



THE LONDON BAPTIST ASSOCIATION
REPORT OF THE DIRECTORS
and
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

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

Charity Registration No: 1091160

Company Number: 04325272

THE LONDON BAPTIST ASSOCIATION

COMPANY INFORMATION

DIRECTORS

Mr W Adetunji	Miss J Noble (appointed 4 November 2023)
Rev A Afriyie (resigned 4 November 2023)	Mrs F Ogunyide
Rev P Barnard	Mrs M Ross (resigned 4 November 2023)
Miss A Buhari	Mr N Sherringham
Rev Dr A Devaraj	Rev Dr M Thornton (appointed 4 November 2023)
Rev N Fernandez	Rev L Wright (resigned 14 March 2023)
Miss N Idehen	

OFFICERS

Moderator
Regional Minister (Team Leader)

Rev Dr M Thornton*
Rev P Barnard *

Regional Minister
Regional Minister (part-time)
Regional Minister (part-time)
Regional Minister
Regional Minister

Rev H Abdelmasih*
Rev W Bygrave*
Rev J Kane*
Rev L Wright*
Rev C Nicholls*

Honorary Treasurer
Company Secretary

Mrs F Ogunyide
(Vacant)

The key management personnel (*) are the Directors, the Regional Minister (Team Leader) together with the other Regional Ministers and the Company Secretary.

SOLICITORS

Carter Lemon Camerons LLP
3rd Floor
20 King Street
London EC2V 8EG

SURVEYORS

Rapleys LLP
66 St James' Street
London SW1A 1NE

BANKERS

Barclays Bank plc
Barclays Commercial Bank
1 Churchill Place
London E14 5HP

HSBC Bank plc
186 Broadway
Didcot
Oxfordshire OX11 8RP

AUDITORS

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

INVESTMENT MANAGERS

Rathbones
8 Finsbury Circus
London EC2M 7AZ

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023

The Board of Directors has pleasure in reporting on the Financial Statements for the year ended 31 December 2023, which have been prepared in accordance with the Companies Act 2006, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)".

GOVERNANCE AND MANAGEMENT

The London Baptist Association (LBA) is a company limited by guarantee and registered in England (number 4352572) and is a registered charity (no 1091160). It 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 company is governed by its Memorandum and Articles of Association (revised October 2002, June 2009, June 2010 and July 2016). The board of directors is partly elected or appointed by the member churches and partly co-opted. Baptist churches are admitted into membership by the passing of an ordinary resolution. The directors establish the strategy of the Association, which is implemented by the Regional Ministers, other members of staff, committees and working groups.

The directors of the LBA appoint the directors of the London Baptist Property Board Ltd (a subsidiary company).

PRINCIPAL ACTIVITIES AND OBJECTS

The object of the company 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 Association is affiliated to the Baptist Union of Great Britain. The company seeks to fulfil its purpose through resourcing, supporting and encouraging the life and mission of its member churches.

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

THE ASSOCIATION'S ACTIVITIES AND PUBLIC BENEFIT

The Directors are aware of and have had regard to the Charity Commission's published guidance on public benefit. The company serves the public benefit by the advancement of the Christian faith in and through its member churches. The company acts as an umbrella body for its member churches, which are all separate charities, serving the public benefit.

2023 represented a year of substantial change for the Association team. We bade farewell to four key members of staff: The Revd. Lee Johnson, The Revd. Carol Bostridge, Mr. Norman Kincaid, and Mr. Pete Herbert-James. Lee was appointed as Ministries Co-Team Leader at Baptist House starting in January, concluding his four-year role with the Regional Ministry team; similarly, Carol retired as Regional Minister in July, and Norman retired in August; concluding his twelve years of faithful service as Association Administrator and Company Secretary. Pete also concluded his significant ministry with the Association as CYF Lead in the latter part of 2023 as he began to seek settlement following a course of study at Cardiff Baptist College. We place on record our thanks to these four individuals and their committed service of the churches across London.

With these substantial departures, we welcomed several new members of staff. The changes to the regional team saw the arrivals of three new members of staff: The Revd. Claire Nicholls (formerly minister of New Addington Baptist Church); The Revd. Lucy Wright (formerly minister of Eltham Park Baptist Church); and The Revd. Josh Kane (currently also minister of Mill Hill East Church). Claire and Lucy began full-time roles with the Association in April, with Josh part-time in March, remaining in post at his current church, alongside his wife, Rachel.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Norman's retirement left a substantial gap to fill in our organisation. Through a recruitment process, we appointed Ms. Laura Tomlinson as his successor. Laura began work alongside Norman in July – with a lengthy handover period. Unfortunately, Laura's time with us proved short-lived, and she departed her position in April 2024. We are thus facing another recruitment process.

In pursuit of its charitable objects, the Association team continues to encourage and support churches and ministers in these uncertain and changed times. Since COVID, our churches have been largely diminished in attendance and that continues to be a challenge for ministers across the Capital. Yes, there are great examples of innovation and growth, but 'institutional Christianity' is something which is in profound decline across the UK. We have realised that COVID was the trigger for the demographic timebomb (our overwhelming dependence on those from the 'Boomer' and 'Builder' generations) to detonate. Many congregants have simply not 'come back' and many have also moved out of the Capital. With the stress and mental health challenges facing society, the need continues to be felt. The Association staff team continues to regularly visit churches and ministers, both individually and in local clusters, for encouragement and advice.

The Association staff team continues to work in a flexible manner: both centrally, and from home. Staff are generally to be found now at the Dock Street offices most Tuesdays, and our building is being used for meetings of all types: both regional and national. A great use of our asset for the benefit of our network of churches.

Our relationships with churches and ministers continues to remain largely strong and steadfast due to the commitment of the Regional Team to the service of our churches. However, the continued tensions within the Baptist Union over the proposed change to the Ministerial Recognition Rules brought to BUGB Council in March 2022 have put us in a very difficult position. At that Council, it was suggested that the rules be changed to allow people in same-sex marriages to be accredited as Baptist Ministers. This has caused substantial theological tension across our national movement, and the matter is shortly to be resolved at the March 2024 Council. London Baptists represents one of the most orthodox or traditional groups of churches in the country and the Regional Team have been hard pressed to demonstrate our support to our member churches in the face of this current uncertainty. That said, we have seen churches reduce their giving to Home Mission because of this controversy. Since before the pandemic, we have seen the giving to the national appeal reduce by 25%. Some of these issues can be ascribed to reduced church attendance, but we are confident that some of these reductions are linked to disagreements over the current theological tensions. The Baptist Union are currently considering substantial reorganisation through the 'Financial Model Review' (previously involving Tricordant, a management consultancy).

The Revd. Phil Barnard represented the regional team as directors of the London Baptist Property Board. They provide valuable contributions on individual church situations 'on the ground' for the purposes of buildings developments, loans and trust matters. This was enhanced by the appointment of new members of the Regional Team, The Revd. Claire Nicholls, and The Revd. Josh Kane, to the Board in the latter part of the year. The Property Board, continues to build on its strategic review – with changes to the LB website improving our communications. We have seen, due to a generous stance, the LBPB continue to accrue greater deposits from our member churches throughout 2023.

More broadly, the Regional Team represent the Association in a variety of contexts. The Team Leader continues to represent the Association nationally as part of the Baptists Together Core Leadership Team, and Baptist Union Council. He also moderates the Regional Team Leaders group and is a member and trustee of the ecumenical London Church Leaders charity. In 2023, he was able to also represent Baptists Together at the Baptist World Alliance General Meeting / EBF SENT Conference in Stavanger, Norway.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

The Revd. Hany Abdelmasih represents the Association nationally as part of the BUGB Mission Forum and Small Churches Network. He also continued to oversee our Intercessory Prayer Group, Mission Hub, and Chaplains Connect Group, and Refugee Network. Upon her appointment, Rev. Lucy Wright succeeded Rev. Lee Johnson as a member of the National Ministerial Recognition Committee and is now also involved in Churches Together in Essex and East London (CTEEL). The Revd. Claire Nicholls represents the Association on the steering group of Churches Together in South London; and represents the Baptist Union on the JPIT Strategy and Policy Group. The Revd. Winston Bygrave makes significant contributions around theological and lay training; both within and beyond his geographical pastoral area. The Revd. Josh Kane participates in the National Church Planting Network core group.

Mr. Pete Herbert-James resigned his position as CYF Lead in the Autumn of 2023 as he prepared to seek a ministerial role within a church. He has since been called to Balham BC as pastor. The LB Directors, recognising the loss of Pete's expertise, have taken steps to fill the substantial gap in our provision. They have since appointed the HEBE Foundation to replace Pete's CYF component. His work with Younger Adults / Internships will be taken up by Regional Minister Rev. Josh Kane.

Mrs. Rachel Swaby, the LB Safeguarding Lead, continues to provide an excellent support service to our churches in terms of safeguarding cases and training. Indeed, we have increased her hours to 0.8FTE because of the demands on her time. We are grateful for Rachel's ongoing tenacity and diligence in her service of the Association churches. She continues to work closely with the national team based at Baptist House.

Our two interns, Mrs. Jennifer Esposito and Miss. Anna Adeleye concluded their placements with us in the summer. In a positive development, Jennifer, and her husband, along with around thirteen other young leaders across London, attended the European Baptist Federation SENT Conference in Norway during July. LB helped fund this trip as a way of investing in younger leaders. This was an incredible event featuring around thirty young leaders from the UK – and others from across Europe. Apart from the host nation, the UK delegation was the largest in the continent. Unfortunately, however, we were unable to attract any further interns for the year 2023-24. That said, we are hopeful to see further interns in the following year.

LBA Board

We continue to hold all of our director's meetings online and did so throughout 2023. We held an awayday on the 25th March to discuss, in particular, some of the current theological tensions within the Union – but also to give further thought to financial strategy in the light of continual decline of Home Mission. In London, we have seen a drop of 25% in Home Mission giving since before the pandemic. The Board is aware of the need to improve the income from our investments (property and financial) in the light of this challenge.

Our AGM was held on the 4th November 2023 via zoom. With the significant changes to the Team, we decided to opt for an online meeting. At the AGM, we were able to appoint two new directors: Miss. Jade Noble (Perry Rise BC) and The Revd. Dr. Mike Thornton (Epsom BC); and re-appoint Miss. Nosa Idehen (Barking BC) for a second term. Mike has taken the role of Association Moderator, succeeding The Revd. Alex Afriyie who had to stand down having served his second-term of three years in the role, as had Mrs. Marilyn Ross. We would want to place on record our gratitude to our outgoing colleagues for all they have offered to the Association these last six years. There remains one vacancy on the Board.

It was exciting to welcome a new member church at the AGM: Jubilee Priesthood Centre in Feltham. It was noted however that one church had chosen to close during the year: Marks Gate Baptist Church near Romford. Thus, Association membership remains at 291 churches.

The Marks Gate premises reverted to the Association under the ultimate trust and is currently being marketed for sale. The Board have stated that these monies will be used for mission in its broadest sense.

The Clayhall Baptist Church site (closed 2022) was eventually sold in early 2023 and just under half of the proceeds used to purchase a further manse for our Regional Team at 56a Sydney Road, Abbey Wood. We are now fortunate to have manses spread across London helping facilitate close support of the neighbouring churches.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Other significant events

Our annual Ministers Conference was very well attended, as usual, at High Leigh Conference Centre (Hoddesdon) on 6-8 February. We were pleased to welcome The Rt. Revd. Graham Tomlin (former Anglican Bishop of Kensington) as our keynote speaker. The Team Leader also offered his now traditional 'state of the union' address. We were blessed to have around 130 ministers and guests in attendance and welcomed, for the second year in succession, Steve and Velveta Thompson as our guest worship leaders.

A further important event, in support of our churches, was the organisation of a Fresh Streams Theology Day on the theme of Human Sexuality. This was held at Mill Hill Church on the 28th February with around sixty ministers and leaders in attendance. The event was designed to help people think through the theological and pastoral implications of different perspectives on the subject.

Another significant event in the corporate life of the association was the induction of our new Regional Team Members (Lucy, Josh and Claire) at Westbourne Park Baptist Church on 20th May. The General Secretary of the Baptist Union, The Revd. Lynn Green, preached; the worship was led by a team from The Kings Cross Baptist Church.

We also held our first 'Empowering Women Leaders Day' at the Kings Cross Baptist Church on 1st July which was an inspirational event seeking to encourage, build confidence, and create opportunities for women in leadership across London. Around fifty women leaders attended.

Pensions

The pension crisis in the Baptist Union has been brought to a sustainable position through the 'Family Solution' being put in place for the Minister's DB scheme. Due to the 'Buy In' process overseen by BUGB the deficit payments were suspended for scheme participants in 2022. It is expected that the final 'Buy Out' of the scheme will occur in the first quarter of 2024.

Future vision

Looking ahead into 2024, the Directors of the Association have outlined several clear objectives.

- To respond accordingly to the decision of the Baptist Union Council regarding the Ministerial Recognition Rules; likewise, to consider proposals from the Baptist Union regarding the future shape of our financial model;
- To continue to take forward the Peckham Rye Tabernacle development – establishing a new form of church – pending initial planning enquiries.
- To find further directors of the Association pending the end of two second-term directors office in the Autumn; there will be three vacancies.
- Development of a strategy for church planting and replanting opportunities.
- To encourage our representatives to contribute to topics at national level including the revised funding formula, LGBT+ issues, justice issues, safeguarding policies, CYF mission, etc.
- To continue the development of young leaders via the internship programme
- Continue to support churches as they reimagine church and manage issues in these changing times.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Alongside the tasks and events, the company continued with its core activities. The Association largely fulfils its objects through the work of the LBA Regional Ministry Team. All the team offers support and encouragement to member churches and have been challenged by several especially difficult situations.

The directors met on six occasions during the year to conduct the business of the LBA, discharge their responsibility for the charity's finances, and oversee the implementation of the agreed strategy. The induction of new directors of the Board was overseen by the Company Secretary, Moderator, and the Team Leader.

The work of the team has been complemented by others who work for the Association in a part-time or voluntary capacity. The twenty-eight District Ministers offered encouragement to fellow ministers in their respective districts. We held two gatherings of these valuable volunteers during 2023.

Despite all working from home, the work of the office staff has again been invaluable in furthering the work of the Association. Mr. Norman Kincaid, the Association's Administrator, temporarily succeeded by Ms. Laura Tomlinson, have provided excellent support to member churches, Regional Ministers and directors and has run the Association's administration with calm efficiency.

Mrs. Deborah Scott, our Finance Officer, continues to diligently oversee the books of both the Association and Property Board.

The Mission Partnership Funding Committee awarded funding to 12 churches and charities, totalling £84,530. Dr. Colin Hicks has responsibility for administering the application process which had included running several workshops to explain the criteria and assessment process. Other material grants from the Mission Partnership Fund included a further £10,000 to the Northern Baptist Association in the light of their challenging financial sustainability; and £5,000 to River Tree as a contribution to send thirteen younger leaders from London as representatives to the EBF/SENT Conference in Stavanger, Norway.

The Ministerial Recognition Committee met on five occasions during the year. Nine new candidates were interviewed and all nine were commended as potential ministerial candidates. One person was interviewed to become Nationally Recognised Pastor this is due to the fact that this category is closing, and the transition is being made to the category of Recognised Local Minister. Additionally, twelve Newly Accredited Ministers were interviewed at the end of their probationary periods and commended for full accreditation. A further three NAMs were interviewed to review their mid-term progress.

The key management personnel of the charity as listed on page 1 are in charge of directing, controlling, running and operating the charity on a day-to-day basis. Details of directors' remuneration, expenses and related party transactions are disclosed in Note 19 to the financial statements.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. These awards are decided by the directors but generally follow guidelines from BUGB who decide the standard stipend nationally for Baptist ministers.

The Home Mission appeal in London reduced by some 10.5% compared to the previous year, some £94,500 short of the combined (donations plus subscriptions) budget target of £585,000. Churches in membership with the LBA contributed £355,026 (2022: £377,475) to the Baptist Union Home Mission Fund appeal and £109,800 (2022: £113,021) from subscriptions to the LBA from member churches. Lower subscription revenue also reflects reduced membership numbers in churches.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

PLANS FOR THE FUTURE

Future Mission in a Changing World

- We continue to consider how we can establish new ways of 'being church'. Much of our work is focused on equipping existing churches to be more missional and outward looking but the desire remains to 'plant' new expressions. The Revd. Josh Kane, our recently appointed new colleague, is part of the 'National Church Planting Network' (convened by Bishop Ric Thorpe and Rev. Alex Harris).
- We suspect that the development of the Peckham Rye Baptist Tabernacle site will crystallise in 2024; it has been a long and complicated development, and we have yet to discern whether it will eventually be built. A decision will be made either way.

Issues in Human Sexuality

- The national debate over matters related to human sexuality reaches a significant moment at Baptist Union Council in March 2024. A decision will be taken on the Ministerial Recognition Rules at that point and, whatever decision is made, it will require significant pastoral input from the Regional Team.

Project Violet

- Project Violet, a research project into the experiences of women in Baptist Ministry, will publish their results in May. The Association will be working through the proposals and recommendations once known.

From Multiethnic to Intercultural Church

- The Ministers Conference met again in person at High Leigh on 5-7 February 2024. The theme was 'From Multiethnic to Intercultural Church' and the keynote speakers were The Revd. Dr. Israel Olofinjana and Dr. Eleasah Louis. Over 130 people attended across the three days, our largest ever conference, and it was an uplifting and encouraging time.

Finance & Strategy

- The Home Mission Appeal in 2023 represented a very poor result. We continue to be affected by the decline of key givers in our churches – but also the theological climate is not helping us raise funds for our work. Many more conservative/orthodox churches have declined to give to the Baptist Union until the future over the Ministerial Recognition Rules has greater clarity.
- The Baptist Union ended their relationship with Tricordant (the management consultancy) and have embarked on a new process towards a renewal of our financial model. An extra council is being held in June to discuss this matter further. We suspect that London Baptists will have to make significant decisions of their own after this.
- We continue to support churches through Mission Partnership Grants but we continue to see a lack of applications. At present we only support seven projects on an ongoing basis, and we think the lack of applications reflects a lack of resources in the local church to 'match fund' these projects. We will continue to review this.

SUMMARY OF FINANCIAL ACTIVITIES FOR THE YEAR

The financial results of the year 2023 are set out in the accompanying financial statements. With regard to the company accounts, there was a positive movement for the year £1,203,251 (2022: £3,148,934) after revaluation gains of £356,399 (2022: losses of £269,759) taking the total net assets of the LBA, including restricted and endowment funds, to £18,494,753 (2022: £17,291,502). The surplus includes £1,000,000 donations of property following the closure of Marks Gate Church.

The Consolidated Statement of Financial Activities consequently shows a positive movement of funds in the year of £1,205,051 after consolidation adjustments (2022: £3,166,418).

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Reserves policy

The Directors consider the reserves policy annually. It is their intention to maintain a reserve that at a minimum would fund three months operating costs and up to six months operating costs. As at 31 December 2023, the free reserves of LBA (being the company unrestricted fund net current assets and listed investments) were £2,978,749 (2022: £2,475,991). The residual free reserves are considered to be adequate in line with the agreed policy.

The principal source of regular general fund income in 2023 was a fixed sum grant from the Baptist Union and it is anticipated that such grants will be paid in future years. The source of this funding is the declining national Home Mission Appeal. The directors expect that the financial position of BUGB will therefore be constrained for some time and that grant funding will decrease, not increase, in future years, requiring the LBA to use its free reserves to pay some operating costs. The Baptist Union are undergoing a serious review as to how the Home Mission fund is gathered and distributed and we suspect there will be substantial changes decided in 2024.

The directors will also need to fund any expenditure on new projects to enhance the LBA's work which go beyond core activities from reserves. The directors will continue to monitor the level of reserve held and to take decisions on expenditure which balance the needs of the present and the future.

Remuneration of directors

The Regional Minister Team leader, who has served as a director in 2023, is entitled to receive remuneration from the Association under the terms of the Memorandum of Association. (Details are to be found at note 19.) 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.

Investment policy

An ethical investment policy is followed, which was reviewed during the year resulting in the exclusion of fossil fuel industry companies from our portfolios. The general policy is to deposit day-to-day funds with the London Baptist Property Board Limited. For investments of a more permanent nature, the LBA investment managers are consulted. Regular review meetings are held with the fund manager. Both the General Fund Portfolio (a balanced portfolio to provide income and growth) and the Philpot Trust portfolio (managed principally to provide growth) performed reasonably well for the period against respective benchmarks. The charity has made such investments to generate a return and has made no social investments

With regard to the LBPB, the directors of the LBPB take a cautious approach to investment, seeking both to safeguard the capital held on behalf of churches and to retain sufficient short-term funds to meet potential demands by depositors or borrowers. With regard to longer term investments, the company holds Charifund income units with the intention of providing both income and capital growth. Investments have also been made in property with the dual aim of assisting the LBA or particular churches and bringing longer-term capital growth for the company. The short-term deposits are currently spread across five financial institutions, with returns being kept under regular review.

Grant making policy

During the year, grants of £100,735 (2022: £88,067) were made to beneficiaries in accordance with the terms of the fund from which the grant was made. Grants are awarded in response to written applications which are assessed by the Finance Committee. The Committee has regard to the sums requested, project viability and the amounts available for distribution. The directors have delegated powers to the Finance Committee to award grants with a value of up to £5,000; grants in excess of that amount are referred to the directors for a decision with a recommendation from the Finance Committee.

This figure includes grants made under the Mission Partnership Funding Scheme funded by the national Home Mission Appeal. A separately designated Committee receives vision statements and full applications from member churches and has delegated authority to award funding within an agreed annual budget.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Successful applicants must demonstrate the missional nature of their application and can be awarded funding for up to three years, subject to annual review.

Fundraising disclosure

The Association does not directly get involved in fundraising activities with the general public but encourages all its member churches to contribute to the national Home Mission Appeal managed by the Baptist Union. Support is requested by occasional visiting preachers and by material available via the Baptist Union web site. All Association membership subscriptions from churches are transferred to this national Appeal. A proportion of this Appeal is then allocated to the Association in line with a nationally agreed formula in line with other Associations as core funding and mission funding.

No professional fundraisers or other third parties are engaged and no complaints about our practices have been received. Funds are not sought from outside our own membership.

Risk Management

The charity trustees acknowledge their responsibility for, and have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage and control those risks. The main risks identified and managed are:

- Issues around safeguarding and child protection in our churches are of great importance and carry a high level of potential risk. To this end, the appointment of a Safeguarding Lead was made a few years ago. Extensive training at Levels 2 & 3 is delivered to our ministers and other church leaders using the Baptist Union "Excellence in Safeguarding" material. Regular monitoring of levels of participation and effectiveness of this training takes place. Lines of reporting incidents of risk are clear and understood. Churches are offered clear guidance to write their own safeguarding policies.
- The business of the Association has financial reliance upon its member churches' contributions to the national Home Mission Appeal which is the main income source. As pressure grows on our declining church membership with an ageing demographic, there is a risk that such funding may reduce in coming years. The Appeal is actively promoted by the Association and currently this risk is mitigated by the level of reserves held.
- The Association and its related designated and restricted trust funds carry an investment risk on reserves held. These investments are professionally managed and regularly monitored by other advisers to mitigate the risk. The Association and LBPB have agreed a relatively cautious and ethical agreed investment policy.
- There is a reputational risk to the Association relating to any incidents in our member churches which may be outside our direct control. The enhanced Regional Team is now more actively and pre-emptively engaged in assisting and advising churches on governance, pastoral, safeguarding and other issues to reduce these risks. Suitable trustee/employee indemnity insurance is in place.
- The operational risk of loss of data, computer hacking, cybercrime heightens each year. Upgraded network systems were implemented in tandem with our change of office location. Our support company has noticeably improved the technical aspects of this area and reduced the risk of loss or non-compliance significantly.
- Additional attention is being given to the risk of potential staff burnout by reviewing current supervision and line management procedures in respect of staff welfare.
- Other less serious risks in the areas of governance, finance, operations, compliance and environmental have also been identified and suitable control measures in place, reviewed annually by the trustees.

THE LONDON BAPTIST ASSOCIATION

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2023 (CONTINUED)

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Policies).

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

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

The directors are responsible for keeping adequate 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 the Companies Act 2006. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information for the company included on its web-site. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO THE AUDITORS

To the knowledge and belief of the directors, there is no relevant information that the company's auditors are not aware of, and the directors have taken all the steps necessary to ensure that the directors are aware of any relevant information, and to establish that the company's auditors are aware of this information.

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

BY ORDER OF THE BOARD



Rev Dr. M Thornton
Moderator
Unit C2, 15, Dock Street,
London
E1 8JN

14 May 2024

THE LONDON BAPTIST ASSOCIATION

GENERAL INFORMATION

Designated Funds

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 grants from the London Baptist Property Board Limited.

Legacy Reserve Fund

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

Mission Partnership Funding

This fund holds any unallocated balance of the annual budget received from BUGB for providing Mission Partnership Funding, as administered by the LBA Committee with responsibility for awarding this funding in line with their published criteria. This balance may be carried forward at year end and awarded to suitable applicants in future years.

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.

LBA Youth Fund

This fund was established in response to a donation to the Association to be used for youth work in London. It is hoped that further gifts and grants will be received in future years. The money is available to the Youth Forum to assist in funding its initiatives.

Peckham Rye Fund

This fund received a one-off donation on the closure of the church in lieu of rent for a retired minister to remain in the manse for five years. The money is designated for future property costs and repairs.

Restricted Funds

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. The main purpose is to assist lay persons with Christian training expenses.

John Bradford Trust

This trust fund enables permanent loans to be made from the capital, with repayment and 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. Grants were made from this fund to support the safeguarding officer and the Youth worker during the year. These are shown as transfers.

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.

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. The fund has been supplemented in 2007 by proceeds from the closure of Harmondsworth Baptist Church.

THE LONDON BAPTIST ASSOCIATION

GENERAL INFORMATION

Restricted Funds (continued)

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.

T W Philpot Trust

This derives from the will of the late Thomas W A Philpot and was 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. In 2006, the Charity Commission gave permission for the funds to be used for wider purposes. Interest-free loans can now be made for the building of new churches, the purchase of new buildings by churches and the extension of church premises.

Valley Mission Fund

This fund derives from the sale of Valley Mission, Biggin Hill. Under the ultimate trust, the income from the invested proceeds is available for evangelistic work in West Kent as decided by the Board of Directors.

Clayhall Fund

This fund was created through a gift of the now closed Clayhall Baptist Church in Ilford. It is for the support of community projects in deprived areas of London, or to support LBA evangelists and families working in their communities reaching out with the message of salvation through Jesus.

THE LONDON BAPTIST ASSOCIATION

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

Opinion

We have audited the financial statements of The London Baptist Association (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheets, the consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Conclusions relating to going concern

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit: or

THE LONDON BAPTIST ASSOCIATION

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

- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to the management bias in accounting estimates, valuation of properties, the inclusion and treatment of non cash transactions, presentation of separately disclosed items and the management override of controls. In response to the risks identified we designed procedures which included, but were not limited to:

- challenging the significant accounting estimates such as valuation of properties,
- reviewing trustee meeting minutes and enquiring into the occurrence and treatment of non cash transactions,
- agreeing financial statement disclosures to underlying supporting evidence,
- identifying and testing journal entries and
- evaluation the charity's internal controls.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Miriam Hickson FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants

Dated: 12 June 2024



5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

THE LONDON BAPTIST ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Fund £	Restricted Funds £	Endow ment Funds £	2023 £	Unrestricted Fund £	Restricted Funds £	Endow ment Funds £	2022 £
Income from:									
Donations and legacies:									
Baptist Union core funding	11	258,784	-	-	258,784	362,731	-	-	362,731
Church contributions		121,565	11,167	-	132,732	123,287	1,025	-	124,312
Grants		1,106,995	-	-	1,106,995	3,349,021	1,500	-	3,350,521
Investments	14	719,420	77,968	-	797,388	236,335	55,127	-	291,462
Charitable activities:									
Loan interest		148,311	-	-	148,311	139,836	-	-	139,836
Preaching Income		5,459	-	-	5,459	4,693	-	-	4,693
Events		23,448	-	-	23,448	23,736	-	-	23,736
Other		1,493	-	-	1,493	2,581	-	-	2,581
Total income		2,385,475	89,135	-	2,474,610	4,242,220	57,652	-	4,299,872
Expenditure on:									
Raising funds									
Investment property management costs		78,701	15,226	-	93,927	37,043	18,675	-	55,718
Charitable activities	12,13	1,472,494	2,205	-	1,474,699	846,472	4,587	-	851,059
Support to churches		1,551,195	17,431	-	1,568,626	883,515	23,262	-	906,777
Total expenditure		244,705	77,362	-	322,067	(69,097)	(174,580)	-	(243,677)
Net gains/(losses) on investments									
Net income/(expenditure)		1,078,985	149,066	-	1,228,051	3,289,608	(140,190)	-	3,149,418
Transfers between funds		8,000	(8,000)	-	-	1,199	(1,199)	-	-
(Losses)/gains on revaluation of fixed assets	2a	(23,000)	-	-	(23,000)	17,000	-	-	17,000
Net movement in funds		1,063,985	141,066	-	1,205,051	3,307,807	(141,389)	-	3,166,418
Reconciliation of funds									
Funds brought forward		14,288,800	5,468,039	3,087	19,759,926	10,980,993	5,609,428	3,087	16,593,508
Total funds carried forward		15,352,785	5,609,105	3,087	20,964,977	14,288,800	5,468,039	3,087	19,759,926

THE LONDON BAPTIST ASSOCIATION

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	2a		7,579,455		7,043,029
Investments	3a		6,176,605		7,514,732
Concessionary loans to churches	4		2,270,530		2,449,442
			<u>16,026,590</u>		<u>17,007,203</u>
CURRENT ASSETS					
Debtors (including £1,856,465 (2022: £2,236,907) recoverable after more than one year)	5a	3,192,389		2,990,661	
Assets held for sale	6	1,000,000		1,000,000	
Investments (Short term deposits)		11,235,834		6,955,980	
Cash held by stockbrokers		68,742		58,334	
Cash at bank		<u>5,049,390</u>		<u>6,449,300</u>	
		20,546,355		17,454,275	
CREDITORS:					
Amounts falling due within one year	7a	<u>(15,607,968)</u>		<u>(14,701,552)</u>	
NET CURRENT ASSETS			4,938,387		2,752,723
Total Assets less current liabilities			<u>20,964,977</u>		<u>19,759,926</u>
PROVISIONS FOR LIABILITIES	20		-		-
NET ASSETS	18		<u>20,964,977</u>		<u>19,759,926</u>
ENDOWMENT FUNDS					
	9		3,087		3,087
RESTRICTED FUNDS					
	9				
Realised funds		4,785,278		4,647,597	
Revaluation reserve	17	<u>823,827</u>		<u>820,442</u>	
			5,609,105		5,468,039
UNRESTRICTED FUNDS					
Realised funds – Other funds		13,699,707		12,255,054	
Revaluation reserve	17	<u>1,653,078</u>		<u>2,033,746</u>	
			15,352,785		14,288,800
			<u>20,964,977</u>		<u>19,759,926</u>

The financial statements were prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and were approved by the Board of Directors on 14 May 2024 and signed on their behalf:

Moderator



Rev Dr M Thornton

Honorary Treasurer



Mrs F Ogunyide

THE LONDON BAPTIST ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
	Note	£	£
Cash (used in)/provided by operating activities	(i)	(183,417)	3,387,813
Cash flows from investing activities			
Dividends, interest and rents from investments		797,388	291,462
Purchase of fixed assets		(562,725)	-
Proceeds on sale of investments		2,052,688	711,737
Proceeds from assets held for sale		1,265,706	-
Purchase of investments		(658,200)	(804,580)
Net advances of long term loans to churches		178,912	76,377
Cash provided by investing activities		<u>3,073,769</u>	<u>274,996</u>
Increase in cash and cash equivalents in the year		2,890,352	3,662,809
Cash and cash equivalents as at 1 January		<u>13,463,614</u>	<u>9,800,805</u>
Cash and cash equivalents as at 31 December		<u>16,353,966</u>	<u>13,463,614</u>

(i) Reconciliation of net income to cash flows from operating activities

Net movement in funds	1,205,051	3,166,418
Depreciation charges	3,299	2,442
Dividends, interest and rents from investments	(797,388)	(291,462)
Property grants in the year	(1,000,000)	(3,110,000)
Gains/(losses) on tangible fixed assets	23,000	(17,000)
Gains on assets held for sale	(265,706)	-
(Gains)/losses on investment assets	(56,361)	243,677
(Increase)/ decrease in debtors	(201,728)	734,066
Increase in creditors	906,416	2,659,672
Cash (used in)/provided by operating activities	<u>(183,417)</u>	<u>3,387,813</u>

THE LONDON BAPTIST ASSOCIATION

COMPANY STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Fund £	Restricted Funds £	Endowment Funds £	2023 £	Unrestricted Fund £	Restricted Funds £	Endowment Funds £	2022 £
Income from:									
Donations and legacies:									
Baptist Union core funding		258,784	-	-	258,784	362,731	-	-	362,731
Church contributions	11	121,565	11,167	-	132,732	123,287	1,025	-	124,312
Grants		1,126,059	-	-	1,126,059	3,404,475	1,500	-	3,405,975
Investments	14	121,015	77,968	-	198,983	86,851	61,928	-	148,779
Charitable activities:									
Preaching		5,459	-	-	5,459	4,693	-	-	4,693
Events		23,448	-	-	23,448	23,736	-	-	23,736
Other		543	-	-	543	1,881	-	-	1,881
Total income		1,656,873	89,135	-	1,746,008	4,007,654	64,453	-	4,072,107
Expenditure on:									
Raising funds									
Investment property management costs		68,164	15,226	-	83,390	25,406	18,675	-	44,081
Charitable activities									
Support to churches	12,13	813,561	2,205	-	815,766	604,746	4,587	-	609,333
Total expenditure		881,725	17,431	-	899,156	630,152	23,262	-	653,414
Net gains/(losses) on investments		279,037	77,362	-	356,399	(95,179)	(174,580)	-	(269,759)
Net income/(expenditure)		1,054,185	149,066	-	1,203,251	3,282,323	(133,389)	-	3,148,934
Transfers between funds		8,000	(8,000)	-	-	8,000	(8,000)	-	-
Gains on revaluation of fixed assets	2b	-	-	-	-	-	-	-	-
Net movement in funds		1,062,185	141,066	-	1,203,251	3,290,323	(141,389)	-	3,148,934
Reconciliation of funds									
Total funds brought forward		11,820,376	5,468,039	3,087	17,291,502	8,530,053	5,609,428	3,087	14,142,568
Total funds carried forward		12,882,561	5,609,105	3,087	18,494,753	11,820,376	5,468,039	3,087	17,291,502

THE LONDON BAPTIST ASSOCIATION

COMPANY BALANCE SHEET
AT 31 DECEMBER 2023

Company number: 04325272

	Note	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	2b		6,665,455		6,106,029
Investments	3b		6,108,126		6,767,004
Concessionary loans to churches	4		<u>2,270,530</u>		<u>2,449,442</u>
			15,044,111		15,322,475
CURRENT ASSETS					
Investments (Deposits with the London Baptist Property Board)		2,676,484		1,187,998	
Debtors	5b	429,303		16,784	
Assets held for sale	6	1,000,000		1,000,000	
Cash held by stockbrokers		68,742		58,334	
Cash at bank and in hand		<u>37,994</u>		<u>18,445</u>	
		4,212,523		2,281,561	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Sundry creditors	7b	<u>(670,297)</u>		<u>(220,950)</u>	
NET CURRENT ASSETS			3,542,226		2,060,611
Total Assets less current liabilities			<u>18,586,337</u>		<u>17,383,086</u>
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR					
Loans from the London Baptist Property Board Limited	15		(91,584)		(91,584)
PROVISION FOR LIABILITIES	20		-		-
NET ASSETS	18		<u>18,494,753</u>		<u>17,291,502</u>
REPRESENTED BY FUNDS:					
ENDOWMENT FUNDS	9		3,087		3,087
RESTRICTED FUNDS	9				
Realised funds		4,785,278		4,647,597	
Revaluation reserve	17	<u>823,827</u>		<u>820,442</u>	
			5,609,105		5,468,039
UNRESTRICTED FUNDS	8				
Realised funds – Other funds		12,180,598		11,138,092	
Revaluation reserve	17	<u>701,963</u>		<u>682,284</u>	
			12,882,561		11,820,376
			<u>18,494,753</u>		<u>17,291,502</u>

Approved by the Board of Directors 14 May 2024 and signed on their behalf:

Moderator



Rev Dr M Thornton

Honorary Treasurer



Mrs F Ogunyide

THE LONDON BAPTIST ASSOCIATION

SUMMARY INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023		2022	
	Group £	Company £	Group £	Company £
Income	1,677,222	1,547,025	4,008,410	3,923,328
Interest and investment income	797,388	198,983	291,462	148,779
Gains/(losses) on investments	322,067	356,399	(243,677)	(269,759)
Gross income in the reporting period	2,796,677	2,102,407	4,056,195	3,802,348
Expenditure	1,565,327	895,857	904,335	647,573
Depreciation	3,299	3,299	2,442	5,841
Total expenditure in the reporting period	1,568,626	899,156	906,777	653,414
Surplus for the year	1,228,051	1,203,251	3,149,418	3,148,934

STATEMENT OF COMPREHENSIVE INCOME

	2023		2022	
	Group £	Company £	Group £	Company £
Surplus for the year	1,228,051	1,203,251	3,149,418	3,148,934
(Losses)/gains on revaluation of fixed assets	(23,000)	-	17,000	-
Comprehensive income for the year	1,205,051	1,203,251	3,166,418	3,148,934

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

1 ACCOUNTING POLICIES

The London Baptist Association (LBA) is a company limited by guarantee and registered in England (number 4352572) and is a registered charity (no 1091160). Its registered address is: Unit C2, 15 Dock Street, London E1 8JN.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

The financial statements have been prepared under the Companies Act 2006, the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The accounts are prepared under the historical cost convention as modified by the revaluation of properties and investments. The financial statements are prepared in pounds sterling rounded to the nearest pound.

The accounts include the results of the company's subsidiary, The London Baptist Property Board Limited. The results have been consolidated on a line by line basis.

The London Baptist Association meets the definition of a public benefit entity under FRS 102. The charity is a company limited by guarantee, incorporated in England and Wales.

1.2 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 once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Unrestricted fund expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

1.3 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.

1.4 Endowment funds

Endowment funds represent the permanent capital of certain restricted funds.

1.5 Properties

Freehold and leasehold properties, whether shown as tangible fixed assets or investments, have been included at fair 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.

1.6 Computers and equipment

This is shown at cost and depreciated over 3 years. Equipment with a cost of over £1,000 is capitalised.

1.7 Pension schemes

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

The company also makes contributions towards the deficit on the Baptist Pension Scheme and the Baptist Unions Staff Pension Scheme, under their deficit reduction schemes. The Baptist Union Great Britain Defined Benefit Scheme is to be bought out in 2024. A provision has been made for the total contributions due. This is detailed in Note 20.

1.8 Investments

Quoted investments are stated at fair value. An unquoted investment is stated at a valuation of the Finance Committee. Unrealised gains or losses in the year are reported in the statement of financial activities. Investments in subsidiaries are shown at cost. Where the Charity has initiated a plan to sell an asset and the sale is probable within one year, the asset held for sale is shown at the lower of the carrying amount and its fair value less costs to sell.

1.9 Debtors

Trade debtors and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

1.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

1.12 Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.14 Income

Income, including grants, is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

1.15 Expenditure

Expenditure is recognised as soon as an outflow of economic benefit is probable, settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.

2a TANGIBLE FIXED ASSETS – GROUP

	Freehold Properties £	Leasehold Properties £	Computers and Equipment £	Total £
Cost or valuation				
1 January 2023	5,219,488	1,820,242	40,336	7,080,066
Additions	562,725	-	-	562,725
Disposals	-	-	-	-
Revaluation deficit	(23,000)	-	-	(23,000)
31 December 2023	5,759,213	1,820,242	40,336	7,619,791
Depreciation				
1 January 2023	-	-	37,037	37,037
Charge for the year	-	-	3,299	3,299
Released on disposal	-	-	-	-
31 December 2023	-	-	40,336	40,336
Net Book Value				
31 December 2023	5,759,213	1,820,242	-	7,579,455
31 December 2022	5,219,488	1,820,242	3,299	7,043,029
Historical cost for land and buildings included at valuation:				
31 December 2023	5,276,020	1,820,242		7,096,262
31 December 2022	4,713,295	1,820,242		6,533,537

The properties were last valued by the directors at 31st December 2023 on the basis of fair value. The valuations were made on the basis of information provided by Rapleys, who are professional surveyors.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

2b TANGIBLE FIXED ASSETS – COMPANY

	Freehold Properties £	Leasehold Properties £	Computers and Equipment £	Total £
Cost or valuation				
1 January 2023	4,282,488	1,820,242	34,601	6,137,331
Additions	562,725	-	-	562,725
Disposals	-	-	-	-
Revaluation surplus/(deficit)	-	-	-	-
31 December 2023	4,845,213	1,820,242	34,601	6,700,056
Depreciation				
1 January 2023	-	-	31,302	31,302
Charge for the year	-	-	3,299	3,299
Released on disposal	-	-	-	-
31 December 2023	-	-	34,601	34,601
Net Book Value				
31 December 2023	4,845,213	1,820,242	-	6,665,455
31 December 2022	4,282,488	1,820,242	3,299	6,106,029
Historical cost for land and buildings included at valuation:				
31 December 2023	4,401,020	1,820,242		6,221,262
31 December 2022	3,838,295	1,820,242		5,658,537

3a INVESTMENTS – GROUP

	Listed investments £	Other investments £	Freehold investment properties £	Total £
Valuation				
1 January 2023	2,669,844	202,058	4,642,830	7,514,732
Additions	658,200	-	-	658,200
Disposals	(1,380,578)	-	(643,000)	(2,023,578)
Revaluation surplus/(deficit)	63,500	(4,749)	(31,500)	27,251
31 December 2023	2,010,966	197,309	3,968,330	6,176,605
Historical Cost				
31 December 2023	1,821,199	149,805	2,211,890	4,182,894
31 December 2022	2,503,141	149,805	2,513,792	5,166,738

The properties were last valued by the directors at 31st December 2023 on the basis of fair value. The valuations were made on the basis of information provided, according to the locality of the properties, by: Rapleys, who are 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.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

3b INVESTMENTS – COMPANY

General Fund	Shares in LBPB	Listed investments	Freehold investment properties	Total
	£	£	£	£
Market value or valuation at 1 January 2023	1,379,330	960,810	1,927,850	4,267,990
Additions	-	332,332	-	332,332
Disposals	-	(354,558)	-	(354,558)
Revaluation surplus	-	8,986	-	8,986
Market value or valuation at 31 December 2023	1,379,330	947,570	1,927,850	4,254,750
Historical cost or probate value at 31 December 2023	1,379,330	920,020	1,697,630	3,996,980
31 December 2022	1,379,330	952,939	1,697,630	4,029,899

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

Restricted and Endowment Funds	Listed investments	Freehold investment properties	Total
	£	£	£
Market value or valuation at 1 January 2023	1,709,034	789,980	2,499,014
Additions	325,868	-	325,868
Disposals	(1,026,020)	-	(1,026,020)
Revaluation surplus	54,514	-	54,514
Market value or valuation on 31 December 2023	1,063,396	789,980	1,853,376
Historical cost or probate value at 31 December 2023	901,179	128,370	1,029,549
Historical cost or probate value at 31 December 2022	1,550,202	128,370	1,678,572

TOTAL	Shares in LBPB	Listed investments	Freehold investment properties	Total
	£	£	£	£
Market value or valuation at 1 January 2023	1,379,330	2,669,844	2,717,830	6,767,004
Additions	-	658,200	-	658,200
Disposals	-	(1,380,578)	-	(1,380,578)
Revaluation surplus	-	63,500	-	63,500
Market value or valuation at 31 December 2023	1,379,330	2,010,966	2,717,830	6,108,126
Historical cost or probate value at 31 December 2023	1,379,330	1,821,199	1,826,000	5,026,529
31 December 2022	1,379,330	2,503,141	1,826,000	5,708,471

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

4 LOANS TO CHURCHES – GROUP AND COMPANY

	Designated Fund	Restricted and Endowment Funds	2023 Total	Designated Fund	Restricted and Endowment Funds	2022 Total
	£	£	£	£	£	£
Permanent loans	21,010	568,699	589,709	21,010	615,228	636,238
Fixed loans	1,750	1,679,071	1,680,821	1,750	1,811,454	1,813,204
	22,760	2,247,770	2,270,530	22,760	2,426,682	2,449,442

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.

The group has the following capital commitments at 31 December:

	2023 £	2022 £
Loan facilities approved but not yet taken up	-	269,000

5a DEBTORS – GROUP

	2023 £	2022 £
Advances (financial assets measured at amortised cost)	2,654,371	2,966,466
Short-term loan	401,218	-
Prepayments and sundry debtors	27,008	18,401
Accrued income	109,792	5,794
	3,192,389	2,990,661

5b DEBTORS – COMPANY

	2023 £	2022 £
Short-term loan	401,218	-
Prepayments and sundry debtors	24,080	14,792
Accrued income	4,005	1,992
	429,303	16,784

6 ASSETS HELD FOR SALE – GROUP and COMPANY

	2023 £	2022 £
Property held for sale – Mark's Gate Church	1,000,000	-
Property held for sale – Clayhall Baptist Church	-	1,000,000

7a CREDITORS – GROUP

	2023 £	2022 £
Amounts falling due within one year		
7 day notice deposits and interest accrued	14,929,415	14,470,937
Sundry creditors and accruals	678,553	230,615
	15,607,968	14,701,552

7b CREDITORS – COMPANY

	2023 £	2022 £
Amounts falling due within one year		
Sundry creditors and accruals	670,297	220,950

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

	Designated Funds						Total Unrestricted Funds	
	Legacy Reserve Fund £	Peckham Rye Fund £	Mission Partnership Fund £	Ch Extn Reconstn Fund £	Thames Gateway Project £	Total Designated Funds £	General Fund £	Total Unrestricted Funds £
2023								
Balance at 1 January 2023	14,026	83,626	124,488	50,045	548,879	821,064	10,999,312	11,820,376
Income	-	2,642	73,302	1,088	-	77,032	1,579,841	1,656,873
Expenditure	-	(29,429)	(83,030)	-	-	(112,459)	(769,266)	(881,725)
Net gains on investments	-	-	-	-	-	-	279,037	279,037
Transfers	-	-	-	-	(40,463)	(40,463)	48,463	8,000
Balance at 31 December 2023	14,026	56,839	114,760	51,133	508,416	745,174	12,137,387	12,882,561

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THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

9 RESTRICTED AND ENDOWMENT FUNDS – GROUP AND COMPANY

2023	JW Beaumont Trust Fund £	John Bradford Trust £	Compass- ionate Trust Fund £	Hounslow BC Reserve £	Clayhall Fund £	Manse Trust Fund £	TW Philpot Trust £	Valley Mission Fund £	TOTAL £
RESTRICTED FUNDS									
Balance at 1 January 2023	6,645	574,636	9,994	80,100	-	917,080	3,766,188	113,396	5,468,039
Total income	360	9,510	536	2,587	11,167	7,179	54,151	3,645	89,135
Total expenditure	(1,000)	-	(1,205)	-	-	-	(15,226)	-	(17,431)
Net gains/(losses) on investments	-	10,130	(207)	5,598	-	-	51,976	9,865	77,362
Transfers between funds	-	(8,000)	-	-	-	-	-	-	(8,000)
Balance at 31 December 2023	6,005	586,276	9,118	88,285	11,167	924,259	3,857,089	126,906	5,609,105

ENDOWMENT FUNDS

Deposits with LBPB Limited	3,087	-	-	-	-	-	-	-	3,087
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2022

2022	JW Beaumont Trust Fund £	John Bradford Trust £	Compass- ionate Trust Fund £	Hounslow BC Reserve £	Jamaica Appeal £	Manse Trust Fund £	TW Philpot Trust £	Valley Mission Fund £	TOTAL £
RESTRICTED FUNDS									
Balance at 1 January 2022	7,062	592,767	11,479	85,904	-	906,500	3,881,576	124,140	5,609,428
Total income	135	7,345	1,570	2,079	1,500	3,330	45,276	3,218	64,453
Total expenditure	(552)	-	(2,535)	-	(1,500)	-	(18,675)	-	(23,262)
Net (losses)/gains on investments	-	(17,476)	(520)	(7,883)	-	7,250	(141,989)	(13,962)	(174,580)
Transfers between funds	-	(8,000)	-	-	-	-	-	-	(8,000)
Balance at 31 December 2022	6,645	574,636	9,994	80,100	-	917,080	3,766,188	113,396	5,468,039

ENDOWMENT FUNDS

Deposits with LBPB Limited	3,087	-	-	-	-	-	-	-	3,087
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A description of the nature and purpose of each fund and an explanation for the transfers is on pages 11 and 12 of the accounts.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

10 NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2023		2022	
	Group	Company	Group	Company
	£	£	£	£
Employment costs (see note 13)	378,518	317,871	278,158	219,276
Depreciation	3,299	279	2,442	5,841
Auditors' remuneration:				
Audit services	15,120	8,400	13,980	7,800
Preparation of financial statements	8,862	8,862	8,906	8,906

11 CHURCH CONTRIBUTIONS – GROUP AND COMPANY

	2023	2022
	£	£
Other church contributions	132,732	124,312
	<u>132,732</u>	<u>124,312</u>

12 GRANTS

	2023				2022			
	No	Group	No	Company	No	Group	No	Company
		£		£		£		£
Grants to churches and organisations	14	99,530	14	99,530	13	84,080	13	84,080
Individuals	4	1,205	4	1,205	11	3,987	11	3,987
		<u>100,735</u>		<u>100,735</u>		<u>88,067</u>		<u>88,067</u>

Material grants included above:	2023	2022
	£	£
London Turning	12,375	-
Shoreditch Tabernacle	13,000	-
Stoke Newington Baptist Church	1,655	-
Pinner FC	2,000	-
South Wales Baptist College	1,000	-
The Northern Baptist Association	10,000	-
Regents Park College	500	-
River Tree	5,000	-
Hebe Foundation	10,000	9,000
Mill Hill East Baptist Church	13,250	9,000
Old Lodge Lane Baptist Church	10,000	10,250
International Praise Centre	12,000	12,000
Third Space Ministries	7,000	7,000
Deep Water Baptist Church	1,750	7,500
Peckham Park Baptist Church	-	3,000
Stoke Newington Baptist Church	-	1,545
London Network Church	-	7,035
London Spanish Speaking Church	-	2,250
The Kings Cross Baptist Church	-	5,000
East Hill Baptist Church	-	9,000
Jamaica Appeal	-	1,500
	<u>99,530</u>	<u>84,080</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

13 SUPPORT TO CHURCHES

	2023		2022	
	Group	Company	Group	Company
	£	£	£	£
Employment costs:				
Salaries	322,035	271,491	299,042	249,959
National Insurance – employers	25,053	19,959	24,497	19,376
Pension contributions – employers	31,430	26,421	30,104	25,426
Defined benefit scheme movement	-	-	(75,485)	(75,485)
	378,518	317,871	278,158	219,276
Printing and stationery	1,460	1,426	1,537	1,452
Postage and telephone	13,893	11,927	12,405	10,926
Premises costs	130,039	160,033	46,580	78,408
Professional fees	41,805	9,582	37,013	8,906
Committee and conference expenses	36,119	35,520	27,888	27,366
Computer and office equipment	14,838	12,283	10,300	7,958
Travel expenses	21,654	20,242	17,975	17,582
Subscriptions	4,652	4,652	4,605	4,605
Bank charges	1,030	1,105	873	290
Depreciation	3,299	279	2,442	5,841
Loan interest	580,908	3,299	175,405	-
Contributions to BUGB Home Mission	109,800	109,800	113,021	113,021
Grants (note 12)	100,735	100,735	88,067	88,067
Sundry expenses	20,829	18,312	20,810	17,835
Governance costs – auditors remuneration	15,120	8,400	13,980	7,800
	1,474,699	815,766	851,059	609,333

The average number of employees during the year was 11 (2022: 11). No employee earned £60,000 or more during the year (2022: none). Included in staff costs are £nil of redundancy costs (2022: £nil).

14 INVESTMENT INCOME

	2023		2022	
	Group	Company	Group	Company
	£	£	£	£
Rent from investment properties	74,775	63,217	62,831	48,295
Dividends	88,700	76,944	97,256	85,843
Interest on short term deposits	633,913	58,822	131,375	14,641
	797,388	198,983	291,462	148,779

15 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.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

16 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 31 December 2023 was 291.

17 REVALUATION RESERVE

	Investment Properties £	Investments £	Freehold Properties £	Total £
2023 GROUP				
Balance at 1 January 2023	2,129,038	218,957	506,193	2,854,188
Unrealised (losses)/gains on revaluations	(31,500)	58,751	(23,000)	4,251
Realised in the year	(341,098)	(40,436)	-	(381,534)
Balance at 31 December 2023	1,756,440	237,272	483,193	2,476,905

	Investment Properties £	Investments £	Freehold Properties £	Total £
2023 COMPANY				
Balance at 1 January 2023	891,830	166,703	444,193	1,502,726
Unrealised gains on revaluations	-	63,500	-	63,500
Realised in the year	-	(40,436)	-	(40,436)
Balance at 31 December 2023	891,830	189,767	444,193	1,525,790

	Investment Properties £	Investments £	Freehold Properties £	Total £
2022 GROUP				
Balance at 1 January 2022	2,061,498	627,822	489,193	3,178,513
Unrealised gains/(losses) on revaluations	67,540	(303,935)	17,000	(219,395)
Realised in the year	-	(104,930)	-	(104,930)
Balance at 31 December 2022	2,129,038	218,957	506,193	2,854,188

	Investment Properties £	Investments £	Freehold Properties £	Total £
2022 COMPANY				
Balance at 1 January 2022	862,290	563,650	444,193	1,870,133
Unrealised gains/(losses) on revaluations	29,540	(292,017)	-	(262,477)
Realised in the year	-	(104,930)	-	(104,930)
Balance at 31 December 2022	891,830	166,703	444,193	1,502,726

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023 GROUP	Tangible fixed assets £	Investments £	Loans to churches £	Net current assets £	Total £
Endowment Funds	-	-	-	3,087	3,087
Restricted Funds (per note 9)	-	1,853,376	2,247,770	1,507,959	5,609,105
Unrestricted Funds					
Designated Funds	600,000	-	22,760	99,414	722,174
General Fund	6,979,455	4,323,229	-	3,327,927	14,630,611
	<u>7,579,455</u>	<u>6,176,605</u>	<u>2,270,530</u>	<u>4,938,387</u>	<u>20,964,977</u>

2023 COMPANY	Tangible fixed assets £	Investments £	Loans to churches £	Net current assets £	Long Term Liabilities £	Total £
Endowment Funds	-	-	-	3,087	-	3,087
Restricted Funds (per note 9)	-	1,853,376	2,247,770	1,507,959	-	5,609,105
Unrestricted Funds						
Designated Funds	600,000	-	22,760	213,998	(91,584)	745,174
General Fund	6,065,455	4,254,750	-	1,817,182	-	12,137,387
	<u>6,665,455</u>	<u>6,108,126</u>	<u>2,270,530</u>	<u>3,542,226</u>	<u>(91,584)</u>	<u>18,494,753</u>

2022 GROUP	Tangible fixed assets £	Investments £	Loans to churches £	Net current assets £	Total £
Endowment Funds	-	-	-	3,087	3,087
Restricted Funds (per note 9)	-	2,499,014	2,426,682	542,343	5,468,039
Unrestricted Funds					
Designated Funds	600,000	-	22,760	212,719	835,479
General Fund	6,443,029	5,015,718	-	1,994,574	13,453,321
	<u>7,043,029</u>	<u>7,514,732</u>	<u>2,449,442</u>	<u>2,752,723</u>	<u>19,759,926</u>

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

2022 COMPANY	Tangible fixed assets £	Investments £	Loans to churches £	Net current assets £	Long Term Liabilities £	Total £
Endowment Funds	-	-	-	3,087	-	3,087
Restricted Funds (per note 9)	-	2,499,014	2,426,682	542,343	-	5,468,039
Unrestricted Funds						
Designated Funds	600,000	-	22,760	289,888	(91,584)	821,064
General Fund	5,506,029	4,267,990	-	1,225,293	-	10,999,312
	<u>6,106,029</u>	<u>6,767,004</u>	<u>2,449,442</u>	<u>2,060,611</u>	<u>(91,584)</u>	<u>17,291,502</u>

19 DIRECTORS AND RELATED PARTY TRANSACTIONS

3 directors (2022: 2) were reimbursed travel expenses of £3,161 (2022: £2,687).

Rev P Barnard, a director, received emoluments of £43,980 (2022: £42,670), pension contributions of £4,361 (2022: £5,358) and was provided with accommodation costing £36,000 (2022: £36,000) as permitted by the Memorandum of Association.

Retirement benefits are accruing to 1 (2022: 1) director under money purchase and defined benefit schemes.

The total employee benefits of the key management personnel of the charity were £220,628 (2022: £261,703).

20 PENSIONS AND PROVISIONS

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

The Scheme, previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011. Prior to this date the main benefit provided through the Defined Benefit (DB) Plan was a pension of one eightieth of final minimum pensionable income for each year of pensionable service together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income.

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

The Defined Benefit Scheme is to be bought out in full in 2024, at which point all remaining liabilities will be removed from participating employers.

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. Because it is not possible to attribute the Scheme's assets and liabilities to specific employers, the scheme is accounted for as if the Scheme were a defined contribution scheme.

The Ministers are eligible to join the Scheme.

THE LONDON BAPTIST ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

20 PENSIONS AND PROVISIONS (continued)

Recovery Plan

In addition to the contributions to the DC Plan set out above, where a valuation of the DB Plan reveals a deficit the Trustee and the Council agree to a rate of deficiency contributions from churches and other employers involved in the DB Plan. On 30th June 2022 the Baptist Pension Scheme signed an agreement with the insurance company Just Group ("Just") to secure DB Plan members' pension benefits. Just are now providing financial backing for all pensions provided through the Scheme's DB Plan and following this transaction, the Scheme no longer has a shortfall. An updated Recovery plan was then signed in August 2022 under which recovery contributions from each participating employer in the DB Plan reduced to £1 per month from August 2022.

Movement in Balance Sheet liability

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2023 £	2022 £
Brought forward	-	86,401
Deficiency contributions paid in year	-	(10,916)
Interest cost (recognised in SoFA)	-	1,619
Remaining change to balance sheet liability* (recognised in SoFA)	-	(77,104)
Carried forward	-	-

21 INVESTMENTS IN SUBSIDIARIES

The London Baptist Association holds all of the 411 'A' voting shares in the London Baptist Property Board Ltd and 683 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. The LBPB is a company, number 88218 and a registered charity number 249768. Its registered address is: Unit C2, 15 Dock Street, London E1 8JN.

Shareholder funds in the London Baptist Property Board Ltd at 31 December 2023 were £3,837,915 (2022: £3,836,115).

A summary of income and expenditure is as follows:

	2023 £	2022 £
Income	874,362	358,849
Expenditure	(815,230)	(389,236)
Net expenditure before revaluations	59,132	(30,387)
(Losses)/gains on revaluations and disposals of fixed and investment assets	(57,332)	43,082
Net movement in funds	1,800	12,695

The subsidiary has been included in the consolidated accounts.