to be a church pastor, they may be a local chaplain or pioneer, but their ministry must be connected to a Baptist church or regional association. Since September 2023 the NBA has two RLMs in Training:

Amanda Hegarty: West View Baptist Church, Hartlepool

Marion Hodgson: Bishop Auckland Baptist Church

Ministers in Training (MIT)

2023 was the final year for four out of five NBA MITs; congratulations go to Aileen Innes, Fiona Preston, Barbara Revill and Peter Webster on completion of their initial ministerial formation through Northern Baptist College and Cranmer Hall, St John’s College, Durham University. Completing her 2nd year, Karen Smith entered her 3rd and final year in September 2023. As ever we are grateful to God for the gift these ministers are to our churches, missional communities and association. At the time of writing all but one of the above have been called into ministry in the NBA. Rev Barbara Revill, with her husband Rev Paul Revill was called to Pioneer Ministry in Pill, near Bristol.

Newly Accredited Ministers (NAMs)

In 2023 we had five newly accredited ministers at different points in their NAMs process. Each NAM has a NBA mentor and a NAMs college supervisor for ongoing theological reflection and learning and for ministerial and spiritual support. We are grateful to those ministers who give their time to support NAMs in our association in that way.

Current NAMs:

Rev Rachel Holland (2nd year): Portrack Baptist Church

Rev Mark Hubbard (final year): Redcar Baptist Church

Rev Mairi McBain (1st year): Pioneer Minister, Hartlepool

Rev Fiona Preston: (1st year): Headland Baptist Church, Hartlepool

Rev Peter Webster: (1st year): Grange Rd Baptist Church, Jarrow

Inductions and Ordinations

It's been a huge joy and privilege to see the following ministers ordained and inducted into ministry in the NBA in 2023.

Inductions

Rev Stuart Dennis: North Shields Baptist Church

Rev Mairi McBain: Pioneer Minister, Hartlepool

Rev Graham McBain: Pioneer Minister, Hartlepool

Ordinations and Inductions

Rev Fiona Preston: Headland Baptist Church, Hartlepool

Rev Peter Webster: Grange Road Baptist Church, Jarrow

Rev Aileen Innes: Stocksfield Baptist Church

Ordination

Barbara Revill: North Shields Baptist Church

Rev Linda Donaldson: Regional Minister: Co-Team Lead

Home Mission

Sadly, 2023 has been a disappointing year in terms of Home Mission grants. While the NBA had sought to transition to a new way of giving grants, nationally there was a significant decrease in giving to Home Mission. The impact of this has been realised in our inability to make any grants in 2023. A detailed financial model review is currently underway and we are hopeful that in 2024 we may be able to support missional projects and churches once again.

As an association we have continued to work with the Baptist Insurance Company which has enabled £31,148 of our grants awarded to go to local pioneering and mission projects in the 2nd half of 2023. We are grateful too for the collaboration in mission made possible by partnering with the Lady Hewley Trust.

Rev Linda Donaldson: Regional Minister: Co-Team Lead

Administrator's Report

Our NBA Administrator has been in post for a little over a year now, dividing her time between working at home and working at an office in New Life Baptist Church.

The main focus of the role is to be a first point of contact for the NBA. This tends to be through email although it can also be phone calls. Checking and answering emails tends to be the focus of each morning. Time is spent throughout the month preparing and compiling the monthly e-newsletter which goes out in the last week of the month. They also take minutes at meetings, post on social media, and update the website. She also update minister's details on Dynamo and upload minister's documents to MIX, the Baptist Union's document centre. This includes the Ministerial Recognition documents. The Administrator works directly for the Regional Ministers and meets with them weekly in an admin meeting. In addition they book and manage events, liaise with churches, and produce publicity. Organising safeguarding training is an important part of their role, and includes liaising with the Trainer, organising a host church, publicity, managing the booking on the WIX booking management system and after the training has happened, they update the safeguarding database and issue certificates. They also manage ministers' Disclosure and Barring Service (DBS) checks and meet with them to verify their documents.

Our administrator works 20 hours a week. For the first year of the post this was spread over 4 days. From September 2023, this has changed to 3 days to allow them more time to get involved in ministry at New Life Baptist Church, though still working 20 hours. Their new days are Monday, Tuesday and Thursday and typically work 9am-3:40pm although these hours are flexible.

Safeguarding

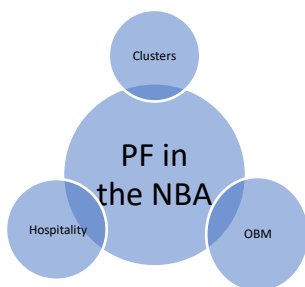
Over the last year we have undertaken 10 different Safeguarding Training sessions. The majority have been level 2 and 3. Most Safeguarding sessions are led by Tim Presswood, although we have had a training session from the BU's Nicola Gibbard. Overall we have trained 173 people to level 2 and 119 to level 3.

We extend thanks to Clare Cockerill, NBA Administrator

Pastoral Facilitation

A Pastoral Facilitating Approach: Visiting & Listening

During their first 6 months our pastoral facilitator has been able to visit most of our NBA ministers in their own churches and communities. This has been a hugely rewarding experience, not only of getting to know this beautiful part of the country but also to build relationship and rapport with our ministers.



Responding to the Stories: Cluster Planning

In response to the pastoral needs of ministers in balance with the time limitations of the PF Role (16 hours a month), we focussed on 3 areas of Pastoral facilitation: 1) Local Clusters: building closer relationships engaging in mission, mutual support and whatever else is appropriate in each area. 2) Order of Baptist Ministry – Daily Office: A prayer and liturgy-based meeting of accountability and support. 3) Hospitality -The aim is to invite ministers for informal evenings - to support and build relationships, & encourage ministers to look out for each other

NBA Clusters

Since September, 3 clusters have been set up with the plan to meet once a month:

Southern Cluster – based around the Teesside plus area: Meeting on the first Monday of the month.

Middle Cluster – based around the Sunderland /Durham area: Meeting on the third Thursday of the month.

Northern Cluster – for the churches north of the Tyne & up to Berwick - Meeting on the 2nd Tuesday of the month

All 3 clusters have met, and the dates are in place for monthly meetings till August 2024 when they can be reviewed.

Order of Baptist Ministry (OBM) cell.

Our first OBM cell met in November 2023 with 6 Ministers attending. This cell will meet monthly from January 2024 and a new cell will start by Easter 2024 (There is already a waiting list).

Missional /Pioneer Cell

Throughout November & December conversations have been held with ministers and leaders who have a more pioneer/missional focus to their ministry. In January 2024 a small group of pioneers are meeting in Hartlepool to talk and plan what would be helpful for mutual support and encouragement. Its early days but we are excited about what may grow from these times together.

Conclusion – An encouraging and rewarding 12 Months.

We are so encouraged that our ministers are valuing and supporting these initiatives, and are hoping that as the clusters establish themselves, we can develop different shapes and sizes of clusters to suit the diversity of our ministers and leaders.

We extend thanks to Rev G McBain, Pastoral Facilitator

Children, Youth and Families' Facilitation (CYF)

This first year of working with a CYF Facilitator has been one of real encouragement. They have been so blessed to work with such a great team in the NBA and have had the opportunity to meet and get to know so many ministers/volunteers and CYF workers across the region.

It has been a privilege to be able to promote and raise the profile of CYF work across the Association and more widely. We have loved connecting with children and young people across churches in the region.

Our CYF Facilitator represented the NBA at the CYF roundtable in October, gathering with other representatives from across the country to pray and discern the ways God is working in and amongst children, youth, and families. Together they thought through how to respond to the challenges of growing mental ill health amongst children and young people and how to better ensure that their voices are heard nationally and regionally. It was great to be able to share what is happening within the NBA and hear encouragement from other regions.

Highlights included taking some young people to Kairos Youth Camp on behalf of their church and seeing the impact the event had on the young people, also seeing more CYF leaders connecting with the NBA leaders' events as well as representing the NBA at the national CYF roundtable gatherings.

2024 looks set to be an exciting year for CYF in the NBA with our first CYF Leaders Away Day in January, free youth volunteer training, opportunities to engage in national research looking to hear from young people and much more.

We extend thanks to Dan Holland, CYF Facilitator

Renew Wellbeing Facilitation

This first year has been very encouraging. There are two new Renew Wellbeing (RW) spaces well on the way to being opened, and a few other churches looking at the RW model. It has been an enormous privilege to visit churches in our region and see and hear how God is at work, whatever the size of the church.

One of the first questions we wanted to look at was why there were so few RW spaces in the North East compared with the rest of the country: in January 2023, out of 250 nationwide, there were only 6 in the North East, of which 4 were Baptist, one being in a prison. As we have visited churches, we have found that there are in fact multiple ministries taking place already, serving the needs of people struggling with their mental health, particularly those who are isolated and/or struggling financially. We are therefore exploring with churches the possibility of connecting existing spaces, such as Warm Hubs, with RW, which means that churches can offer slightly more focused support for those with mental illness by linking with mental health services, carers, social prescribers etc; and they are themselves more supported and able to tap into the resources, guidance and support of the national RW charity.

Another aspect of the role has been to encourage churches and church members to look after each other's wellbeing, both by developing good wellbeing habits and also by enabling one another to take time out as necessary. It was a privilege to provide some Advent wellbeing resources at the end of the year, which were based on some created in 2020 by Renew Wellbeing, and could be used for personal devotions or together as a church.

Looking ahead, as well as walking with the leadership teams where churches are going through the process of opening a RW space or considering whether to do so, we will seek to build relationships with other churches in the Association. We are also looking to provide regular wellbeing resources, which will be circulated in the NBA e-news, the website and social media.

Our RW facilitator reported that their overall response to last year is that it has been wonderful to be part of this new team, and to be able to help to build the relationships both on the team and between the NBA and the churches who engage. They are excited, and grateful to the Lord for what He is doing.

We extend thanks to Susanna Hinton, Renew Wellbeing Facilitator

BMS World Mission

Since her last report in July 2023, our BMS representative has been able to lead a service in their own church - Stockton Baptist church - for the Harvest Appeal at their All-In service. They were able to lead and preach at Headland and then West View Churches in Hartlepool, as they had their Harvest Appeals in October. Stockton held a mission Sunday in November, and they were able to advertise the prayer tree we were planning for Advent. Essentially they had a Christmas tree decorated with prayers for BMS and Mission Aviation Fellowship, and every Advent Sunday, the congregation were encouraged to take a new prayer for the week. This was shared with BMS when speaking to Ben Drabble, BMS communications, letting him know that Stockton BC would be praying through Advent for the work of BMS, having got the idea from the Engage magazine the year before.

On behalf of the Trustees, they attended online the BMS Council in December and provided feedback to be used in the e-news as discussed with the Trustees.

On reflection, they have attended BMS Council approximately six times, and although feedback to Trustees is easier, there has been very little opportunity to report back to the wider NBA. We have been encouraged to hear about updates on new personnel, or ways of working that I never failed to be excited about. Although there have been opportunities to preach or take a Harvest service, this too has been limited, and on a number of occasions that this occurred it was because the Regional Minister facilitated this. At the NBA assembly the only churches that invited me to preach /lead were Hartlepool churches where people already knew me. Is it because Churches are already heavily involved with Mission and supporting their link mission workers, that they or their ministers do not need a speaker? Albeit there are not that many churches now linked to a mission worker and this link will be changing as BMS changes how personnel are sent.

We were sad to hear that, although still very passionate about BMS World Mission and our Baptist mission organisation, that they will be laying this down for this time. We recognise there is more we can do in the NBA to ensure BMS is not lost amongst the rest of our work. We are praying that the right person will become obvious to take on this role alongside Rev J Pozzo.

We extend our huge thanks to Penny Hyde, for serving as our BMS World Mission representative.

Financial Summary

Key changes

This financial year has been one of significant change for the Association. We are grateful to Rev H Young, who left on 30 June, for serving as Regional Minister: Transition and Strategy. Hayley led us on a turbulent journey of transition and change into an Association that is more focussed on the needs of the churches it serves. We were blessed to appoint Rev L Donaldson and Rev J Pozzo in a job share arrangement to be our Co-Regional Minister: Team Leaders to continue the work God has across our Association.

Income

During the year, total income of the Association increased by £4,000. This was primarily as a result of donations totalling £16,000 received from the other regional associations. This was to reduce the impact of the 2022 clawback by Baptists Together, which was done through reducing payments in 2023. We are incredibly grateful to the regional ministers and Trustees of those associations for their willingness to share resources for God's work. Further to this, interest rate rises resulted in a £3,800 increase in investment income. We continue to receive significant support from the Lady Hewley Trust to support our pioneering project across Hartlepool.

Expenditure

The total expenditure of the Association increased by £34,000. The main cause of this was the start of the Hartlepool pioneering project, a three-year scheme working across the area underpinned by a number of churches. Staffing costs were also significantly different caused

by the new structure of having a range of contracted team members each with their own area of focus, which replaced the previous role of a Regional Minister: Mission Enabler. Further to this we saw a reduction in costs due to the gap between the resignation of Rev H Young and the appointment of our new job-share arrangement of Rev L Donaldson and Rev J Pozzo.

Net resources

The receipt of donations in 2023 to offset the Baptists Together clawback in 2022 has had a significant impact on net resources. Unrestricted funds have increased to £75,000 (£58,500 in 2022).

Looking ahead

Baptists Together is intending to finalise its financial review in mid-2024, but have pre-empted this by recognising the material reduction in Home Mission levels nationally. The position will be extremely challenging and Baptists Together have agreed a process to support the Associations through 2024 in order to continue planned levels of service without having to make significant reductions before the result of the financial review is published. The NBA remains successful at bringing in resources to support pioneering work, maintaining our ability to support churches in 2024 through grants of £73,000 (£79,000 in 2023). The loan repayment on the manse remains the only notable liability, which is funded through the budget that previously met the lease cost of the previous regional minister's home.

Reserves

It is the policy of the Trustees to seek to maintain unrestricted reserves in the Association's General Fund equivalent to a minimum of 50% of the Association's annual unrestricted expenditure. This will be challenging in the coming years due to the loan liability due to the Yorkshire Baptist Association. However, the policy will continue to be reviewed annually.

The Trustees declare that they have approved the Trustees' report (including Directors' report) above.



Rev L Donaldson

18 March 2024

Regional Minister: Co-Team Lead

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as Directors of the company, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company at the end of the financial year and of its surplus or deficit for the year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operational existence.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

REPORT OF THE INDEPENDENT EXAMINER

to the Trustees of The Northern Baptist Association (company number 4340889)
("the Company")

I report on the financial statements of the Company for the year ended 31 December 2023, which are set out on pages 22 to 30.

Responsibilities and basis of report

As the Charity's Trustees of the Company (who are also the Directors of the company 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").

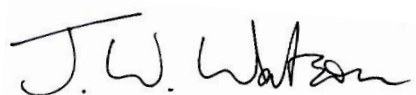
Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ("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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



John W Watson FCA
43 Norham Drive Morpeth NE61 2XA

6 April 2024

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2023

		2023				2022			
	Note	Unrestricted £	Designated £	Restricted £	Total £	Unrestricted £	Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS									
Donations and legacies	2	27,450	–	–	27,450	2,584	–	–	2,584
Investment income	3	5,101	–	–	5,101	1,282	–	–	1,282
Income from Charitable activities	4	149,420	–	–	149,420	152,868	–	–	152,868
Other income	5	37,638	–	–	37,638	58,887	–	–	58,887
Total income and endowments		219,609	–	–	219,609	215,621	–	–	215,621
EXPENDITURE									
Expenditure on Charitable activities	6	(203,038)	–	–	(203,038)	(168,710)	–	–	(168,710)
Total expenditure		(203,038)	–	–	(203,038)	(168,710)	–	–	(168,710)
Net income/(expense) for the year before transfers		16,571	–	–	16,571	46,911	–	–	46,911
Transfers between funds		–	–	–	–	–	–	–	–
NET MOVEMENT IN FUNDS		16,571	–	–	16,571	46,911	–	–	46,911
Total funds brought forward		58,507	200,892	–	259,399	11,596	200,892	–	212,488
TOTAL FUNDS CARRIED FORWARD		75,078	200,892	–	275,970	58,507	200,892	–	259,399

All of the above arises from continuing operations. The Charity has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses is presented.

BALANCE SHEET

as at 31 December 2023

	Note	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible fixed assets	9	172,500		172,714	
Investments	10	<u>2,355</u>		<u>2,355</u>	
			174,855		175,069
CURRENT ASSETS					
Debtors	11	12,325		—	
Cash at bank and in hand	12	<u>182,494</u>		<u>201,586</u>	
		194,819		201,586	
CURRENT LIABILITIES					
Creditors	13	<u>(93,704)</u>		<u>(117,256)</u>	
NET CURRENT ASSETS			101,115		84,330
NET ASSETS			<u>275,970</u>		<u>259,399</u>
CHARITY FUNDS					
Endowment	14	—		—	
Restricted	14	—		—	
Designated	14	200,892		200,892	
Unrestricted	14	<u>75,078</u>		<u>58,507</u>	
TOTAL CHARITY FUNDS			<u>275,970</u>		<u>259,399</u>

For the year ended 31 December 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. At the request of the Directors an independent examination of the financial statements has been carried out in accordance with the general Directions given by the Charity Commission and the Independent Examiner's Report is on page 21.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes on pages 24 to 30 form an integral part of these financial statements.

These financial statements were approved by the Directors on 18 March 2024 and signed on their behalf by:



Rev L Donaldson
Regional Minister: Co-Team Lead & Director
Company number: 4340889



Mr G P Monument
Director

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2023

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); and with the Charities Act 2011. The Charity has claimed the exemption in accordance with section 7 of FRS 102 not to prepare a cash flow statement.

The Northern Baptist Association is a registered Charity, number 1092595, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

Donations are accounted for gross when received.

Legacies

Legacies are accounted for on the earlier of notification of an impending distribution and the legacy being received, provided that the legacy can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable

The Charity makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office and governance costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold land and buildings	Not depreciated
Office Equipment	50% straight line

Freehold land and buildings comprises a manse which is held with a view to furthering the objects of the Charity. No depreciation is charged against these assets on the basis that the residual value is anticipated to be at least equal to the carrying value.

Investment assets

Investments are initially recognised at cost. Subsequently they are measured at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

1 Accounting policies (continued)

Cash at bank and in hand

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the Charity. Income arising from endowment funds can be used in accordance with the objects of the Charity and is included in unrestricted income. Any capital gains or losses arising on investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Employee benefits

The Association operates a Defined Contribution (DC) Plan for its employees (note 16). A DC plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid, the Association has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Association in an independently administered fund.

Prior to 2012, pension provision was made through a multi-employer Defined Benefit (DB) Pension Plan. The Association settled its deficit to this pension plan in 2019.

2 Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
Donations and legacies	26,574	—	—	26,574	1,098
Assembly income	456	—	—	456	70
Contributions to preaching costs	420	—	—	420	1,416
	27,450	—	—	27,450	2,584

During the year ended 31 December 2022 all of the income related to unrestricted funds.

3 Investment income

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
CCLA COIF Charities Deposit	4,901	—	—	4,901	1,082
Fund interest	200	—	—	200	200
Loan interest	5,101	—	—	5,101	1,282

During the year ended 31 December 2022 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2023

4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
Baptist Union of Great Britain Core Funding	149,420	—	—	149,420	152,868
	149,420	—	—	149,420	152,868

During the year ended 31 December 2022 all of the income related to unrestricted funds.

5 Other income

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
Grant from Lady Hewley Trust	29,826	—	—	29,826	36,682
Other grants	1,250	—	—	1,250	18,232
Course Fee Income	5,145	—	—	5,145	3,596
Other income	1,417	—	—	1,417	377
	37,638	—	—	37,638	58,887

During the year ended 31 December 2022 all of the income related to unrestricted funds.

6 Expenditure on Charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
Grants payable	77,106	—	—	77,106	30,074
Staff salaries	54,882	—	—	54,882	77,144
Employer's National Insurance	1,080	—	—	1,080	1,349
Employer's pension contributions	5,220	—	—	5,220	7,790
Contracted staff	24,204	—	—	24,204	—
Housing expenses	13,019	—	—	13,019	15,475
Conferences and courses	2,470	—	—	2,470	3,199
Travel expenses	8,358	—	—	8,358	11,353
Committee travel and expenses	337	—	—	337	124
NBA Gatherings	23	—	—	23	376
Loan repayments	6,075	—	—	6,075	4,762
Professional services	—	—	—	—	6,665
Other expenses	5,933	—	—	5,933	6,291
	198,707	—	—	198,707	164,602
<i>Support costs:</i>					
Telephone, stationery, postage	2,354	—	—	2,354	2,175
Depreciation of equipment	214	—	—	214	215
Insurance	1,763	—	—	1,763	1,718
	203,038	—	—	203,038	168,710

During the year ended 31 December 2022, all expenditure related to unrestricted funds.
The average number of employees during the year was 2 (2022: 3).

No employee received emoluments in excess of £60,000 during either the current or previous year.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2023

7 Grants and donations payable

	Unrestricted £	Designated £	Restricted £	Total 2023 £	Total 2022 £
Home Mission grants					
<u>Annual grants</u>					
Berwick	3,250	–	–	3,250	6,500
Blackhill	–	–	–	–	3,000
College Tutor	2,797	–	–	2,797	3,803
Hartlepool, Headland	65,103	–	–	65,103	9,371
Marsden Road	1,000	–	–	1,000	4,000
Redcar	4,500	–	–	4,500	–
Wallsend	–	–	–	–	2,500
	76,650	–	–	76,650	29,174
Donations					
NECAT	–	–	–	–	600
Northumbria Industrial Mission	–	–	–	–	300
BMS World Mission	228	–	–	228	–
Home Mission	228	–	–	228	–
	77,106	–	–	77,106	30,074

During the year ended 31 December 2022 all amounts paid related to unrestricted funds.

8 Trustees' remuneration and expenses

The following payments were made to Trustees under Section 5d, 5e and 6 of the Memorandum of Association:

	2023 £	2022 £
Salaries	41,520	71,865
Pension costs	4,073	7,531
Housing expenses	7,670	15,475
Travel expenses	8,198	11,399
	61,461	106,270

Rev. H Young acted as one of the Association's Trustees until June 2023 and received remuneration of £20,594, housing expenses of £808 and travel expenses of £4,795. In addition the Charity made pension contributions totalling £1,952.

Rev. L Donaldson acts as one of the Association's Trustees (from Sept 2023) and received remuneration of £11,815, housing expenses of £2,687 and travel expenses of £1,593. In addition the Charity made pension contributions totalling £1,185.

Rev. J Pozzo acts as one of the Association's Trustees (from June 2023) and received remuneration of £9,111, housing expenses of £4,175 and travel expenses of £1,810. In addition the Charity made pension contributions totalling £936.

The Trustees incurred termination costs totalling £0 in 2023 (£14,850 in 2022) as payment in lieu of notice. Termination costs are recognised in the accounts at their settlement date.

During the year, excluding expenses set out in the above table, further expenses of £117 were incurred by four Trustees. These expenses were in relation to travel and subsistence.

The Trustees are the key management personnel of the Charity.

The pensions costs relate to employer contributions to the Defined Contribution plan within the Baptist Pension Scheme.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2023

9 Tangible fixed assets

	Freehold land & buildings	Fixtures, fittings and equipment	Total 2023	Total 2022
	£	£	£	£
At the beginning of the year	172,500	1,079	173,579	173,150
Additions	–	–	–	429
Disposals	–	–	–	–
At end of the year	172,500	1,079	173,579	173,579

Depreciation and impairments

	Basis Rate	None	Straight Line 50%	
At beginning of the year		–	865	865
Disposals		–	–	–
Depreciation		–	214	214
At end of the year		–	1,079	1,079

Net book value

Net book value at the beginning of the year	172,500	214	172,714	172,500
Net book value at the end of the year	172,500	–	172,500	172,714

In 2021, the Charity purchased a freehold property for £172,500. This property served the purpose as a manse for the Regional Minister, Strategy & Transition, and held as an asset after her departure.

The purchase was part funded by a £100,000 loan from the Yorkshire Baptist Association (YBA), repayable over 15 years (see note 13).

10 Investments

	2023 £	2022 £
Cost		
At 1 January	2,355	2,355
Additions	–	–
Disposals	–	–
At 31 December	2,355	2,355

The investments are analysed as:-

	2023 £	2022 £
Baptist Insurance Company plc – 471 £5 shares fully paid	2,355	2,355
	2,355	2,355

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2023

11 Debtors

	2023 £	2023 £
Prepayments and other debtors	<u>12,326</u>	<u>–</u>

12 Cash at bank and in hand

	2023 £	2022 £
Unity Trust Bank plc	67,547	91,465
CCLA COIF Charities Deposit Fund	114,947	110,121
	<u>182,494</u>	<u>201,586</u>

13 Creditors

	Amounts falling due within one year		Amounts falling due after one year	
	This year £	Last year £	This year £	Last year £
Accrued expenses and deferred income	2,311	571	–	–
Loan from YBA	4,917	5,123	86,476	90,539
Baptists Together clawback	–	21,023	–	–
Other creditors	–	–	–	–
	<u>7,228</u>	<u>26,717</u>	<u>86,476</u>	<u>90,539</u>

14 Summary of fund movements

	Balance brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Balance carried forward £
Unrestricted					
General Fund	58,507	219,609	(203,038)	–	75,078
Designated					
Mission Support Fund	28,392	–	–	–	28,392
Manse	172,500	–	–	–	172,500
Restricted	–	–	–	–	–
	<u>259,399</u>	<u>219,609</u>	<u>(203,038)</u>	<u>–</u>	<u>275,970</u>

Mission Support Fund

In 2022 Trustees agreed to consolidate all historical Designated funds into a single Mission Support Fund. This is part of the implementation of a transitional plan for the NBA to a future funding model with a priority focus on supporting mission work through the churches within the NBA.

Manse

The manse comprises freehold land and buildings which is held with a view to furthering the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2023

15 Analysis of net assets

	Fixed assets	Investments	Current assets	Current liabilities	Provisions	Total
	£	£	£	£	£	£
Endowment funds	—	—	—	—	—	—
Restricted funds	—	—	—	—	—	—
Designated funds	172,500	—	28,392	—	—	200,892
Unrestricted funds	—	2,355	166,427	(93,704)	—	75,078
	172,500	2,355	194,819	(93,704)	—	275,970

16 Pensions

Baptist Pension Scheme

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

The Ministers and staff employed by the Association are eligible to join the Scheme.

The Scheme, previously known as the Baptist Ministers’ Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final 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.

In 2019 the Association enacted a voluntary cessation event under Section 75 of the Pensions Act 1995. This made the Association liable for a proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its current and previous Ministers who were members of the Scheme prior to 2012. The Association settled its debt during 2019 and now has no further obligations to the DB Plan within the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members’ Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The total Defined Contribution pension cost for the Association for the year was £5,220 (2022 £7,790).

17 Related party transactions

There were no related party transactions, other than those with the Trustees (note 8), in either the current or previous year.

18 Funding commitments

The Charity is committed to paying £72,978 of Home Mission grants during the year ending 31 December 2024 subject to certain conditions being satisfied.

These funding commitments are not recognised as a liability or provision within these financial statements.

Accounts

THE NORTHERN BAPTIST ASSOCIATION
(a charitable company limited by guarantee)

Charity Number 1092595

Company Number 4340889

ANNUAL REPORT
for the year ended 31 December 2022

THE NORTHERN BAPTIST ASSOCIATION

ANNUAL REPORT for the year ended 31 December 2022

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THE NORTHERN BAPTIST ASSOCIATION

STATUTORY INFORMATION

Directors and Trustees

Mrs J Buckle (*resigned April 2022*)
Rev J M Cooper (*resigned April 2022*)
Rev M Cross (*resigned April 2022*)
Rev P Dixon
Rev Caroline Friend
Mr J Hedges (*appointed April 2022*)
Mrs A J Hegarty
Mrs S Hinton (*appointed April 2022, resigned December 2022*)
Mrs J Holder (*appointed April 2022*)
Rev R Holland
Mrs P Hyde *BMS World Mission representative*
Mr G P Monument *Treasurer*
Rev V Pensacala
Rev G P Revill *Regional Minister (Mission Enabler)* (*resigned October 2022*)
Rev R Richardson *Home Mission Co-ordinator* (*resigned April 2022*)
Rev A V Ruddle *Moderator*
Mrs J Steel *Home Mission Co-ordinator* (*appointed April 2022*)
Mrs J Thoy (*resigned April 2022*)
Rev D P Tubby
Rev H Young *Regional Minister, Strategy and Transition*

Company secretary

Mrs C Cockerill (*appointed December 2022*)
Mr M Heaton (*resigned December 2022*)

Registered office

52-54 High Street
Northallerton
North Yorkshire DL7 8EG

Company number

4340889

Charity registration number

1092595

Bankers

Unity Trust Bank plc
Four Brindleyplace
Birmingham
B1 2JB

CCLA Fund Managers Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Independent examiner

John W Watson FCA

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2022

Structure, governance and management

The Northern Baptist Association (NBA) is a company limited by guarantee which is registered as a charity with the Charity Commission. The Company has adopted Bye Laws and a Memorandum and Articles of Association which together comprise its constitution. The members of the Company are the Baptist churches situated within the Northern region of England.

The Articles of Association require that an Annual General Meeting be held in each year and provide for the convening of other general meetings if required. Each member church has the right to appoint one or more representatives (depending on the number of persons in membership with the church) to attend and vote at general meetings, and each minister in post at a member church shall also be a representative.

The NBA has a Council whose members are the Directors of the Company and the Trustees for the purposes of the Charities Act. The Council consists of:

- up to twelve members elected by the representatives at the Annual General Meeting;
- the Regional Ministers appointed by the Association;
- the Association Treasurer, a BMS World Mission representative and the Home Mission representative;
- up to four co-opted members to provide a balance of lay, ordained, experience, age, sex and ethnic origin membership among the member churches;
- up to three co-opted members from the Association's representatives on the Baptist Union Council.

The members of Council who served as Directors and Trustees during the year are shown on page 2.

Objectives and activities

The object stated in the Memorandum of Association is the advancement of the Christian religion especially by the means of and in accordance with the principles of the Baptist denomination as set out in the Declaration of Principle of the Baptist Union of Great Britain. The NBA has reviewed and updated its mission statement to 'building together for God's Kingdom' underpinned by our values of being centred on mission; creative in approach; relational at the core; spirit-led in practice; committed to justice and seeking well-being. Developing collaboration, providing training, supporting churches in their regular life and specific mission focus, as well as providing pastoral support to ministers and others remains at the heart of all that we do.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

As a small charity, the remainder of the Trustees' Report focuses on the main activities undertaken by the NBA to further its charitable purposes for the public benefit.

Achievements and performance

In 2022 the focus of the NBA was to transition into an association which would relevantly support our stakeholders. This meant that in January 2022 the Trustees meet to discuss and discern the content of the 'listening phase' of transition which happened in the later part of 2021.

As a result of this listening and observing there are three views of the NBA:

- Everything is brilliant and nothing needs to change (25%)
- Disengagement with association because it is not relevant (62%)
- Hurt and pain caused by people within the NBA (13%)

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2022

The listening period also allowed for feedback on all elements of association life including how ministers and churches were supported, governance and communication. A summary of the feedback can be found in our [Culture Review for 2021 on our website](#). The feedback in parts was difficult to read and this was because there were elements where the NBA had worked for a few and not developed over the 20 years.

It was important that the Vision and Values of the NBA came out of the listening and was separate to any staffing or financial review. This was because the values and vision should be the focus and once that was discerned then the structure needed to support it could then be discerned. Breaking this down into parts also allowed us to consult and reflect on the process.

The results of the listening period were presented openly and honestly and then part two of the report addressed the main issues, presenting several ways forward that the Trustees could consider.

This was a difficult process; as the views of Trustees were mixed and there was some reluctance to embrace the need to change away from a strong cultural commitment to the way that things had been done. There was a challenge for Trustees to address some of the governance and behaviour issues as some remained convinced that the culture of the NBA was positive.

The biggest development in the NBA was a move away from a long, complicated vision to a short strapline vision that everyone could engage with, underpinned by values that stated what the NBA wanted to be. This was an important change as it moves the NBA away from running like a large church to an association where churches and ministers/pioneers can plug in at different stages and levels. This removes competition with churches for time or resources, and enables the NBA to become a place that empowers and enables the local churches mission and resources.

The Trustees also decided that it would have a focus of specific priorities which would help churches and would be where the NBA used its resources. These priorities would be reflected on each year and then change how we engage with different stakeholders.

The vision and values, as well as priorities can be found on the [NBA website](#). These were then communicated to the NBA stakeholders at a vision evening online.

The overwhelming response to this has been positive. However, it is not universal and there remains a small group of churches and ministers (mainly retired ministers) who have struggled with this change and also that the NBA called a female Regional Minister (as they do not believe women should be in leadership).

As a result of the new values, and arising from the results of the listening process the Trustees agreed that it was right to make an apology for how people had been treated in the past in the NBA; as well as making a statement of intent that the NBA would be a place where all God's people can flourish. The Trustees felt this was important to acknowledge what had been shared and heard as well as emphasising our Baptist principles of local church discernment on some theological issues (like women in ministry). The NBA wants to be a place that includes churches with different theological views as well as showing a pastoral heart for those who are impacted by the theological differences. [You can read the apology and statement of intent here](#).

In the second part of the year; after the above had been communicated with the stakeholders, the NBA prioritised investigating the different ways that the values and priorities could be facilitated. This meant reviewing the staffing structure and whether our current team were the right people with the right gifts for the next phase of the life of the NBA.

This was not without its challenges and was not a personal reflection but looking at the purpose of roles, influenced by Phase One of the transition process. However, the backdrop to discerning the way forward was also the financial pressures on the NBA; as our only form of income is Home Mission Grants through Baptists Together.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2022

Associations are given one figure out of the common purse for the running of the association. This gives associations discernment on how best to use its resources between regional staff members, administration and mission grants to churches or missional communities. An association is given an amount that will support one Regional Minister for every 50 churches within administration support. The association then discerns how best to use the additional finances either on additional staff or mission grants to churches/missional communities.

The existing staffing structure had been in place for over 10 years, and was based on two Regional Ministers, one a Team Leader, one as a Mission Enabler. This fixed a greater proportion of the NBAs resources in staff costs and as the national Home Mission fund has fallen over time, the pressure has disproportionately fallen on the resources the NBA could make available in Home Mission Grants to churches to enable mission of the wider association. This meant that only a small amount could be given to churches in grants (£44,000 in 2021 and £30,000 in 2022) as a large proportion of costs were fixed within the current staffing structure.

Three different possibilities for staffing were presented to the Trustees to discern which was best for our stakeholders and delivered on our newly adopted values.

Trustees discerned to progress a model that has one full time Regional Minister, serving alongside leads in our priority areas. This model allows those in local church life to exercise trans-local ministry and make sure that funding is provided for Home Mission Grants, while enabling the vision and values of the NBA to be worked out across the churches and missional communities while supporting ministers, lay leaders and pioneers.

During the year the above transitions and developments have been made within the structure of the NBA while continuing the ongoing support for churches and ministers within the Association. We hosted an annual gathering for ministers; an AGM for churches and support sessions for churches seeking a new minister.

Trustees also considered their own structure and the historic use of co-option that had retained some Trustees beyond their original two-term period on Council as elected members. At the AGM we sought to address this to make room for others. Mrs Jackie Buckle stepped down from her role as Trustee and Rev John Cooper came to the end of his two terms as Trustee. In addition, Mr Mike Cross and Miss Jo Thoy were not re-appointed as co-opted members; and Rev Ray Richardson was not nominated by Council to be the Home Mission Representative.

Nominations from Council to the AGM were proposed as Dr Penny Hyde to be BMS representative; Mrs Jess Steel to be Home Mission Representative; and Mr Gavin Monument to be Treasurer. All of these are annual appointments. At the AGM in April, these nominations were approved and Rev Dave Tubby and Rev Tony Ruddle were re-elected for another term of three years. Mr Jonny Hedges, Mrs Susanna Hinton and Mrs Jen Holder were appointed as new Trustees.

In 2022 we saw 4 ministers moved into the NBA and settle in churches. We saw the Regional Minister: Mission Enabler leave post as a result of the transition.

We have secured third party funding for some of the mission and pioneering work in the NBA which started in January 2023. The NBA continued to work in partnership with Baptists Together and Baptist Insurance.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2022

Financial review

Key changes

This financial year has been one of significant change for the Association. We are grateful to Rev G P Revill, who left on 31 October, for serving as Mission Enabler for 8 years. We are also grateful for the work of Rev H Young for leading us on a turbulent journey of transition and change into an association that is more focussed on the needs of the churches it serves.

Income

During the year, total income of the Association increased by £27,300. This was primarily as a result of receiving funding of £43,000 from the Lady Hewley Trust and the Baptist Insurance Company to begin pioneering projects in 2023. In accordance with accounting policy this is recognised at the point it was received in 2022, and the grants to churches are shown as a commitment for 2023 within note 18. Baptists Together has confirmed a £21,000 clawback of 2022 funding due to pressure on the national Home Mission fund, predominantly driven by a significant underachievement of income from legacies. This has been partly offset by some additional funding received mid-year from Baptists Together.

Expenditure

The total expenditure of the Association decreased by £1,300. The main contributions to this were reductions in grants payable to churches and housing costs, the latter saw a large one-off increase in 2021 from the costs associated with the purchase of a manse. The manse was funded partly by a £100,000 loan from the Yorkshire Baptist Association, repayable over 15 years plus variable interest at 0.5% below the loan rate applied on loans by Baptists Together (average of 4.8% in 2022). Additional costs were seen through the return of travel and expenses to pre-COVID levels and one-off professional costs connected with the transition of our staffing structures and governance.

Net resources

The early receipt of pioneering income has had a significant impact on net resources. Unrestricted funds have increased to £58,500 (£11,600 in 2021), which is already committed to pioneering projects in 2023.

Looking ahead

Baptists Together have confirmed the Association's expected funding for 2023, which is again contingent on their performance. The NBA is currently in a stronger position following the successful bids for additional funding to support pioneering work, increasing our ability to support churches through grants to £79,000 (£30,000 in 2022). The loan repayment on the manse remains the only notable liability, which is funded through the budget that previously met the lease cost of the previous regional minister's home. Reducing the staffing structure to one Regional Minister also creates additional flexibility to target resources to meet the needs of our priority areas

Reserves

It is the policy of the Trustees to seek to maintain unrestricted reserves in the Association's General Fund equivalent to a minimum of 50% of the Association's annual unrestricted expenditure. This will be challenging in the coming years due to the loan repayment due to the Yorkshire Baptist Association. However, the policy will continue to be reviewed annually.

The Trustees declare that they have approved the Trustees' report (including Directors' report) above.



Rev H Young
Regional Minister, Strategy and Transition

24 April 2023

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as Directors of the Company, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company at the end of the financial year and of its surplus or deficit for the year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operational existence.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

THE NORTHERN BAPTIST ASSOCIATION

REPORT OF THE INDEPENDENT EXAMINER

to the Trustees of The Northern Baptist Association (company number 4340889) ("the Company")

I report on the financial statements of the Company for the year ended 31 December 2022, which are set out on pages 9 to 19.

Responsibilities and basis of report

As the Charity's Trustees of the Company (who are also the Directors of the Company 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 for this year 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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



John W Watson FCA
43 Norham Drive
Morpeth
NE61 2XA

24 April 2023

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2022

	Note	Unrestricted £	2022 Designated £	Restricted £	Total £	Unrestricted £	2021 Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS									
Donations and legacies	2	2,584	—	-	2,584	3,940	—	4,685	8,625
Investment income	3	1,282	—	—	1,282	221	—	—	221
Income from Charitable activities	4	152,868	—	—	152,868	166,748	—	—	166,748
Other income	5	58,887	-	—	58,887	12,683	-	—	12,683
Total income and endowments		215,621	-	-	215,621	183,591	-	4,685	188,276
EXPENDITURE									
Expenditure on Charitable activities	6	(168,710)	-	-	(168,710)	(165,349)	-	(4,685)	(170,034)
Total expenditure		(168,710)	-	-	(168,710)	(165,349)	-	(4,685)	(170,034)
Net income/(expense) for the year before transfers		46,911	-	—	46,911	18,242	-	—	18,242
Transfers between funds		-	-	—	-	(80,000)	80,000	—	-
Other gains									
Actuarial gains on defined benefit pension schemes	16	-	—	—	-	-	—	—	-
NET MOVEMENT IN FUNDS		46,911	-	—	46,911	(61,758)	80,000	—	18,242
Total funds brought forward		11,596	200,892	—	212,488	73,354	120,892	—	194,246
TOTAL FUNDS CARRIED FORWARD		58,507	200,892	—	259,399	11,596	200,892	—	212,488

All of the above arises from continuing operations. The Charity has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses is presented.

THE NORTHERN BAPTIST ASSOCIATION

BALANCE SHEET as at 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible fixed assets	9	172,714		172,500	
Investments	10	<u>2,355</u>		<u>2,355</u>	
			175,069		174,855
CURRENT ASSETS					
Debtors	11	-		-	
Cash at bank and in hand	12	<u>201,586</u>		<u>143,969</u>	
		201,586		143,969	
CURRENT LIABILITIES					
Creditors	13	<u>(117,256)</u>		<u>(106,336)</u>	
NET CURRENT ASSETS			84,330		37,633
NET ASSETS			<u>259,399</u>		<u>212,488</u>
CHARITY FUNDS					
Endowment	14	-		-	
Restricted	14	-		-	
Designated	14	200,892		200,892	
Unrestricted	14	58,507		11,596	
TOTAL CHARITY FUNDS	15	<u>259,399</u>		<u>212,488</u>	

For the year ended 31 December 2022, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. At the request of the Directors an independent examination of the financial statements has been carried out in accordance with the general Directions given by the Charity Commission and the Independent Examiner's Report is on page 8.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes on pages 11 to 19 form an integral part of these financial statements.

These financial statements were approved by the Directors on 24 April 2023 and signed on their behalf by:



Rev H Young
Regional Minister, Strategy and Transition
Company number: 4340889



Mr G P Monument
Director

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS102)), FRS102 and with the Charities Act 2011. The Charity has claimed the exemption in accordance with section 7 of FRS 102 not to prepare a cash flow statement.

The Northern Baptist Association is a registered charity, number 1092595, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

Donations are accounted for gross when received.

Legacies

Legacies are accounted for on the earlier of notification of an impending distribution and the legacy being received, provided that the legacy can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable

The Charity makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office and governance costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold land and buildings	Not depreciated
Office Equipment	50% straight line

Freehold land and buildings comprises a manse which is held with a view to furthering the objects of the charity. No depreciation is charged against these assets on the basis that the residual value is anticipated to be at least equal to the carrying value.

Investment assets

Investments are initially recognised at cost. Subsequently they are measured at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

1 Accounting policies (continued)

Cash at bank and in hand

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the charity. Income arising from endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Employee benefits

The Association operates a Defined Contribution (DC) Plan for its employees. A DC plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid, the Association has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Association in an independently administered fund.

Prior to 2012, pension provision was made through a multi-employer Defined Benefit (DB) Pension Plan. The Association settled its deficit to this pension plan in 2019.

2 Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
Donations and legacies	1,098	—	-	1,098	6,307
Assembly income	70	—	—	70	515
Contributions to preaching costs	1,416	—	—	1,416	1,803
	2,584	—	-	2,584	8,625

During the year ended 31 December 2021 £3,940 of the income related to unrestricted funds and £4,685 to restricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

3 Investment income

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
CCLA COIF Charities	1,082	–	–	1,082	19
Deposit Fund interest					
Loan interest	200	–	–	200	202
	1,282	–	–	1,282	221

During the year ended 31 December 2021 all of the income related to unrestricted funds.

4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
Baptist Union of Great Britain					
Core Funding	152,868	–	–	152,868	166,748
	152,868	–	–	152,868	166,748

During the year ended 31 December 2021 all of the income related to unrestricted funds.

5 Other income

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
Grant from Lady Hewley Trust	36,682	–	–	36,682	12,663
Other grants	18,232	-	-	18,232	-
Course Fee Income	3,596	-	-	3,596	-
Other income	377	-	–	377	20
	58,887	-	–	58,887	12,683

During the year ended 31 December 2021 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

6 Expenditure on Charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
Grants payable	30,074	—	—	30,074	44,446
Staff salaries	77,144	—	—	77,144	70,286
Employer's National Insurance	1,349	—	—	1,349	1,780
Employer's pension contributions	7,790	—	—	7,790	6,716
Housing expenses	15,475	—	—	15,475	21,516
Manse purchase costs	-	—	—	-	7,188
Conferences and courses	3,199	—	—	3,199	957
Travel expenses	11,353	—	—	11,353	4,782
Committee travel and expenses	124	—	—	124	190
NBA Gatherings	376	—	—	376	175
Loan repayments	4,762	—	—	4,762	2,267
Professional services	6,665	—	—	6,665	-
Other expenses	6,291	—	—	6,291	6,369
	164,602	-	-	164,602	166,672
<i>Support costs:</i>					
Telephone, stationery, postage	2,175	—	—	2,175	1,714
Depreciation of equipment	215	—	—	215	-
Insurance	1,718	—	—	1,718	1,648
	168,710	-	-	168,710	170,034

During the year ended 31 December 2021, £165,349 related to unrestricted funds and £4,685 related to restricted funds. The average number of employees during the year was 3 (2021: 3).

No employee received emoluments in excess of £60,000 during either the current or previous year.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

7 Grants and donations payable

	Unrestricted £	Designated £	Restricted £	Total 2022 £	Total 2021 £
Home Mission grants					
<u>Annual grants</u>					
Berwick	6,500	—	—	6,500	6,300
Blackhill	3,000	—	—	3,000	4,000
College Tutor	3,803	—	—	3,803	3,746
Filipino Church	-	—	—	-	4,000
Hartlepool, Headland	9,371	—	—	9,371	5,800
Hartlepool, West View	-	—	—	-	3,208
Marsden Road	4,000	—	—	4,000	5,800
North Shields	-	—	—	-	3,000
Portrack	-	—	—	-	3,500
Wallsend	2,500	—	—	2,500	4,000
	29,174	—	—	29,174	43,354
Donations					
NECAT	600	—	—	600	600
Northumbria Industrial Mission	300	—	—	300	300
	30,074	—	—	30,074	44,446

8 Trustees' remuneration and expenses

The following payments were made to Trustees under Section 5d, 5e and 6 of the Memorandum of Association:

	2022 £	2021 £
Salaries	71,865	62,066
Pension costs	7,531	6,716
Housing expenses	15,475	21,516
Travel expenses	11,399	4,582
	106,270	94,880

Rev G P Revill acted as one of the Association's Trustees and received remuneration of £39,600, housing expenses of £12,671 and travel expenses of £4,091. In addition the Charity made pension contributions totalling £4,070.

Rev H Young acts as one of the Association's Trustees and received remuneration of £32,265, housing expenses of £2,804 and travel expenses of £7,308. In addition the Charity made pension contributions totalling £3,461.

The Trustees incurred termination costs totalling £14,850 in 2022 (£0 in 2021) as payment in lieu of notice. Termination costs are recognised in the accounts at their settlement date.

During the year, excluding expenses set out in the above table, further expenses totalling £117 were incurred by four Trustees. These expenses were in relation to travel and subsistence.

The Trustees are the key management personnel of the Charity.

The pension costs relate to employer contributions to the Defined Contribution plan within the Baptist Pension Scheme.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

9 Tangible fixed assets

	Freehold land & buildings £	Fixtures, fittings and equipment £	Total 2022 £	Total 2021 £
At the beginning of the year	172,500	650	173,150	1,528
Additions	-	429	429	172,500
Disposals	-	-	-	(878)
At end of the year	172,500	1,079	173,579	173,150

	Depreciation and impairments			
Basis Rate	None	SL 50%		
At beginning of the year	-	650	650	1,528
Disposals	-	-	-	(878)
Depreciation	-	215	215	-
At end of the year	-	865	865	650

Net book value

Net book value at the beginning of the year	172,500	-	172,500	-
Net book value at the end of the year	172,500	214	172,714	172,500

In 2021, the charity purchased a freehold property for £172,500. This property serves the purpose as a manse for the Regional Minister, Strategy and Transition. The costs associated with the manse purchase were charged in full to the 2021 accounts. The purchase was part funded by a £100,000 loan from the Yorkshire Baptist Association (YBA), repayable over 15 years (see note 13).

10 Investments

	2022 £	2021 £
Cost		
At 1 January	2,355	3,160
Additions	-	2
Disposals	-	(807)
At 31 December	2,355	2,355

The investments are analysed as:-

	2022 £	2021 £
Baptist Insurance Company plc – 471 £5 shares fully paid	2,355	2,355
	2,355	2,355

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

11 Debtors

	2022 £	2021 £
Prepayments and other debtors	-	-

12 Cash at bank and in hand

	2022 £	2021 £
Unity Trust Bank plc	91,465	34,912
CCLA COIF Charities	110,121	109,057
Deposit Fund		
	201,586	143,969

13 Creditors

	Amounts falling due within one year		Amounts falling due after one year	
	This year £	Last year £	This year £	Last year £
Accrued expenses and deferred income	571	2,755	-	-
Loan from YBA	5,123	5,800	90,539	93,781
Baptists Together clawback	21,023			
Other creditors	-	4,000	0	0
	26,717	12,555	90,539	93,781

14 Summary of fund movements

	Balance brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Balance carried forward £
Unrestricted					
General Fund	11,596	215,621	(168,710)	-	58,507
Designated					
Benevolent Fund	266	-	-	(266)	-
Development Fund	17,632	-	-	(17,632)	-
Lithuania Fund	516	-	-	(516)	-
Mission Support Fund	8,464	-	-	19,928	28,392
Manse	172,500	-	-	-	172,500
NBA Ministers' Fellowship Fund	1,514	-	-	(1,514)	-
Restricted					
	-	-	-	-	-
	212,488	215,621	(168,710)	-	259,399

Mission Support Fund

In 2022 Trustees agreed to consolidate all historical Designated funds into a single Mission Support Fund. This is part of the implementation of a transitional plan for the NBA to a future funding model with a priority focus on supporting mission work through the churches within the NBA.

Manse

The manse comprises freehold land and buildings which is held with a view to furthering the objects of the Charity.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

15 Analysis of net assets

	Fixed assets	Investments	Current assets	Current liabilities	Provisions	Total
	£	£	£	£	£	£
Endowment funds	–	–	–	–	–	–
Restricted funds	–	–	–	–	–	–
Designated funds	172,500	–	39,988	–	–	212,488
Unrestricted funds	214	2,355	161,598	(117,256)	–	46,911
	172,714	2,355	201,586	(117,256)	–	259,399

16 Pensions

Baptist Pension Scheme

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

The Ministers and staff employed by the Association are eligible to join the Scheme.

The Scheme, previously known as the Baptist Ministers’ Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final 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.

In 2019 the Association enacted a voluntary cessation event under Section 75 of the Pensions Act 1995. This made the Association liable for a proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its current and previous Ministers who were members of the Scheme prior to 2012. The Association settled its debt during 2019 and now has no further obligations to the DB Plan within the Scheme.

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members’ Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The total Defined Contribution pension cost for the Association for the year is £7,812 (2021 £6,716).

The Charity has also concluded its moral commitment to pay BUGB £2,000 for the year ending 31 December 2022 to support the ‘Family Solution’ for reducing the deficit on the DB Plan within the Scheme.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2022

17 Related party transactions

There were no related party transactions, other than those with the Trustees (note 8), in either the current or previous year.

18 Funding commitments

The Charity is committed to paying £79,048 of Home Mission grants during the year ending 31 December 2023 subject to certain conditions being satisfied.

These funding commitments are not recognised as a liability or provision within these financial statements.

Accounts

THE NORTHERN BAPTIST ASSOCIATION
(a charitable company limited by guarantee)

Charity Number 1092595

Company Number 4340889

ANNUAL REPORT
for the year ended 31 December 2021

THE NORTHERN BAPTIST ASSOCIATION

ANNUAL REPORT for the year ended 31 December 2021

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THE NORTHERN BAPTIST ASSOCIATION

STATUTORY INFORMATION

Directors and Trustees	J Buckle Rev Dr J R Claydon <i>Regional Minister (Pastoral)/Team Leader (retired 31 August 2021)</i> Rev J M Cooper Rev M Cross Rev P Dixon <i>(appointed 24 April 2021)</i> Rev Caroline Friend C Harding <i>(resigned 15 April 2021)</i> A J Hegarty Rev R Holland P Hyde <i>BMS World Mission representative</i> C McCullars <i>(appointed 24 April 2021, resigned 18 December 2021)</i> G P Monument <i>CPFA Treasurer</i> Rev P R Newman <i>(resigned 24 April 2021)</i> V Pensacala <i>(appointed 24 April 2021)</i> Rev G P Revill <i>Regional Minister (Mission Enabler)</i> Rev R Richardson <i>Home Mission Co-ordinator</i> Rev A V Ruddle <i>Moderator</i> J Thoy Rev D P Tubby Rev R K Wynd <i>(resigned 24 April 2021)</i> Rev H Young <i>Transitional Strategic Leader (appointed 1 September 2021)</i>
Company secretary	C Harding <i>(resigned 15 April 2021)</i> M Heaton <i>(appointed 15 April 2021)</i>
Registered office	1 st Floor Block C The Wharf, Manchester Road Burnley, Lancashire BB11 1JG
Company number	4340889
Charity registration number	1092595
Bankers	Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB CCLA Fund Managers Ltd Senator House 85 Queen Victoria Street London EC4V 4ET
Independent examiner	John W Watson FCA

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2021

Structure, governance and management

The Northern Baptist Association is a company limited by guarantee which is registered as a charity with the Charity Commission. The Company has adopted Bye Laws and a Memorandum and Articles of Association which together comprise its constitution. The members of the Company are the Baptist churches situated within the Northern region of England.

The Articles of Association require that an Annual General Meeting be held in each year and provide for the convening of other general meetings if required. Each member church has the right to appoint one or more representatives (depending on the number of persons in membership with the church) to attend and vote at general meetings, and each minister in post at a member church shall also be a representative.

The Association has a Council whose members are the directors of the Company and the Trustees for the purposes of the Charities Act. The Council consists of:

- up to twelve members elected by the representatives at the Annual General Meeting;
- the Regional Ministers appointed by the Association;
- the Association Treasurer, a BMS World Mission representative and the Home Mission representative;
- up to four co-opted members to provide a balance of lay, ordained, experience, age, sex and ethnic origin membership among the member churches;
- up to three co-opted members from the Association's representatives on the Baptist Union Council.

The members of Council who served during the year are shown on page 2.

Objectives and activities

The object stated in the Memorandum of Association is the advancement of the Christian religion especially by the means of and in accordance with the principles of the Baptist denomination as set out in the Declaration of Principle of the Baptist Union of Great Britain. The Association remains committed to its mission statement to 'engage together in developing, encouraging and supporting churches to be creative in mission, and facilitating effective ministries'. Developing collaboration, providing training, supporting churches in their regular life and specific mission focus, as well as providing pastoral support to ministers and others remains at the heart of all that we do.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

As a small charity, the remainder of the Trustees' Report focuses on the main activities undertaken by the Association to further its charitable purposes for the public benefit.

Achievements and performance

2021 marked the departure of Rev Dr John Claydon after 20 years as Regional Minister of the NBA and as part of this report the Trustees place on record their thanks to him for his faithful service.

This of course meant that much of 2021 was spent in the search for the right person to bring about Transition in the Association after the Trustees determined to create a new and unique post of Transitional Strategic Leader for a contract of 3 years. It has been challenging and a blessing as our Lord led us through each phase and we are grateful to all who have contributed.

Our aim was for an 'in-depth root and branch review of the Team and Association structures that will meet the needs of our churches in the 21st century'. This will keep us focussed and centred on the goal of pioneering and missional activity through the following as we sought a person who fulfilled these criteria: -

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2021

Achievements and performance (continued)

- Strategic
- Flexible
- Visionary
- Responsive
- Relational
- Imaginative and creative
- Releasing and empowering
- Encompassing of the wide range of gifts given by God to the church

The process of selection was through involving people from within the NBA, the wider Baptist Together community and the Northern Baptist College most connected with the Association through its site at Durham. The outcome was a unanimous recommendation to the Trustees and then to the NBA Assembly of the Revd Hayley Young who was serving as the Mission Enabler of the South Wales Baptist Association.

To achieve a start date of September 2021 the Assembly had to approve the appointment and the purchase of a manse and, despite a minor delay, this was achieved.

Hayley has made an excellent start in communication and updating various areas but the main thrust will come when she presents the first phase of her review after 100 days in January 2022.

2021 has been hard on many ministries and we acknowledge the stress and weariness that having to manage church life has placed on our ministers and their church leadership in the many changes the Covid pandemic has brought and imposed. We pray for their respite in 2022, their blessing and advancement of their mission.

Due to lack of travel possibilities **the Lithuania Partnership** has been in abeyance this last year.

Other events and activities

As a result of the pandemic, the two assemblies were quite different this year. The first was held by Zoom on a Friday evening, 23rd April. Alan Donaldson brought a challenging message and application from his narrowboat home while Glen Cormack led worship from North Allerton. On Saturday morning the AGM was held again on Zoom to discuss and decide the appointment of the Trustee proposal of Revd Hayley Young. One particular new innovation was the holding of a Youth event by zoom on the Saturday evening and the success this has led us to plan a similar, but in person, event when it proves possible.

The autumn Assembly was held in person at Oxford Road Hartlepool and, with worship led by Fiona Preston and music team, it was so good to be back together in this way worshipping AND giving praise to God. With Hayley now in post and ably assisted by others the theme of pioneering by testimony, word and challenge to us all was strongly made and welcomed.

At the April Assembly we welcomed new Trustees to the Council of the NBA: Phil Dixon, Clare McCullars and Virgilio Pansacala. Sadly due to personal circumstances Clare had to stand down in December 2021. It is our hope and intention to strengthen the Council by training and new nominations during 2022.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2021

Missional Engagement

As a group of fifty churches, we have engaged in many different forms of mission within local communities across the past year. Covid has had a deep impact in the North East and our churches have often been in the forefront of providing support through food distribution, supporting those with mental health needs, providing spaces for prayer, reflection and a listening ear, and partnering with other social projects in their communities. As an Association we have supported churches with ongoing resourcing, networking, guidance and encouragement through the past year. Our plan for the coming year will be to bring new energy to work alongside churches to enable new forms of outreach and missional communities to become established, especially where churches are small, ageing and having difficulty in engaging with their community on their own.

Financial review

Key changes

This financial year has been one of significant change for the Association. We are grateful to Rev. Dr. J Claydon, who retired on 31 August, for serving as Regional Minister for 20 years. We are also encouraged by the appointment of Rev. H Young who will lead a strategic change to Association life over the next three years. In addition to the change in personnel, the Association purchased a manse to provide housing for Rev. H Young as the previous arrangement with the regional minister had been to lease back their home. The purchase of the manse for £172,500 was funded partly from reserves and through a £100,000 loan from the Yorkshire Baptist Association, repayable over 15 years plus interest at 2.6% per annum.

Income

During the year, total income of the Association increased by £32,200. This was primarily as a result of the Baptist Union of Great Britain (BUGB) not requiring a clawback of 2021 funds (£25,100 in 2020) and an additional grant from the Lady Hewley Trust to support the ongoing work with churches in the association. A significant number of churches and individuals in the region provided donations to gift to the regional minister on his retirement. These gifts were recorded as restricted donations and passed on to the regional minister on his retirement.

Expenditure

The total expenditure of the Association increased by £9,800. The main contributions to this increase were the one-off costs of the manse purchase of £7,200, including all legal fees associated with the purchase and the pass through of the gifts for the retiring regional minister. The impact of COVID-19 on expenditure has continued in 2021, maintaining low levels of travel and subsistence as churches were closed for part of the year, and the continuing use of online meetings.

Net resources

The purchase of the manse has had a significant impact on net resources. Unrestricted funds have reduced to £11,600 (£73,400 in 2020) and although designated funds have increased to £200,900 (£120,900 in 2020), £172,500 of this is invested in the manse.

The association also reduced its investments by £807 in 2021. The association invested £750 with BUGB in 1994 to set up the Baptist Loan Fund. This was moved into a 7-day interest account in 2010 by the BUGB, accumulating a small element of interest each year. Following an audit of accounts by BUGB they advised that the balance on the account is below the usual minimum balance for that type of account, so the association agreed to close the account and the balance was transferred to the association bank account.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2021

Looking ahead

The BUGB have confirmed the Association's funding for 2022, which is again contingent on their performance. The NBA is currently in a stronger position following the settlement of all its pension scheme liabilities. In addition the loan repayments to the Yorkshire Baptist Association are lower than the lease cost of the previous regional minister's home, enabling a small annual saving to be achieved whilst still meeting the loan repayments.

Reserves

It is the policy of the Trustees to seek to maintain unrestricted reserves in the Association's General Fund equivalent to a minimum of 50% of the Association's annual unrestricted expenditure. This will be challenging in the coming years due to the loan repayment due to the Yorkshire Baptist Association. However, the policy will continue to be reviewed annually.

The Trustees declare that they have approved the Trustees' report (including Directors' report) above.

Rev A V Ruddle
Director

15 March 2022

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as directors of the company, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company at the end of the financial year and of its surplus or deficit for the year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operational existence.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

THE NORTHERN BAPTIST ASSOCIATION

REPORT OF THE INDEPENDENT EXAMINER

to the Trustees of The Northern Baptist Association (company number 4340889) ("the Company")

I report on the financial statements of the Company for the year ended 31 December 2021, which are set out on pages 9 to 20.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company 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").

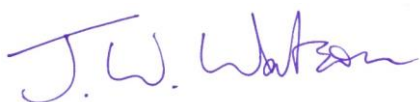
Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



John W Watson FCA
43 Norham Drive
Morpeth
NE61 2XA

15 March 2022

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	Note	2021 Unrestricted £	2021 Designated £	2021 Restricted £	2021 Total £	2020 Unrestricted £	2020 Designated £	2020 Restricted £	2020 Total £
INCOME AND ENDOWMENTS									
Donations and legacies	2	3,940	—	4,685	8,625	3,584	—	—	3,584
Investment income	3	221	—	—	221	667	—	—	667
Income from Charitable activities	4	166,748	—	—	166,748	147,317	—	—	147,317
Other income	5	12,683	-	—	12,683	4,494	-	—	4,494
Total income and endowments		183,591	-	4,685	188,276	156,062	-	—	156,062
EXPENDITURE									
Expenditure on Charitable activities	6	(165,349)	-	(4,685)	(170,034)	(160,193)	-	—	(160,193)
Total expenditure		(165,349)	-	(4,685)	(170,034)	(160,193)	-	—	(160,193)
Net (expense) / income for the year before transfers		18,242	-	—	18,242	(4,131)	-	—	(4,131)
Transfers between funds		(80,000)	80,000	—	—	(42,500)	42,500	—	—
Other gains									
Actuarial gains on defined benefit pension schemes	16	-	—	—	-	-	—	—	-
NET MOVEMENT IN FUNDS		(61,758)	80,000	—	18,242	(46,631)	42,500	—	(4,131)
Total funds brought forward		73,354	120,892	—	194,246	119,985	78,392	—	198,377
TOTAL FUNDS CARRIED FORWARD		11,596	200,892	—	212,488	73,354	120,892	—	194,246

All of the above arises from continuing operations. The Charity has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses is presented.

THE NORTHERN BAPTIST ASSOCIATION

BALANCE SHEET as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible fixed assets	9	172,500		-	
Investments	10	<u>2,355</u>		<u>3,160</u>	
			174,855		3,160
CURRENT ASSETS					
Debtors	11	-		-	
Cash at bank and in hand	12	<u>143,969</u>		<u>223,481</u>	
		143,969		223,481	
CURRENT LIABILITIES					
Creditors	13	<u>(106,336)</u>		<u>(32,395)</u>	
NET CURRENT ASSETS			37,633		191,086
NET ASSETS			<u>212,488</u>		<u>194,246</u>
CHARITY FUNDS					
Endowment	14	-		-	
Restricted	14	-		-	
Designated	14	200,892		120,892	
Unrestricted	14	11,596		73,354	
TOTAL CHARITY FUNDS	15	<u>212,488</u>		<u>194,246</u>	

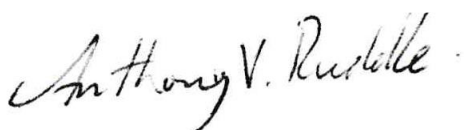
For the year ended 31 December 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. At the request of the directors an independent examination of the financial statements has been carried out in accordance with the general Directions given by the Charity Commission and the Independent Examiner's Report is on page 8.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes on pages 11 to 20 form an integral part of these financial statements.

These financial statements were approved by the directors on 15 March 2022 and signed on their behalf by:



Rev A V Ruddle
Director
Company number: 4340889



G P Monument
Director

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS102)), FRS102 and with the Charities Act 2011. The Charity has claimed the exemption in accordance with section 7 of FRS 102 not to prepare a cash flow statement.

The Northern Baptist Association is a registered charity, number 1092595, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

Donations are accounted for gross when received.

Legacies

Legacies are accounted for on the earlier of notification of an impending distribution and the legacy being received, provided that the legacy can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable

The Charity makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office and governance costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off fixed assets, less their estimated residual value over their expected useful lives as follows:

Freehold land and buildings	Not depreciated
Office Equipment	50% straight line

Freehold land and buildings comprises a manse which is held with a view to furthering the objects of the charity. No depreciation is charged against these assets on the basis that the residual value is at least equal to the carrying value.

Investment assets

Investments are initially recognised at cost. Subsequently they are measured at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1 Accounting policies (continued)

Cash at bank and in hand

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the charity. Income arising from endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Employee benefits

The Association operates a Defined Contribution (DC) Plan for its employees. A DC plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid, the Association has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Association in an independently administered fund.

Prior to 2012, pension provision was made through a multi-employer Defined Benefit (DB) Pension Plan. Where applicable, if it was not possible for the Association to obtain sufficient information to enable it to account for the plan as a DB plan, it accounted for the plan as a DC plan.

Where applicable, if the DB plan was in deficit and where the Association had agreed with the plan to participate in a deficit funding arrangement, the Association recognised a liability for this obligation and made provision for it. The amount recognised was the amount required to buy out the debt via annuities under the agreement that related to the deficit. The amount paid each year under the agreement was expensed in the Statement of Financial Activities. The change in the value of the provision was recognised as a finance cost or write back. See also Note 16.

2 Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Donations and legacies	1,622	–	4,685	6,307	2,204
Assembly income	515	–	–	515	228
Contributions to preaching costs	1,803	–	–	1,803	1,152
	3,940	–	4,685	8,625	3,584

During the year ended 31 December 2020 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

3 Investment income

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
CCLA COIF Charities Deposit	19	–	–	19	465
Fund interest					
Loan interest	202	–	–	202	202
	<u>221</u>	<u>–</u>	<u>–</u>	<u>221</u>	<u>667</u>

During the year ended 31 December 2020 all of the income related to unrestricted funds.

4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Baptist Union of Great Britain					
Core Funding	166,748	–	–	166,748	147,317
	<u>166,748</u>	<u>–</u>	<u>–</u>	<u>166,748</u>	<u>147,317</u>

During the year ended 31 December 2020 all of the income related to unrestricted funds.

5 Other income

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Grant from Lady Hewley Trust	12,663	–	–	12,663	2,333
Other income	20	–	–	20	2,161
	<u>12,683</u>	<u>–</u>	<u>–</u>	<u>12,683</u>	<u>4,494</u>

During the year ended 31 December 2020 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

6 Expenditure on Charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Grants payable	44,446	—	—	44,446	45,726
Staff salaries	70,286	—	—	70,286	68,219
Employer's National Insurance	1,780	—	—	1,780	1,870
Employer's pension contributions	6,716	—	—	6,716	6,751
Housing expenses	21,516	—	—	21,516	24,439
Manse purchase costs	7,188	—	—	7,188	-
Conferences and courses	957	—	—	957	747
Travel expenses	4,782	—	—	4,782	5,652
Committee travel and expenses	190	—	—	190	895
NBA Assemblies	175	—	—	175	-
Loan repayments	2,267	—	—	2,267	-
Other expenses	1,684	-	4,685	6,369	2,993
	161,987	-	4,685	166,672	157,292
<i>Support costs:</i>					
Telephone, stationery, postage	1,714	—	—	1,714	1,384
Depreciation of equipment	-	—	—	-	190
Insurance	1,648	—	—	1,648	1,327
	165,349	-	4,685	170,034	160,193

During the year ended 31 December 2020 all of the expenditure related to unrestricted funds. The average number of employees during the year was 3 (2020: 3).

No employee received emoluments in excess of £60,000 during either the current or previous year.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

7 Grants and donations payable

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Home Mission grants					
<u>Annual grants</u>					
Berwick	6,300	—	—	6,300	7,500
Blackhill	4,000	—	—	4,000	4,000
College Tutor	3,746	—	—	3,746	3,662
Coulby Newham	-	—	—	-	4,000
Filipino Church	4,000	—	—	4,000	5,000
Hartlepool, Headland	5,800	—	—	5,800	2,931
Hartlepool, West View	3,208	—	—	3,208	5,000
Marsden Road	5,800	—	—	5,800	1,333
North Shields	3,000	—	—	3,000	1,000
Portrack	3,500	—	—	3,500	5,000
Wallsend	4,000	—	—	4,000	5,000
<u>Mission project grants</u>					
Rowley	-	—	—	-	400
	43,354	-	-	43,354	44,826
Donations					
NECAT	600	—	—	600	600
Northumbria Industrial Mission	300	-	-	300	300
Baptist Historical Society	50	-	-	50	-
BMS World Mission – Assembly	71	—	—	71	-
Offering					
BUGB Home Mission – Assembly	71	—	—	71	-
Offering					
	44,446	-	-	44,446	45,726

8 Trustees' remuneration and expenses

The following payments were made to Trustees under Section 5d, 5e and 6 of the Memorandum of Association:

	2021 £	2020 £
Salaries	62,066	62,400
Pension costs	6,716	6,749
Housing expenses	21,516	24,439
Travel expenses	4,582	4,592
	94,880	98,180

Rev. Dr J R Claydon acted as one of the Association's trustees until 31 August 2021 and received remuneration of £22,866, housing expenses of £8,109 and travel expenses of £274. In addition the Charity made pension contributions totalling £2,435.

Rev. G P Revill acts as one of the Association's trustees and received remuneration of £29,400, housing expenses of £12,229 and travel expenses of £2,971. In addition the Charity made pension contributions totalling £3,211.

Rev. H Young acts as one of the Association's trustees from 1 Sept 2021 and received remuneration of £9,800, housing expenses of £1,178 and travel expenses of £1,337. In addition the Charity made pension contributions totalling £1,070.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

8 Trustees' remuneration and expenses (continued)

During the year, excluding expenses set out in the above table, further expenses of £190 were incurred by one Trustee. These expenses were in relation to travel and subsistence.

The Trustees are the key management personnel of the Charity.

The pensions costs relate to employer contributions to the DC plan within the Baptist Pension Scheme. Prior to paying off the Association's pensions deficit in 2019, the Association also paid pension deficit contributions to the DB plan within the Baptist Pension Scheme (previously the Baptist Ministers' Pension Scheme), which is a final salary DB scheme, not contracted out of the State Second Pension (S2P). The DB plan is a multi-employer arrangement and it is not possible to identify the assets and liabilities which are attributable to the Association. Therefore, where applicable and in accordance with FRS 102 Section 28, the DB plan within the Scheme was accounted for as a DC scheme. See also Note 16.

9 Tangible fixed assets

	Freehold land & buildings £	Fixtures, fittings and equipment £	Total 2021 £	Total 2020 £
At the beginning of the year	-	1,528	1,528	1,528
Additions	172,500	-	172,500	-
Disposals	-	878	878	-
At end of the year	172,500	650	173,150	1,528
	Depreciation and impairments			
Basis Rate	None	SL 50%		
At beginning of the year	-	1,528	1,528	1,338
Disposals	-	878	878	-
Depreciation	-	-	-	190
At end of the year	-	650	650	1,528
Net book value				
Net book value at the beginning of the year	-	-	-	190
Net book value at the end of the year	172,500	-	172,500	-

In 2021 the charity purchased a freehold property for £172,500. This property serves the purpose as a manse for the Transitional Strategic Leader.
The purchase was part funded by a £100,000 loan from the Yorkshire Baptist Association, repayable over 15 years.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

10 Investments

	2021 £	2020 £
Cost		
At 1 January	3,160	3,158
Additions	2	2
Disposals	(807)	-
At 31 December	<u>2,355</u>	<u>3,160</u>

The investments are analysed as:-

	2021 £	2020 £
Baptist Insurance Company plc – 471 £5 shares fully paid	2,355	2,355
Baptist Union Corporation Loan	-	805
	<u>3,160</u>	<u>3,160</u>

11 Debtors

	2021 £	2020 £
Prepayments and other debtors	<u>-</u>	<u>-</u>

12 Cash at bank and in hand

	2021 £	2020 £
Unity Trust Bank plc	34,912	34,443
CCLA COIF Charities Deposit Fund	109,057	189,038
	<u>143,969</u>	<u>223,481</u>

13 Creditors

	Amounts falling due within one year		Amounts falling due after one year	
	This year £	Last year £	This year £	Last year £
Accrued expenses and deferred income	8,555	3,276	93,781	
Other creditors	4,000	27,119	0	2,000
	<u>12,555</u>	<u>30,395</u>	<u>93,781</u>	<u>2,000</u>

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

14 Summary of fund movements

	Balance brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Balance carried forward £
Unrestricted					
General Fund	73,354	183,591	(165,349)	(80,000)	11,596
Designated					
Benevolent Fund	266	—	—	—	266
Development Fund	110,132	—	—	(92,500)	17,632
Lithuania Fund	516	—	—	—	516
Mission Support Fund	8,464	—	—	—	8,464
Manse	—	—	—	172,500	172,500
NBA Ministers' Fellowship Fund	1,514	—	—	—	1,514
Restricted	—	4,685	(4,685)	—	—
	194,246	188,276	(170,034)	—	212,488

Benevolent Fund

The Benevolent Fund is administered by the Regional Ministers.

Development Fund

The Development Fund is designated for future special projects within the Association.

Lithuania Fund

The Lithuania Fund is designated to be used by the Association to support Baptists from Lithuania visiting the NBA.

Mission Support Fund

The Mission Support Fund represents donations received to provide financial support for members of NBA churches engaged in mission projects.

Manse

The manse is freehold land and buildings which is held with a view to furthering the objects of the charity.

NBA Ministers' Fellowship Fund

This consists of monies received from the closure of the NBA Ministers' Fellowship bank account due to change in the Fellowship's modus operandi. The monies will be held in a designated fund for the support of events or activities related to the NBA Ministers.

15 Analysis of net assets

	Fixed assets £	Investments £	Current assets £	Current liabilities £	Provisions £	Total £
Endowment funds	—	—	—	—	—	—
Restricted funds	—	—	—	—	—	—
Designated funds	172,500	—	28,392	—	—	200,892
Unrestricted funds	—	2,355	115,577	(106,336)	—	11,596
	—	2,355	143,969	(106,336)	—	212,488

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

16 Pensions

Baptist Pension Scheme

The Association is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is the responsibility of the Pension Trustee (Baptist Pension Trust Limited).

The Ministers employed by the Association are eligible to join the Scheme.

Since January 2012, pension provision has been made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The total Defined Contribution pension cost for the Association for the year is £6,716 (2020 £6,751).

The Charity has also entered into a moral commitment to pay BUGB £2,000 for the year ending 31 December 2022 as the final part of a five-year plan to support the 'Family Solution' for reducing the deficit on the DB Plan within the Scheme. This amount is recognised as a liability within these financial statements.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a DB pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

In 2019 the Association enacted a voluntary cessation event under Section 75 of the Pensions Act 1995. This made the Association liable for a proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its current and previous Ministers who were members of the Scheme prior to 2012. The Association settled its debt during 2019 at a cost of £100,500 and now has no further obligations to the DB Plan within the Scheme.

The following information relates to the DB Plan within the Scheme as would have applied if no settlement of the Association's deficit had taken place in 2019.

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

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2021

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Minimum Pensionable Income Increase Adjustment (above CPI)	0.50
Assumed investment returns	
Pre-retirement (gilt yield plus 1.75% pa)	2.95
Post-retirement (including benefits matched by the insurance policy) (gilt yield plus 0.5% pa)	1.70
Minimum Pensionable Income Increases (CPI plus 0.5%)	3.20
Deferred pension increases (based on RPI)	
Pre April 2009	3.20
Post April 2009	2.50
Pensions in payment increases (CPI with annual floor of 0% and annual cap of 0.5%)	2.70

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

The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2022.

Under the current Recovery Plan signed in September 2020, deficiency contributions are payable until June 2026. These contributions are broadly based on the employer's membership at 31 December 2014 and increase annually in line with increases to Minimum Pensionable Income as defined in the Rules.

As there is a large number of contributing employers participating in the DB Plan, the Association is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the income and expenditure charge for each period represents the employer contributions payable.

17 Related party transactions

There were no related party transactions, other than those with the Trustees (note 8), in either the current or previous year.

18 Funding commitments

The Charity is committed to paying £27,803 of Home Mission grants during the year ending 31 December 2022 subject to certain conditions being satisfied.

These funding commitments are not recognised as a liability or provision within these financial statements.

Accounts

THE NORTHERN BAPTIST ASSOCIATION
(a charitable company limited by guarantee)

Charity Number 1092595

Company Number 4340889

ANNUAL REPORT
for the year ended 31 December 2020

THE NORTHERN BAPTIST ASSOCIATION

ANNUAL REPORT for the year ended 31 December 2020

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THE NORTHERN BAPTIST ASSOCIATION

STATUTORY INFORMATION

Directors and Trustees	J Buckle Rev J Bunce (resigned 13 July 2020) Rev Dr J R Claydon <i>Regional Minister (Pastoral)/Team Leader</i> Rev J M Cooper M Cross Rev J P J Edwards (resigned 8 December 2020) C Harding (appointed 4 March 2020) A J Hegarty R Holland (appointed 16 th May 2020) P R Hope <i>Treasurer</i> (resigned 31 August 2020) P Hyde (appointed 3 November 2020) G P Monument <i>Treasurer</i> (appointed 1 September 2020) Rev P R Newman A P Price (resigned 8 December 2020) Rev G P Revill <i>Regional Minister (Mission Enabler)</i> Rev R Richardson Rev A V Ruddle <i>Moderator</i> Rev R Searle (resigned 16 January 2020) J Thoy Rev D P Tubby Rev R K Wynd
Company secretary	J Fleet (resigned 2 March 2020) C Harding (appointed 4 March 2020)
Registered office	23 Church Wynd Sherburn Village Co. Durham DH6 1QU
Company number	4340889
Charity registration number	1092595
Bankers	Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB CCLA Fund Managers Ltd Senator House 85 Queen Victoria Street London EC4V 4ET
Independent examiner	John W Watson FCA

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2020

Structure, governance and management

The Northern Baptist Association is a company limited by guarantee which is registered as a charity with the Charity Commission. The Company has adopted Bye Laws and a Memorandum and Articles of Association which together comprise its constitution. The members of the Company are the Baptist churches situated within the Northern region of England.

The Articles of Association require that an Annual General Meeting be held in each year and provide for the convening of other general meetings if required. Each member church has the right to appoint one or more representatives (depending on the number of persons in membership with the church) to attend and vote at general meetings, and each minister in post at a member church shall also be a representative.

The Association has a Council whose members are the directors of the Company and the Trustees for the purposes of the Charities Act. The Council consists of:

- up to twelve members elected by the representatives at the Annual General Meeting;
- the Regional Ministers appointed by the Association;
- the Association Treasurer, a BMS World Mission representative and the Home Mission representative;
- up to four co-opted members to provide a balance of lay, ordained, experience, age, sex and ethnic origin membership among the member churches;
- up to three co-opted members from the Association's representatives on the Baptist Union Council.

The members of Council who served during the year are shown on page 2.

Objectives and activities

The object stated in the Memorandum of Association is the advancement of the Christian religion especially by the means of and in accordance with the principles of the Baptist denomination as set out in the Declaration of Principle of the Baptist Union of Great Britain. The Association is engaged in developing, encouraging and supporting its member churches to be creative in mission and in facilitating effective ministries. In furtherance of these aims the Association employs a Regional Minister (Pastoral, Team Leader), Rev Dr John Claydon; a Regional Minister (Mission Enabler), Rev Paul Revill; and Mrs Elaine Webster (part-time support staff).

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

As a small charity, the remainder of the Trustees' Report focuses on the main activities undertaken by the Association to further its charitable purposes for the public benefit.

Achievements and performance

Change and transition were particularly central to our Association life in 2020. Some anticipated and others completely unexpected as the Covid pandemic took hold. The dynamic of change is always with us. The lockdowns and restrictions resulting from the pandemic created new ways of engaging in worship, discipleship, mission and discernment which dominated much our thinking in response to the time, and in anticipation of new ways for the future. However, we recognise that, for many, the year was challenging, demanding and coloured by grief and we extend our sympathy to all who have suffered.

Given all the restrictions, it is encouraging to look back and see what has happened and to celebrate the goodness and faithfulness of God. We expressed our appreciation to Phil Hope who had served as Association treasurer and welcomed Gavin Monument into that role. Roger Daniel stepped down from the role of Prayer Co-ordinator.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2020

Achievements and performance (continued)

We welcomed the following to new ministries, the first three as Ministers in Training.

- Aileen Innes to Heaton Baptist Church
- Barbara Revill to North Shields Baptist Church
- Peter Webster to Marsden Road, South Shields
- Annie Gray as Anglican minister to Kingston Park
- Mel Nixon as chaplain to HMP Deebolt
- Phil Dixon to Oxford Road, Hartlepool

During the year the following retired.

- Paul Newman from Whitley Bay
- Paul Richards from Whitley Lodge
- Ian Wren from Lakeside, Sunderland

Sadly Denis Kerridge, Richard Hetherington, James Cargill, Roy Fellows and Reginald Freeman died. We are grateful to God for their ministries and extend our sympathy to their families.

Although much of 2020 was dominated by restrictions to combat Covid-19 there were a number of significant events beforehand to encourage and equip our churches. This included: a ReImagine weekend to enable churches to explore in new ways issues of discipleship, mission, culture and leadership, a preaching seminar, a Firestarters conference to consider new ways in mission and discipleship, a joint Ministers' Conference with the Yorkshire Baptist Association where the speakers were Lynn Green (General Secretary of the Baptist Union) and Alex Harris (minister of Beacon Church in Stafford). The last in-person gathering was a Small Churches event on 16th March just as restrictions were beginning to be implemented.

As restrictions took hold, many churches migrated to on-line gatherings with creative use of social media such as Facebook, Zoom, WhatsApp and others. New ways were found to connect with others both nearby through local walking in the community to engaging with others on social media throughout the world. The Association's Assembly, Council meetings and staff meetings were held on Zoom. Andy Byers, formerly Free Church Track Director at Cranmer, our speaker at both Assemblies, encouraged us to seek and listen to God during a time of change. As with a number of churches, the Association Team produced video worship services through the year including some of our friends from other countries making contributions. We provided opportunities for training, insights and support making use of Zoom with events under the generic title of 'Life in a New Reality', a 'Wellbeing' webinar and videos called 'Fifteen minutes to change the church'. Each seeking to provide support and stimulate creative thinking. We launched a new monthly on-line prayer gathering with a particular focus on listening to God and held an on-line retreat day. Many of our videos were added to our NBA YouTube channel which already has a number of useful videos including hymns and songs, which have been used around the world, including Alaska, other states in the U.S.A., South Africa and Australia. Our YouTube channel now has 111 videos, 43,400 subscribers and over 39,000,000 views. Within our churches we have seen a growth in innovation, new opportunities for outreach, the rise of 'blended' church ministry that has tried to include those who are tech-rich and those who are tech-poor. However, we need to recognise the significant weariness, depression, stress and frustration resulting from the Covid Pandemic and subsequent social restrictions.

THE NORTHERN BAPTIST ASSOCIATION

COMBINED TRUSTEES' AND DIRECTORS' REPORT for the year ended 31 December 2020

Achievements and performance (continued)

The Association is served by three paid staff: Rev Dr John Claydon, Rev Paul Revill and Elaine Webster, and many volunteers who support, provide training, stimulate new ways of thinking and engagement, give advice to churches and steer the overall life of the Association. John was able to take sabbatical leave in November and December in order to focus on some particular projects. As he retires in August 2021, the Association has engaged in a substantial period of consultation with a view to appointing a Transitional Strategic Leader (Regional Minister) during 2021. This is anticipating a thorough reappraisal and review of our corporate life, enabling more effective engagement in mission for our current times.

Financial review

Income

During the year, total income of the Association decreased by £111,000 which was primarily due to one-off income in the previous year of £85,000 received following the sale of the Lightfoot Grove Church and Manse. There is a further £6,400 which is due to be received in annual instalments over the next six years, although the income and associated debtor have not been reflected in these financial statements due to the uncertainty surrounding their collection. In addition, the Baptist Union of Great Britain (BUGB) is clawing back £25,100 (15.9%) of the funding they provided to the Association in 2020 due to the BUGB not achieving their budget. The clawback will be carried out by adjusting the February and March 2021 grant payments from BUGB.

Expenditure

The total expenditure of the Association reduced by £17,700 which is principally due to the effects of COVID-19. The temporary closure of churches due to COVID-19 and transfer of meetings to online has reduced travel expenses by 53% and other costs by 31%.

Net resources

In 2019 the Association settled its pension liability relating to the Baptist Pension Scheme for £100,500 meaning that it has no further obligations relating to this. The remainder of the pension reserve was then transferred into the general fund.

Overall, the unrestricted fund decreased by £4,100 (2019 – increase of £88,300) to leave a balance carried forward of £73,400 (2019 – £120,000). Transfers between funds in 2020 reflects the decision that 50% of the benefit of the Lightfoot Grove Church and Manse disposal would be included in the designated Development Fund.

Looking ahead

The BUGB have confirmed the Association's funding for 2021, which is again contingent on their performance. The NBA is currently in a stronger position following the settlement of all its pension scheme liabilities.

Reserves

It is the policy of the Trustees to seek to maintain unrestricted reserves in the Association's General Fund equivalent to a minimum of 50% of the Association's annual unrestricted expenditure. This policy will be reviewed annually.

The Trustees declare that they have approved the Trustees' report (including Directors' report) above.

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as directors of the company, are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company at the end of the financial year and of its surplus or deficit for the year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operational existence.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

THE NORTHERN BAPTIST ASSOCIATION

REPORT OF THE INDEPENDENT EXAMINER

to the Trustees of The Northern Baptist Association (company number 4340889) ("the Company")

I report on the financial statements of the Company for the year ended 31 December 2020, which are set out on pages 8 to 19.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company 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").

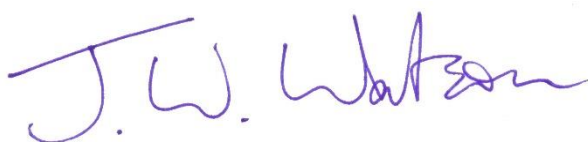
Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



John W Watson FCA
43 Norham Drive
Morpeth
NE61 2XA

21 April 2021

THE NORTHERN BAPTIST ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2020

	Note	Unrestricted £	2020 Designated £	Restricted £	Total £	Unrestricted £	2019 Designated £	Restricted £	Total £
INCOME AND ENDOWMENTS									
Donations and legacies	2	3,585	–	–	3,585	103,557	–	–	103,557
Investment income	3	667	–	–	667	902	–	–	902
Income from Charitable activities	4	147,317	–	–	147,317	154,130	–	–	154,130
Other income	5	4,493	-	–	4,493	6,979	1,514	–	8,493
Total income and endowments		156,062	-	–	156,062	265,568	1,514	–	267,082
EXPENDITURE									
Expenditure on Charitable activities	6	(160,192)	-	–	(160,192)	(177,296)	(627)	–	(177,923)
Total expenditure		(160,192)	-	–	(160,192)	(177,296)	(627)	–	(177,923)
Net (expense) / income for the year before transfers		(4,131)	-	–	(4,131)	88,272	887	–	89,159
Transfers between funds		(42,500)	42,500	–	–	55,849	(55,849)	–	–
Other gains									
Actuarial gains on defined benefit pension schemes	16	-	–	–	-	24,068	–	–	24,068
NET MOVEMENT IN FUNDS		(46,631)	42,500	–	(4,131)	168,189	(54,962)	–	113,227
Total funds / (deficit) brought forward		119,985	78,392	–	198,377	(48,204)	133,354	–	85,150
TOTAL FUNDS CARRIED FORWARD		73,354	120,892	–	194,246	119,985	78,392	–	198,377

All of the above arises from continuing operations. The Charity has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses is presented.

THE NORTHERN BAPTIST ASSOCIATION

BALANCE SHEET as at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible fixed assets	9	-		190	
Investments	10	<u>3,160</u>		<u>3,158</u>	
			3,160		3,348
CURRENT ASSETS					
Debtors	11	-		-	
Cash at bank and in hand	12	<u>223,481</u>		<u>220,355</u>	
		223,481		220,355	
CURRENT LIABILITIES					
Creditors	13	<u>(32,395)</u>		<u>(25,326)</u>	
NET CURRENT ASSETS			191,088		195,029
PROVISIONS	16		-		-
NET ASSETS			<u>194,246</u>		<u>198,377</u>
CHARITY FUNDS					
Endowment	14	-		-	
Restricted	14	-		-	
Designated	14		120,892		78,392
Unrestricted	14		73,354		119,985
TOTAL CHARITY FUNDS	15		<u>194,246</u>		<u>198,377</u>

For the year ended 31 December 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. At the request of the directors an independent examination of the financial statements has been carried out in accordance with the general Directions given by the Charity Commission and the Independent Examiner's Report is on page 7.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The notes on pages 10 to 19 form an integral part of these financial statements.

These financial statements were approved by the directors on 21 April 2021 and signed on their behalf by:

Anthony V. Ruddle

Rev A V Ruddle
Director
Company number: 4340889

G Monument

G Monument
Director

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The financial statements are prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS102)), FRS102 and with the Charities Act 2011. The Charity has claimed the exemption in accordance with section 7 of FRS 102 not to prepare a cash flow statement.

The Northern Baptist Association is a registered charity, number 1092595, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

Donations are accounted for gross when received.

Legacies

Legacies are accounted for on the earlier of notification of an impending distribution and the legacy being received, provided that the legacy can be properly quantified.

Investment income

Investment income is included in the accounts in the year in which it is receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable

The Charity makes grants to other organisations whose charitable objectives complement its work. They are accounted for in the year in which they are paid.

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office and governance costs.

Fixed assets

Furniture and equipment is included at cost less accumulated depreciation.

Depreciation

Depreciation is calculated to write off the cost on a straight-line basis over the expected useful life of the asset of two years.

Investment assets

Investments are initially recognised at cost. Subsequently they are measured at fair value with changes recognised in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. All other investment assets are shown at cost less impairment.

Cash at bank and in hand

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1 Accounting policies (continued)

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the charity. Income arising from endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Employee benefits

The Association operates a Defined Contribution (DC) Plan for its employees. A DC plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid, the Association has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Association in an independently administered fund.

Prior to 2012, pension provision was made through a multi-employer Defined Benefit (DB) Pension Plan. Where applicable, if it was not possible for the Association to obtain sufficient information to enable it to account for the plan as a DB plan, it accounted for the plan as a DC plan.

Where applicable, if the DB plan was in deficit and where the Association had agreed with the plan to participate in a deficit funding arrangement, the Association recognised a liability for this obligation and made provision for it. The amount recognised was the amount required to buy out the debt via annuities under the agreement that related to the deficit. The amount paid each year under the agreement was expensed in the Statement of Financial Activities. The change in the value of the provision was recognised as a finance cost or write back. See also Note 16.

2 Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Donations and legacies	2,204	—	—	2,204	99,707
Assembly income	228	—	—	228	1,291
Contributions to preaching costs	1,152	—	—	1,152	2,559
	3,585	—	—	3,585	103,557

During the year ended 31 December 2019 all of the income related to unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

3 Investment income

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
CCLA COIF Charities Deposit	465	–	–	465	695
Fund interest	202	–	–	202	207
Loan interest	667	–	–	667	902

During the year ended 31 December 2019 all of the income related to unrestricted funds.

4 Income from charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Baptist Union of Great Britain Core Funding	147,317	–	–	147,317	154,130
	147,317	–	–	147,317	154,130

During the year ended 31 December 2019 all of the income related to unrestricted funds.

5 Other income

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Grant from Lady Hewley Trust	2,333	–	–	2,333	4,665
Other income	2,161	–	–	2,161	3,828
	4,493	–	–	4,493	8,493

During the year ended 31 December 2019 all of the income related to designated and unrestricted funds.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

6 Expenditure on Charitable activities

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Grants payable	45,726	—	—	45,726	47,211
Staff salaries	68,219	—	—	68,219	66,660
Employer's National Insurance	1,870	—	—	1,870	2,719
Employer's pension contributions	6,751	—	—	6,751	8,970
Housing expenses	24,439	—	—	24,439	24,040
Conferences and courses	747	—	—	747	4,136
Travel expenses	5,652	—	—	5,652	12,014
Committee travel and expenses	895	—	—	895	747
NBA Handbook	-	—	—	-	142
NBA Assemblies	-	—	—	-	993
Pension interest	-	—	—	-	2,165
Other expenses	2,993	-	—	2,993	4,334
	157,292	-	—	157,292	174,131
<i>Support costs:</i>					
Telephone, stationery, postage	1,384	—	—	1,384	2,140
Depreciation of equipment	190	—	—	190	325
Insurance	1,327	—	—	1,327	1,327
	160,192	-	—	160,192	177,923

During the year ended 31 December 2019 all of the expenditure related to designated and unrestricted funds. The average number of employees during the year was 3 (2019: 3).

No employee received emoluments in excess of £60,000 during either the current or previous year.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

7 Grants and donations payable

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Home Mission grants					
<u>Annual grants</u>					
Berwick	7,500	—	—	7,500	7,500
Blackhill	4,000	—	—	4,000	4,000
College Tutor	3,662	—	—	3,662	3,500
Coulby Newham	4,000	—	—	4,000	7,000
Durham City	-	—	—	-	1,667
Filipino Church	5,000	—	—	5,000	7,200
Hartlepool, Headland	2,931	—	—	2,931	-
Hartlepool, Owton Manor	-	—	—	-	2,000
Hartlepool, West View	5,000	—	—	5,000	5,000
Marsden Road	1,333	—	—	1,333	-
North Shields	1,000	—	—	1,000	1,875
Pioneer	-	—	—	-	3,475
Portrack	5,000	—	—	5,000	2,000
Wallsend	5,000	—	—	5,000	-
<u>Mission project grants</u>					
Rowley	400	—	—	400	-
Northern Baptist College	—	—	—	—	250
	44,826	—	—	44,826	45,467
Donations					
NECAT	600	—	—	600	600
BMS World Mission – Assembly	-	—	—	-	572
Offering	-	—	—	-	-
BUGB Home Mission – Assembly	-	—	—	-	572
Offering	-	—	—	-	-
	45,726	—	—	45,726	47,211

8 Trustees' remuneration and expenses

The following payments were made to Trustees under Section 5d, 5e and 6 of the Memorandum of Association:

	2020 £	2019 £
Salaries	62,400	60,970
Pension costs	6,751	8,935
Housing expenses	24,439	24,039
Travel expenses	4,592	10,651
	<u>98,182</u>	<u>104,595</u>

Rev Dr J R Claydon acts as one of the Association's Trustees and received remuneration of £33,600, housing expenses of £12,177 and travel expenses of £1,244. In addition, the Charity made pension contributions totalling £3,592.

Rev G P Revill acts as one of the Association's Trustees and received remuneration of £28,800, housing expenses of £12,261 and travel expenses of £3,348. In addition, the Charity made pension contributions totalling £3,159.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

8 Trustees' remuneration and expenses (continued)

During the year, excluding expenses set out in the above table, further expenses of £895 were incurred by four Trustees. These expenses were in relation to travel, subsistence, communication and stationery.

The Trustees are the key management personnel of the Charity.

The pensions costs relate to employer contributions to the DC plan within the Baptist Pension Scheme. Prior to paying off the Association's pensions deficit in 2019, the Association also paid pension deficit contributions to the DB plan within the Baptist Pension Scheme (previously the Baptist Ministers' Pension Scheme), which is a final salary DB scheme, not contracted out of the State Second Pension (S2P). The DB plan is a multi-employer arrangement and it is not possible to identify the assets and liabilities which are attributable to the Association. Therefore, where applicable and in accordance with FRS 102 Section 28, the DB plan within the Scheme was accounted for as a DC scheme. See also Note 16.

9 Tangible fixed assets

	2020 £	2019 £
Cost		
At 1 January	1,528	1,528
Additions	-	-
Disposals	-	-
At 31 December	<u>1,528</u>	<u>1,528</u>
Depreciation		
At 1 January	(1,338)	(1,013)
Charge for the year	(190)	(325)
Disposals	-	-
At 31 December	<u>(1,528)</u>	<u>(1,338)</u>
Net book value		
At 31 December	<u>-</u>	<u>190</u>

All of the fixed assets are used for direct charitable purposes.

10 Investments

	2020 £	2019 £
Cost		
At 1 January	3,158	3,151
Additions	2	7
At 31 December	<u>3,160</u>	<u>3,158</u>

The investments are analysed as:-

	2019 £	2018 £
Baptist Insurance Company plc – 471 £5 shares fully paid	2,355	2,355
Baptist Union Corporation Loan	805	803
	<u>3,160</u>	<u>3,158</u>

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

11 Debtors

	2020 £	2019 £
Prepayments and other debtors	–	–

12 Cash at bank and in hand

	2020 £	2019 £
Unity Trust Bank plc	34,443	13,782
CCLA COIF Charities Deposit Fund	189,038	206,573
	223,481	220,355

13 Creditors

	Amounts falling due within one year		Amounts falling due after one year	
	This year £	Last year £	This year £	Last year £
Accrued expenses and deferred income	3,276	3,923		
Other creditors	27,119	17,403	2,000	4,000
	30,395	21,326	2,000	4,000

14 Summary of fund movements

	Balance brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Balance carried forward £
Unrestricted					
General Fund	119,985	156,060	(160,192)	(42,500)	73,352
Designated					
Benevolent Fund	266	–	–	–	266
Development Fund	67,632	–	–	42,500	110,132
Lithuania Fund	516	–	–	–	516
Mission Support Fund	8,464	–	–	–	8,464
NBA Ministers' Fellowship Fund	1,514	–	–	–	1,514
Restricted					
	–	–	–	–	–
	198,377	156,060	(160,192)	–	194,244

Benevolent Fund

The Benevolent Fund is administered by the Regional Ministers.

Development Fund

The Development Fund is designated for future special projects within the Association.

Lithuania Fund

The Lithuania Fund is designated to be used by the Association to support Baptists from Lithuania visiting the NBA by 2021.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

14 Summary of fund movements (continued)

Mission Support Fund

The Mission Support Fund represents donations received to provide financial support for members of NBA churches engaged in mission projects.

NBA Ministers' Fellowship Fund

This consists of monies received from the closure of the NBA Ministers' Fellowship bank account due to change in the Fellowship's modus operandi. The monies will be held in a designated fund for the support of events or activities related to the NBA Ministers.

15 Analysis of net assets

	Fixed assets	Investments	Current assets	Current liabilities	Provisions	Total
	£	£	£	£	£	£
Endowment funds	—	—	—	—	—	—
Restricted funds	—	—	—	—	—	—
Designated funds	—	—	120,892	—	—	120,892
Unrestricted funds	-	3,158	102,589	(32,395)	—	73,352
	-	3,158	223,481	(32,395)	—	194,244

16 Pensions

Baptist Pension Scheme

The Association is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the Scheme"). The Scheme is a separate legal entity which is the responsibility of the Pension Trustee (Baptist Pension Trust Limited).

The Ministers employed by the Association are eligible to join the Scheme.

Since January 2012, pension provision has been made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%.

The total Defined Contribution pension cost for the Association for the year is £6,751 (2019 £8,935 excluding the settlement of the pensions deficit).

The Charity has also entered into a moral commitment to pay BUGB £2,000 per year for the years ending 31 December 2021 and 31 December 2022 as the final parts of a five-year plan to support the 'Family Solution' for reducing the deficit on the DB Plan within the Scheme. This amount is recognised as a liability within these financial statements.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

16 Pensions (continued)

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a DB pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

In 2019 the Association enacted a voluntary cessation event under Section 75 of the Pensions Act 1995. This made the Association liable for a proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its current and previous Ministers who were members of the Scheme prior to 2012. The Association settled its debt during 2019 at a cost of £100,500 and now has no further obligations to the DB Plan within the Scheme.

The following information relates to the DB Plan within the Scheme as would have applied if no settlement of the Association's deficit had taken place in 2019.

A formal valuation of the DB Plan relating to all participating employers was performed at 31 December 2019 by a professionally qualified Actuary using the Projected Unit Method. The market value of the DB Plan assets at the valuation date was £298 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £18 million (equivalent to a past service funding level of 94%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contributions from churches and other employers involved in the DB Plan who have not settled their debt would remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income / Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions. The Scheme Trustees and the BU Council agreed a 50% reduction for all deficiency contributions payable between 1 July 2020 to 31 December 2020.

In addition, the Baptist Union of Great Britain contributed a lump sum of £0.5m by 31 December 2020. The recovery plan dated 30 September 2020 envisages deficiency contributions continuing until 30 June 2026 for those participating employers who have not settled their debt.

The key assumptions underlying the valuation were as follows:

Type of financial assumption	% p.a.
RPI price inflation assumption	3.20
CPI price inflation assumption	2.70
Pensionable salary increase (CPI plus 1.0% p.a.)	3.20
Assumed investment returns	
Pre-retirement	2.95
Post-retirement	1.70
Deferred pension increases	
Pre April 2009	3.20
Post April 2009	2.50
Pensions in payment increases	2.70

As there is a large number of contributing employers participating in the DB Plan, the Association is unable to identify its share of the underlying assets and liabilities of the Scheme. Accordingly, due to the nature of the Scheme, the income and expenditure charge for each period represents the employer contributions payable. The next actuarial valuation of the DB Plan within the Scheme is due as at 31 December 2022.

THE NORTHERN BAPTIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2020

17 Related party transactions

There were no related party transactions, other than those with the Trustees (note 8), in either the current or previous year.

18 Funding commitments

The Charity is committed to paying £43,646 of Home Mission grants during the year ending 31 December 2021 subject to certain conditions being satisfied.

These funding commitments are not recognised as a liability or provision within these financial statements.