

THE LONDON BAPTIST ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2003

**In membership with the
Baptist Union of Great Britain**

Charity Registration No: 1091160

Company Number: 4325272

**Jacob Cavenagh & Skeet
Chartered Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW**

THE LONDON BAPTIST ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2003

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THE LONDON BAPTIST ASSOCIATION

COMPANY INFORMATION

DIRECTORS

Dr A Beavis	Rev V Lambert
Rev R Bell	Rev PW Martin
Miss A Buhari (appointed 28 January 2003)	Mr J Newby
Dr J Davies	Mr M Parry (appointed 14 May 2003)
Mrs Y Dowie-Shosanya (resigned 30 August 2003)	Rev S Parry
Mrs L Everitt	Rev S Rajagopalan
Rev V Frederick George	Mr B Rogers (resigned 14 May 2003)
Dr C Hicks	Miss N Savory
Rev S Jones (resigned 1 December 2003)	Mr D Shosanya (appointed 1 September 2003)
Miss C Keats	Mr D Struthers (appointed 14 May 2003)
Mrs M Kleissner	Rev Dr PM Took

Directors are elected by the members in general meeting.

OFFICERS

Moderator	Dr C Hicks
Regional Minister and Team Leader	Rev Dr P M Took BA BD PhD
Regional Minister (Mission)	Rev D Shosanya
Regional Minister (Racial Justice)	Rev S Rajagopalan MTh
Regional Minister (Administration) and Company Secretary	Rev P W Martin BA
Honorary Treasurer	Mr M Parry

SOLICITORS

Carter Lemon Camerons
11 Breams Buildings
London EC4A 1DW

SURVEYORS

Biscoe Craig Hall
5/6 Staple Inn
Holborn
London WC1V 7QU

BANKERS

Barclays Bank plc
The City Business Banking Team
54 Lombard Street
London EC3P 3AH

AUDITORS

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

STOCKBROKERS

Quilter & Co Limited
St Helen's
1 Undershaft
London EC3A 8BB

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2003

The Board of Directors has pleasure in reporting on the Financial Statements for the period ended 31st December 2003, which have been prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (October 2000).

A fuller report of the Board and reports from others are available from the company's registered office.

Principal activities and objects

The London Baptist Association is a grouping of Baptist churches in London and its environs and is affiliated to the Baptist Union of Great Britain. Baptist churches are admitted into membership by the passing of an ordinary resolution. Its object is the advancement of Christianity in and through its member churches individually and acting together, in accordance with the principles of the Baptist denomination. The present company was formed in November 2001 and began operating in 2002 when it took over the assets and liabilities of the former unincorporated Association which was formed in 1865. It is governed by its Memorandum and Articles of Association.

The activities of The London Baptist Property Board Limited (LBPB), the subsidiary, are principally to act as the holding trustee for Baptist churches, to provide loans and accept deposits to finance such provision.

Review of the period and future developments

Over the year to 31st December 2003, expenditure on the General Fund exceeded income by £8,264. This compares to a surplus in 2002 of £227. In addition to income from the Home Mission refund, the Association received grants of £17,400 from the London Baptist Property board and £48,887 from Home Mission. £6,000 of the latter grant was received towards the costs of the employment of the Britannia Village Church Planter and £42,887 was in relation to core funding of the regional ministry team. Resources expended include the support costs of the regional ministry team, Home Mission co-ordinator, Youth Work co-ordinator and Britannia Village church Planter as well as administrative support. During the year £115,214 was transferred to the General Reserve leaving the General Reserve with a balance of £366,379 compared to £251,165 in 2002.

Churches in membership with the LBA and individuals contributed £421,439 to the Baptist Union Home Mission Fund appeal in 2003. An additional £4,000 was contributed from the LBPB surplus and £44,504 from subscriptions to the LBA from member churches. The total of £469,943 was only £57 short of the target and represents an increase of 16.5% over giving to Home Mission in 2002. In 2004 the Association will receive 25% of this total from Home Mission to support its work and activities.

The Regional Minister (Team Leader), Revd Dr Pat Took, continued to provide wise leadership to the Association team during the year. Her pastoral support of churches and ministers is greatly valued. The administrative life of the Association was coordinated and resourced by Revd Paul Martin, with the Association office again being served efficiently by the office staff, Joyce Caddy, Barbara Govey and John and Mary Harrison. During the year two new Regional Ministers were appointed. Revd David Shosanya joined the Association team in September with responsibility for enabling the churches to engage effectively in mission. The team was completed in October with the appointment of Revd Sivakumar Rajagopalan. Kumar will help the Association and churches to address the challenge of racial justice.

Peter Leveson (Youth Work Co-ordinator) has continued to offer training and consultation to churches on their work with young people and Revd Carol McCarthy (Home Mission Co-ordinator) has promoted the work of Home Mission. Both work for the Association on a part-time basis. District Ministers have again offered valuable support and encouragement to ministers and churches. While not employed by the LBA, the Association was again greatly appreciative of the work of Revd Simon Jones, the BMS World Mission Area Co-ordinator. He has served as a director of the Association and has been part of the 'LBA Team'. During the year Simon accepted a call to become the Senior Minister of Bromley Baptist Church.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

Statement of the responsibilities of the Board of Directors

The directors act as the managing trustees of the Association. The Board is responsible for preparing Financial Statements for each financial period which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in its activities.

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

Investment policy

A similar ethical investment policy is followed as that of the Baptist Union of Great Britain.

The general policy is to deposit day-to-day funds with the London Baptist Property Board Limited, and, for investments of a more permanent nature, the LBA stockbrokers are consulted.

Risk management

The directors have considered the major risks to which the Association is exposed and is satisfied that, where necessary, procedures have been and are being put in place to mitigate those risks so far as is practicable.

Reserves Policy

Following the establishment of the General Fund investment portfolio (some years ago), the policy has been to set aside to the General Reserve amounts equivalent to the net realised surpluses on the disposal/exchange of investments in the portfolio. Now that the General Reserve exceeds the cost of the investment portfolio, any such excess may be available towards financing the future ongoing activities of the LBA.

Charitable donations

Details of grants made to other charitable organisations are shown in note 10 of the accounts.

Auditors

Jacob Cavenagh & Skeet have audited the financial statements for the year ended 31st December 2003.

BY ORDER OF THE BOARD

235 Shaftesbury Avenue
London
WC2H 8EP

27th April 2004

THE LONDON BAPTIST ASSOCIATION

GENERAL INFORMATION

The LBA is governed by its Memorandum and Articles of Association which were adopted on incorporation of the company on 20th November 2001. The Articles of Association provide for bye-laws for the detailed running of the company. The bye-laws were revised on 10th October 2002.

The LBA is financed chiefly by its share of the BU Home Mission appeal, being 25% of the amount raised by London churches in the previous year. This pays for working expenses, committee work, District Ministers' honoraria and special projects.

The LBA shares its office and personnel with the London Baptist Property Board Limited. Joint expenditure is apportioned on an equitable basis.

Designated Funds

Legacy Reserve Fund

Unrestricted legacies are placed into this fund and are used for purposes that the Board decides.

Youth Training Fund

This fund finances young London Baptists engaging in short-term training for Christian service.

Thames Gateway Project

This fund has received donations made by member churches in response to an appeal made in connection with plans to celebrate the third Christian millennium. The proceeds have been used to purchase a property in Britannia village, part of the newly developed Thames Gateway area. The property is used as a base for church planting.

Restricted Funds

Seventeen Restricted funds are operated, four of which include endowment funds. These are as follows:

Barnabas Fund (formerly the Aid Fund)

This fund was created to enable gifts to be made to churches in particular need for any aspect of their work. It was renamed to signify its ministry of encouragement.

J W Beaumont Trust Fund (an endowment fund)

This fund was established to comply with the wishes of the executors of the estate of the late solicitor to the LBA, J W Beaumont. Part of the fund is invested in £3,135 7½% Treasury Stock 2006 which produces an income of £235 per annum. The main purpose is to assist lay persons with Christian training expenses.

John Bradford Trust

This enables permanent loans to be made from the capital, with repayment at interest if the church closes or leaves the Association, and term interest-free loans to be made from income. To qualify a church must be within a London Borough.

Church Extension and Reconstruction Fund

This fund was set up to help, by grant or interest-free loan, churches needing to carry out urgent building maintenance. Income is derived from donations given by individuals and churches, and from grants from the London Baptist Property Board Limited.

Compassionate Trust Fund

This fund is financed by appeals to member churches to enable help to be given to ministers and their dependants in special need.

Gwennap's Charity Trust (an endowment fund)

This fund originated with a bequest from Thomas Gwennap in favour of churches which are now no longer in existence. By order of the Charity Commissioners, the income is currently applied to Westbourne Park Baptist Church for poor relief and for education. The fund is managed jointly by that church and the LBA.

THE LONDON BAPTIST ASSOCIATION

GENERAL INFORMATION (continued)

Hounslow Baptist Church Reserve

This fund was created upon the closure of Broadway Baptist Church, Hounslow in 1978. Loans and grants are made from the fund for the support of ministry (in its widest sense) in the Greater London area.

Interest Assistance Fund

This fund was established to help certain churches that have loans from the London Baptist Property Board Limited. The Board is obliged to charge interest on loans to all churches alike, and this fund is to help churches urgently needing loans who would not otherwise be able to afford the interest.

Manse Trust Fund

This fund was created in 1984 when the Manse of Nunhead Baptist Church was sold, the church having closed in 1965. Additional funds were added during 1992 in connection with the former Haydon Park church in Wimbledon. Loans have been made to churches to help with the purchase of their manses. These loans are repayable with capital appreciation relating to house values at the time of repayment.

New Century Fund

This fund was set up in the LBA centenary year in 1965. From it, interest-free loans and grants are made to Inner London churches, both for building work and to support personnel engaged in Christian mission.

T W Philpot Trust

This derives from the will of the late Thomas W A Philpot and is for making interest-free loans to churches which are erecting new chapels. Such loans will normally amount to no more than 25% of the cost unless the Board of Directors agrees otherwise. The initial capital sum became available in 1956 and a further legacy of properties and investments has since become available following the cessation of a life interest.

President's Fund

This fund was previously raised annually by the President of the Association. During the year, with there no longer being a President of the Association, it was agreed to convert the fund into an Association Annual Appeal Fund, which will raise money for specific churches and projects each year.

Roberts Memorial Fund

This fund derives from a Will Trust of the late P O Roberts and is for making interest-free loans for church building in London.

Sites Fund

This fund was established to provide loans to facilitate the acquisition of church sites. Interest is charged at 2% per annum. Loans are repayable by negotiation.

Turtle Trust (an endowment fund)

This is a Will Trust of the late Samuel Thomas Turtle to provide interest-free loans to facilitate the acquisition of sites for churches. Loans are repayable only if the church closes. The loan is a final charge on the proceeds of sale.

Valley Mission Fund

This fund derives from the sale of Valley Mission, Biggin Hill. Under the ultimate trust, the income from the invested proceeds (2,141.82 Units in the COIF Charities Investment Fund and £25,146.94 6¼% Treasury Stock 2010) is available for evangelistic work in West Kent as decided by the Board of Directors.

Walworth Trust (an endowment fund)

This fund originated in 1971 with the closure and sale of the Walworth road Baptist Church. £12,000 is invested in £18,942.75 5½% Treasury Stock 2008/12, yielding £1,042 per annum. The income is used for "Experimental Ministry" in Inner London.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE LONDON BAPTIST ASSOCIATION

We have audited the financial statements on pages 7 to 22 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 13.

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

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and statutory requirements and United Kingdom Auditing Standards.

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

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from a disagreement concerning disclosure

As stated in note 1.2 to the accounts, the underlying structure of the Statement of Financial Activities is not in accordance with Paragraph 59 of the "Accounting and Reporting by Charities" – Statement of Recommended Practice (October 2000). In all other respects in our opinion the financial statements give a true and fair view of the state of the group and company's affairs at 31st December 2003 and of its incoming resources and application of resources including its income and expenditure for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Jacob Cavenagh & Skeet
Chartered Accountants
and Registered Auditor

2004

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2003

Income and expenditure	Note	2003				Total £	2002 Total £
		General Fund £	Designated Funds £	Un- restricted Funds £	Restricted Endowment Funds £		
Incoming resources							
Operating activities:							
Contributions receivable		141,273	34	141,307	2,629	143,936	122,923
Interest on loans and deposits		262,138	1,144	263,282	24,213	287,495	308,430
Grants received:							
Baptist Union – Home Mission		6,000	-	6,000	-	6,000	5,000
– re Regional Ministers		42,887	-	42,887	-	42,887	37,000
Investment income		9,919	-	9,919	30,010	39,929	63,848
Rental income		53,159	-	53,159	6,168	59,327	34,105
Sundry income		9,320	-	9,320	-	9,320	6,845
Gain on disposal of fixed asset		-	-	-	-	-	172,209
Total incoming resources		<u>524,696</u>	<u>1,178</u>	<u>525,874</u>	<u>63,020</u>	<u>588,894</u>	<u>750,360</u>
Resources expended							
Charitable expenditure:							
Grants	10	4,000	-	4,000	40,670	44,670	47,710
Baptist Union Home Mission:							
Contributions from churches to the Association		44,504	-	44,504	-	44,504	22,852
Cost of operating activities:							
Loan interest paid		-	-	-	323	323	641
Interest payable on deposits		186,159	-	186,159	-	186,159	187,957
Regional ministers		-	-	-	-	-	15,116
'Capital vision' costs		-	-	-	-	-	2,316
Support costs	11/12	286,659	-	286,659	5,967	292,626	258,630
Auditors' remuneration		<u>11,602</u>	-	<u>11,602</u>	-	<u>11,602</u>	<u>11,383</u>
Total resources expended		<u>532,924</u>	-	<u>532,924</u>	<u>46,960</u>	<u>579,884</u>	<u>546,605</u>
Net incoming resources before transfers							
		(8,228)	1,178	(7,050)	16,060	9,010	203,755
Transfer between funds		<u>(12,060)</u>	<u>(316)</u>	<u>(12,376)</u>	<u>12,376</u>	-	-
Net incoming resources before revaluations and investment asset disposals							
		(20,288)	862	(19,426)	28,436	9,010	203,755
Gains on revaluations of fixed assets for charity's own use		-	-	-	-	-	263,729
Gain and losses on revaluations and disposals of investment assets		<u>59,430</u>	-	<u>59,430</u>	<u>70,744</u>	<u>130,174</u>	<u>400,251</u>
Net movement in funds		39,142	862	40,004	99,180	139,184	867,735
Balances brought forward from 2003		<u>2,508,251</u>	<u>264,707</u>	<u>2,772,958</u>	<u>2,401,233</u>	<u>5,174,191</u>	<u>4,306,456</u>
Balances carried forward to 2004		<u>2,547,393</u>	<u>265,569</u>	<u>2,812,962</u>	<u>2,500,413</u>	<u>5,313,375</u>	<u>5,174,191</u>

THE LONDON BAPTIST ASSOCIATION

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER 2003

	<i>Note</i>	2003		2002	
		£	£	£	£
Fixed assets					
Tangible fixed assets	2a		872,143		751,285
Investments	3a		3,243,781		2,812,819
Loans to churches	4		<u>680,869</u>		<u>726,352</u>
			<u>4,796,793</u>		<u>4,290,456</u>
Current assets					
Debtors (£1,268,032 recoverable after more than one year)	5a	1,535,738		1,963,678	
Short term deposits		6,523,244		4,954,675	
Cash held by stockbrokers		24,296		70,905	
Cash at bank and in hand		<u>22,944</u>		<u>14,926</u>	
		<u>8,106,222</u>		<u>7,004,184</u>	
Creditors: Amounts falling due within one year	6	<u>7,589,640</u>		<u>6,105,449</u>	
Net current assets			<u>516,582</u>		<u>898,735</u>
Total assets					
Less current liabilities			5,313,375		5,189,191
Creditors: Amounts falling due after more than one year	7		<u>-</u>		<u>15,000</u>
Net assets			<u>5,313,375</u>		<u>5,174,191</u>
Restricted funds					
Realised funds		2,547,571		2,521,126	
Revaluation reserve		<u>(47,158)</u>		<u>(119,893)</u>	
			2,500,413		2,401,233
Unrestricted funds					
Realised funds - General reserve		366,379		251,165	
- Other funds		1,700,764		1,731,867	
Revaluation reserve		<u>745,819</u>		<u>789,926</u>	
			<u>2,812,962</u>		<u>2,772,958</u>
			<u>5,313,375</u>		<u>5,174,191</u>

Approved by the board of Directors on 27th April 2004 and signed on their behalf:

Moderator

Hon Treasurer

THE LONDON BAPTIST ASSOCIATION

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2003

	Note	£	2003 £	2002 £
Net cash in/(out)flow from operating activities	(a)		1,927,429	(197,932)
Returns on investments				
Investment income received			39,929	63,848
Capital expenditure and financial investment				
Payments to acquire tangible fixed assets		(121,592)		322,209
Payments to acquire investments		(690,460)		(387,195)
Receipts on disposal of investments		<u>389,672</u>		<u>74,846</u>
			(422,380)	9,930
Management of liquid resources			<u>(1,568,569)</u>	<u>161,549</u>
(Decrease)/Increase in cash	(b)		<u>(23,591)</u>	<u>37,395</u>

NOTES TO CONSOLIDATED CASH FLOW
FOR THE YEAR ENDED 31ST DECEMBER 2003

(a) Net cash outflow from operations	£	£
Operating surplus	9,010	4,338,002
Transferred from unincorporated LBA	-	(4,306,456)
Investment income	(39,929)	(63,848)
Depreciation	734	1,259
Decrease/(increase) in debtors	427,940	(18,980)
Increase/(decrease) in creditors	176,067	(48,339)
Net loans repaid	45,483	59,364
Net deposits received/(returned)	<u>1,308,124</u>	<u>(158,934)</u>
Net cash outflow from operating activities	<u>1,927,429</u>	<u>(197,932)</u>

(b) Analysis of net debt	At 1st January 2003 £	Cash flows during the period £	At 31st December 2003 £
Cash at bank and in hand	14,926	8,018	22,944
Cash held by stockbrokers	70,905	(46,609)	24,296
Debt due in more than one year	<u>(15,000)</u>	<u>15,000</u>	-
	<u>70,831</u>	<u>(23,591)</u>	<u>47,240</u>

THE LONDON BAPTIST ASSOCIATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE ENDED 31ST DECEMBER 2003**

Income and expenditure	Note	2003				Total £	2002 Total £
		General Fund £	Designated Funds £	Unrestricted Funds £	Restricted and Endow- ment Funds £		
Incoming resources							
Operating activities:							
Contributions receivable		141,273	34	141,307	2,629	143,936	122,923
Interest on loans and deposits		3,912	1,144	5,056	24,213	29,269	22,258
Grants received:							
Baptist Union - Home Mission		6,000	-	6,000	-	6,000	5,000
- re Regional Ministers		42,887	-	42,887	-	42,887	37,000
London Baptist Property Board		17,400	-	17,400	15,000	32,400	45,000
Investment income		9,919	-	9,919	30,010	39,929	46,266
Rental income		-	-	-	6,168	6,168	5,169
Sundry income		4,943	-	4,943	-	4,943	6,845
Total incoming resources		<u>226,334</u>	<u>1,178</u>	<u>227,512</u>	<u>78,020</u>	<u>305,532</u>	<u>290,461</u>
Resources expended							
Charitable expenditure:							
Grants	10	-	-	-	40,670	40,670	44,110
Baptist Union Home Mission:							
Contributions from churches to the Association		44,504	-	44,504	-	44,504	22,852
Cost of operating activities:							
Loan interest paid		1,162	-	1,162	2,947	4,109	4,426
Support costs	11/12	180,786	-	180,786	5,967	186,753	179,632
Auditors' remuneration		8,462	-	8,462	-	8,462	4,618
Total resources expended		<u>234,914</u>	<u>-</u>	<u>234,914</u>	<u>49,584</u>	<u>284,498</u>	<u>255,638</u>
Net incoming resources							
Before transfers		(8,580)	1,178	(7,402)	28,436	21,034	34,823
Transfer between funds		<u>316</u>	<u>(316)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming resources before revaluations and investment asset disposals							
		(8,264)	862	(7,402)	28,436	21,034	34,823
Gains on revaluations of fixed assets for charity's own use							
		-	-	-	-	-	131,403
Gain and losses on revaluations and disposals of investment assets							
		<u>41,060</u>	<u>-</u>	<u>41,060</u>	<u>70,744</u>	<u>111,804</u>	<u>(70,963)</u>
Net movement in funds							
		32,796	862	33,658	99,180	132,838	95,263
Balances brought forward from 2003		<u>1,735,779</u>	<u>264,707</u>	<u>2,000,486</u>	<u>2,401,233</u>	<u>4,401,719</u>	<u>4,306,456</u>
Balances carried forward to 2004		<u>1,768,575</u>	<u>265,569</u>	<u>2,034,144</u>	<u>2,500,413</u>	<u>4,534,557</u>	<u>4,401,719</u>

THE LONDON BAPTIST ASSOCIATION

COMPANY BALANCE SHEET AT 31ST DECEMBER 2003

	Note	2003				2002	
		General Fund £	Designated Funds £	Total Un-restricted Funds £	Restricted and Endowment Funds £	Total £	
Fixed assets							
Tangible fixed assets	2b	11,791	278,675	396,592	-	396,592	275,000
Investments	3b	1,630,152	-	1,630,152	1,091,365	2,721,517	2,654,437
Loans to churches	4	-	470	470	680,399	680,869	726,352
		<u>1,748,069</u>	<u>279,145</u>	<u>2,027,214</u>	<u>1,771,764</u>	<u>3,798,978</u>	<u>3,655,789</u>
Current assets							
Deposits with the London Baptist Property Board Limited		57,916	31,374	89,290	701,848	791,138	709,274
Loan to Ministers' widows	5b	-	-	-	60,000	60,000	78,500
Sundry Debtors		11,433	-	11,433	733	12,166	9,204
Cash held by stockbrokers		6,058	-	6,058	18,238	24,296	70,905
Cash at bank and in hand		<u>22,944</u>	<u>-</u>	<u>22,944</u>	<u>-</u>	<u>22,944</u>	<u>9,469</u>
		<u>98,351</u>	<u>31,374</u>	<u>129,725</u>	<u>780,819</u>	<u>910,544</u>	<u>877,352</u>
Creditors: Amounts falling due within one year							
Sundry creditors		(59,493)	-	(59,493)	(90)	(59,583)	(6,549)
Inter-fund balances		<u>4,858</u>	<u>(2,228)</u>	<u>2,630</u>	<u>(2,630)</u>	<u>-</u>	<u>-</u>
		<u>(54,635)</u>	<u>(2,228)</u>	<u>(56,863)</u>	<u>(2,720)</u>	<u>(59,683)</u>	<u>(6,549)</u>
Net current assets		<u>43,716</u>	<u>29,146</u>	<u>72,862</u>	<u>778,099</u>	<u>850,961</u>	<u>870,803</u>
Total assets less current liabilities		<u>1,791,785</u>	<u>308,291</u>	<u>2,100,076</u>	<u>2,549,863</u>	<u>4,649,939</u>	<u>4,526,592</u>
Liabilities falling due after more than one year:							
Loans from churches	7	-	-	-	-	-	(15,000)
Loans from the London Baptist Property Board Limited		<u>(23,210)</u>	<u>(42,722)</u>	<u>(65,932)</u>	<u>(49,450)</u>	<u>(115,382)</u>	<u>(109,873)</u>
Net assets		<u>1,768,575</u>	<u>265,569</u>	<u>2,034,144</u>	<u>2,500,413</u>	<u>4,534,557</u>	<u>4,401,719</u>
Represented by funds:							
General reserve	14	366,379	-	366,379	-	366,379	251,165
Revaluation reserve	16	(13,369)	131,403	118,034	(47,158)	70,876	66,494
Fund balances	8/9	<u>1,415,565</u>	<u>134,166</u>	<u>1,549,731</u>	<u>2,547,571</u>	<u>4,097,302</u>	<u>4,084,060</u>
		<u>1,768,575</u>	<u>265,569</u>	<u>2,034,144</u>	<u>2,500,413</u>	<u>4,534,557</u>	<u>4,401,719</u>

Approved by the Board of Directors on 27th April 2004 and signed on their behalf:

Moderator

Hon Treasurer

THE LONDON BAPTIST ASSOCIATION

SUMMARY INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

	2003		2002	
	Group £	Company £	Group £	Company £
Gross income of continuing activities	588,894	305,532	578,151	290,461
Transferred from unincorporated LBA on 1st January 2002				
- shares in subsidiary	-	-	1,379,330	1,379,330
- other net assets	-	-	2,927,126	2,927,126
Total income	588,894	305,532	4,884,607	4,596,917
Total expenditure of continuing activities	<u>579,884</u>	<u>284,498</u>	<u>546,605</u>	<u>255,638</u>
Net surplus for the period before asset disposals	9,010	21,034	4,338,002	4,341,279
Surplus/(deficit) on disposal of fixed assets and investments	<u>219,893</u>	<u>14,162</u>	<u>166,156</u>	(<u>6,053</u>)
Surplus for the year/period	228,903	35,196	4,504,158	4,335,226
Transfer (to)/from revaluation reserve	(118,347)	93,260	97,787	-
Transfer to general reserve	(115,214)	(115,214)	(1,214)	(1,214)
Transfer to general investment and contingencies reserve	(<u>4,531</u>)	-	(<u>269,996</u>)	-
Retained (deficit)/surplus for the year	(9,189)	13,242	4,330,735	4,334,012
Surplus brought forward	<u>4,330,735</u>	<u>4,334,012</u>	-	-
Surplus carried forward	<u>4,321,546</u>	<u>4,347,254</u>	<u>4,330,735</u>	<u>4,334,012</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2003		2002	
	Group £	Company £	Group £	Company £
Surplus for the year/period	228,903	35,196	4,504,158	4,335,226
Unrealised gains on investment and fixed asset revaluation	(89,719)	97,642	670,033	66,493
Total gains and losses recognised in the year/period	<u>139,184</u>	<u>132,838</u>	<u>5,174,191</u>	<u>4,401,719</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

1 ACCOUNTING POLICIES

1.1 Accounting convention

The accounts are prepared under the historical cost convention (as modified by the revaluation of certain fixed assets), except as noted in 1.7 below.

The accounts include the results of the company's subsidiary, The London Baptist Property Board Limited.

1.2 Format of financial statements

The format of the financial statements accords with recommendations of "Accounting and Reporting by Charities" issued by the Charity Commissioners for England and Wales except that the transfer of assets and liabilities from the unincorporated London Baptist Association on 1st January 2002 has not been included within total incoming resources in 2002 as required by paragraph 59 of the SORP. The directors consider that it is more appropriate to include these transfers after the net movement in funds for the period, as this item represents the opening position of the organisation on its incorporation.

1.3 Unrestricted funds

Unrestricted funds comprise the General fund and Designated funds. Designated funds represent monies which have been allocated for specific purposes by the association. All Unrestricted fund income is accounted for at the time of receipt and expenditure accounted for when incurred.

1.4 Restricted funds

These are funds subject to specific conditions as to their use which are binding on the Association. All Restricted fund income is accounted for at the time of receipt and expenditure accounted for when incurred. Income not expended in the year of receipt is carried forward until it is fully committed.

1.5 Endowment funds

Endowment funds represent the permanent capital of certain Restricted funds.

1.6 Freehold properties

Freehold and leasehold properties, whether shown as tangible fixed assets or investments, have been included at open market value. No depreciation has been charged on those properties held as tangible fixed assets on the basis that the residual value of the properties is so high as to render depreciation immaterial.

1.7 Depreciation

No depreciation is provided in respect of investment properties in accordance with Statement of Standard Accounting Practice 19. To this extent, there is a departure from statutory requirements for fixed assets to be depreciated over their useful economic lives, but is considered necessary in order to present a true and fair view. Depreciation of approximately £10,000 would have been charged in the year.

1.8 Computer equipment

This is shown at cost and depreciated over 4 years. Equipment with a cost of over £250 is capitalised.

1.9 Pension schemes

The company contributes to defined contribution pension schemes. The assets of the schemes are held separately from those of the company and contributions are accounted for when due.

1.10 Investments

Quoted investments are stated at market value. An unquoted investment is stated at a valuation of the General Purposes and Finance Committee.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

2a TANGIBLE FIXED ASSETS – GROUP	<i>Freehold property £</i>	<i>Long leasehold £</i>	<i>Computer equipment £</i>	<i>Total £</i>
Cost or valuation				
At 1st January 2003	625,000	125,000	2,544	752,544
Additions	121,592	-	-	121,592
Disposals	-	-	-	-
Revaluation	-	-	-	-
At 31st December 2003	<u>746,592</u>	<u>125,000</u>	<u>2,544</u>	<u>874,136</u>
Depreciation				
At 1st January 2003	-	-	1,259	1,259
Charge for period	-	-	734	734
At 31st December 2003	<u>-</u>	<u>-</u>	<u>1,993</u>	<u>1,993</u>
Net book value				
At 31st December 2003	<u>746,592</u>	<u>125,000</u>	<u>551</u>	<u>872,143</u>
At 31st December 2002	<u>625,000</u>	<u>125,000</u>	<u>1,285</u>	<u>751,285</u>
Historical cost for land and buildings included at valuation:				
At 31st December 2003	<u>573,538</u>	<u>11,500</u>		<u>585,038</u>
At 31st December 2002	<u>451,946</u>	<u>11,500</u>		<u>463,446</u>

The properties were last valued by the directors at 31st December 2002 on the basis of open market value. The valuations were made on the basis of information provided by Biscoe Craig Hall. The directors consider that the retained valuations have not materially changed since 31st December 2002.

2b TANGIBLE FIXED ASSETS – COMPANY	<i>Freehold property £</i>
At 1st January 2003	275,000
Additions	<u>121,592</u>
At 31st December 2003	<u>396,592</u>

THE LONDON BAPTIST ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

3a INVESTMENTS – GROUP

	<i>Listed investments</i>	<i>Other investments</i>	<i>Freehold investment properties</i>	<i>Total</i>
	£	£	£	£
Valuation				
At 1st January 2003	1,000,446	126,764	1,685,609	2,812,819
Additions	159,419	-	531,041	690,460
Disposals	(205,734)	-	(36,000)	(241,734)
Revaluation (deficit)/surplus	(299,814)	20,705	(132,363)	(17,764)
At 31st December 2003	<u>1,048,025</u>	<u>147,469</u>	<u>2,048,287</u>	<u>3,243,781</u>
Historical cost				
As at 31st December 2003	<u>1,207,552</u>	<u>149,806</u>	<u>1,451,492</u>	<u>2,808,850</u>
As at 31st December 2002	<u>1,300,259</u>	<u>149,806</u>	<u>956,450</u>	<u>2,406,515</u>

The properties were last valued by the directors at 31st December 2002 on the basis of open market value. The valuations were made on the basis of information provided, according to the locality of the properties, by: Athawes Son & Co, Biscoe Craig Hall, Cartwright Mason and Caxtons Commercial Limited who are all professional surveyors.

All assets are held in the UK.

3b INVESTMENTS – COMPANY

General Fund	<i>Shares in LBPB</i>	<i>Listed Investments</i>	<i>Freehold investment properties</i>	<i>Total</i>
	£	£	£	£
Market value or valuation at 1st January 2003	1,379,330	192,479	117,534	1,689,343
Additions	-	33,480	22,630	56,110
Disposals	-	(13,307)	(23,600)	(36,907)
Net unrealised investment (losses)/gains	-	8,377	(86,771)	(78,394)
Market value or valuation at 31st December 2003	<u>1,379,330</u>	<u>221,029</u>	<u>29,793</u>	<u>1,630,152</u>
Historical cost or probate value at 31st December 2003	<u>1,379,330</u>	<u>212,511</u>	<u>29,793</u>	<u>1,621,634</u>

The company holds 100% of the 'A' shares in its subsidiary, The London Baptist Property Board Limited.

Restricted and Endowment Funds

	<i>Listed Investments</i>	<i>Freehold investment properties</i>	<i>Total</i>
	£	£	£
Market value or valuation at 1st January 2003	680,102	284,992	965,094
Additions	125,938	37,370	163,308
Disposals	(64,562)	(12,400)	(76,962)
Net unrealised investment losses	85,517	(45,592)	39,925
Market value or valuation at 31st December 2003	<u>826,995</u>	<u>264,370</u>	<u>1,091,365</u>
Historical cost or probate value at 31st December 2003	<u>802,369</u>	<u>165,370</u>	<u>967,739</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST DECEMBER 2003 (continued)

4	LOANS TO CHURCHES – GROUP AND COMPANY	<i>Designated Fund</i>	<i>Restricted and Endowment Funds</i>	<i>Total</i>
		£	£	£
	Permanent loans	470	173,453	173,923
	Fixed loans	-	506,946	506,946
		<u>470</u>	<u>680,399</u>	<u>680,869</u>

Permanent loans are repayable on closure, withdrawal or sale of the site and are in most cases interest-free. Fixed-term loans are interest-free. These loans are predominantly payable after more than one year.

5a	DEBTORS – GROUP	<i>2003</i>	<i>2002</i>
		£	£
	Advances and interest accrued (£1,268,032 recoverable after more than one year)	1,394,999	1,781,240
	Loans to Ministers' widows	60,000	78,500
	Prepayments and sundry debtors	80,739	7,124
	Accrued income	-	96,814
		<u>1,535,738</u>	<u>1,963,678</u>

5b DEBTORS – COMPANY

The Loans to Ministers' widows are repayable on the sale of the houses they were used to purchase. There is no interest payable on these loans.

6	CREDITORS – GROUP	<i>2003</i>	<i>2002</i>
		£	£
	Amounts falling due within one year		
	7 day notice deposits and interest accrued:	7,522,981	6,089,354
	Sundry creditor accruals	66,659	16,095
		<u>7,589,640</u>	<u>6,105,449</u>

7	CREDITORS – GROUP AND COMPANY	<i>2003</i>	<i>2002</i>
		£	£
	Amounts falling due after more than one year		
	Loans from churches	-	15,000

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

8 UNRESTRICTED FUNDS

	<i>Designated Funds</i>				<i>Total Designated Funds</i>	<i>General Fund</i>	<i>General Reserve</i>	<i>Total Unrestricted Funds</i>
	<i>International Fund</i>	<i>Legacy Reserve Fund</i>	<i>Mission Fund</i>	<i>Thames Gateway Project</i>				
	£	£	£	£	£	£	£	
INCOMING RESOURCES								
Operating activities:								
Contributions receivable	-	-	-	34	34	179,493	-	179,527
Interest on loans and deposit accounts	-	666	478	-	1,144	3,912	-	5,056
Grants received:								
Baptist Union re Regional Minister	-	-	-	-	-	-	-	-
Baptist Union Home Mission	-	-	-	-	-	10,667	-	10,667
London Baptist Property Board Limited	-	-	-	-	-	17,400	-	17,400
Investment income	-	-	-	-	-	9,919	-	9,919
Sundry income	-	-	-	-	-	4,943	-	4,943
Total incoming resources	<u>-</u>	<u>666</u>	<u>478</u>	<u>34</u>	<u>1,178</u>	<u>226,334</u>	<u>-</u>	<u>227,512</u>
Less: RESOURCES EXPENDED								
Charitable expenditure:								
Baptist Union Home Mission:								
Contributions from churches and individuals	-	-	-	-	-	44,504	-	44,504
Cost of operating activities:								
Loan interest paid	-	-	-	-	-	1,162	-	1,162
Advice and support to member churches	-	-	-	-	-	180,786	-	180,786
Management expenses:								
Auditors' remuneration	-	-	-	-	-	8,462	-	8,462
Total resources expended	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,914</u>	<u>-</u>	<u>234,914</u>
Net incoming resources	-	666	478	34	1,178	(8,580)	-	(7,402)
Gains on investment revaluations and disposals	-	-	-	-	-	41,060	-	41,060
Net movement in funds	-	666	478	34	1,178	32,480	-	33,658
Appropriation to General Fund	-	-	(316)	-	(316)	316	-	-
Transfer to General Reserve	-	-	-	-	-	(115,214)	115,214	-
Balance at 1st January 2003	<u>161</u>	<u>17,158</u>	<u>11,435</u>	<u>235,953</u>	<u>264,707</u>	<u>1,484,614</u>	<u>251,165</u>	<u>2,000,486</u>
Balance at 31st December 2003	<u>161</u>	<u>17,824</u>	<u>11,597</u>	<u>235,987</u>	<u>265,569</u>	<u>1,402,196</u>	<u>366,379</u>	<u>2,034,144</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

8 UNRESTRICTED FUNDS (continued)

	<i>Designated Funds</i>				<i>Total Designated Funds</i>	<i>General Fund</i>	<i>General Reserve</i>	<i>Total Unrestricted Funds</i>
	<i>Inter-national Fund</i>	<i>Legacy Reserve Fund</i>	<i>Mission Fund</i>	<i>Thames Gateway Project</i>				
	£	£	£	£	£	£	£	
Represented by:								
Tangible fixed assets	-	-	-	278,675	278,675	117,917	-	396,592
Investments	-	-	-	-	-	1,263,773	366,379	1,630,152
Loan to church	-	470	-	-	470	-	-	470
Deposits with								
LBPB Limited	-	17,354	14,020	-	31,374	57,916	-	89,290
Sundry debtors	-	-	-	-	-	11,433	-	11,433
Cash with stockbrokers	-	-	-	-	-	6,058	-	6,058
Cash at bank and in hand	-	-	-	-	-	22,944	-	22,944
Sundry creditors	-	-	-	-	-	(59,493)	-	(59,493)
Balance with								
General Fund	161	-	(2,423)	34	(2,228)	4,858	-	2,630
Loan from								
LBPB Limited	-	-	-	(42,722)	(42,722)	(23,210)	-	(65,932)
	<u>161</u>	<u>17,824</u>	<u>11,597</u>	<u>235,987</u>	<u>265,569</u>	<u>1,402,196</u>	<u>366,379</u>	<u>2,034,144</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

9 RESTRICTED AND ENDOWMENT FUNDS

	Barnabas Fund	J W Beaumont Trust Fund	John Bradford Trust	Ch Extn Reconstn Fund	Compassionate Trust Fund	Gwennap's Charity Trust	Hounslow Bap.Ch. Reserve	Interest Assistance Fund	Manse Trust Fund	New Century Fund	T W Philpot Trust	President's Fund	Roberts Memorial Fund	Sites Fund	Turtle Trust	Valley Mission Fund	Walworth Trust	TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Incoming resources																		
Contributions receivable	55			1,000	1,307	-	-	-	-	-	-	267	-	-	-	-	-	2,629
Interest on loans and deposits	254	58	9,214	537	205	35	482	697	479	152	8,720	-	1,277	200	85	1,281	537	24,213
Grants received from LBPB Limited	-	-	-	10,000	5,000	-	-	-	-	-	-	-	-	-	-	-	-	15,000
Investment income	357	233	2,231	-	337	638	1,073	-	1	-	21,816	-	14	-	-	2,268	1,042	30,010
Rental income	-	-	-	-	-	-	-	-	-	-	6,168	-	-	-	-	-	-	6,168
Total incoming resources	<u>666</u>	<u>291</u>	<u>11,445</u>	<u>11,537</u>	<u>6,849</u>	<u>673</u>	<u>1,555</u>	<u>697</u>	<u>480</u>	<u>152</u>	<u>36,704</u>	<u>267</u>	<u>1,291</u>	<u>200</u>	<u>85</u>	<u>3,549</u>	<u>1,579</u>	<u>78,020</u>
Less: Resources expended																		
Charitable expenditure:																		
Grants	1,294	43	11,261	15,000	4,111	700	4,261	-	-	-	-	-	-	-	-	1,000	3,000	40,670
Loan interest paid	-	-	-	-	2,535	-	-	412	-	-	-	-	-	-	-	-	-	2,947
Support of specific projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advice and support to member churches	33	15	572	577	341	34	77	36	24	9	3,914	-	65	9	4	178	79	5,967
Total resources expended	<u>1,327</u>	<u>58</u>	<u>11,833</u>	<u>15,577</u>	<u>6,987</u>	<u>734</u>	<u>4,338</u>	<u>448</u>	<u>24</u>	<u>9</u>	<u>3,914</u>	<u>-</u>	<u>65</u>	<u>9</u>	<u>4</u>	<u>1,178</u>	<u>3,079</u>	<u>49,584</u>
Net incoming resources	(661)	233	(388)	(4,040)	(138)	(61)	(2,783)	249	456	143	32,790	267	1,226	191	81	2,371	(1,500)	28,436
Other recognised gains and losses	(192)	(126)	5,097	-	902	1,602	2,781	-	(24,320)	-	84,716	-	(12)	-	-	855	(559)	70,744
Net movement in funds	(853)	107	4,709	(4,040)	764	1,541	(2)	249	(23,864)	143	117,506	267	1,214	191	81	3,226	(2,059)	99,180
Balance at 1st January 2003	13,990	1,954	524,570	48,146	19,639	10,309	37,734	19,958	227,931	28,992	1,187,486	-	111,656	25,711	7,779	80,253	22,440	2,368,548
Balances carried forward at 31st December 2003	13,137	2,061	529,279	44,106	20,403	11,850	37,732	20,207	204,067	29,135	1,304,992	267	112,870	25,902	7,860	83,479	20,381	2,467,728
ENDOWMENT FUNDS	-	3,087	-	-	-	1,055	-	-	-	-	-	-	-	-	16,704	-	11,839	32,685
	<u>13,137</u>	<u>5,148</u>	<u>529,279</u>	<u>44,106</u>	<u>20,403</u>	<u>12,905</u>	<u>37,732</u>	<u>20,207</u>	<u>204,067</u>	<u>29,135</u>	<u>1,304,992</u>	<u>267</u>	<u>112,870</u>	<u>25,902</u>	<u>24,564</u>	<u>83,479</u>	<u>32,220</u>	<u>2,500,413</u>
Represented by:																		
investment properties																		
Investments	6,716	3,367	42,490	-	6,435	12,095	27,825	-	22	-	662,712	-	297	-	-	45,465	19,571	826,995
Loans to churches	-	-	178,958	33,849	-	-	-	-	88,050	24,500	240,698	-	72,500	20,000	21,844	-	-	680,399
	<u>6,716</u>	<u>3,367</u>	<u>221,448</u>	<u>33,849</u>	<u>6,435</u>	<u>12,095</u>	<u>27,825</u>	<u>-</u>	<u>202,442</u>	<u>24,500</u>	<u>1,053,410</u>	<u>-</u>	<u>72,797</u>	<u>20,000</u>	<u>21,844</u>	<u>45,465</u>	<u>19,571</u>	<u>1,771,764</u>
Current assets																		
Deposits with the LBPB Limited	6,454	1,796	309,353	9,859	3,532	759	9,984	20,331	1,253	4,643	232,585	-	37,707	5,921	2,508	39,358	15,805	701,848
Loans to Ministers' widows	-	-	-	-	60,000	-	-	-	-	-	-	-	-	-	-	-	-	60,000
Sundry debtors	-	-	-	-	-	-	-	-	-	-	733	-	-	-	-	-	-	733
Cash held by stockbrokers	-	-	-	-	-	-	-	-	-	-	18,238	-	-	-	-	-	-	18,238
	<u>6,454</u>	<u>1,796</u>	<u>309,353</u>	<u>9,859</u>	<u>63,532</u>	<u>759</u>	<u>9,984</u>	<u>20,331</u>	<u>1,253</u>	<u>4,643</u>	<u>251,556</u>	<u>-</u>	<u>37,707</u>	<u>5,921</u>	<u>2,508</u>	<u>35,358</u>	<u>15,805</u>	<u>780,819</u>
Current liabilities																		
Sundry creditors	-	-	-	-	-	-	-	(90)	-	-	-	-	-	-	-	-	-	(90)
Inter-fund balances	(33)	(15)	(1,522)	398	(114)	51	(77)	(34)	372	(8)	26	267	2,366	(19)	212	(1,344)	(3,156)	(2,630)
	<u>(33)</u>	<u>(15)</u>	<u>(1,522)</u>	<u>398</u>	<u>(114)</u>	<u>51</u>	<u>(77)</u>	<u>(124)</u>	<u>372</u>	<u>(8)</u>	<u>26</u>	<u>267</u>	<u>2,366</u>	<u>(19)</u>	<u>212</u>	<u>(1,344)</u>	<u>(3,156)</u>	<u>(2,720)</u>
Net current assets	<u>6,421</u>	<u>1,781</u>	<u>307,831</u>	<u>10,257</u>	<u>63,418</u>	<u>810</u>	<u>9,907</u>	<u>20,207</u>	<u>1,625</u>	<u>4,635</u>	<u>251,582</u>	<u>267</u>	<u>40,073</u>	<u>5,902</u>	<u>2,720</u>	<u>38,014</u>	<u>12,649</u>	<u>778,099</u>
Total assets less current liabilities	13,137	5,148	529,279	44,106	69,853	12,905	37,732	20,207	204,067	29,135	1,304,992	267	112,870	25,902	24,564	83,479	32,220	2,549,863
Liabilities falling due after more than one year:																		
Loans from churches	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans from the LBPB Limited	-	-	-	-	(49,450)	-	-	-	-	-	-	-	-	-	-	-	-	(49,450)
	<u>13,137</u>	<u>5,148</u>	<u>529,279</u>	<u>44,106</u>	<u>20,403</u>	<u>12,905</u>	<u>37,732</u>	<u>20,207</u>	<u>204,067</u>	<u>29,135</u>	<u>1,304,992</u>	<u>267</u>	<u>112,870</u>	<u>25,902</u>	<u>24,564</u>	<u>83,479</u>	<u>32,220</u>	<u>2,500,413</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

10 GRANTS	2003		2002	
	Group £	Company £	Group £	Company £
Grants paid in the period:				
Organisations:				
Baptist Union Home Mission	4,000	-	3,600	-
Churches re Buildings	16,294	16,294	4,500	4,500
Churches re support of ministry	3,000	3,000	18,195	18,195
Other grants to churches and organisations	<u>17,222</u>	<u>17,222</u>	<u>16,666</u>	<u>16,666</u>
	40,516	36,516	42,961	39,361
Individuals:	<u>4,154</u>	<u>4,154</u>	<u>4,749</u>	<u>4,749</u>
	<u>44,670</u>	<u>40,670</u>	<u>47,710</u>	<u>44,110</u>
11 ADVICE AND SUPPORT TO MEMBER CHURCHES				
	2003		2002	
	Group £	Company £	Group £	Company £
Employment costs:				
Salaries	141,490	93,351	126,972	88,188
National insurance – employer's	7,241	7,241	9,558	6,060
Pension contributions – employer's	<u>10,352</u>	<u>10,352</u>	<u>11,265</u>	<u>7,197</u>
	159,083	110,944	147,795	101,445
Printing and stationery	6,571	4,137	6,573	3,784
Postage and telephone	6,997	5,649	5,618	4,105
Premises costs	39,748	21,746	32,213	21,983
Professional fees	32,007	-	30,153	-
District ministers	16,692	16,692	15,116	15,116
“Capital Vision” costs	-	-	2,316	2,316
Committee and conference expenses	6,156	6,156	5,325	5,325
Computer and office equipment	5,465	3,233	5,374	3,559
Travel expenses	424	282	552	433
Sundry expenses	10,137	9,397	15,270	13,494
Subscriptions and donations (Note 12)	8,517	8,517	8,072	8,072
Bank charges	95	-	426	-
Depreciation	734	-	1,259	-
	<u>292,626</u>	<u>186,753</u>	<u>276,062</u>	<u>179,632</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

12	SUBSCRIPTIONS AND DONATIONS	2003	2002
		£	£
	Baptist Union of Great Britain	860	813
	Christian Research Association	54	54
	Evangelical Alliance	70	60
	London Church Leaders' Secretary	2,100	2,000
	All Nations Christian College	500	-
	British Church Growth	-	40
	Churches together in South London	1,750	1,750
	Churches together in North London	100	100
	Churches together in Northwest London	120	240
	Black and Asians Ministers' Forum	550	550
	Churchlink in West London	80	80
	South London Industrial Mission	1,333	1,300
	Free Church Higher Education Group	100	200
	Spurgeon's College	900	850
	Other	-	35
		<u>8,517</u>	<u>8,072</u>

13 LIABILITIES FALLING DUE AFTER MORE THAN ONE YEAR

Repayment of the loans from the London Baptist Property Board Limited is only due on disposal of the relevant properties.

Interest is payable at the current rate charged by the London Baptist Property Board Limited.

14	GENERAL RESERVE (GENERAL FUND)	2003	2002
		£	£
	Transferred from the unincorporated LBA on 1st January 2002	-	<u>249,951</u>
	Proceeds of disposal of General Fund investments during the period	156,284	41,020
	Cost of investments realised	(41,070)	(39,806)
	Realised gain transferred to General Reserve	115,214	<u>1,214</u>
	At 1st January 2003	<u>251,165</u>	-
	At 31st December 2003	<u>366,379</u>	<u>251,165</u>

15 MEMBERS

The company is limited by guarantee. The liability of the members is limited to £1 on the winding up of the company. The number of member churches at 31st December 2003 was 284.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003 (continued)

16	REVALUATION RESERVE	<i>Investment properties</i>	<i>Investments</i>	<i>Fixed assets</i>	<i>Total</i>
		£	£	£	£
	(a) GROUP				
	Balance at 1st January 2003	729,159	(322,855)	263,729	670,033
	Unrealised gains on revaluations in the period	(132,363)	42,644	-	(89,719)
	Realised gains and losses on disposals	-	118,347	-	118,347
	Balance at 31st December 2003	<u>596,796</u>	<u>(161,864)</u>	<u>263,729</u>	<u>698,661</u>
	(b) COMPANY				
	Balance at 1st January 2003	231,363	(296,272)	131,403	66,494
	Unrealised gains on revaluations in the period	-	97,642	-	97,642
	Realised gains and losses on disposals	(132,363)	39,103	-	(93,260)
	Balance at 31st December 2003	<u>99,000</u>	<u>(159,527)</u>	<u>131,403</u>	<u>70,876</u>

17 DIRECTORS

One director was reimbursed travel expenses of £53 during the period.

The following directors received remuneration during the period:

	<i>Emoluments</i>	<i>Pension contributions</i>
	£	£
Rev P Martin	23,552	2,825
Rev P Took	21,512	2,621
Rev S Rajagopalan	4,680	592
Rev D Shosanya	<u>6,240</u>	<u>nil</u>

In addition, Rev S Rajagopalan and Rev D Shosanya were provided with accommodation by the company; Rev P Martin was provided with accommodation by the Group; and the Rev P Took was provided with accommodation by the Baptist Union, for which the company pays a rent.

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

	<i>Tangible fixed assets</i>	<i>Investments</i>	<i>Loans to churches</i>	<i>Net current assets</i>	<i>Creditors due in more than one year</i>	<i>Total</i>
	£	£	£	£	£	£
Restricted Funds (per note 9)	-	1,091,365	680,399	778,099	(49,450)	2,500,413
Unrestricted Funds						
Designated Funds (per note 8)	278,676	-	470	(13,577)	-	265,569
General Fund	475,550	1,903,954	-	(247,940)	49,450	2,181,014
General Reserve	-	366,379	-	-	-	366,379
	<u>754,226</u>	<u>3,361,698</u>	<u>680,869</u>	<u>516,582</u>	<u>-</u>	<u>5,313,375</u>