

Charity registration number NIC106654

Company registration number NI000152 (Northern Ireland)

NORTHERN BAPTIST CORPORATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NORTHERN BAPTIST CORPORATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S Glasgow	
	Mr R Millar	
	Mr D Nicholl	
	Mr J McCluskey	
	Mr P Smyth	
	Pastor E Ewart	(Appointed 13 May 2023)
	Pastor N Watson	(Appointed 20 May 2024)
Secretary	Mr D Ramsey	
Charity number	NIC106654	
Company number	NI000152	
Registered office	The Baptist Centre 19 Hillsborough Road Moirá BT67 0HG	
Auditor	GMcG BELFAST Chartered Accountants & Statutory Auditor Alfred House 19 Alfred Street Belfast BT2 8EQ	
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS	
Solicitors	Johnsons Johnson House 50/56 Wellington Place Belfast BT1 6GF	

NORTHERN BAPTIST CORPORATION LIMITED

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NORTHERN BAPTIST CORPORATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of Northern Baptist Corporation Limited ('the Corporation') for the year ended 31 December 2023.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Objectives and activities

The Trustees have taken cognisance of the Charity Commission for Northern Ireland's guidance on public benefit as defined in the Charities Act (Northern Ireland) 2008.

Northern Baptist Corporation Limited is established to advance the Christian faith for the public benefit by promoting the interests of Baptist Churches in Ireland. This benefit extends to the public through the member churches of the Association of Baptist Churches in Ireland (Association) and through the work they do together as an Association by making known the Christian Gospel of the Lord Jesus Christ and through the provision of premises for public worship, the provision of opportunity for education of those entering ministry, engagement in Christian mission and delivery of a variety of Christian ministries.

Achievements and performance

Throughout the year the Corporation continued its work on behalf of the churches in the Association, providing trustee, financial and legal services.

Trustee Services

Northern Baptist Corporation Limited continues to operate as property holding trustee for Baptist Churches. One property sale took place during the year, and the Corporation took possession of one building following the closure of a church.

Guarantees

The Corporation continues to assist eight churches by way of guarantee over debt. No new guarantees were issued during the year.

Church Loans

The Corporation has provided loans to seven churches to assist with the purchase or renovation of buildings. Five new loans were issued during the year.

Retired Ministers Housing Scheme

Six properties continue to be employed in the Scheme providing housing to retired ministers. No property additions or disposals were made during the year.

Investment

Interest rates improved significantly during the year, allowing the Corporation to resume earning investment income for churches and departments of the Association. During the year the Corporation placed funds in deposit accounts on behalf of five churches.

NORTHERN BAPTIST CORPORATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Support to Association of Baptist Churches in Ireland

The Corporation continued to promote the interests of Baptist Churches in Ireland through supporting the work they do together as an Association in a variety of ways during the year. Financial support was given to the Insight Magazine and to assist with administration costs associated to the ABCI 2013 Retirement Benefits Scheme. The Corporation continues to allow the Association the use of the Baptist Centre as a facility in which to undertake its work.

Association of Baptist Churches in Ireland Ministry Support

During the year the Corporation provided financial support to sustain the work of the Association Ministry Support. Throughout the year this vital function has provided counsel and guidance to over 50 individuals involved in Pastoral Ministry and also support of churches that are without a pastor. This Scheme has proven to be a great help as assistance and advice is given for a variety of settings.

Income Protection Scheme

This valuable Scheme continued to operate on behalf of the churches. This Scheme provides an insurance for churches whose pastor experiences a period of long term illness. There are currently no ongoing claims under this Scheme.

ABCI 2013 Retirement Benefits Scheme ("the Scheme")

The Corporation continues to provide a guarantee in favour of the Trustee of the Scheme over the Deficit Reduction Contributions to the Scheme as detailed in the schedule of contributions dated 2 December 2022. The Corporation remains in Contingent Assets agreements with the Trustee of the Scheme under which there will be a charge over two properties owned by Northern Baptist Corporation with carrying value of £332,000 and a charge over £175,000 of funds held in escrow.

Financial review

The results for the year are set out in detail on pages 11 to 24. The Corporation recorded net income for the year of £248,602 (2022 – £316,029).

At the year end cash at bank and in hand was £3,780,028 (2022 - £3,648,509). It should be noted that the majority of this balance is represented by deposits held on behalf of Churches, Trusts and Association Departments.

At 31 December 2023, the total funds of the Corporation amounted to £5,681,191 (2022 - £5,436,403). All of the funds of the Corporation are unrestricted funds. However, funds totaling £4,377,665 (2022 - £4,236,786) have been designated by the directors for specific purposes, which are explained in more detail in note 18.

Unrestricted funds are considered to be essential to support the work of the Corporation in promoting the interests of Baptist churches in Northern Ireland, which includes providing financial support to the Association of Baptist Churches in Ireland as required. Unrestricted funds are also essential to provide sufficient funds to cover any unforeseen costs which may arise and to fulfil the legal obligations of the Corporation. The free reserves of the charity at 31 December 2023 are represented by unrestricted and undesignated net current assets and amount to £867,148 (2022 - £781,606).

Conduit funding

The Corporation received £Nil funds from the Dobson Trust during the year which was distributed to a church on behalf of the Dobson Trust. There was no closing balance owing at 31 December 2023 (2022 - £9,625).

NORTHERN BAPTIST CORPORATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

Northern Baptist Corporation Limited is a company limited by guarantee and does not have a share capital. It is governed by its Memorandum and Articles of Association, which were most recently updated in February 2018. The liability of each member of the company is limited to an amount not exceeding £1. The Corporation is controlled by the Executive Committee of the Churches' Council of the Association of Baptist Churches in Ireland. Directors are sought according to the needs of the Corporation. New directors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process and recent financial performance of the charity.

Responsibility for the day to day running of the charity is delegated to the company secretary, Mr D Ramsey.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S Glasgow

Mr R Millar

Mr D Nicholl

Mr J McCluskey

Mr P Smyth

Mr M Patterson

(Resigned 13 May 2023)

Mr I Grant

(Resigned 11 May 2024)

Pastor E Ewart

(Appointed 13 May 2023)

Pastor N Watson

(Appointed 20 May 2024)

Statement of Trustees' responsibilities

The directors, who are also the trustees of Northern Baptist Corporation Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the directors are required to:

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

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

NORTHERN BAPTIST CORPORATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Auditor

In accordance with the company's articles, a resolution proposing that GMcG BELFAST be reappointed as auditor of the company will be put at a General Meeting.


Small Companies Exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.


.....
Mr S Glasgow
Trustee

Dated: 31/6/2024


.....
Mr D Nicholl
Trustee

Dated: 31/6/2024

NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Opinion

We have audited the financial statements of Northern Baptist Corporation Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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Chartered Accountants | Registered Auditors | Chartered Tax Advisors | Forensic Accountants | Corporate Finance Advisors

GMcG is a trading name of GMcG Group Limited. Reg No: NIO59660. List of Directors available at registered office

Registered to conduct audit work by the Institute of Chartered Accountants in Ireland
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NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance, including the company's remuneration policies for directors, bonus levels and performance targets, if any;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with tax authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

NORTHERN BAPTIST CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN BAPTIST CORPORATION LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Nigel Moore FCA (Senior Statutory Auditor)
for and on behalf of GMcG BELFAST

2/7/24

Chartered Accountants
Statutory Auditor

Alfred House
19 Alfred Street
Belfast
BT2 8EQ

NORTHERN BAPTIST CORPORATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	198,740	310,000
Charitable activities	4	184,584	183,474
Investments	5	61,146	30,513
Other income	6	12,547	2,980
Total income		457,017	526,967
<u>Expenditure on:</u>			
Charitable activities	7	208,415	210,938
Net income for the year/ Net incoming resources		248,602	316,029
Other recognised gains and losses			
Other gains or losses	13	(3,814)	11,913
Net movement in funds		244,788	327,942
Fund balances at 1 January 2023		5,436,403	5,108,461
Fund balances at 31 December 2023		5,681,191	5,436,403

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTHERN BAPTIST CORPORATION LIMITED

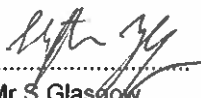
BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	14		3,923,549		3,793,697
Investments	15		105,952		105,952
			<u>4,029,501</u>		<u>3,899,649</u>
Current assets					
Debtors falling due after one year	16	863,776		350,502	
Debtors falling due within one year	16	158,429		97,602	
Cash at bank and in hand		3,780,028		3,648,509	
		<u>4,802,233</u>		<u>4,096,613</u>	
Creditors: amounts falling due within one year	17	(3,150,543)		(2,559,859)	
Net current assets			<u>1,651,690</u>		<u>1,536,754</u>
Total assets less current liabilities			<u>5,681,191</u>		<u>5,436,403</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	18	4,377,665		4,236,786	
General unrestricted funds		<u>1,303,526</u>		<u>1,199,617</u>	
			<u>5,681,191</u>		<u>5,436,403</u>
			<u>5,681,191</u>		<u>5,436,403</u>

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

The financial statements were approved by the Trustees on 3/6/2024


Mr S Glasgow
Trustee


Mr D Nicholl
Trustee

Company Registration No. NI000152

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Northern Baptist Corporation Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is The Baptist Centre, 19 Hillsborough Road, Moira, Co Down, BT67 0HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements have been prepared on a going concern basis.

The charity has net assets of £5,681,191 at 31 December 2023, including free reserves of £867,148.

The trustees are of the opinion that the charity has adequate resources to continue in operation for at least the next twelve months and that it is appropriate for the financial statements for the year ended 31 December 2023 to be prepared on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Where funding is received and subsequently distributed to other organisations in accordance with the donor's instructions it is treated as conduit funding and, therefore, is not recognised in the Statement of financial activities.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.5 Resources expended

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

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1 - 2% per annum straight line
Leasehold land and buildings	Nil
Fixtures and fittings	10% per annum straight line
Computer equipment	33% per annum straight line
Motor vehicles	25% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

No depreciation is charged on the company's long-term leasehold property. Due to the nature of the company's share in the ownership of the relevant properties the company is guaranteed to recover its cost of acquisition. Any depreciation charge is therefore considered to be immaterial.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Fixed assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Debtors

Debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	198,740	310,000
Donations and gifts		
Charles Barron Terrace property	-	120,000
Downpatrick/Bellaghy property	-	190,000
Orangefield property	195,000	-
Other	3,740	-
	198,740	310,000

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Promoting the Interests of Baptist Churches in N. Ireland	184,584	183,474

5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Investment income	61,146	30,513

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	12,408	2,826
Other Income	139	154
	12,547	2,980

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Depreciation and impairment	58,093	55,552
Retired Ministers' Housing Scheme expenses	2,650	18,477
Income protection premium	39,888	33,145
Baptist Centre repairs and maintenance	15,577	5,160
Shankill Community Fellowship	-	1,550
Printing, postage and stationery	323	397
Legal and professional fees	813	2,218
Motor expenses	-	342
Bank charges	442	394
North Belfast Christian Fellowship	14,900	20,900
Management charges	30,000	30,000
Other property expenses	8,560	5,247
Amounts donated to ABCI	23,879	29,540
Other charitable expenditure	9,870	4,967
	<u>204,995</u>	<u>207,889</u>
Share of governance costs (see note 8)	3,420	3,049
	<u>208,415</u>	<u>210,938</u>

The nature of the charitable company is such that all expenditure on charitable activities supports the work of the Association of Baptist Churches in Ireland in promoting the interests of baptist churches in Northern Ireland. There is no clear distinction between costs incurred directly and those incurred in support of charitable activities.

8 Governance costs

	Support costs £	Governance costs £	2023 £	2022 £
Audit fees	-	3,420	3,420	3,049
	<u>-</u>	<u>3,420</u>	<u>3,420</u>	<u>3,049</u>
Analysed between Charitable activities	-	3,420	3,420	3,049
	<u>-</u>	<u>3,420</u>	<u>3,420</u>	<u>3,049</u>

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9	Net movement in funds	2023	2022
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	3,420	3,049
	Depreciation of owned tangible fixed assets	58,093	55,552
	Profit on disposal of tangible fixed assets	(12,408)	(2,826)
		<u> </u>	<u> </u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration, benefits in kind or reimbursement of expenses from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Other gains or losses

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Foreign exchange loss/(gain)	3,814	(11,913)
	<u> </u>	<u> </u>

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2023	3,798,577	310,417	307,896	159,760	25,495	4,602,145
Additions	195,000	-	800	-	31,925	227,725
Disposals	(35,000)	-	-	-	(25,495)	(60,495)
At 31 December 2023	3,958,577	310,417	308,696	159,760	31,925	4,769,375
Depreciation and impairment						
At 1 January 2023	327,500	-	306,316	159,760	14,872	808,448
Depreciation charged in the year	51,314	-	271	-	6,508	58,093
Eliminated in respect of disposals	-	-	-	-	(20,715)	(20,715)
At 31 December 2023	378,814	-	306,587	159,760	665	845,826
Carrying amount						
At 31 December 2023	3,579,763	310,417	2,109	-	31,260	3,923,549
At 31 December 2022	3,471,077	310,417	1,580	-	10,623	3,793,697

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Fixed asset investments

Other
investments
£

Cost or valuation

At 1 January 2023 & 31 December 2023

105,952

Carrying amount

At 31 December 2023

105,952

At 31 December 2022

105,952

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	90,862	41,512
Prepayments and accrued income	67,567	56,090
	158,429	97,602

	2023 £	2022 £
Amounts falling due after more than one year:		
Other debtors	863,776	350,502
Total debtors	1,022,205	448,104

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Balances held for Trust funds, Departments and Churches	3,147,968	2,557,284
Accruals and deferred income	2,575	2,575
	3,150,543	2,559,859

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£	£	£	£	£
Corporation Churches Capital Fund	801,719	-	(8,838)	-	792,881	195,000	(9,338)	978,543
Corporation Baptist Centre Capital Fund	1,453,417	-	(30,000)	-	1,423,417	-	(30,000)	1,393,417
Corporation Baptist Centre Revenue Fund	58,111	6,069	(6,121)	-	58,059	9,596	(17,641)	50,014
Corporation Churches Fund	13,039	157,240	(21,956)	-	148,323	6,153	(15,351)	139,125
Corporation Income Protection Fund	91,123	34,137	(45,415)	-	79,845	41,809	(49,888)	71,766
Corporation Property Capital Fund	293,406	-	(1,150)	-	292,256	-	(1,779)	290,477
Retired Ministers' Housing Revenue Fund	150,705	13,790	(20,966)	-	143,529	21,423	(5,468)	159,484
Retired Ministers' Housing Capital Fund	1,303,390	813	(8,027)	(140,000)	1,156,176	859	(8,027)	1,149,008
Trust Fund Revenue Fund	123	-	-	-	123	-	-	123
Corporation Churches Loan Fund	-	2,177	-	140,000	142,177	3,531	-	145,708
	<u>4,165,033</u>	<u>214,226</u>	<u>(142,473)</u>	<u>-</u>	<u>4,236,786</u>	<u>278,371</u>	<u>(137,492)</u>	<u>4,377,665</u>

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Explanatory note to the funds

General funds

This fund is expendable at the discretion of the Directors for the general purposes of the charity. In addition, funds may be held in order to finance capital investment and essential working capital.

Designated Funds

Corporation Churches Capital Fund

This fund enables the Corporation to hold and maintain church property.

Corporation Baptist Centre Capital Fund

This fund relates to the value of the Baptist Centre property.

Corporation Baptist Centre Revenue Fund

Funds designated for the maintenance and repair of the Baptist Centre.

Corporation Churches Fund

This fund represents church funds held by the Corporation that have been designated for use in gospel endeavours.

Corporation Income Protection Fund

This represents funds that are held as part of an Income Protection Scheme to provide cover for Pastors experiencing long term illness.

Corporation Property Capital Fund

This fund represents properties owned and held by the Corporation for Investment.

Retired Ministers' Housing Revenue Fund

The Retired Ministers' Housing Scheme provides housing for retired Pastors who have no accommodation.

Retired Ministers' Housing Capital Fund

The Retired Ministers' Housing Scheme provides housing for retired Pastors who have no accommodation.

Trust Fund Revenue Fund

This fund holds, as separate from the capital, the undisbursed interest and income held for Churches and the Association.

Corporation Churches Loan Fund

This fund represents funds held by the Corporation to provide loans to churches for capital projects.

NORTHERN BAPTIST CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Analysis of net assets between funds

	Total 2023 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:		
Tangible assets	3,923,549	3,793,697
Investments	105,952	105,952
Current assets/(liabilities)	1,651,690	1,536,754
	<u>5,681,191</u>	<u>5,436,403</u>

21 Financial commitments, guarantees and contingent liabilities

The company has given guarantees in relation to bank borrowings of member churches within the Association of Baptist Churches in Ireland. At 31 December 2023 the total amount of outstanding debt for which guarantees have been given was £2,303,360 (2022 - £3,200,854). The relevant churches have given Resolutions of Indemnity to the company in relation to these guarantees. The total value of the property over which the Resolution of Indemnities have been provided is in excess of the outstanding debt at the year end.

The company is providing the Trustee of the ABCI 2013 Retirement Benefits Scheme with a Guarantee of Contributions to guarantee payment of the contributions required under the schedule of contributions dated 2 December 2022.

In addition NBC has entered into a number of contingent asset agreements with the Trustee of the ABCI 2013 Retirement Benefits Scheme under which there is charge over two properties owned by Northern Baptist Corporation with carrying value of £332,200 and a charge over £175,000 of funds held in escrow.

The value of the guarantee and properties in the contingent asset agreements remain included within Northern Baptist Corporation's tangible fixed assets on the balance sheet.

22 Related party transactions

Trustees

No remuneration was paid to key management personnel in the current or prior year.

Association of Baptist Churches in Ireland

The charitable company is controlled by the Executive Committee of the Churches' Council of the Association of Baptist Churches in Ireland. During the year the company paid management charges and made donations totaling £53,879 (2022 - £59,540) to the Association of Baptist Churches in Ireland. The company also received £11,702 (2022 - £10,859) for expenses paid on behalf of the Association of Baptist Churches in Ireland.

Included in other creditors at the year end is a balance of £860,546 (2022 - £811,031) due to the Association of Baptist Churches in Ireland. The balance has arisen due to funds that are held by NBC but are controlled by the Association. The balance is repayable on demand and no interest is charged on outstanding amounts.

Southern Baptist Corporation Company Limited by Guarantee

The charitable company is under common control with Southern Baptist Corporation Company Limited by Guarantee, a charitable company registered in the Republic of Ireland. During a prior year a loan of £190,020 was advanced to Southern Baptist Corporation Company Limited by Guarantee. At 31 December 2023 a balance of £141,398 (2022 - £149,648) remained due from Southern Baptist Corporation Company Limited by Guarantee. No interest is charged on the outstanding amount.