

**THE LONDON BAPTIST ASSOCIATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2005**

**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 2005**

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# THE LONDON BAPTIST ASSOCIATION

## COMPANY INFORMATION

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### DIRECTORS

Mr K Adzam	Rev PW Martin
Rev CR Andre-Watson (appointed 12 May 2005)	Mr J Newby (term completed 12 May 2005)
Dr A Beavis	Mr M Parry
Rev R Bell (term completed 12 May 2005)	Rev SB Parry
Mrs FW Bowers	Mr R Pedro
Mrs LM Everitt	Mr DB Priddy (appointed 12 May 2005)
Rev VF George (resigned 26 April 2005)	Rev S Rajagopalan
Dr CP Hicks	Miss N Savory
Rev AO Ige	Rev DO Shosanya
Miss C Keats	Mr D Struthers
Mrs M Kleissner (resigned 19 July 2005)	Rev Dr PM Took
Rev V Lambert	

Directors are elected by the members in general meeting.

### OFFICERS

Moderator	Mrs LM Everitt
Regional Minister and Team Leader	Rev Dr PM Took BA BD PhD
Regional Minister (Mission)	Rev DO 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 Breems 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 2005**

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The Board of Directors has pleasure in reporting on the Financial Statements for the year ended 31st December 2005, which have been prepared in accordance with the Companies Act 1985, the Charities Act 1993 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (October 2000).

#### **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.

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 the provision of church premises and manses.

Over the year to 31st December 2005, expenditure on the General fund exceeded income by £22,453. This compares to a deficit in 2004 of £51,298. In addition to the Home Mission refund, the association received grants of £20,250 from the London Baptist Property Board and £31,833 from Home Mission. Resources expended include the support costs of the regional ministry team, Home Mission coordinator, Youth Work coordinator, Britannia village Church planter and the Ferrier Estate Church planter, Kidbrooke as well as administrative support. During the year a gain of £74,215 was transferred to the general reserve leaving the general reserve with a balance of £434,892 compared to £360,677 at the end of 2004. During the year contributions of £358,708 were received by the TW Philpot Trust, a restricted fund, resulting from the cessation of a life interest.

Churches in membership with the LBA and individuals contributed £485,998 to the Baptist Union Home Mission Fund appeal in 2005. An additional £5,500 was contributed from the LBPB surplus and £81,067 from subscriptions to the LBA from member churches. The total of £572,565 represents a 22% increase on the amount raised in 2004 (£469,497). This increase is due to an extremely generous donation by one individual of £100,000. In 2006 the Association will receive 25% of this total from Home Mission to support its work and activities.

Unusually for recent years, no new churches joined the Association in 2005, although three applications for membership are being processed. One church, Godstone Baptist Church chose to transfer its membership to the North Downs Association.

The team of Regional Ministers continued to serve the Association and the churches through the year. Revd Dr Pat Took gave energetic leadership to the team and provided valued pastoral support to churches and ministers, not least in facilitating the settlement process. Revd David Shosanya offered advice to churches considering their mission strategy and continued to develop the consultancy programme for churches. A mission forum has been established and plans are in hand to develop a gap year programme for young people in partnership with Viz-a-viz. Churches have been greatly helped by Revd Kumar Rajagopalan in responding to the challenges of mission in a multi-cultural and multi-faith society. Revd Paul Martin continued to coordinate the administrative life of the Association together with the work of the London Baptist Property Board. All of the Regional Ministers are engaged in a regular programme of preaching in the churches.

The work of the Regional Ministers was complemented by Mr Pete Leveson (Youth Work Co-ordinator and Revd Carol McCarthy (Home Mission Coordinator). Revd Carol McCarthy continued to promote Home Mission in the churches. During the year the Association produced its own video to inspire and encourage greater support for Home Mission. Carol retired in October. The Association is grateful to Carol for her invaluable contribution to the promotion of Home Mission among the churches. Pete Leveson came onto a full time contract early in the year thanks to additional funding from the Department for Education and Skills through the Baptist Union. Pete continued to offer a varied programme of training events in addition to consultancy and advice to churches and youth workers.

The work of the Association is supported by the efficient and committed work of the office staff: Joyce Caddy (office secretary), Barbara Govey (Property Board bookkeeper), John and Mary Harrison (Association bookkeepers) and Cathy Rouse (secretary to Pat Took). District Ministers have again offered valuable support and encouragement to ministers and churches.

The directors have continued to keep the purposes and priorities of the Association under review. During the year a conference was held at Bloomsbury Central Baptist Church for those working with children in the churches. A task group has also been reviewing the Association's communication strategy. A new communication strategy will begin to be implemented in 2006. The directors have also decided to focus on the challenges facing our churches in working with children during 2006 and 2007.

The four Regional Ministers (who are also directors) are entitled to receive remuneration from the Association under the terms of the Memorandum of Association. (Details are to be found at note 16.) Otherwise the directors did not receive any remuneration or benefit in kind from the Association or its subsidiary company the London Baptist Property Board Ltd.

#### **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 9 of the accounts.

**Auditors**

Jacob Cavenagh & Skeet have audited the financial statements for the year ended 31st December 2005.

BY ORDER OF THE BOARD

235 Shaftesbury Avenue  
London  
WC2H 8EP  
28 March 2006

## THE LONDON BAPTIST ASSOCIATION

### GENERAL INFORMATION

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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.

##### *Hatton Road Manse Fund*

In 2003 Hatton Road Baptist Church, Bedford closed. Under the terms of the Ultimate Trust the Association was given discretion as to the use of the sale proceeds. During 2005 the fund was used to invest in a property for one of the Regional Ministers. This was done by purchasing the share previously owned by the London Baptist Property Board. The surplus was divided between the Baptist Strategy Building Scheme and the General Reserve of the London Baptist Property Board Ltd.

##### *Office IT Fund*

During 2005 a gift of £25,000 was received from Bloomsbury Central Baptist Church. The directors have decided to establish an IT Fund to enable the replacement of a number of the office finance and administration systems.

##### *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. There is also provision for grants to be made from the income for the support of ministry and those training for ministry and for other charitable work of the Association. 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.

*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.

*London Baptist Preachers Fund*

This fund was established in 2005 resulting from the transfer of residual funds from the London Baptist Preachers Association. The fund is able to make bursaries available to support the training of lay preachers in membership with an LBA church and to make grants to support training events for preachers.

*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.

*Association Annual Appeal Fund*

As decided by the board the fund previously known as the Presidents fund was converted into the Association Annual Appeal fund. Money is raised by the fund 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.

## GENERAL INFORMATION (continued)

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### *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**

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We have audited the financial statements on pages 9 to 24 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 14.

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 (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and statutory requirements and International Standards on Auditing (UK and Ireland).

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 International Standards on Auditing (UK and Ireland) 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.

**Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group and company's affairs at 31st December 2005 and of its incoming resources and application of resources including its income and expenditure for the year 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

2006

**THE LONDON BAPTIST ASSOCIATION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2005**

Income and expenditure	Note	2005				Total £	2004 Total £
		General Fund £	Designated Funds £	Un- restricted Funds £	Restricted Endowment Funds £		
<b>Incoming resources</b>							
Operating activities:							
Contributions receivable		247,807	25,103	272,910	369,697	642,607	443,687
Interest on loans and deposits		94,393	-	94,393	-	94,393	412,027
Grants received:							
Baptist Union		31,833	-	31,833	-	31,833	25,367
Other		11,425	-	11,425	-	11,425	-
Investment income		406,591	-	406,591	32,634	439,225	44,308
Rental income		46,003	-	46,003	8,553	54,556	60,102
Regional ministers preaching fees		10,953	-	10,953	-	10,953	7,684
Sundry income		5,204	-	5,204	-	5,204	3,647
Gain on disposal of fixed asset		-	-	-	-	-	-
<b>Total incoming resources</b>		<u>854,209</u>	<u>25,103</u>	<u>879,312</u>	<u>410,884</u>	<u>1,290,196</u>	<u>996,822</u>
<b>Resources expended</b>							
Charitable expenditure:							
Grants	9	5,500	30,000	35,500	47,701	83,201	18,152
Baptist Union Home Mission:							
Contributions from churches to the Association		80,736	-	80,736	-	80,736	44,181
Cost of operating activities:							
Loan interest paid		-	-	-	-	-	-
Interest payable on deposits		324,783	-	324,783	-	324,783	281,793
Support costs	10/11	378,231	2,413	380,644	29,080	409,724	388,272
Auditors' remuneration		12,419	-	12,419	-	12,419	10,992
<b>Total resources expended</b>		<u>801,669</u>	<u>32,413</u>	<u>834,082</u>	<u>76,781</u>	<u>910,863</u>	<u>743,390</u>
<b>Net incoming resources before transfers</b>							
		52,540	( 7,310)	45,230	334,103	379,333	253,432
Transfer between funds		(29,443)	(13,811)	(43,254)	43,254	-	-
<b>Net incoming resources before revaluations and investment asset disposals</b>							
		23,097	(21,121)	1,976	377,357	379,333	253,432
Gain and losses on revaluations and disposals of investment assets		<u>239,689</u>	-	<u>239,689</u>	<u>203,230</u>	<u>442,919</u>	<u>152,659</u>
<b>Net movement in funds</b>		262,786	(21,121)	241,665	580,587	822,252	406,091
Balances brought forward from 2005		<u>2,394,191</u>	<u>717,974</u>	<u>3,112,165</u>	<u>2,607,301</u>	<u>5,719,466</u>	<u>5,313,375</u>
Balances carried forward to 2006		<u>2,656,977</u>	<u>696,853</u>	<u>3,353,830</u>	<u>3,187,888</u>	<u>6,541,718</u>	<u>5,719,466</u>

**THE LONDON BAPTIST ASSOCIATION**

**CONSOLIDATED BALANCE SHEET  
AS AT 31ST DECEMBER 2005**

	<i>Note</i>	<b>2005</b>		<b>2004</b>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	2a		1,000,400		918,567
Investments	3a		3,199,303		3,181,107
Loans to churches	4		<u>562,223</u>		<u>610,758</u>
			<u>4,761,926</u>		<u>4,710,432</u>
<b>Current assets</b>					
Debtors (£1,439,906 recoverable after more than one year)	5a	2,093,512		1,785,130	
Short term deposits		10,703,016		7,486,155	
Cash held by stockbrokers		114,623		41,917	
Cash at bank and in hand		<u>8,982</u>		<u>10,039</u>	
		12,920,133		9,323,241	
<b>Creditors:</b> Amounts falling due within one year	6	<u>11,140,341</u>		<u>8,314,207</u>	
<b>Net current assets</b>			<u>1,779,792</u>		<u>1,009,034</u>
<b>Net assets</b>			<u>6,541,718</u>		<u>5,719,466</u>
<b>Restricted funds</b>					
Realised funds		2,931,644		2,614,937	
Revaluation reserve		<u>256,244</u>		( <u>7,636</u> )	
			3,187,888		2,607,301
<b>Unrestricted funds</b>					
Realised funds - General reserve		434,892		360,677	
- Other funds		2,165,860		2,110,756	
Revaluation reserve		<u>753,078</u>		<u>640,732</u>	
			<u>3,353,830</u>		<u>3,112,165</u>
			<u>6,541,718</u>		<u>5,719,466</u>

Approved by the Board of Directors on 28 March 2006 and signed on their behalf:

**Moderator**

**Hon Treasurer**

**THE LONDON BAPTIST ASSOCIATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE ENDED 31ST DECEMBER 2005**

	Note	2005				Total £	2004 Total £
		General Fund £	Designated Funds £	Unrestricted Funds £	Restricted and Endow- ment Funds £		
<b>Income and expenditure</b>							
<b>Incoming resources</b>							
Operating activities:							
Contributions receivable		247,807	25,103	272,910	369,697	642,607	443,687
Interest on loans and deposits with London Baptist Property Board		1,849	1,027	2,876	27,337	30,213	26,783
Grants received:-							
Baptist Union		31,833	-	31,833	-	31,833	25,367
Other		11,425	-	11,425	-	11,425	-
London Baptist Property Board		20,250	-	20,250	20,250	40,500	36,000
Investment income		11,059	-	11,059	32,634	43,693	44,308
Rental income		-	-	-	8,553	8,553	6,234
Regional Ministers preaching fees		10,953	-	10,953	-	10,953	7,684
Sundry income		375	-	375	-	375	1,529
<b>Total incoming resources</b>		<u>335,551</u>	<u>26,130</u>	<u>361,681</u>	<u>458,471</u>	<u>820,152</u>	<u>591,592</u>
<b>Resources expended</b>							
Charitable expenditure:							
Grants	9	-	61,196	61,196	47,701	108,897	13,652
Baptist Union Home Mission:							
Contributions from churches to the Association		80,736	-	80,736	-	80,736	44,181
Cost of operating activities:							
Loan interest paid to							
London Baptist Property Board		560	-	560	4,333	4,893	4,574
Support costs	10/11	270,063	2,413	272,476	29,080	301,556	277,931
Auditors' remuneration		6,645	-	6,645	-	6,645	6,205
<b>Total resources expended</b>		<u>358,004</u>	<u>63,609</u>	<u>421,613</u>	<u>81,114</u>	<u>502,727</u>	<u>346,543</u>
<b>Net incoming resources</b>							
<b>Before transfers</b>		(22,453)	(37,479)	(59,932)	377,357	317,425	245,049
Transfer between funds		<u>171,000</u>	<u>(171,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net incoming resources before revaluations and investment asset disposals</b>							
		148,547	(208,479)	(59,932)	377,357	317,425	245,049
Gain and losses on revaluations and disposals of investment assets		<u>33,342</u>	<u>-</u>	<u>33,342</u>	<u>203,230</u>	<u>236,572</u>	<u>56,969</u>
<b>Net movement in funds</b>		181,889	(208,479)	(26,590)	580,587	553,997	302,018
Balances brought forward from 2005		<u>1,730,191</u>	<u>499,083</u>	<u>2,229,274</u>	<u>2,607,301</u>	<u>4,836,575</u>	<u>4,534,557</u>
Balances carried forward to 2006		<u>1,912,080</u>	<u>290,604</u>	<u>2,202,684</u>	<u>3,187,888</u>	<u>5,390,572</u>	<u>4,836,575</u>

**THE LONDON BAPTIST ASSOCIATION**

COMPANY BALANCE SHEET  
AT 31ST DECEMBER 2005

	Note	2005				2004	
		General Fund £	Designated Funds £	Total Un-restricted Funds £	Restricted and Endowment Funds £	Total £	Total £
<b>Fixed assets</b>							
Tangible fixed assets	2b	285,000	327,674	612,674	-	612,674	439,849
Investments	3b	1,638,449	-	1,638,449	1,393,653	3,032,102	2,782,955
Loans to churches	4	-	470	470	561,753	562,223	610,758
		<u>1,923,449</u>	<u>328,144</u>	<u>2,251,593</u>	<u>1,955,406</u>	<u>4,206,999</u>	<u>3,833,562</u>
<b>Current assets</b>							
Deposits with the London Baptist Property Board Limited		107,003	28,909	135,912	808,988	944,900	1,051,685
Loan to Ministers' widows	5b	-	-	-	60,000	60,000	60,000
Sundry Debtors		15,034	-	15,034	276,203	291,237	15,174
Cash held by stockbrokers		23,190	-	23,190	91,432	114,622	41,917
Cash at bank and in hand		8,982	-	8,982	-	8,982	10,039
		<u>154,209</u>	<u>28,909</u>	<u>183,118</u>	<u>1,236,623</u>	<u>1,419,741</u>	<u>1,178,815</u>
<b>Creditors: Amounts falling due within one year</b>							
Sundry creditors		( 94,591)	-	( 94,591)	( 291)	( 94,882)	( 16,369)
Inter-fund balances		( 70,987)	25,272	( 45,715)	45,715	-	-
		<u>(165,578)</u>	<u>25,272</u>	<u>(140,306)</u>	<u>45,424</u>	<u>( 94,882)</u>	<u>( 16,369)</u>
<b>Net current assets</b>		( 11,369)	54,181	42,812	1,282,047	1,324,859	1,162,446
<b>Total assets less current liabilities</b>		<u>1,912,080</u>	<u>382,325</u>	<u>2,294,405</u>	<u>3,237,453</u>	<u>5,531,858</u>	<u>4,996,008</u>
<b>Liabilities falling due after more than one year:</b>							
Loans from the London Baptist Property Board Limited		-	(91,721)	(91,721)	(49,565)	(141,286)	(159,433)
<b>Net assets</b>		<u>1,912,080</u>	<u>290,604</u>	<u>2,202,684</u>	<u>3,187,888</u>	<u>5,390,572</u>	<u>4,836,575</u>
<b>Represented by funds:</b>							
General reserve	13	434,892	-	434,892	-	434,892	360,677
Revaluation reserve	15	28,099	131,403	159,502	256,244	415,726	148,592
Fund balances	7/8	1,449,089	159,201	1,608,290	2,931,644	4,539,954	4,327,306
		<u>1,912,080</u>	<u>290,604</u>	<u>2,202,684</u>	<u>3,187,888</u>	<u>5,390,572</u>	<u>4,836,575</u>

Approved by the Board of Directors on 28 March 2006 and signed on their behalf:

**Moderator**

**Hon Treasurer**

## THE LONDON BAPTIST ASSOCIATION

### SUMMARY INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005

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	<b>Group</b>	<b>2005</b>	<b>Group</b>	<b>2004</b>
	<b>£</b>	<b>Company</b>	<b>£</b>	<b>Company</b>
		<b>£</b>		<b>£</b>
Gross income of continuing activities	1,321,392	820,152	996,822	591,592
Total expenditure of continuing activities	<u>942,059</u>	<u>502,727</u>	<u>743,390</u>	<u>346,543</u>
<b>Net surplus for the period before asset disposals</b>	379,333	317,425	253,432	245,049
Surplus on disposal of fixed assets and investments	<u>24,888</u>	<u>29,465</u>	<u>74,951</u>	<u>149</u>
<b>Surplus for the year/period</b>	<u>404,221</u>	<u>346,890</u>	<u>328,383</u>	<u>245,198</u>

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<b>Group</b>	<b>2005</b>	<b>Group</b>	<b>2004</b>
	<b>£</b>	<b>Company</b>	<b>£</b>	<b>Company</b>
		<b>£</b>		<b>£</b>
Surplus for the year	404,221	346,890	328,383	245,198
Unrealised gains on investment and fixed asset revaluation	<u>418,031</u>	<u>207,107</u>	<u>77,708</u>	<u>56,820</u>
Total gains and losses recognised in the year	<u>822,252</u>	<u>553,997</u>	<u>406,091</u>	<u>302,018</u>

# THE LONDON BAPTIST ASSOCIATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005

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### 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 Accounting format

The format of the financial statements accords with recommendations of "Accounting and Reporting by Charities" issued by the Charity Commissioners for England and Wales. The accounts comply with the Charities Act 1993 and the Companies Act 1985.

#### 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 Finance Committee.

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

2a TANGIBLE FIXED ASSETS – GROUP	<i>Freehold property</i> £	<i>Long leasehold</i> £	<i>Computer equipment</i> £	<i>Total</i> £
<b>Cost or valuation</b>				
At 1st January 2005	789,849	125,000	6,509	921,358
Additions	176,741	28,083	-	204,824
Disposals	-	(153,083)	-	(153,083)
Revaluation	<u>31,084</u>	-	-	<u>31,084</u>
At 31st December 2005	<u>997,674</u>	<u>-</u>	<u>6,509</u>	<u>1,004,183</u>
<b>Depreciation</b>				
At 1st January 2005	-	-	2,791	2,791
Charge for year	-	-	<u>992</u>	<u>992</u>
At 31st December 2005	<u>-</u>	<u>-</u>	<u>3,783</u>	<u>3,783</u>
<b>Net book value</b>				
At 31st December 2005	<u>997,674</u>	<u>-</u>	<u>2,726</u>	<u>1,000,400</u>
At 31st December 2004	<u>789,849</u>	<u>125,000</u>	<u>3,718</u>	<u>918,567</u>
Historical cost for land and buildings included at valuation:				
At 31st December 2005	<u>789,861</u>	<u>-</u>		<u>789,861</u>
At 31st December 2004	<u>613,120</u>	<u>38,000</u>		<u>651,120</u>

The properties were last valued by the directors at 31st December 2002 and 31<sup>st</sup> December 2005 on the basis of open market value. The valuations were made on the basis of information provided by Biscoe Craig Hall.

2b TANGIBLE FIXED ASSETS – COMPANY	<i>Freehold property</i> £
Valuation	
At 1st January 2005	439,849
Additions	176,741
Revaluation	( 3,916)
At 31st December 2005	<u>612,674</u>

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

3a **INVESTMENTS – GROUP**

	<i>Listed investments</i> £	<i>Other investments</i> £	<i>Freehold investment properties</i> £	<i>Total</i> £
<b>Valuation</b>				
At 1st January 2005	1,109,463	168,357	1,903,287	3,181,107
Additions	257,476	-	-	257,476
Disposals	(212,190)	-	(414,036)	(626,226)
Revaluation (deficit)/surplus	152,023	22,174	212,749	386,946
At 31st December 2005	<u>1,306,772</u>	<u>190,531</u>	<u>1,702,000</u>	<u>3,199,303</u>
<b>Historical cost</b>				
As at 31st December 2005	<u>1,176,533</u>	<u>149,806</u>	<u>1,071,455</u>	<u>2,397,794</u>
As at 31st December 2004	<u>1,191,273</u>	<u>149,806</u>	<u>1,411,491</u>	<u>2,752,570</u>

The properties were last valued by the directors at 31st December 2002 and 31<sup>st</sup> December 2005 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.

The listed investment portfolio comprises investments in British Government Stocks, UK quoted and unquoted equities and unit trust investments. There are no material investments comprising over 5% of the value of the total.

3b **INVESTMENTS – COMPANY**

<b>General Fund</b>	<i>Shares in LBPB</i> £	<i>Listed Investments</i> £	<i>Freehold investment properties</i> £	<i>Total</i> £
Market value or valuation at 1st January 2005	1,379,330	230,618	29,793	1,639,741
Additions	-	7,315	-	7,315
Disposals	-	( 24,534)	( 7,163)	( 31,097)
Net unrealised investment (losses)/gains	-	<u>23,090</u>	-	<u>23,090</u>
Market value or valuation at 31st December 2005	<u>1,379,330</u>	<u>236,489</u>	<u>22,630</u>	<u>1,638,449</u>
Historical cost or probate value at 31st December 2005	<u>1,379,330</u>	<u>204,474</u>	<u>22,630</u>	<u>1,606,434</u>

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

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

3b **INVESTMENTS – COMPANY** (continued)

<b>Restricted and Endowment Funds</b>	<i>Listed Investments</i> £	<i>Freehold investment properties</i> £	<i>Total</i> £
Market value or valuation at 1st January 2005	878,844	264,370	1,143,214
Additions	250,161	-	250,161
Disposals	(187,655)	-	(187,655)
Net unrealised investment gains	128,933	59,000	187,933
Market value or valuation at 31st December 2005	<u>1,070,283</u>	<u>323,370</u>	<u>1,393,653</u>
Historical cost or probate value at 31st December 2005	<u>972,059</u>	<u>165,370</u>	<u>1,137,429</u>

4 **LOANS TO CHURCHES – GROUP AND COMPANY**

	<i>Designated Fund</i> £	<i>Restricted and Endowment Funds</i> £	<i>Total</i> £
Permanent loans	470	193,454	193,924
Fixed loans	-	<u>368,299</u>	<u>368,299</u>
	<u>470</u>	<u>561,753</u>	<u>562,223</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**

	<b>2005</b> £	<b>2004</b> £
Advances and interest accrued (£1,439,906 recoverable after more than one year)	1,579,864	1,623,714
Loans to Ministers' widows	60,000	60,000
Prepayments and sundry debtors	453,648	101,416
Accrued income	-	-
	<u>2,093,512</u>	<u>1,785,130</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**

	<b>2005</b> £	<b>2004</b> £
<b>Amounts falling due within one year</b>		
7 day notice deposits and interest accrued	11,026,498	8,284,455
Sundry creditor accruals	113,843	29,752
	<u>11,140,341</u>	<u>8,314,207</u>

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

7 UNRESTRICTED FUNDS	<u>Designated Funds</u>						Total Designated Funds	General Fund	General Reserve	Total Unrestricted Funds
	International Fund	Hatton Rd Manse Fund	Legacy Reserve Fund	Mission Fund	Office IT Equipment Fund	Thames Gateway Project				
	£	£	£	£	£	£	£	£	£	
<b>INCOMING RESOURCES</b>										
Operating activities:										
Contributions receivable	-	-	-	-	25,000	103	25,103	247,807	-	272,910
Interest on loans and deposit accounts	-	-	639	388	-	-	1,027	1,849	-	2,876
Grants received:										
Baptist Union	-	-	-	-	-	-	-	31,833	-	31,833
Other	-	-	-	-	-	-	-	11,425	-	11,425
London Baptist Property Board Limited-	-	-	-	-	-	-	20,250	-	20,250	-
Investment income	-	-	-	-	-	-	-	11,059	-	11,059
Regional Ministers Preaching fees	-	-	-	-	-	-	-	10,953	-	10,953
Sundry income	-	-	-	-	-	-	-	375	-	375
<b>Total incoming resources</b>	<u>-</u>	<u>-</u>	<u>639</u>	<u>388</u>	<u>25,000</u>	<u>103</u>	<u>26,130</u>	<u>335,551</u>	<u>-</u>	<u>361,681</u>
<b>Less: RESOURCES EXPENDED</b>										
Charitable expenditure:										
Grants	-	61,196	-	-	-	-	61,196	-	-	61,196
Baptist Union Home Mission:										
Contributions from churches and Individuals	-	-	-	-	-	-	-	80,736	-	80,736
Cost of operating activities:										
Loan interest paid	-	-	-	-	-	-	-	560	-	560
Advice and support to member churches	-	294	-	2,119	-	-	2,413	270,063	-	272,476
Management expenses:										
Auditors' remuneration	-	-	-	-	-	-	-	6,645	-	6,645
<b>Total resources expended</b>	<u>-</u>	<u>61,490</u>	<u>-</u>	<u>2,119</u>	<u>-</u>	<u>-</u>	<u>63,609</u>	<u>358,004</u>	<u>-</u>	<u>421,613</u>
<b>Net incoming resources</b>	-	(61,490)	639	(1,731)	25,000	103	(37,479)	(22,453)	-	(59,932)
Gains on investment revaluations and disposals	-	-	-	-	-	-	-	33,342	-	33,342
Transfers between funds	-	(171,000)	-	-	-	-	(171,000)	96,785	74,215	-
Net movement in funds	-	(232,490)	639	(1,731)	25,000	103	(208,479)	107,674	-	(26,590)
Balance at 1st January 2005	161	232,490	18,390	12,055	-	235,987	499,083	1,369,514	360,677	2,229,274
Balance at 31st December 2005	161	-	19,029	10,324	25,000	236,090	290,604	1,477,188	434,892	2,202,684

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

7 **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>International Fund</i>	<i>Hatton Rd Reserve Fund</i>	<i>Legacy Reserve Fund</i>	<i>Mission Fund</i>	<i>Office IT equipment Fund</i>	<i>Thames Gateway Project</i>				
	£	£	£	£	£	£	£	£	£	
<b>Represented by:</b>										
Tangible fixed assets	-	-	-	-	-	327,674	327,674	285,000	-	612,674
Investments	-	-	-	-	-	-	-	1,203,557	434,892	1,638,449
Loan to church	-	-	470	-	-	-	470	-	-	470
Deposits with LBPB Limited	-	-	18,559	10,350	-	-	28,909	107,003	-	135,912
Sundry debtors	-	-	-	-	-	-	-	15,034	-	15,034
Cash with stockbrokers	-	-	-	-	-	-	-	23,190	-	23,190
Cash at bank and in hand	-	-	-	-	-	-	-	8,982	-	8,982
Sundry creditors	-	-	-	-	-	-	-	(94,591)	-	( 94,591)
Balance with General Fund	161	-	-	(26)	25,000	137	25,272	(70,987)	-	( 45,715)
Loan from LBPB Limited	-	-	-	-	-	( 91,721)	( 91,721)	-	-	( 91,721)
	<u>161</u>	<u>-</u>	<u>19,029</u>	<u>10,324</u>	<u>25,000</u>	<u>236,090</u>	<u>290,604</u>	<u>1,477,188</u>	<u>434,892</u>	<u>2,202,684</u>

**THE LONDON BAPTIST ASSOCIATION**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)**

**8 RESTRICTED AND ENDOWMENT FUNDS**

	J W Beau- Barnabas Fund £	mont Trust Fund £	John Bradford Trust £	Ch Extn Reconstrn Fund £	Compass-Gwennap's ionate Trust Fund £	Charity Trust £	Hours Bap. Ch. Reserve £	slow Assistance Fund £	Lay Preacher Training Fund £	Manse Trust Fund £	New Century fund £	T W Philpot Trust £	Annual Appeal Fund £	Roberts Memorial Fund £	Sites Fund £	Turtle Trust £	Valley Mission Fund £	Walworth trust £	Total £
<b>Incoming resources</b>																			
Contributions receivable	53	-	-	-	1,080	-	-	-	8,416	-	-	358,708	1,440	-	-	-	-	-	369,697
Interest on loans and deposits	224	76	11,574	742	121	57	381	712	146	95	170	9,558	244	975	217	100	1,437	508	27,337
Grants received from LBPB Ltd	1,250	-	-	10,000	4,000	-	-	-	-	-	-	-	5,000	-	-	-	-	-	20,250
Investment income	358	233	2,327	-	354	667	1,060	-	-	1	-	24,318	-	14	-	-	2,260	1,042	32,634
Rental income	-	-	-	-	-	-	-	-	-	-	-	8,553	-	-	-	-	-	-	8,553
<b>Total incoming resources</b>	<b>1,885</b>	<b>309</b>	<b>13,901</b>	<b>10,742</b>	<b>5,555</b>	<b>724</b>	<b>1,441</b>	<b>712</b>	<b>8,562</b>	<b>96</b>	<b>170</b>	<b>401,137</b>	<b>6,684</b>	<b>989</b>	<b>217</b>	<b>100</b>	<b>3,697</b>	<b>1,550</b>	<b>458,471</b>
<b>Less: Resources expended</b>																			
Charitable expenditure:																			
Grants	1,250	575	19,000	14,076	3,800	-	-	-	-	-	-	-	9,000	-	-	-	-	-	47,701
Loan interest paid	-	-	-	-	3,025	-	-	1,308	-	-	-	-	-	-	-	-	-	-	4,333
Advice and support to member churches	94	16	695	537	277	36	71	37	428	6	9	23,213	334	49	10	5	185	3,078	29,080
<b>Total resources expended</b>	<b>1,344</b>	<b>591</b>	<b>19,695</b>	<b>14,613</b>	<b>7,102</b>	<b>36</b>	<b>71</b>	<b>1,345</b>	<b>428</b>	<b>6</b>	<b>9</b>	<b>23,213</b>	<b>9,334</b>	<b>49</b>	<b>10</b>	<b>5</b>	<b>185</b>	<b>3,078</b>	<b>81,114</b>
<b>Net incoming resources</b>	<b>541</b>	<b>(282)</b>	<b>( 5,794)</b>	<b>(3,870)</b>	<b>(1,547)</b>	<b>688</b>	<b>1,370</b>	<b>(633)</b>	<b>8,134</b>	<b>90</b>	<b>161</b>	<b>377,924</b>	<b>(2,650)</b>	<b>940</b>	<b>207</b>	<b>95</b>	<b>3,512</b>	<b>(1,528)</b>	<b>377,357</b>
<b>Other recognised gains and losses</b>	<b>( 2)</b>	<b>( 122)</b>	<b>5,614</b>	<b>-</b>	<b>967</b>	<b>1,736</b>	<b>6,556</b>	<b>1</b>	<b>-</b>	<b>3</b>	<b>1</b>	<b>184,150</b>	<b>-</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>4,299</b>	<b>( 6)</b>	<b>203,230</b>
Net movement in funds	539	(404)	(180)	(3,871)	(580)	2,424	7,926	(632)	8,134	93	162	562,074	(2,650)	973	207	95	7,811	(1,534)	580,587
Balance at 1st January 2005	12,858	2,300	540,028	54,140	20,281	14,122	38,021	20,426	-	204,109	29,280	1,376,265	8,495	114,070	26,085	7,938	84,866	21,332	2,574,616
<b>Balances carried forward at 31st December 2005</b>	<b>13,397</b>	<b>1,896</b>	<b>539,848</b>	<b>50,269</b>	<b>19,701</b>	<b>16,546</b>	<b>45,947</b>	<b>19,794</b>	<b>8,134</b>	<b>204,202</b>	<b>29,442</b>	<b>1,938,339</b>	<b>5,845</b>	<b>115,043</b>	<b>26,292</b>	<b>8,033</b>	<b>92,677</b>	<b>19,798</b>	<b>3,155,203</b>
<b>ENDOWMENT FUNDS</b>	<b>-</b>	<b>3,087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,055</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,704</b>	<b>-</b>	<b>11,839</b>	<b>32,685</b>
	<b>13,397</b>	<b>4,983</b>	<b>539,848</b>	<b>50,269</b>	<b>19,701</b>	<b>17,601</b>	<b>45,957</b>	<b>19,794</b>	<b>8,134</b>	<b>204,202</b>	<b>29,442</b>	<b>1,938,339</b>	<b>5,845</b>	<b>115,043</b>	<b>26,292</b>	<b>24,737</b>	<b>92,677</b>	<b>31,637</b>	<b>3,187,888</b>
<b>Represented by:</b>																			
Investment properties	-	-	-	-	-	-	-	-	-	114,370	-	209,000	-	-	-	-	-	-	323,370
Investments	6,697	3,203	53,380	-	8,314	15,460	34,388	-	-	26	-	879,190	-	348	-	-	49,760	19,517	1,070,283
Loans to churches	-	-	82,046	29,649	-	-	-	-	-	86,550	24,500	212,648	-	84,516	20,000	21,844	-	-	561,753
	<b>6,697</b>	<b>3,203</b>	<b>135,426</b>	<b>29,649</b>	<b>8,314</b>	<b>15,460</b>	<b>34,388</b>	<b>-</b>	<b>-</b>	<b>200,946</b>	<b>24,500</b>	<b>1,300,838</b>	<b>-</b>	<b>84,864</b>	<b>20,000</b>	<b>21,844</b>	<b>49,760</b>	<b>19,517</b>	<b>1,955,406</b>
<b>Current assets</b>																			
Deposits with LBPB Limited	6,563	2,370	337,849	21,180	4,341	1,965	11,631	20,121	8,562	2,765	4,951	284,498	5,244	29,448	6,303	2,898	43,102	15,197	808,988
Loans to Ministers' widows	-	-	-	-	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	60,000
Sundry debtors	-	-	-	-	-	-	-	-	-	-	-	276,203	-	-	-	-	-	-	276,203
Cash held by stockbrokers	-	-	-	-	-	-	-	-	-	-	-	91,432	-	-	-	-	-	-	91,432
	<b>6,563</b>	<b>2,370</b>	<b>337,849</b>	<b>21,180</b>	<b>64,341</b>	<b>1,965</b>	<b>11,631</b>	<b>20,121</b>	<b>8,562</b>	<b>2,765</b>	<b>4,951</b>	<b>652,133</b>	<b>5,244</b>	<b>29,448</b>	<b>6,303</b>	<b>2,898</b>	<b>43,102</b>	<b>15,197</b>	<b>1,236,623</b>
<b>Current liabilities</b>																			
Sundry creditors	-	-	-	-	-	-	-	(291)	-	-	-	-	-	-	-	-	-	-	(291)
Inter-fund balances	137	(590)	66,573	(560)	(3,389)	176	(72)	(36)	(428)	491	(9)	(14,632)	601	731	(11)	(5)	(185)	(3,077)	45,715
	<b>137</b>	<b>(590)</b>	<b>66,573</b>	<b>(560)</b>	<b>(3,389)</b>	<b>176</b>	<b>(72)</b>	<b>(327)</b>	<b>(428)</b>	<b>491</b>	<b>(9)</b>	<b>(14,632)</b>	<b>601</b>	<b>731</b>	<b>(11)</b>	<b>(5)</b>	<b>(185)</b>	<b>(3,077)</b>	<b>45,424</b>
<b>Net current assets</b>	<b>6,700</b>	<b>1,780</b>	<b>404,422</b>	<b>20,620</b>	<b>60,952</b>	<b>2,141</b>	<b>11,559</b>	<b>19,794</b>	<b>8,134</b>	<b>3,256</b>	<b>4,942</b>	<b>637,501</b>	<b>5,845</b>	<b>30,179</b>	<b>6,292</b>	<b>2,893</b>	<b>42,917</b>	<b>12,120</b>	<b>1,282,047</b>
<b>Total assets</b>																			
less current liabilities	13,397	4,983	539,848	50,269	69,266	17,601	45,947	19,794	8,134	204,202	29,442	1,938,339	5,845	115,043	26,292	24,737	92,677	31,637	3,237,453
<b>Liabilities falling due after more than one year:</b>																			
Loans from LBPB Limited	-	-	-	-	(49,565)	-	-	-	-	-	-	-	-	-	-	-	-	-	(49,565)
	<b>13,397</b>	<b>4,983</b>	<b>539,848</b>	<b>50,269</b>	<b>19,701</b>	<b>17,601</b>	<b>45,947</b>	<b>19,794</b>	<b>8,134</b>	<b>204,202</b>	<b>29,442</b>	<b>1,938,339</b>	<b>5,845</b>	<b>115,043</b>	<b>26,292</b>	<b>24,737</b>	<b>92,677</b>	<b>31,637</b>	<b>3,187,888</b>

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

9	GRANTS	2005		2004					
		No	Group £	No	Company £	No	Group £	No	Company £
	<b>Grants paid in the period:</b>								
	Organisations:								
	Baptist Union Home Mission	1	5,500	-	-	1	4,500	-	-
	Baptist Strategy Building Fund	1	30,000	1	30,000	-	-	-	-
	London Baptist Property Board	-	-	1	31,196	-	-	-	-
	Churches re Buildings	3	14,076	3	14,076	1	1,000	1	1,000
	Churches re support of ministry	-	-	-	-	1	500	1	500
	Other grants to churches and organisations	4	<u>29,825</u>	4	<u>29,825</u>	4	<u>9,052</u>	4	<u>9,052</u>
			79,401		105,097		15,052		10,552
	Individuals:	57	<u>3,800</u>	57	<u>3,800</u>	53	<u>3,100</u>	53	<u>3,100</u>
			<u>83,201</u>		<u>108,897</u>		<u>18,152</u>		<u>13,652</u>

10 **ADVICE AND SUPPORT TO MEMBER CHURCHES**

	2005		2004	
	Group £	Company £	Group £	Company £
Employment costs:				
Salaries	202,663	146,149	186,424	135,950
National insurance – employer's	17,565	17,565	11,211	11,211
Pension contributions – employer's	<u>23,310</u>	<u>23,310</u>	<u>14,296</u>	<u>14,296</u>
	243,538	187,024	211,931	161,457
Printing and stationery	6,864	4,297	8,582	6,043
Postage and telephone	6,892	5,849	7,491	6,263
Premises costs	53,392	40,222	65,181	47,644
Professional fees	30,003	-	34,287	-
District ministers	18,691	18,691	17,959	17,959
Quinquennial survey	-	-	500	-
Committee and conference expenses	16,260	16,260	7,320	7,320
Computer and office equipment	5,736	3,658	5,520	3,665
Travel expenses	6,843	6,619	6,307	6,042
Sundry expenses	11,931	10,419	14,108	13,382
Subscriptions and donations (Note 11)	8,517	8,517	8,156	8,156
Bank charges	66	-	131	-
Depreciation	991	-	799	-
	<u>409,724</u>	<u>301,556</u>	<u>388,272</u>	<u>277,931</u>

The average number of employees during the year was 25 (2004:24).

No employee earned £50,000 or more during the year.

## THE LONDON BAPTIST ASSOCIATION

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

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11	<b>SUBSCRIPTIONS AND DONATIONS</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	Baptist Union of Great Britain	924	885
	Christian Research Association	-	56
	Evangelical Alliance	-	70
	London Church Leaders' Secretary	2,225	2,160
	All Nations Christian College	-	-
	Churches together in South London	1,750	1,750
	Churches together in North London	-	100
	Churches together in Northwest London	-	120
	Churches together in Essex and East London	126	-
	Churches together in West London	80	-
	Black and Asians Ministers' Forum	550	550
	Churchlink in West London	-	80
	South London Industrial Mission	1,441	1,385
	Free Church Higher Education Group	100	100
	Spurgeon's College	900	900
	Baptist Union young leaders forum	250	-
	Other	171	-
		<u>8,517</u>	<u>8,156</u>

### 12 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.

13	<b>GENERAL RESERVE (GENERAL FUND)</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	Proceeds of disposal of General Fund investments during the period	253,664	46,869
	Cost of investments realised	(179,449)	(52,571)
	Realised gain transferred to General Reserve	74,215	(5,702)
	At 1st January 2005	<u>360,677</u>	<u>366,379</u>
	At 31st December 2005	<u>434,892</u>	<u>360,677</u>

### 14 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 2005 was 286.

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

15	<b>REVALUATION RESERVE</b>	<i>Investment properties</i>	<i>Investments</i>	<i>Fixed assets</i>	<i>Total</i>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	(a) <b>GROUP</b>				
	Balance at 1st January 2005	491,796	( 63,260)	263,729	692,265
	Unrealised gains on revaluations in the period	212,749	174,197	31,084	418,030
	Realised gains and losses on disposals	( 74,000)	60,027	( 87,000)	( 100,973)
	Balance at 31st December 2005	<u>630,545</u>	<u>170,964</u>	<u>207,813</u>	<u>1,009,322</u>
	(b) <b>COMPANY</b>				
	Balance at 1st January 2005	99,000	(81,811)	131,403	148,592
	Unrealised gains on revaluations in the period	59,000	152,023	( 3,916)	207,107
	Realised gains and losses on disposals	-	60,027	-	60,027
	Balance at 31st December 2005	<u>158,000</u>	<u>130,239</u>	<u>127,487</u>	<u>415,726</u>

16 **DIRECTORS**

Directors were reimbursed travel expenses of £4,222 during the period.

The following directors received remuneration during the period:

	<i>Emoluments</i>	<i>Pension contributions</i>
	<b>£</b>	<b>£</b>
Rev P Took	23,240	3,389
Rev P Martin	25,063	3,608
Rev S Rajagopalan	19,920	2,990
Rev D Shosanya	19,920	-

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.

**THE LONDON BAPTIST ASSOCIATION**

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005 (continued)

17 **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> £
<b>Restricted Funds</b> (per note 8)	-	1,393,653	561,753	1,282,046	(49,564)	3,187,888
<b>Unrestricted Funds</b>						
Designated Funds (per note 7)	327,674	-	470	368,709	-	696,853
General Fund	672,726	1,370,758	-	129,037	49,564	2,222,085
General Reserve	-	<u>434,892</u>	-	-	-	<u>434,892</u>
	<u>1,000,400</u>	<u>3,199,303</u>	<u>562,223</u>	<u>1,779,792</u>	<u>-</u>	<u>6,541,718</u>

18 **INVESTMENTS IN SUBSIDIARIES**

The London Baptist Association holds all of the 411 'A' voting shares in the London Baptist Property Board Ltd and 647 non-voting 'B' shares. The London Baptist Property Board Ltd serves the work of the Association by acting as holding trustee for the majority of the churches in membership with the Association and by offering a facility for deposit and loan fund accounts.

Shareholder funds in the London Baptist Property Board Ltd at 31st December 2005 were £2,530,475 (2004: £2,262,220).

A summary of income and expenditure is as follows:

	<b>2005</b> £	<b>2004</b> £
Incoming resources	576,846	445,803
Resources expended	<u>514,938</u>	<u>437,422</u>
Net incoming resources before revaluations	61,908	8,381
Gains and losses on revaluations and disposals of investment assets	<u>206,347</u>	<u>95,690</u>
Net movement in funds	<u>268,255</u>	<u>104,071</u>