

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales · Charity number 1107967

Details

Other names LWPT

Status Registered

Legal form Charitable company

Company number [05247784](#)

Registered 2005-02-04

Register [View on the Charity Commission register](#)

Contact

Address 14 Orbital 25 Business Park
Dwight Road
Watford
WD18 9DA

Phone 01923231811

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Website www.lwpt.org.uk

Activities

Objects: 3.1 The Objects of the Charity are, for the public benefit, to:3.1.1 advance Christian religion by:(a) supporting training, education of those leading worship and preaching;(b) developing resources and materials to assist those leading worship and preaching in carrying out their duties;3.1.2 assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active or retired.

Activities: Providing resources, support and grants for those that preach.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities
- **Who:** Elderly/old People, People With Disabilities

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£313,156	£438,726	-	-
2024-08-31	£591,821	£542,730	£1,245,841	6
2023-08-31	£451,917	£431,646	-	-
2022-08-31	£685,471	£397,917	£1,241,481	6
2021-08-31	£392,411	£389,116	-	-
2020-08-31	£634,139	£411,984	£852,871	6

Trustees

Name	Role	Appointed
Dr Ian Coffey		2024-03-20
GEORGE PHILLIPS		2026-03-20
Jane Lloyd		2022-03-23
Paul Richard Davey		2025-03-19
Rev Ashley Robert Cooper		2024-03-20
Rev Gareth John Higgs		2026-03-20

Linked charities

- METHODIST LOCAL PREACHERS MUTUAL AID ASSOCIATION (1107967-1)
- MUTUAL AID HOMES LIMITED (1107967-2)
- GEORGE GODFREY (1107967-3)
- RICHARD LINDLEY (1107967-4)

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity registration number 1107967 (England and Wales)

Company registration number 5247784

**THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jane Lloyd David Latter David Tuckett Ian Coffey Ashley Cooper Paul Davey (appointed 19 March 2025) Harvey Kwiyani (resigned 19 March 2025)
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 26

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The Objects of the Charity are, for the public benefit, to:

- advance Christian religion by:
 - (a) supporting training, education of those leading worship and preaching;
 - (b) developing resources and materials to assist those leading worship and preaching in carrying out their duties;
- assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active or retired.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in Bible teaching by supporting training opportunities for those involved in preaching, Bible teaching, house group leadership, counselling & worship leading by offering a grant programme of vocational & hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years we have gradually focused on three areas of work that are designed to develop Christian leaders (lay and clerical) in UK churches via: [1] Better Bible-based communication, [2] Better Bible-based resources and [3] Tuition grants for further Bible-based studies. The key strategies for the year will be:

- 1 LWPT is primed to support those whose ministry focuses on Bible teaching both those at the start of their vocation and those that are more experienced. To ensure that the organisation truly reaches all denominations LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 2 LWPT receives income from individuals, churches and trusts because of our support of emerging leaders and their ability to obtain further training in formal UK based learning institutions. This also means that more people are applying for funds and LWPT is able to award tuition and book/resource grants to ever more candidates. This also means that we are able, indirectly, to invest in the UK learning institutions that depend on the fees of regular students. This successful area of growth is partly due to LWPT's ability to advertise our commitment to emerging leaders in a growing number of relevant multi-denominational communication portals.
- 3 LWPT has created a "Servant Leadership" document that ensures that LWPT sticks to a wide UK denominational focus of all 45-50k congregations in the UK. The document ensures that LWPT remains true to "mere Christianity" without giving churches reasons to reject LWPT due to controversial views. LWPT just wants to focus on growing local emerging leadership wherever those leaders are found.
- 4 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.
- 5 Bible-based resources for leaders and congregations remain crucial to LWPT's ministry to UK churches and individuals. This commitment to produce what attracts supporters as well as meets the needs of congregations is crucial to our strategy.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2025

- 6 LWPT's commitment to offer good Bible-based online training for all people committed to good communication is essential. We have been able to expand our online offering to more regular webinars and workshops for all those interested in good communication skills.

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 Several job functions have been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor & Content Manager, Marketing and Membership Manager, Office Manager and Membership and Office Administrator. During the year the number of freelancers were rationalised and job roles clarified allowing the ministry to be done with fewer freelancers thus saving on people costs.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular Tweets (X posts) and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities. The focused attention to social media communications has raised the number of visitors as well as the number of followers across all platforms.
- 3 The Preach Membership scheme, which was launched in 2016, has been rationalised to give two donation tiers and donors are able to give monthly or annually via a variety of payment methods. We are now able to offer a growing number of subscribers a digital version only or both a digital and a hard copy. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and easy access to the online archive of articles.
- 4 LWPT continues to sponsor the annual MET (Methodist Evangelicals Together) in 2025. This allows us to present the case for supporting LWPT to people who value the development of the next generation of UK church based leaders in the UK.
- 5 LWPT began a series of UK wide advertising campaigns for the Preach magazine. This has successfully raised the number of people taking the magazine (digital and offline) and will be repeated again in the forthcoming year. We have invested in access to all previous Preach articles in a new easily to search engine package that is included for all readers of the magazine.
- 6 Across the financial year 2024/25, 4 editions of LWPT's key resource, Preach, were produced. Focused on themes, Winter 2024, Issue 42, "The Epistles" (landed Nov 2024); Spring 2025, Issue 43 "Expressions of Church" (landed February 2025); Summer 2025, issue 44 "Whole-Life Worship" (landed May 2025); Autumn 2025, Issue 45 "Gen Z" (landed August 2025). The Editor and Content Manager continues to expand our offering to supporters and beneficiaries with the addition of webinars, communication workshops, a leaders podcast and video "The Word Shared", study guides (known as Bible Month) with the release of another one in the series (Book of John's Gospel), liturgically linked diaries and enews letters updating supporters on regular online offerings. We created the 2025/26 study guide – The Letter to the Philippians".

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2025

- 7 LWPT continues to focus its efforts on all denominations in the UK. But our work tends to draw in those churches that take the Bible, preaching and outreach seriously. With the continued shrinkage of the Church in the UK we consider that the 21st century is our time. With more and more churches needing to develop lay as well as clerical leadership, we want to help. Through the development of their Bible teaching skills, resources that support local ministry and then the offer to take up a tuition grant for further training, LWPT remains effective in its support role of local UK churches. LWPT hopes to strengthen local congregations through leaders who are well-equipped for local ministry. We do this through three distinct ministries: [1] Better Bible-based communication [2] Better Bible-based resources [3] Better access to tuition grants in Bible-based training for local church ministry.
- 8 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications.
- 9 The Vocational Grants programme (tuition grants) received increased applications across the year. We are now receiving more applications than we are able to give grants to. However, not all applicants are able to meet our requirements, but even so, those that do, we are finding that we still lack adequate funds. With this in mind we have increased our requests to trusts for grants; we have set-aside an extra £15,000 of LWPT funds; we have also maintained our grants to £2,000 for tuition and £500 for books/resources. We plan to push advertising for applications as well as requests from individuals and churches for this programme. Our "Alumni programme" continues to grow with an added board commitment to increase our investment and cultivate loyalty towards LWPT for these future leaders of the Church in the UK.
- 10 Our new Preaching Workshops and webinars were launched as a means of replacing the less popular "Sermon of the Year" (SOTY). This is a more effective 20-minute focus on ways in which Bible teachers are able to improve their communication of the Bible. This resource also allows viewers to download an outline of the workshop so that they can fill in details that suit them.
- 11 We will be launching an annual event for our alumni in order to help them learn from each other and create a sense of being part of the LWPT family. These are the leaders of the future church who will be able to speak up for LWPT using our new Ambassadors Programme.

Fundraising achievements

LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date. We are also developing a "regular giving programme" that will allow a growing number of new supporters to support LWPT on a monthly basis. This will allow us to grow regular giving and reduce occasional appeals. We have also been successful at raising grants from UK based trusts for the growth of our investment in the scholarship programmes.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last reviewed June 2025, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £88,550 (2024: £350,042), of which £60,957 (2024: £349,972) was for LWPT general funds and £27,593 (2024: £70) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2025/26 has been approved by the September 2025 meeting by the Trustee Board and is subject to regular monitoring and review.

LWPT bought out of the LPMA Pension scheme in April 2024. We left in a way that ensured that the scheme received the funds they requested as well as reducing LWPT's ongoing monthly costs. The savings from leaving the scheme will allow LWPT to pay off the cost of leaving in less than 5 years as well as reduce our annual expenses for all future immediately.

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2025	2024	2023	Change 2024 to 2025	Change 2023 to 2024
	£	£	£	%	%
Voluntary donations received	136,068	159,268	164,947	-14.57	-0.03
Expenditure (running costs and overheads)	329,790	448,829	372,218	-26.52	+20.58
Vocational grants made	50,450	46,486	33,070	+8.53	+40.57
Hardship grants made	4,390	5,500	2,000	-20.18	+175.00
Grants made to charities from LPMA funds	5,000	5,000	-	-	+100.00
Legacies received by LWPT	60,957	349,972	248,966	-82.58	+40.57
Legacies received by LPMA	27,593	70	4,648	+393.19	-98.49

Future Plans for 2025-26

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Preach Memberships through advertising and attendance at relevant events. The UK wide advertising campaign began successfully in FY2024 and will continue in FY 2025 & FY2026. We launched a new "Partners Programme" of supporters of emerging leadership.
- 3 To increase the number of downloadable preaching resources available on the websites. The new more engaging and easier to navigate archive of past issues will also become a key part of our future offering.
- 4 To continue growing the Vocational Grants programme and developing ongoing relationships with grantees and their linked church. This is a fast growing aspect of our ministry and one that appears to be greatly needed by churches who need to depend ever more on well trained lay and clerical leaders.
- 5 To build relationships with training colleges by a new "road-show that allows staff to meet and encourage new students to join the LWPT Alumni Programme via a successful tuition grant.
- 6 To have a staff and Trustee away day so that a long-term strategic plan can be produced. This is planned for September 2026.
- 7 To develop a new website and CRM system that encourages a growing desire to see well trained and resourced leaders in churches across the UK.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2025

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £155,000: current reserves are at the required level.

Our total reserves are:	1,143,733
Of which:	
Amount restricted to donor nominated purposes	308,095
Amount available to meet current operations	835,638

The level of reserves held at 31 August 2024 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Connexional Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

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

Jane Lloyd

Jane Lloyd
Chair of Trustees

Dated: 20 March 2026

Ian Coffey

Ian Coffey
Trustee

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

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

Company law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2025.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE
23 March 2026

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Current financial year		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
Income from:					
Donations and legacies	3	190,829	33,789	224,618	509,310
Charitable activities	4	22,061	20,500	42,561	30,135
Other trading activities	5	21,787	-	21,787	21,146
Investments	6	18,974	5,216	24,190	31,230
Total income		<u>253,651</u>	<u>59,505</u>	<u>313,156</u>	<u>591,821</u>
Expenditure on:					
Raising funds	7	49,096	-	49,096	36,915
Charitable activities	8	361,902	27,728	389,630	505,815
Total expenditure		<u>410,998</u>	<u>27,728</u>	<u>438,726</u>	<u>542,730</u>
Net gains/(losses) on investments	12	<u>23,462</u>	<u>-</u>	<u>23,462</u>	<u>31,929</u>
Net income/(expenditure)		<u>(133,885)</u>	<u>31,777</u>	<u>(102,108)</u>	<u>81,020</u>
Other recognised gains and losses:					
Actuarial losses on defined benefit pension schemes		<u>-</u>	<u>-</u>	<u>-</u>	<u>(78,472)</u>
Net movement in funds	9	<u>(133,885)</u>	<u>31,777</u>	<u>(102,108)</u>	<u>2,548</u>
Reconciliation of funds:					
Fund balances at 1 September 2024		<u>969,523</u>	<u>276,318</u>	<u>1,245,841</u>	<u>1,243,293</u>
Fund balances at 31 August 2025		<u>835,638</u>	<u>308,095</u>	<u>1,143,733</u>	<u>1,245,841</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

Prior financial year	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Donations and legacies	3	502,507	6,803	509,310
Charitable activities	4	25,135	5,000	30,135
Other trading activities	5	21,146	-	21,146
Investments	6	25,216	6,014	31,230
Total income		574,004	17,817	591,821
Expenditure on:				
Raising funds	7	36,915	-	36,915
Charitable activities	8	392,469	113,346	505,815
Total expenditure		429,384	113,346	542,730
Net gains/(losses) on investments	12	31,929	-	31,929
Net income/(expenditure)		176,549	(95,529)	81,020
Other recognised gains and losses:				
Actuarial losses on defined benefit pension schemes		(78,472)	-	(78,472)
Net movement in funds	9	98,077	(95,529)	2,548
Reconciliation of funds:				
Fund balances at 1 September 2023		871,446	371,847	1,243,293
Fund balances at 31 August 2024		969,523	276,318	1,245,841

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Investments	14		371,900		342,860
Current assets					
Debtors	15	5,039		12,559	
Cash at bank and in hand		779,035		921,423	
		<u>784,074</u>		<u>933,982</u>	
Creditors: amounts falling due within one year	16	(12,241)		(31,001)	
Net current assets			771,833		902,981
Total assets less current liabilities			<u>1,143,733</u>		<u>1,245,841</u>
Income funds					
Restricted funds	18		308,095		276,318
Unrestricted funds			835,638		969,523
			<u>1,143,733</u>		<u>1,245,841</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025.

The directors/trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 20 March 2026

Jane Lloyd

Jane Lloyd
Trustee

Ian Coffey

Ian Coffey
Trustee

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(161,000)		(222,342)
Investing activities					
Purchase of investments		(118,438)		(252,581)	
Proceeds on disposal of investments		112,860		244,726	
Investment income received		24,190		31,230	
		<hr/>		<hr/>	
Net cash generated from investing activities			18,612		23,375
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net decrease in cash and cash equivalents			(142,388)		(198,967)
Cash and cash equivalents at beginning of year			921,423		1,120,390
			<hr/>		<hr/>
Cash and cash equivalents at end of year			779,035		921,423
			<hr/> <hr/>		<hr/> <hr/>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

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

1.7 Fixed asset investments

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

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

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Donations and gifts	129,872	6,196	136,068	152,535	6,733	159,268
Legacies receivable	60,957	27,593	88,550	349,972	70	350,042
	<u>190,829</u>	<u>33,789</u>	<u>224,618</u>	<u>502,507</u>	<u>6,803</u>	<u>509,310</u>

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Performance related grants	2,000	20,500	22,500	11,600	5,000	16,600
Ancillary trading income	20,061	-	20,061	13,535	-	13,535
	<u>22,061</u>	<u>20,500</u>	<u>42,561</u>	<u>25,135</u>	<u>5,000</u>	<u>30,135</u>

5 Income from other trading activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Non-charitable trading activities	<u>21,787</u>	<u>21,146</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

6 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Dividends and fixed interest	6,805	677	7,482	8,743	673	9,416
Interest receivable	12,169	4,539	16,708	16,473	5,341	21,814
	<u>18,974</u>	<u>5,216</u>	<u>24,190</u>	<u>25,216</u>	<u>6,014</u>	<u>31,230</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
<u>Fundraising and publicity</u>		
New website	18,300	8,000
Advertising	10,014	13,238
Other fundraising costs	13,944	9,002
Fundraising and publicity	<u>42,258</u>	<u>30,240</u>
<u>Trading costs</u>		
Other trading activities	4,920	4,944
Investment management fees	1,918	1,731
	<u>49,096</u>	<u>36,915</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8 Charitable activities

	2025 £	2024 £
Staff costs	182,413	179,643
Other staff costs	20,599	20,547
Grants and financial assistance	59,840	56,986
Premises costs	21,146	20,882
Repairs and maintenance costs	2,527	3,694
Office costs	9,444	7,919
Computer costs	8,335	13,180
Printing resources	67,468	59,663
Travel and subsistence costs	1,175	3,297
General expenses	4,650	4,901
Legal and professional costs - general	5,004	4,263
Legal and professional costs - LPMA pension scheme	-	122,868
Bank charges and other finance costs	3,882	4,379
Governance costs	3,147	3,593
	<u>389,630</u>	<u>505,815</u>
Analysis by fund		
Unrestricted funds	361,902	392,469
Restricted funds	27,728	113,346
	<u>389,630</u>	<u>505,815</u>

Governance costs comprise independent examiners fees and trustee meeting costs.

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's independent examiner:		
- for the independent examination of the charity's financial statements	2,400	2,400
- for other financial services	3,000	3,820
	<u>2,400</u>	<u>3,820</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Four trustees were reimbursed travel costs totalling £389 during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Administrative	6	6

Employment costs

	2025	2024
	£	£
Wages and salaries	156,979	154,223
Social security costs	8,323	9,537
Other pension costs	17,111	15,883
	<u>182,413</u>	<u>179,643</u>

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

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Revaluation of investments	19,783	20,581
Gain/(loss) on sale of investments	3,679	11,348
	<u>23,462</u>	<u>31,929</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

14 Fixed asset investments

	Listed investments £	Bonds £	Cash in portfolio	Total £
Cost or valuation				
At 1 September 2024	254,803	73,013	15,044	342,860
Additions	92,624	25,814	-	118,438
Valuation changes	21,168	(1,367)	-	19,801
Net movement in cash	(18)	-	183	165
Disposals	(98,489)	(10,875)	-	(109,364)
	<u>270,088</u>	<u>86,585</u>	<u>15,227</u>	<u>371,900</u>
Carrying amount				
At 31 August 2025	<u>270,088</u>	<u>86,585</u>	<u>15,227</u>	<u>371,900</u>
At 31 August 2024	<u>254,803</u>	<u>73,013</u>	<u>15,044</u>	<u>342,860</u>

	2025 £	2024 £
Investments at fair value comprise:		
Government bonds	86,585	73,013
Equity shares	221,662	209,780
Investment trusts and unit trusts	48,426	45,023
Cash on deposit	15,227	15,044
	<u>371,900</u>	<u>342,860</u>

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	675	1,194
Other debtors	1,465	6,865
Prepayments and accrued income	2,899	4,500
	<u>5,039</u>	<u>12,559</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

16 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	2,355	-
Trade creditors	1,345	11,035
Other creditors	659	659
Accruals and deferred income	7,882	19,307
	<u>12,241</u>	<u>31,001</u>

17 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operated a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

The average duration of the past service liabilities was estimated to be approximately 20 years.

Special Events

During the previous accounting year the Employer ceased to participate in the Scheme. This has been shown in the disclosures as a settlement cost calculated as at 31 March 2024.

LWPT paid a final contribution of £234,000 in April 2024 to settle its debt to the Scheme in accordance with regulations. This has been included in the disclosures as an Employer contribution.

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

Analysis of Statement of Financial Activities charge

	2025	2024
	£'000	£'000
Loss/(gain) on settlements	-	71
Interest expense on effect of (asset ceiling) / onerous liability	-	1
	<u>-</u>	<u>72</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

17 Retirement benefit schemes	(Continued)	
Reconciliation of defined benefit obligation over the year	2025	2024
Defined benefit obligation at the start of the year	-	439
Interest expenses on defined benefit obligation	-	13
Remeasurement - effect of experience adjustments (gain) / loss	-	18
Benefits paid	-	(12)
Liabilities extinguished on settlements	-	(458)
	<u> </u>	<u> </u>
Defined benefit obligation at the end of the year	-	-
	<u> </u>	<u> </u>
Changes in the fair value of scheme assets are as follows:	2025	2024
Fair value of scheme assets as at the start of the year	-	273
Interest income on scheme assets	-	12
Remeasurement - return on scheme assets excluding interest income (gain) / loss	-	11
Contributions by the Employer	-	245
Benefits paid	-	(12)
Assets distributed on settlements	-	(529)
	<u> </u>	<u> </u>
Defined benefit obligation at the end of the year	-	-
	<u> </u>	<u> </u>
Remeasurements recognised in Other Comprehensive Income (OCI)	2025	2024
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	-	11
Remeasurement - effect of changes in assumptions (gain) / loss	-	(18)
	<u> </u>	<u> </u>
Total remeasurement gain / (loss) recognised in OCI	-	(7)
	<u> </u>	<u> </u>
Reconciliation of funded position	2025	2024
	£'000	£'000
Net defined benefit liability at start of year	-	(166)
Expense recognised in Statement of Financial Activities	-	(72)
(Gain) / loss recognised in OCI	-	(7)
Contributions by the Employer	-	245
	<u> </u>	<u> </u>
Total defined benefit liability at end of year	-	-
	<u> </u>	<u> </u>

During the previous period the charitable company made contributions to the fund of £10,472 and a final contribution of £234,000 in April 2024 to settle the debt in accordance with regulations.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £17,111 (2024: £14,390).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds			Movement in funds			Balance at 31 August 2025 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	
MLPMAA - General Purposes Fund	344,908	6,157	(97,860)	253,205	32,942	(7,397)	278,750
Owen Fund	11,110	-	-	11,110	-	-	11,110
John Wesley Training Fund (VGP)	4,453	10,800	(3,250)	12,003	7,972	(1,750)	18,225
Cranmer Training Fund (VGP)	11,376	860	(12,236)	-	35	(25)	10
Vocational Grants Programme	-	-	-	-	18,556	(18,556)	-
	<u>371,847</u>	<u>17,817</u>	<u>(113,346)</u>	<u>276,318</u>	<u>59,505</u>	<u>(27,728)</u>	<u>308,095</u>

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

John Wesley Training Fund (VGP) and Cranmer Training Fund (VGP) are Vocational Grants Programme (VGP) funds to support training for Methodist and Anglican preachers.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2025
	£	£	£	£	£	£
General funds	969,523	253,651	(410,998)	-	23,462	835,638
	<u>969,523</u>	<u>253,651</u>	<u>(410,998)</u>	<u>-</u>	<u>23,462</u>	<u>835,638</u>
Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2024
	£	£	£	£	£	£
Pension fund	(166,000)	-	-	166,000	-	-
General funds	1,037,446	574,004	(429,384)	(166,000)	(46,543)	969,523
	<u>1,037,446</u>	<u>574,004</u>	<u>(429,384)</u>	<u>(166,000)</u>	<u>(46,543)</u>	<u>969,523</u>
	<u>871,446</u>	<u>574,004</u>	<u>(429,384)</u>	<u>-</u>	<u>(46,543)</u>	<u>969,523</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 Analysis of net assets between funds

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Fund balances at 31 August 2025 are represented by:						
Investments	360,790	11,110	371,900	331,750	11,110	342,860
Current assets/(liabilities)	474,848	296,985	771,833	637,773	265,208	902,981
	<u>835,638</u>	<u>308,095</u>	<u>1,143,733</u>	<u>969,523</u>	<u>276,318</u>	<u>1,245,841</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

21 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	-	18,000
Between two and five years	-	1,500
	<u>-</u>	<u>19,500</u>
	<u>-</u>	<u>19,500</u>

22 Related party transactions

There were no disclosable related party transactions during the year.

23 Analysis of changes in net funds

The charitable company had no material debt during the year.

24 Cash generated from operations

	2025 £	2024 £
(Deficit)/surplus for the year	(102,108)	81,020
Adjustments for:		
Investment income recognised in statement of financial activities	(24,190)	(31,230)
Gain on disposal of investments	(3,679)	(11,348)
Fair value gains and losses on investments	(19,783)	(20,581)
Difference between pension charge and cash contributions	-	(78,472)
Movements in working capital:		
Decrease in debtors	7,520	80
(Decrease)/increase in creditors	(18,760)	4,189
Decrease in provisions	-	(166,000)
	<u>-</u>	<u>-</u>
Cash absorbed by operations	<u>(161,000)</u>	<u>(222,342)</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity registration number 1107967

Company registration number 5247784 (England and Wales)

THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jane Lloyd David Latter David Tuckett Harvey Kwiyani Ian Coffey Ashley Cooper
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 29

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The objects of The Leaders of Worship and Preachers Trust (LWPT), as laid out in the Memorandum, are:

- 1 to advance Christian religion by:
 - (i) supporting training, education and pastoral care of those leading worship and preaching;
 - (ii) developing and publishing online and offline resources and materials to assist those who take on the ministry of Bible teaching in local UK based congregations. This is done through three distinct ministries: [1] Better Bible-based communication [2] Better Bible-based resources [3] Better access to tuition grants for Bible-based studies.
- 2 to assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active, retired or in training and their widows, widowers, parents, parents in law, children and other dependents, including the provision of housing, treatment, care, advice and advocacy.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in Bible teaching by supporting training opportunities for those involved in preaching, Bible teaching, house group leadership, counselling & worship leading by offering a grant programme of vocational & hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years we have gradually focused on three areas of work that are designed to develop Christian leaders (lay and clerical) in UK churches via: [1] Better Bible-based communication, [2] Better Bible-based resources and [3] Tuition grants for further Bible-based studies The key strategies for the year will be:

- 1 LWPT is primed to support those whose ministry focuses on Bible teaching both those at the start of their vocation and those that are more experienced. To ensure that the organisation truly reaches all denominations LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 2 LWPT is receiving growing amounts of income from individuals, churches and trusts because of our support of emerging leaders and their ability to obtain further training in formal UK based learning institutions. This also means that more people are applying for funds and LWPT is able to award tuition and book/resource grants to ever more candidates. This also means that we are able, indirectly, to invest in the UK learning institutions that depend on the fees of regular students. This successful area of growth is partly due to LWPT's ability to advertise our commitment to emerging leaders in a growing number of relevant multi-denominational communication portals.
- 3 LWPT has created a "Servant Leadership" document that ensures that LWPT sticks to a wide UK denominational focus of all 40k congregations in the UK. The document ensures that LWPT remains true to "mere Christianity" without giving churches reasons to reject LWPT due to controversial views. LWPT just wants to focus on growing local emerging leadership wherever those leaders are found.
- 4 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

- 5 Bible-based resources for leaders and congregations remain crucial to LWPT's ministry to UK churches and individuals. This commitment to produce what attracts supporters as well as meets the needs of congregations is crucial to our strategy.
- 6 LWPT's commitment to offer good Bible-based online training for all people committed to good communication is essential. We have been able to expand our online offering to more regular webinars and workshops for all those interested in good communication skills.

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 Several job functions have been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor & Content Manager, Marketing and Membership Manager, Office Manager and Membership and Office Administrator. During the year the number of freelancers were rationalised and job roles clarified allowing the ministry to be done with fewer freelancers thus saving on people costs.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular Tweets (X posts) and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities. The focused attention to social media communications has raised the number of visitors as well as the number of followers across all platforms.
- 3 The Preach Membership scheme, which was launched in 2016, has been rationalised to give two donation tiers and donors are able to give monthly or annually via a variety of payment methods. We are now able to offer a growing number of subscribers a digital version only or both a digital and a hard copy. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and easy access to the online archive of articles.
- 4 LWPT continues to sponsor the annual MET (Methodist Evangelicals Together) in 2024. This allows us to present the case for supporting LWPT to people who value the development of the next generation of UK church based leaders in the UK.
- 5 LWPT began a series of UK wide advertising campaigns for the Preach magazine. This has successfully raised the number of people taking the magazine (digital and offline) and will be repeated again in the forthcoming year. We have invested in access to all previous Preach articles in a new easily to search engine package that is included for all readers of the magazine.
- 6 Across the financial year 2023/24, 4 editions of LWPT's key resource, Preach, were produced. The issues focused on the themes of Winter 2024, issue 37: "Encountering Jesus" [landed November], Spring 2024, issue 38: Hidden Treasure in the Minor Prophets [landed February], Summer 2024, issue 39: Steadfast Prayer [landed May] and Autumn 2024, issue 40: AI and the Church [landed August]. The Editor and Content Manager continues to expand our offering to supporters and beneficiaries with the addition of webinars, a NEW Preaching Workshop, study guides (known as Bible Month) with the release of another one in the series (Book of Genesis), liturgically linked diaries and enews letters updating supporters on regular online offerings.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

- 7 LWPT continues to focus its efforts on all denominations in the UK. But our work tends to draw in those churches that take the Bible, preaching and outreach seriously. With the continued shrinkage of the Church in the UK we consider that the 21st century is our time. With more and more churches needing to develop lay as well as clerical leadership, we want to help. Through the development of their Bible teaching skills, resources that support local ministry and then the offer to take up a tuition grant for further training, LWPT remains effective in its support role of local UK churches. LWPT hopes to strengthen local congregations through leaders who are well-equipped for local ministry. We do this through three distinct ministries: [1] Better Bible-based communication [2] Better Bible-based resources [3] Better access to tuition grants in Bible-based training for local church ministry.
- 8 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications.
- 9 The Vocational Grants programme (tuition grants) received increased applications across the year. We are now receiving more applications than we are able to give grants to. However, not all applicants are able to meet our requirements, but even so, those that do we are finding that we still lack adequate funds. With this in mind we have increased our requests to trusts for grants; we have set-aside an extra £20,000 of LWPT funds; we have also maintained our grants to £2,000 for tuition and £500 for books/resources. We plan to push advertising for applications as well as requests from individuals and churches for this programme. Our "Alumni programme" continues to grow with an added board commitment to increase our investment and cultivate loyalty towards LWPT for these future leaders of the Church in the UK.
- 10 Our new Preaching Workshops and webinars were launched as a means of replacing the less popular "Sermon of the Year" (SOTY). This is a more effective 20-minute focus on ways in which Bible teachers are able to improve their communication of the Bible. This resource also allows viewers to download an outline of the workshop so that they can fill in details that suit them.

Fundraising achievements

LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date. We are also developing a "regular giving programme" that will allow a growing number of new supporters to support LWPT on a monthly basis. This will allow us to grow regular giving and reduce occasional appeals. We have also been successful at raising grants from UK based trusts for the growth of our investment in the scholarship programmes.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last reviewed December 2023, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £350,042 (2023: £253,614), of which £349,972 (2023: £248,966) was for LWPT general funds and £70 (2023: £4,648) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2024/25 has been approved by the Trustee Board and is subject to regular monitoring and review.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

LWPT bought out of the LPMA Pension scheme in April 2024. We left in a way that ensured that the scheme received the funds they requested as well as reducing LWPT's ongoing monthly costs. The savings from leaving the scheme will allow LWPT to pay off the cost of leaving in less than 5 years as well as reduce our annual expenses for all future immediately.

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2024	2023	2022	Change 2023 to 2024	Change 2022 to 2023
	£	£	£	%	%
Voluntary donations received	159,268	164,947	165,744	-0.03	-0.48
Expenditure (running costs and overheads)	448,829	372,218	334,006	+20.58	+11.44
Vocational grants made	46,486	33,070	24,050	+40.57	+37.50
Hardship grants made	5,500	2,000	9,350	+175.00	-78.61
Grants made to charities from LPMA funds	5,000	-	650	+100.00	-100.00
Legacies received by LWPT	349,972	248,966	463,841	+40.57	-46.33
Legacies received by LPMA	70	4,648	60,581	-98.49	-92.33

Future Plans for 2024-25

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Preach Memberships through advertising and attendance at relevant events. The UK wide advertising campaign began successfully in FY2024 and will continue in FY 2025. We will launch a new "Partners Programme" of supporters of emerging leadership.
- 3 To increase the number of downloadable preaching resources available on the websites. The new more engaging and easier to navigate archive of past issues will also become a key part of our future offering.
- 4 To develop partnerships with organisations who are putting on preaching events, as well as provide resources for attendees.
- 5 To continue growing the Vocational Grants programme and developing ongoing relationships with grantees and their linked church. This is a fast growing aspect of our ministry and one that appears to be greatly needed by churches who need to depend ever more on well trained lay and clerical leaders.
- 6 To build relationships with training colleges by a new "road-show that allows staff to meet and encourage new students to join the LWPT Alumni Programme via a successful tuition grant.
- 7 To have a staff and Trustee away day so that a long-term strategic plan can be produced. This is planned for September 2025.
- 8 To develop a new website and sponsorship programme that encourages a growing desire to see well trained and resourced leaders in churches across the UK.
- 9 To expand our offering to beneficiaries as they seek to be better equipped for local church ministry in the UK.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £155,000: current reserves are at the required level.

Our total reserves are:	1,245,841
Of which:	
Amount restricted to donor nominated purposes	276,383
Amount available to meet current operations	969,458

The level of reserves held at 31 August 2024 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Connexional Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

Statement of trustees' responsibilities

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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 charitable company will continue in operation.

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

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



Jane Lloyd
Chair of Trustees
Dated: 19 March 2025



David Latter
Trustee

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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 charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2024.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 20 March 2025

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	3	502,507	6,803	509,310	418,561
Charitable activities	4	25,135	5,000	30,135	18,792
Other trading activities	5	21,146	-	21,146	22,304
Investments	6	25,216	6,014	31,230	23,154
Total income		<u>574,004</u>	<u>17,817</u>	<u>591,821</u>	<u>482,811</u>
Expenditure on:					
Raising funds	7	36,915	-	36,915	33,469
Charitable activities	8	392,469	113,346	505,815	407,288
Total expenditure		<u>429,384</u>	<u>113,346</u>	<u>542,730</u>	<u>440,757</u>
Net gains/(losses) on investments	11	31,929	-	31,929	(4,606)
Net income / (expenditure) for the year		<u>176,549</u>	<u>(95,529)</u>	<u>81,020</u>	<u>37,448</u>
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes		-	-	-	(35,636)
Deficit on settlement of defined benefit pension liability		(78,472)	-	(78,472)	-
Net movement in funds		<u>98,077</u>	<u>(95,529)</u>	<u>2,548</u>	<u>1,812</u>
Fund balances at 1 September 2023		<u>871,446</u>	<u>371,847</u>	<u>1,243,293</u>	<u>1,241,481</u>
Fund balances at 31 August 2024		<u><u>969,523</u></u>	<u><u>276,318</u></u>	<u><u>1,245,841</u></u>	<u><u>1,243,293</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Prior financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:				
Donations and legacies	3	407,396	11,165	418,561
Charitable activities	4	3,916	14,876	18,792
Other trading activities	5	22,304	-	22,304
Investments	6	18,301	4,853	23,154
Total income		451,917	30,894	482,811
Expenditure on:				
Raising funds	7	33,469	-	33,469
Charitable activities	8	398,177	9,111	407,288
Total expenditure		431,646	9,111	440,757
Net gains/(losses) on investments	11	(4,606)	-	(4,606)
Net income / (expenditure) for the year		15,665	21,783	37,448
Other recognised gains and losses				
Actuarial loss on defined benefit pension schemes		(35,636)	-	(35,636)
Net movement in funds		(19,971)	21,783	1,812
Fund balances at 1 September 2023		891,417	350,064	1,241,481
Fund balances at 31 August 2024		871,446	371,847	1,243,293

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	13		342,860		303,076
Current assets					
Debtors	14	12,559		12,639	
Cash at bank and in hand		921,423		1,120,390	
		<u>933,982</u>		<u>1,133,029</u>	
Creditors: amounts falling due within one year	15	<u>(31,001)</u>		<u>(26,812)</u>	
Net current assets			902,981		1,106,217
Total assets less current liabilities			<u>1,245,841</u>		<u>1,409,293</u>
Provisions for liabilities			-		(166,000)
Net assets			<u>1,245,841</u>		<u>1,243,293</u>
Income funds					
Restricted funds	18		276,318		371,847
<u>Unrestricted funds</u>					
General unrestricted funds		969,523		1,037,446	
Pension reserve		-		(166,000)	
		<u>969,523</u>		<u>871,446</u>	
			<u>1,245,841</u>		<u>1,243,293</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2024

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024.

The directors/trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 19 March 2025

Jane Lloyd

Jane Lloyd
Trustee

D. Latter

David Latter
Trustee

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(222,342)		(49,209)
Investing activities					
Purchase of investments		(252,581)		(94,068)	
Proceeds on disposal of investments		244,726		87,519	
Investment income received		31,230		23,154	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			23,375		16,605
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents			(198,967)		(32,604)
Cash and cash equivalents at beginning of year			1,120,390		1,152,994
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u> </u> <u> </u>		<u> </u> <u> </u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

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

1.7 Fixed asset investments

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

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

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	152,535	6,733	159,268	158,430	6,517	164,947
Legacies receivable	349,972	70	350,042	248,966	4,648	253,614
	<u>502,507</u>	<u>6,803</u>	<u>509,310</u>	<u>407,396</u>	<u>11,165</u>	<u>418,561</u>

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Performance related grants	11,600	5,000	16,600	-	9,500	9,500
Ancillary trading income	13,535	-	13,535	3,916	5,376	9,292
	<u>25,135</u>	<u>5,000</u>	<u>30,135</u>	<u>3,916</u>	<u>14,876</u>	<u>18,792</u>

5 Income from other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Non-charitable trading activities	<u>21,146</u>	<u>22,304</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

6 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Dividends and fixed interest	8,743	673	9,416	7,562	660	8,222
Interest receivable	16,473	5,341	21,814	10,739	4,193	14,932
	<u>25,216</u>	<u>6,014</u>	<u>31,230</u>	<u>18,301</u>	<u>4,853</u>	<u>23,154</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
<u>Fundraising and publicity</u>		
New website	8,000	-
Advertising	13,238	11,190
Other fundraising costs	9,002	16,138
	<u>30,240</u>	<u>27,328</u>
<u>Trading costs</u>		
Other trading activities	4,944	4,504
Investment management fees	1,731	1,637
	<u>36,915</u>	<u>33,469</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

8 Charitable activities

	2024 £	2023 £
Staff costs	179,643	179,776
Other staff costs	20,547	5,010
Grants and financial assistance	56,986	35,070
Premises costs	20,882	20,858
Repairs and maintenance costs	3,694	6,450
Office costs	7,919	10,272
Computer costs	13,180	10,710
Printing resources	59,663	75,539
Travel and subsistence costs	3,297	1,871
General expenses	4,901	4,385
Legal and professional costs	124,311	47,567
Bank charges and other finance costs	4,379	3,912
Governance costs	6,413	5,868
	<u>505,815</u>	<u>407,288</u>
Analysis by fund		
Unrestricted funds	392,469	398,177
Restricted funds	113,346	9,111
	<u>505,815</u>	<u>407,288</u>

Governance costs comprise independent examiners fees £1,800 (2023: £1,800), trustee meeting costs £1,801 (2023: £648). In addition the independent examiners charged £3,420 (2023: £3,420) for accountancy and advisory services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administrative	6	6

Employment costs

	2024	2023
	£	£
Wages and salaries	154,223	153,712
Social security costs	9,537	9,517
Other pension costs	15,883	16,547
	<u>179,643</u>	<u>179,776</u>

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

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Revaluation of investments	20,581	(2,165)
Gain/(loss) on sale of investments	11,348	(2,441)
	<u>31,929</u>	<u>(4,606)</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

13 Fixed asset investments

	Listed investments £	Bonds £	Cash in portfolio	Total £
Cost or valuation				
At 1 September 2023	194,635	94,427	14,014	303,076
Additions	222,636	29,945	-	252,581
Valuation changes	18,848	1,733	-	20,581
Net movement in cash	(620)	-	1,030	410
Disposals	(180,696)	(53,092)	-	(233,788)
	<u>254,803</u>	<u>73,013</u>	<u>15,044</u>	<u>342,860</u>
Carrying amount				
At 31 August 2024	<u>254,803</u>	<u>73,013</u>	<u>15,044</u>	<u>342,860</u>
At 31 August 2023	<u>194,635</u>	<u>94,427</u>	<u>14,014</u>	<u>303,076</u>

	2024 £	2023 £
Investments at fair value comprise:		
Government bonds	73,013	94,427
Equity shares	209,780	162,377
Investment trusts and unit trusts	45,023	32,258
Cash on deposit	15,044	14,014
	<u>342,860</u>	<u>303,076</u>

14 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	1,194	3,148
Other debtors	6,865	2,043
Prepayments and accrued income	4,500	7,448
	<u>12,559</u>	<u>12,639</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	11,035	5,540
Other creditors	659	766
Accruals and deferred income	19,307	20,506
	<u>31,001</u>	<u>26,812</u>

16 Provisions for liabilities

	2024	2023
	£	£
Retirement benefit obligations	-	166,000
	<u>-</u>	<u>166,000</u>

17

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operates a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

The average duration of the past service liabilities was estimated to be approximately 20 years.

Funding arrangements

The Scheme operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the Principal Employer, based on a prudent assessment of the Scheme's liabilities.

Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 April 2014, it was agreed that the Principal Employers will pay deficit contributions of £11,000 per month until 1 December 2022, of which LWPT as the Secondary Employer agreed to pay 10%.

Following the triennial valuation as of 1 April 2020, the Scheme remained in deficit and it was proposed by the Pension Trustees that total monthly contributions needed to increase to £12,083. LWPT, as the Secondary Employer agreed to their responsibility of contributing 10% of this new monthly deficit repayment.

Risk exposure

Since the Scheme is a defined benefit arrangement, the benefits payable to Scheme members are not directly related to the amount of the assets.

The Employer is exposed to the risk of the Scheme's assets being insufficient to meet the benefits payable. Risks arise due to uncertain future investment returns, future levels of inflation, and future changes to life expectancy.

The pension deficit was split between LWPHomes (90%) and LWPT (10%) and the annual payments to the pension scheme paid using the same apportionment.

Under the definitions set out in Financial Standards (FRS 102), the Methodist Local Preachers Mutual Aid Association Pension Scheme was a multi-employer pension scheme.

Special Events

During the accounting year the Employer ceased to participate in the Scheme. This has been shown in the disclosures as a settlement cost calculated as at 31 March 2024.

LWPT paid a final contribution of £234,000 in April 2024 to settle its debt to the Scheme in accordance with regulations. This has been included in the disclosures as an Employer contribution.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Retirement benefit schemes

(Continued)

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

	2024	2023
	£'000	£'000
Defined benefit obligation	-	439
Fair value of scheme assets	-	(273)
	<hr/>	<hr/>
Net defined benefit liability	-	166
Unrecognised surplus	-	-
	<hr/>	<hr/>
Net defined benefit liability after allowance for surplus restriction	-	166
	<hr/> <hr/>	<hr/> <hr/>
Analysis of Statement of Financial Activities charge		
	2024	2023
	£'000	£'000
Past service cost	-	10
Loss/(gain) on settlements	71	-
Interest expense on effect of (asset ceiling) / onerous liability	1	-
	<hr/>	<hr/>
Total pension expense / (credit) recognised in Statement of Financial Activities	72	10
	<hr/> <hr/>	<hr/> <hr/>
Principal actuarial assumptions at the balance sheet date:		
	2024	2023
Discount rate	n/a	5.13%
RPI inflation rate	n/a	3.28%
Pension increases in payment - RPI max 5%	n/a	3.13%
Pension increases in deferment - 5% fixed	n/a	5.00%
Post-retirement mortality	n/a	S3PA
	n/a	CMI 2022
	n/a	[1%]
Reconciliation of defined benefit obligation over the year	2024	2023
Defined benefit obligation at the start of the year	439	458
Interest expenses on defined benefit obligation	13	18
Remeasurement - effect of experience adjustments (gain) / loss	18	(34)
Remeasurement - effect of changes in assumptions (gain) / loss	-	1
Benefits paid	(12)	(14)
Past service cost	-	10
Liabilities extinguished on settlements	(458)	-
	<hr/>	<hr/>
Defined benefit obligation at the end of the year	-	439
	<hr/> <hr/>	<hr/> <hr/>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

17 Retirement benefit schemes	(Continued)	
Changes in the fair value of scheme assets are as follows:	2024	2023
Fair value of scheme assets as at the start of the year	273	310
Interest income on scheme assets	12	13
Remeasurement - return on scheme assets excluding interest income (gain) / loss	11	(54)
Contributions by the Employer	245	18
Benefits paid	(12)	(14)
Assets distributed on settlements	(529)	-
	<u>-</u>	<u>273</u>
Defined benefit obligation at the end of the year	<u>-</u>	<u>273</u>
Remeasurements recognised in Other Comprehensive Income (OCI)	2024	2023
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	11	(54)
Remeasurement - effect of changes in assumptions (gain) / loss	(18)	34
Remeasurement - return on plan assets excluding interest income (gain) / loss	-	(1)
	<u>-</u>	<u>(1)</u>
Total remeasurement gain / (loss) recognised in OCI	(7)	(21)
	<u>-</u>	<u>(21)</u>
Reconciliation of funded position	2024	2023
	£'000	£'000
Net defined benefit liability at start of year	(166)	(148)
Expense recognised in Statement of Financial Activities	(72)	(15)
(Gain) / loss recognised in OCI	(7)	(21)
Contributions by the Employer	245	18
	<u>-</u>	<u>(166)</u>
Net defined benefit liability at end of year	-	(166)
Closure rectification costs	-	-
	<u>-</u>	<u>(166)</u>
Total defined benefit liability at end of year	-	(166)
	<u>-</u>	<u>(166)</u>

During the period the charitable company made contributions to the fund of £10,472 and a final contribution of £234,000 in April 2024 to settle the debt in accordance with regulations.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £14,390 (2023: £14,408).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds			Movement in funds			Balance at 31 August 2024 £
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	
MLPMAA - General Purposes Fund	338,954	9,765	(3,811)	344,908	6,157	(97,860)	253,205
Owen Fund	11,110	-	-	11,110	-	-	11,110
John Wesley Training Fund (VGP)	-	6,253	(1,800)	4,453	10,800	(3,250)	12,003
Cranmer Training Fund (VGP)	-	14,876	(3,500)	11,376	860	(12,236)	-
	<u>350,064</u>	<u>30,894</u>	<u>(9,111)</u>	<u>371,847</u>	<u>17,817</u>	<u>(113,346)</u>	<u>276,318</u>

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

John Wesley Training Fund (VGP) and Cranmer Training Fund (VGP) are Vocational Grants Programme (VGP) funds to support training for Methodist and Anglican preachers.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2024
	£	£	£	£	£	£
General funds	1,037,446	574,004	(429,384)	(166,000)	(46,543)	969,523
Pension fund	(166,000)	-	-	166,000	-	-
	<u>871,446</u>	<u>574,004</u>	<u>(429,384)</u>	<u>-</u>	<u>(46,543)</u>	<u>969,523</u>
	<u><u>871,446</u></u>	<u><u>574,004</u></u>	<u><u>(429,384)</u></u>	<u><u>-</u></u>	<u><u>(46,543)</u></u>	<u><u>969,523</u></u>
Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2023
	£	£	£	£	£	£
General funds	1,077,583	451,917	(431,646)	(20,166)	(40,242)	1,037,446
Pension fund	(186,166)	-	-	20,166	-	(166,000)
	<u>891,417</u>	<u>451,917</u>	<u>(431,646)</u>	<u>-</u>	<u>(40,242)</u>	<u>871,446</u>
	<u><u>891,417</u></u>	<u><u>451,917</u></u>	<u><u>(431,646)</u></u>	<u><u>-</u></u>	<u><u>(40,242)</u></u>	<u><u>871,446</u></u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

20 Analysis of net assets between funds

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £
Fund balances at 31 August 2024 are represented by:						
Investments	331,750	11,110	342,860	291,966	11,110	303,076
Current assets/(liabilities)	637,773	265,208	902,981	745,066	361,151	1,106,217
Provisions	-	-	-	(166,000)	-	(166,000)
	<u>969,523</u>	<u>276,318</u>	<u>1,245,841</u>	<u>871,032</u>	<u>372,261</u>	<u>1,243,293</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

21 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	18,000	18,000
Between two and five years	1,500	19,500
	<u>19,500</u>	<u>37,500</u>

22 Related party transactions

There were no disclosable related party transactions during the year.

23 Analysis of changes in net funds

The charitable company had no material debt during the year.

24 Cash generated from operations

	2024 £	2023 £
Surplus for the year	81,020	37,448
Adjustments for:		
Investment income recognised in statement of financial activities	(31,230)	(23,154)
(Gain)/loss on disposal of investments	(11,348)	2,441
Fair value gains and losses on investments	(20,581)	2,165
Difference between pension charge and cash contributions	(78,472)	(35,636)
Movements in working capital:		
Decrease/(increase) in debtors	80	(393)
Increase/(decrease) in creditors	4,189	(11,914)
Decrease in provisions	(166,000)	(20,166)
Cash absorbed by operations	<u>(222,342)</u>	<u>(49,209)</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity registration number 1107967

Company registration number 5247784 (England and Wales)

THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	John Griffiths David Latter David Tuckett Harvey Kwiyani Jane Lloyd
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 28

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The objects of The Leaders of Worship and Preachers Trust (LWPT), as laid out in the Memorandum, are:

- 1 to advance Christian religion by:
 - (i) supporting training, education and pastoral care of those leading worship and preaching;
 - (ii) developing and publishing online and offline resources and materials to assist those who take on the ministry of Bible teaching in local UK based congregations. This is done through three distinct ministries: [1] Better Bible-based communication [2] Better Bible-based resources [3] Better access to tuition grants for Bible-based studies.
- 2 to assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active, retired or in training and their widows, widowers, parents, parents in law, children and other dependants, including the provision of housing, treatment, care, advice and advocacy.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in Bible teaching by supporting training opportunities for those involved in preaching, Bible teaching, house group leadership, counselling & worship leading by offering a grant programme of vocational & hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years we have gradually focused on three areas of work that are designed to develop Christian leaders (lay and clerical) in UK churches via: [1] Better Bible-based communication, [2] Better Bible-based resources and [3] Tuition grants for further Bible-based studies. The key strategies for the year will be:

- 1 Building on the previous year's team building and vision setting activities, the Trustees and staff will work together to finalise a three-year strategy for LWPT in terms of direction, activity and resources.
- 2 LWPT is primed to support those whose ministry focuses on Bible teaching both those at the start of their vocation and those that are more experienced. To ensure that the organisation truly reaches all denominations LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 3 LWPT has created a "Servant Leadership" document that ensures that LWPT sticks to a wide UK denominational focus of all 40k congregations in the UK. The document ensures that LWPT remains true to "mere Christianity" without giving churches reasons to reject LWPT due to controversial views. LWPT just wants to focus on growing local emerging leadership.
- 4 LWPT staff will work to publicise the grant making programme and a key emphasis will be with developing lay and clerical leaders through formal training at recognised UK based learning institutions.
- 5 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 The charity consolidated the staff team, several of whom had been recruited in the previous year. Several job functions had been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor & Content Manager, Marketing and Membership Manager, Office Manager and Membership and Office Administrator.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular Tweets (X posts) and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities.
- 3 The Preach Membership scheme, which was launched in 2016, has three donation tiers and donors are able to give monthly or annually via a variety of payment methods. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and also a variety of other benefits. The key focus has been to track statistics in terms of new members and membership retention.
- 4 LWPT attended and sponsored the annual MET (Methodist Evangelicals Together) in October 2023. This allows us to present the case for supporting LWPT to people who value the development of the next generation of UK church based leaders in the UK.
- 5 Across the financial year 2022/23, 4 editions of LWPT's key resource, Preach were produced. These focused on the themes of Winter 2022, issue 33: Preaching Today [landed November], Spring 2023, issue 34: Psalms of War [landed February], Summer 2023, issue 35: Poverty [landed May] and Autumn 2023, issue 36: Sabbath Rest [landed August]. The Editor and Content Manager continues to expand our offering to supporters and beneficiaries with the addition of webinars, a NEW Preaching Workshop, study guides (known as Bible Month) with the release of another one in the series (Book of Revelation), liturgically linked diaries and enews letters updating supporters on regular online offerings. We launched a new partnership with "Prisca" who offer in person preaching hubs around the UK. LWPT also visited churches in NW Devon in order to support local preachers and worship leaders in the region.
- 6 LWPT continues to focus its efforts on all denominations in the UK. But our work tends to draw in those churches that take the Bible, preaching and outreach seriously. With the continued shrinkage of the Church in the UK we consider that the 21st century is our time. With more and more churches needing to develop lay as well as clerical leadership, we want to help. Through the development of their Bible teaching skills, resources that support local ministry and then the offer to take up a tuition grant for further training. LWPT hopes to strengthen local congregations through leaders who are well-equipped for local ministry. We do this through three distinct ministries: [1] Better Bible-based communication [2] Better Bible-based resources [3] Better access to tuition grants in Bible-based training for local church ministry.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

- 7 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications. All staff took an official online GDPR refresher course.
- 8 The Vocational Grants programme (tuition grants) received increased applications across the year. We are now receiving more applications than we are able to give grants to. However, not all applicants are able to meet our requirements, but even so, those that do we are finding that we still lack adequate funds. With this in mind we have increased our requests to trusts for grants; we have set-aside an extra £30,000 of LWPT funds; we have also increased our grants to £2,000 for tuition and £500 for books/resources. We plan to push advertising for applications as well as requests from individuals and churches for this programme. This year we launched our "Alumni programme" increasing our offerings and support of LWPT recipients of Vocational Grants.
- 9 Our new Preaching Workshops were launched as a means of replacing the less popular "Sermon of the Year" (SOTY). This is a more effective 20-minute focus on ways in which Bible teachers are able to improve their communication of the Bible. This resource also allows viewers to download an outline of the workshop so that they can fill in details that suit them.

Fundraising achievements

LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date. We are also developing a "regular giving programme" that will allow a growing number of new supporters to support LWPT on a monthly basis. This will allow us to grow regular giving and reduce occasional appeals. We have also been successful at raising grants from UK based trusts for the growth of our investment in the scholarship programmes.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last reviewed December 2022, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £253,614 (2022: £524,422), of which £248,966 (2022: £463,841) was for LWPT general funds and £4,648 (2022: £60,581) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2023/24 has been approved by the Trustee Board and is subject to regular monitoring and review.

LWPT is responsible for 10% of the deficit owned by the LPMA Pension scheme which is a closed defined benefit pension scheme. The Trustees of the pension scheme have agreed with the employers a plan to remove the pension deficit from the companies operating surpluses. The pension deficit is carefully monitored by Broadstone who as well as administering the pension, provide investment advice for the Trustees. The recovery plan is reviewed formally by the Trustees at each pension valuation and takes regard of the need for an expeditious recovery whilst not damaging the viability of the charitable companies. In line with the actuarial review during 2017, the Trustees agreed to increase monthly contributions towards the deficit payments from 1 April 2023 to £1,496 per month.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

From the middle of August 2019, LWPT were advised that they needed to fund a further liability relating to the MLPMAA Pension Fund, due to the fund not being closed appropriately in 2003. LWPT needed to assign up to £115,000 from its funds. The rectification process was completed in November 2022.

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2023	2022	2021	Change 2022 to 2023	Change 2021 to 2022
	£	£	£	%	%
Voluntary donations received	164,947	165,744	191,394	-0.48	-13.40
Expenditure (running costs and overheads)	372,219	334,426	334,856	+11.44	-0.01
Vocational grants made	33,070	24,050	21,282	+37.50	+13.00
Hardship grants made	2,000	9,350	1,000	-78.61	+835.00
Grants made to charities from LPMA funds	-	650	6,150	-100.00	-89.40
Legacies received by LWPT	248,966	463,841	61,166	-46.33	+658.30
Legacies received by LPMA	4,648	60,581	65,410	-92.33	-0.07

Future Plans for 2023-24

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Preach Memberships through advertising and attendance at relevant events with a target of 400 new members. We will launch a new "Partners Programme" of supporters of emerging leadership.
- 3 To increase the number of downloadable preaching resources available on the websites.
- 4 To develop partnerships with organisations who are putting on preaching events, as well as provide resources for attendees.
- 5 To continue growing the Vocational Grants programme and developing ongoing relationships with grantees and their linked church. This is a fast growing aspect of our ministry and one that appears to be greatly needed by churches who need to depend ever more on well trained lay and clerical leaders.
- 6 To build relationships with training colleges.
- 7 To have a staff and Trustee away day so that a long-term strategic plan can be produced. This is planned for July 2024.
- 8 To develop a new website and sponsorship programme that encourages a growing desire to see well trained and resourced leaders in churches across the UK.
- 9 To expand our offering to beneficiaries as they seek to be better equipped for local church ministry in the UK.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £155,395: current reserves are at the required level.

Our total reserves are:	1,409,293
Of which:	
Amount restricted to donor nominated purposes	371,847
Amount available to meet current operations	871,446
Amount required to fund pension deficit	166,000

The level of reserves held at 31 August 2023 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

Statement of trustees' responsibilities

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

David Latter

David Latter
Trustee

Dated: 20 March 2024

Jane Lloyd

Jane Lloyd
Trustee

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 26 March 2024

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	3	407,396	11,165	418,561	690,166
Charitable activities	4	3,916	14,876	18,792	23,533
Other trading activities	5	22,304	-	22,304	19,475
Investments	6	18,301	4,853	23,154	13,876
Total income		451,917	30,894	482,811	747,050
Expenditure on:					
Raising funds	7	33,469	-	33,469	38,136
Charitable activities	8	398,177	9,111	407,288	368,476
Total expenditure		431,646	9,111	440,757	406,612
Net gains/(losses) on investments	11	(4,606)	-	(4,606)	(27,576)
Net income / (expenditure) for the year		15,665	21,783	37,448	312,862
Other recognised gains and losses					
Actuarial (loss)/gain on defined benefit pension schemes		(35,636)	-	(35,636)	46,867
Net movement in funds		(19,971)	21,783	1,812	359,729
Fund balances at 1 September 2022		891,417	350,064	1,241,481	881,752
Fund balances at 31 August 2023		871,446	371,847	1,243,293	1,241,481

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:				
Donations and legacies	3	629,359	60,807	690,166
Charitable activities	4	23,533	-	23,533
Other trading activities	5	19,475	-	19,475
Investments	6	13,104	772	13,876
Total income		685,471	61,579	747,050
Expenditure on:				
Raising funds	7	38,136	-	38,136
Charitable activities	8	359,781	8,695	368,476
Total expenditure		397,917	8,695	406,612
Net gains/(losses) on investments	11	(27,576)	-	(27,576)
Net income / (expenditure) for the year		259,978	52,884	312,862
Other recognised gains and losses				
Actuarial (loss)/gain on defined benefit pension schemes		46,867	-	46,867
Net movement in funds		306,845	52,884	359,729
Fund balances at 1 September 2022		584,572	297,180	881,752
Fund balances at 31 August 2023		891,417	350,064	1,241,481

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	13		303,076		301,133
Current assets					
Debtors	14	12,639		12,246	
Cash at bank and in hand		1,120,390		1,152,994	
		<u>1,133,029</u>		<u>1,165,240</u>	
Creditors: amounts falling due within one year	15	<u>(26,812)</u>		<u>(38,726)</u>	
Net current assets			1,106,217		1,126,514
Total assets less current liabilities			1,409,293		1,427,647
Provisions for liabilities			<u>(166,000)</u>		<u>(186,166)</u>
Net assets			<u>1,243,293</u>		<u>1,241,481</u>
Income funds					
Restricted funds	18		371,847		350,064
<u>Unrestricted funds</u>					
General unrestricted funds		1,037,446		1,077,583	
Pension reserve		<u>(166,000)</u>		<u>(186,166)</u>	
			<u>871,446</u>		<u>891,417</u>
			<u>1,243,293</u>		<u>1,241,481</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

The directors/trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 20 March 2024

David Latter

David Latter
Trustee

Jane Lloyd

Jane Lloyd
Trustee

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(49,209)		284,511
Investing activities					
Proceeds on disposal of investment property		-		200,000	
Purchase of other investments		(94,068)		(250,284)	
Proceeds on disposal of other investments		87,519		314,576	
Investment income received		23,154		13,876	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			16,605		278,168
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(32,604)		562,679
Cash and cash equivalents at beginning of year			1,152,994		590,315
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>1,120,390</u>		<u>1,152,994</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

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

1.7 Fixed asset investments

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

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

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	158,430	6,517	164,947	165,518	226	165,744
Legacies receivable	248,966	4,648	253,614	463,841	60,581	524,422
	<u>407,396</u>	<u>11,165</u>	<u>418,561</u>	<u>629,359</u>	<u>60,807</u>	<u>690,166</u>

4 Charitable activities

	2023	2022
	£	£
Ancillary trading income	<u>18,792</u>	<u>23,533</u>
Analysis by fund		
Unrestricted funds	3,916	23,533
Restricted funds	<u>14,876</u>	<u>-</u>
	<u>18,792</u>	<u>23,533</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Merchandising income	22,304	19,475
	<u>22,304</u>	<u>19,475</u>

6 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Rental income	-	-	-	6,329	-	6,329
Dividends and fixed interest	7,562	660	8,222	5,047	645	5,692
Interest receivable	10,739	4,193	14,932	1,728	127	1,855
	<u>18,301</u>	<u>4,853</u>	<u>23,154</u>	<u>13,104</u>	<u>772</u>	<u>13,876</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Advertising	11,190	3,817
Other fundraising costs	16,138	28,715
	<u>27,328</u>	<u>32,532</u>
<u>Trading costs</u>		
Other trading activities	4,504	4,309
Investment management fees	1,637	1,295
	<u>33,469</u>	<u>38,136</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	2023 £	2022 £
Staff costs	179,776	162,540
Other staff costs	5,010	7,046
Grants and financial assistance	35,070	34,050
Premises costs	20,858	20,046
Repairs and maintenance costs	6,450	4,925
Office costs	10,272	8,726
Computer costs	10,710	13,679
Printing resources	75,539	62,184
Travel and subsistence costs	1,871	2,924
General expenses	4,385	2,720
Legal and professional costs	47,567	43,027
Bank charges and other finance costs	3,912	4,100
Governance costs	5,868	2,509
	<u>407,288</u>	<u>368,476</u>
Analysis by fund		
Unrestricted funds	398,177	359,781
Restricted funds	9,111	8,695
	<u>407,288</u>	<u>368,476</u>

Governance costs comprise independent examiners fees £1,800 (2022: £1,800), trustee meeting costs £648 (2022: £709). In addition the independent examiners charged £3,420 (2022: £3,420) for accountancy and advisory services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Administrative	6	6

Employment costs

	2023	2022
	£	£
Wages and salaries	153,712	141,391
Social security costs	9,517	9,173
Other pension costs	16,547	11,976
	<u>179,776</u>	<u>162,540</u>

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

11 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	(2,165)	(14,112)
Gain/(loss) on sale of investments	(2,441)	(13,464)
	<u>(4,606)</u>	<u>(27,576)</u>

12 Taxation

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Fixed asset investments

	Listed investments £	Government Bonds £	Cash in portfolio	Total £
Cost or valuation				
At 1 September 2022	201,704	78,923	20,506	301,133
Additions	54,594	39,474	-	94,068
Valuation changes	2,935	(5,100)	-	(2,165)
Net movement in cash	-	-	(6,492)	(6,492)
Disposals	(64,598)	(18,870)	-	(83,468)
	<u>194,635</u>	<u>94,427</u>	<u>14,014</u>	<u>303,076</u>
Carrying amount				
At 31 August 2023	<u>194,635</u>	<u>94,427</u>	<u>14,014</u>	<u>303,076</u>
At 31 August 2022	<u>201,704</u>	<u>78,923</u>	<u>20,506</u>	<u>301,133</u>

	2023 £	2022 £
Investments at fair value comprise:		
Government bonds	94,427	78,923
Equity shares	162,377	166,375
Investment trusts and unit trusts	32,258	35,329
Cash on deposit	14,014	20,506
	<u>303,076</u>	<u>301,133</u>

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	3,148	6,285
Other debtors	2,043	3,527
Prepayments and accrued income	7,448	2,434
	<u>12,639</u>	<u>12,246</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	5,540	24,355
Other creditors	766	659
Accruals and deferred income	20,506	13,712
	<u>26,812</u>	<u>38,726</u>

16 Provisions for liabilities

		2023	2022
		£	£
Retirement benefit obligations	17	<u>166,000</u>	<u>186,166</u>

Movements on retirement benefit obligations:

	£
At 1 September 2022	186,166
Contributions paid in year	(55,802)
Actuarial (gains)/losses in year	35,636
	<u>166,000</u>
At 31 August 2023	<u>166,000</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operates a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

We have estimated the average duration of the past service liabilities to be approximately 20 years.

Funding arrangements

The Scheme operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the Principal Employer, based on a prudent assessment of the Scheme's liabilities.

Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 April 2014, it was agreed that the Principal Employers will pay deficit contributions of £11,000 per month until 1 December 2022, of which LWPT as the Secondary Employer agreed to pay 10%.

Following the triennial valuation as of 1 April 2020, the Scheme remained in deficit and it was proposed by the Pension Trustees that total monthly contributions needed to increase to £12,083. LWPT, as the Secondary Employer agreed to their responsibility of contributing 10% of this new monthly deficit repayment. Based on the current Schedule of Contributions, the employer expects to pay contributions in the region of £17,952 to the scheme during the next accounting period.

Risk exposure

Since the Scheme is a defined benefit arrangement, the benefits payable to Scheme members are not directly related to the amount of the assets.

The Employer is exposed to the risk of the Scheme's assets being insufficient to meet the benefits payable. Risks arise due to uncertain future investment returns, future levels of inflation, and future changes to life expectancy.

Sensitivity Information

A 0.5% per annum decrease in the discount rate assumption would increase obligations by around £265,000.

A 0.5% per annum increase in the assumed rates of inflation would increase obligations by around £45,000.

A 0.5% increase in the assumed long term rate of future mortality improvements would increase obligations by around £60,000.

These sensitivity figures ignore the effect on the annuities, as any change in the liability value would be matched by a change in the asset value and the net effect would be zero.

The pension deficit is split between LWPHome (90%) and LWPT (10%) and the annual payments to the pension scheme are paid using the same apportionment.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Retirement benefit schemes

(Continued)

Under the definitions set out in Financial Standards (FRS 102), the Methodist Local Preachers Mutual Aid Association Pension Scheme is a multi-employer pension scheme.

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

	2023	2022
	£'000	£'000
Defined benefit obligation	439	458
Fair value of scheme assets	(273)	(310)
Net defined benefit liability	166	148
Unrecognised surplus	-	-
Net defined benefit liability after allowance for surplus restriction	166	148
Analysis of Statement of Financial Activities charge		
	2023	2022
	£'000	£'000
Net interest expense on net defined benefit liability	-	3
Past service cost	10	-
Total pension expense / (credit) recognised in Statement of Financial Activities	10	3
Principal actuarial assumptions at the balance sheet date:		
	2023	2022
Discount rate	5.13%	3.97%
RPI inflation rate	3.28%	3.35%
Pension increases in payment - RPI max 5%	3.13%	3.19%
Pension increases in deferment - 5% fixed	5.00%	5.00%
Commutation (% of pension)	-	-
Post-retirement mortality	S3PA CMI 2022 [1%]	S3PA CMI 2021 [1%]
Reconciliation of defined benefit obligation over the year	2023	2022
Defined benefit obligation at the start of the year	458	655
Interest expenses on defined benefit obligation	18	11
Remeasurement - effect of experience adjustments (gain) / loss	(34)	(197)
Remeasurement - effect of changes in assumptions (gain) / loss	1	4
Benefits paid	(14)	(15)
Past service cost	10	-
Settlements	-	-
Defined benefit obligation at the end of the year	439	458

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

17 Retirement benefit schemes	(Continued)	
Changes in the fair value of scheme assets are as follows:	2023	2022
Fair value of scheme assets as at the start of the year	310	443
Interest income on scheme assets	13	8
Remeasurement - return on scheme assets excluding interest income (gain) / loss	(54)	(142)
Contributions by the Employer	18	16
Benefits paid	(14)	(15)
	<u>273</u>	<u>310</u>
Remeasurements recognised in Other Comprehensive Income (OCI)	2023	2022
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	(54)	(142)
Remeasurement - effect of changes in assumptions (gain) / loss	34	197
Remeasurement - return on plan assets excluding interest income (gain) / loss	(1)	(4)
	<u>(21)</u>	<u>51</u>
Reconciliation of funded position	2023	2022
	£'000	£'000
Net defined benefit liability at start of year	(148)	(212)
Expense recognised in Statement of Financial Activities	(15)	(3)
(Gain) / loss recognised in OCI	(21)	51
Contributions by the Employer	18	16
	<u>(166)</u>	<u>(148)</u>
Net defined benefit liability at end of year	(166)	(148)
Closure rectification costs	-	(38)
	<u>(166)</u>	<u>(186)</u>
Total defined benefit liability at end of year	(166)	(186)

During the period the charitable company made contributions to the fund of £17,647.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £14,408 (2022: £8,994).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 August 2023 £
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	
MLPMAA - General Purposes Fund	286,070	61,579	(8,695)	338,954	9,765	(3,811)	344,908
Owen Fund	11,110	-	-	11,110	-	-	11,110
John Wesley Training Fund (VGP)	-	-	-	-	6,253	(1,800)	4,453
Cranmer Training Fund (VGP)	-	-	-	-	14,876	(3,500)	11,376
	<u>297,180</u>	<u>61,579</u>	<u>(8,695)</u>	<u>350,064</u>	<u>30,894</u>	<u>(9,111)</u>	<u>371,847</u>

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

John Wesley Training Fund (VGP) and Cranmer Training Fund (VGP) are Vocational Grants Programme (VGP) funds to support training for Methodist and Anglican preachers.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Analysis of net assets between funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Fund balances at 31 August 2023 are represented by:						
Investments	291,966	11,110	303,076	290,023	11,110	301,133
Current assets/(liabilities)	745,066	361,151	1,106,217	787,560	338,954	1,126,514
Provisions	(166,000)	-	(166,000)	(186,166)	-	(186,166)
	<u>871,032</u>	<u>372,261</u>	<u>1,243,293</u>	<u>891,417</u>	<u>350,064</u>	<u>1,241,481</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	18,000	-
Between two and five years	1,500	-
	<u>19,500</u>	<u>-</u>

21 Related party transactions

There were no disclosable related party transactions during the year.

22 Cash generated from operations

	2023 £	2022 £
Surplus for the year	37,448	312,862
Adjustments for:		
Investment income recognised in statement of financial activities	(23,154)	(13,876)
Loss on disposal of investments	2,441	13,464
Fair value gains and losses on investments	2,165	14,112
Difference between pension charge and cash contributions	(35,636)	46,867
Movements in working capital:		
(Increase)/decrease in debtors	(393)	31,534
(Decrease)/increase in creditors	(11,914)	20,382
Decrease in provisions	(20,166)	(140,834)
Cash (absorbed by)/generated from operations	<u>(49,209)</u>	<u>284,511</u>

23 Analysis of changes in net funds

The charitable company had no debt during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity registration number 1107967

Company registration number 5247784 (England and Wales)

**THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	John Griffiths David Latter David Tuckett Harvey Kwiyani (appointed 23 March 2022) Jane Lloyd (appointed 23 March 2022)
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 30

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The objects of The Leaders of Worship and Preachers Trust (LWPT), as laid out in the Memorandum, are:

- 1 to advance Christian religion by:
 - (i) supporting training, education and pastoral care of those leading worship and preaching;
 - (ii) developing and publishing resources and materials to assist those leading worship and preaching in carrying out their duties.
- 2 to assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active, retired or in training and their widows, widowers, parents, parents in law, children and other dependants, including the provision of housing, treatment, care, advice and advocacy.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in preaching, by supporting training opportunities for those involved in preaching and by offering a grant programme of vocational and hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years it has gradually focused on three areas of work that are designed to develop Christian leaders (lay and clerical) in UK churches via: [1] PREACHING development, [2] supporting RESOURCES and [3] SCHOLARSHIP grants. The key strategies for the year will be:

- 1 Building on the previous year's team building and vision setting activities, the Trustees and staff will work together to finalise a three-year strategy for LWPT in terms of direction, activity and resources.
- 2 LWPT is primed to support those whose ministry focuses on Bible teaching both those at the start of their vocation and those that are more experienced. To ensure that the organisation truly reaches all denominations LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 3 LWPT staff will work to publicise the grant making programme and a key emphasis will be with developing lay and clerical leaders through formal training at recognised UK based learning institutions.
- 4 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 The charity consolidated the staff team, several of whom had been recruited in the previous year. Several job functions had been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor & Content Manager, Marketing and Membership Manager, Office Manager and Membership and Office Administrator.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular tweets and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities.
- 3 The Membership scheme, which was launched in 2016, has three donation tiers and donors are able to give monthly or annually via a variety of payment methods. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and also a variety of other benefits. The key focus has been to track statistics in terms of new members and membership retention.
- 4 LWPT attended and sponsored the annual MET (Methodist Evangelicals Together) in October 2022. This allows us to present the case for supporting LWPT to people who value the development of the next generation of UK church based leaders in the UK. Post-pandemic we are also able to return to visiting churches in the UK where the case for local and national support of Christian leaders, lay and clerical, can be presented.
- 5 Across the financial year 2021/22, 4 editions of LWPT's key resource, Preach were produced. These focused on the themes of Winter 2021, issue 29: What is so great about the Old Testament [landed November], Spring 2022, issue 30: Welcome the stranger [landed February], Summer 2022, issue 31: What is joy? [landed May] and Autumn 2022, issue 32: Disability [landed August]. The Editor and Content Manager continues to expand our offering to supporters and beneficiaries with the addition of webinars, an annual sermon competition, study guides (known as Bible Month) with the release of another one in the series (Book of Isaiah), liturgically linked diaries and enews letters updating supporters on regular online offerings.
- 6 LWPT continues to focus its efforts on all denominations in the UK. But our work tends to draw in those churches that take the Bible, preaching and outreach seriously. With the continued shrinkage of the Church in the UK we consider that the 21st century is our time. With more and more churches needing to develop lay as well as clerical leadership, we want to help. Through the development of their Bible teaching skills, resources that support local ministry and then the offer to take up a scholarship grant for further training LWPT hopes to strengthen local congregations through leaders who are well-equipped for local ministry.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

- 7 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications.
- 8 The Vocational Grants programme (scholarships) received increased applications across the year. We are now receiving more applications than we are able to give grants to. However, not all applicants are able to meet our requirements, but even so, those that do we are finding that we still lack adequate funds. With this in mind we have increased our requests to trusts for grants; we have set-aside an extra £30,000 of LWPT funds; we have also increased our grants to £2,000 for tuition and £500 for books/resources. We plan to push advertising for applications as well as requests from individuals and churches for this programme.
- 9 The Sermon of the Year event was taken online with our sponsors in 2020/21 due to the Covid pandemic. We continued this event in 2021/22. An independent assessor evaluates all the written entries and draws up a top ten shortlist who would all feature in the accompanying book. The final event was well attended and the judging panel were extremely impressed by the preaching delivered. If the event had remained a physical event, we were hoping to get 150 to attend. Since it moved online we were able to share the event with 3,000 to 4,000 viewers.

Fundraising achievements

LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date. We are also developing a "regular giving programme" that will allow a growing number of new supporters to support LWPT on a monthly basis. This will allow us to grow regular giving and reduce occasional appeals. We have also been successful at raising grants from UK based trusts for the growth of our investment in the scholarship programmes.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last reviewed December 2022, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £524,422 (2021: £126,576), of which £463,841 (2021: £61,166) was for LWPT general funds and £60,581 (2021: £65,410) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2022/23 has been approved by the Trustee Board and is subject to regular monitoring and review.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

LWPT is responsible for 10% of the deficit owned by the LPMA Pension scheme which is a closed defined benefit pension scheme. The Trustees of the pension scheme have agreed with the employers a plan to remove the pension deficit from the companies operating surpluses. The pension deficit is carefully monitored by Broadstone who as well as administering the pension, provide investment advice for the Trustees. The recovery plan is reviewed formally by the Trustees at each pension valuation and takes regard of the need for an expeditious recovery whilst not damaging the viability of the charitable companies. In line with the actuarial review during 2017, the Trustees agreed to increase monthly contributions towards the deficit payments from 1 April 2022 to £1,452 per month.

From the middle of August 2019, LWPT were advised that they needed to fund a further liability relating to the MLPMAA Pension Fund, due to the fund not being closed appropriately in 2003. LWPT needed to assign up to £115,000 from its funds. The rectification process was completed in November 2022.

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2022	2021	2020	Change 2021 to 2022	Change 2020 to 2021
	£	£	£	%	%
Voluntary donations received	165,744	191,394	207,321	-13.40	-7.70
Expenditure (running costs and overheads)	334,006	334,856	300,885	-0.01	+11.30
Vocational grants made	24,050	21,282	21,446	+13.00	-0.01
Hardship grants made	9,350	1,000	3,800	+835.00	-73.70
Grants made to charities from LPMA funds	650	6,150	-	-89.40	+100.00
Pension rectification costs from LPMA funds	-	-	70,000	-100.00	-100.00
Legacies received by LWPT	463,841	61,166	224,883	+658.30	-72.80
Legacies received by LPMA	60,581	65,410	144,805	-0.07	-54.80

Future Plans for 2022-23

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Membership scheme through advertising and attendance at relevant events with a target of 400 new members.
- 3 To increase the number of downloadable preaching resources available on the websites.
- 4 To develop partnerships with organisations who are putting on preaching events, as well as provide resources for attendees.
- 5 To continue growing the Vocational Grants programme and developing ongoing relationships with grantees and their linked church. This is a fast growing aspect of our ministry and one that appears to be greatly needed by churches who need to depend ever more on well trained lay and clerical leaders.
- 6 To build relationships with training colleges.
- 7 To have a staff and Trustee away day so that a long-term strategic plan can be produced. This is planned for July 2023.
- 8 To develop a new website and sponsorship programme that encourages a growing desire to see well trained and resourced leaders in churches across the UK.
- 9 To expand our offering to beneficiaries as they seek to be better equipped for local church ministry in the UK.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £89,850 (2021: £84,250); current reserves are at the required level.

Our total reserves are: 1,241,481

Of which:

Amount restricted to donor nominated purposes	350,064
Amount available to meet current operations	705,251
Amount required to fund pension deficit	186,166

The level of reserves held at 31 August 2022 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

Statement of trustees' responsibilities

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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



David Latter
Trustee

Dated: 22 March 2023

John Griffiths
Trustee



THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2022.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

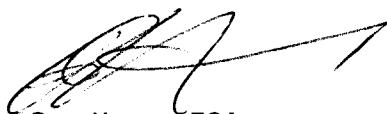
Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 27 March 2023

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and legacies	3	629,359	60,807	690,166	317,970
Charitable activities	4	23,533	-	23,533	14,933
Other trading activities	5	19,475	-	19,475	19,501
Investments	6	13,104	772	13,876	37,007
Other income	7	-	-	-	3,000
Total income		685,471	61,579	747,050	392,411
<u>Expenditure on:</u>					
Raising funds	8	38,136	-	38,136	25,828
Charitable activities	9	359,781	8,695	368,476	363,288
Total expenditure		397,917	8,695	406,612	389,116
Net gains/(losses) on investments	12	(27,576)	-	(27,576)	16,610
Net income / (expenditure) for the year		259,978	52,884	312,862	19,905
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes		46,867	-	46,867	8,976
Net movement in funds		306,845	52,884	359,729	28,881
Fund balances at 1 September 2021		584,572	297,180	881,752	852,871
Fund balances at 31 August 2022		891,417	350,064	1,241,481	881,752

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>				
Donations and legacies	3	252,434	65,536	317,970
Charitable activities	4	14,933	-	14,933
Other trading activities	5	19,501	-	19,501
Investments	6	36,362	645	37,007
Other income	7	3,000	-	3,000
Total income		326,230	66,181	392,411
<u>Expenditure on:</u>				
Raising funds	8	25,828	-	25,828
Charitable activities	9	354,746	8,542	363,288
Total expenditure		380,574	8,542	389,116
Net gains/(losses) on investments	12	16,610	-	16,610
Net income / (expenditure) for the year		(37,734)	57,639	19,905
Other recognised gains and losses				
Actuarial gain on defined benefit pension schemes		8,976	-	8,976
Net movement in funds		(28,758)	57,639	28,881
Fund balances at 1 September 2021		613,330	239,541	852,871
Fund balances at 31 August 2022		584,572	297,180	881,752

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investment properties	13		-		200,000
Investments	14		301,133		393,001
			<u>301,133</u>		<u>593,001</u>
Current assets					
Debtors	16	12,246		43,780	
Cash at bank and in hand		1,152,994		590,315	
		<u>1,165,240</u>		<u>634,095</u>	
Creditors: amounts falling due within one year	17	(38,726)		(18,344)	
Net current assets			1,126,514		615,751
Total assets less current liabilities			<u>1,427,647</u>		<u>1,208,752</u>
Provisions for liabilities			(186,166)		(327,000)
Net assets			<u>1,241,481</u>		<u>881,752</u>
Income funds					
Restricted funds	20		350,064		297,180
<u>Unrestricted funds</u>					
General unrestricted funds		1,077,583		851,675	
Revaluation reserve		-		59,897	
Pension reserve		(186,166)		(327,000)	
		<u>891,417</u>		<u>584,572</u>	
		<u>1,241,481</u>		<u>881,752</u>	

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2022.

The directors/trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 March 2023



David Latter
Trustee



John Griffiths
Trustee

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		284,511		(74,970)
Investing activities					
Proceeds on disposal of investment property		200,000		-	
Purchase of other investments		(250,284)		(194,477)	
Proceeds on disposal of other investments		314,576		190,245	
Investment income received		13,876		37,007	
Net cash generated from investing activities			278,168		32,775
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			562,679		(42,195)
Cash and cash equivalents at beginning of year			590,315		632,510
Cash and cash equivalents at end of year			<u>1,152,994</u>		<u>590,315</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

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

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	165,518	226	165,744	191,268	126	191,394
Legacies receivable	463,841	60,581	524,422	61,166	65,410	126,576
	<u>629,359</u>	<u>60,807</u>	<u>690,166</u>	<u>252,434</u>	<u>65,536</u>	<u>317,970</u>

4 Charitable activities

	2022	2021
	£	£
Ancillary trading income	<u>23,533</u>	<u>14,933</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities (Continued)

For the year ended 31 August 2021

	2021 £
Ancillary trading income	14,933
	<u>14,933</u>
Analysis by fund	
Unrestricted funds	<u>14,933</u>

5 Other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Merchandising income	19,475	19,501
	<u>19,475</u>	<u>19,501</u>

6 Investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Rental income	6,329	-	6,329	30,860	-	30,860
Dividends and fixed interest	5,047	645	5,692	5,412	625	6,037
Interest receivable	1,728	127	1,855	90	20	110
	<u>13,104</u>	<u>772</u>	<u>13,876</u>	<u>36,362</u>	<u>645</u>	<u>37,007</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Other income

	Total	Unrestricted
	2022	funds
	£	2021
		£
Other income	-	3,000
	<u> </u>	<u> </u>

8 Raising funds

	Unrestricted	Unrestricted
	funds	funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	3,817	4,617
Other fundraising costs	28,715	15,901
	<u> </u>	<u> </u>
Fundraising and publicity	32,532	20,518
	<u> </u>	<u> </u>
<u>Trading costs</u>		
Other trading activities	4,309	4,092
	<u> </u>	<u> </u>
<u>Investment management</u>	1,295	1,218
	<u> </u>	<u> </u>
	<u>38,136</u>	<u>25,828</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

	2022	2021
	£	£
Staff costs	162,540	153,099
Other staff costs	7,046	2,250
Grants and financial assistance	34,050	28,561
Premises costs	20,046	20,229
Repairs and maintenance costs	4,925	1,816
Office costs	8,726	8,519
Computer costs	13,679	13,625
Printing resources	62,184	56,876
Travel and subsistence costs	2,924	615
General expenses	2,720	858
Legal and professional costs	43,027	70,250
Bank charges and other finance costs	4,100	4,752
Governance costs	2,509	1,838
	<u>368,476</u>	<u>363,288</u>
Analysis by fund		
Unrestricted funds	359,781	
Restricted funds	8,695	
	<u>368,476</u>	
Unrestricted funds		354,746
Restricted funds		8,542
		<u>363,288</u>

Governance costs comprise independent examiners fees £1,800 (2021: £1,800), trustee meeting costs £709 (2021: £38). In addition the independent examiners charged £3,420 (2021: £4,500) for accountancy and advisory services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Administrative	6	6

Employment costs

	2022	2021
	£	£
Wages and salaries	141,391	135,430
Social security costs	9,173	8,316
Other pension costs	11,976	9,353
	<u>162,540</u>	<u>153,099</u>

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

12 Net gains/(losses) on investments

	Unrestricted funds 2022	Unrestricted funds 2021
	£	£
Revaluation of investments	(14,112)	36,402
Gain/(loss) on sale of investments	(13,464)	5,208
Revaluation of investment properties	-	(25,000)
	<u>(27,576)</u>	<u>16,610</u>

13 Investment property

	2022
	£
Fair value	
At 1 September 2021	200,000
Disposals	(200,000)
	<u>-</u>
At 31 August 2022	<u>-</u>

The investment property is Flats 20 to 24 Southcroft, Psalter Lane, Sheffield. The property was held on a 999 year lease expiring July 2988 at an annual rent of a peppercorn. The property was disposed of during the year.

	2022	2021
	£	£
Long leasehold	-	200,000

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Fixed asset investments

	Listed investments £	Government Bonds £	Cash in portfolio	Total £
Cost or valuation				
At 1 September 2021	364,043	-	28,958	393,001
Additions	165,061	85,223	-	250,284
Valuation changes	(7,812)	(6,300)	-	(14,112)
Net movement in cash	-	-	(8,452)	(8,452)
Disposals	(319,588)	-	-	(319,588)
	<u>201,704</u>	<u>78,923</u>	<u>20,506</u>	<u>301,133</u>
Carrying amount				
At 31 August 2022	<u>201,704</u>	<u>78,923</u>	<u>20,506</u>	<u>301,133</u>
At 31 August 2021	<u>364,043</u>	<u>-</u>	<u>28,958</u>	<u>393,001</u>

	2022 £	2021 £
Investments at fair value comprise:		
Government bonds	78,923	-
Equity shares	166,375	169,369
Investment trusts and unit trusts	35,329	194,674
Cash on deposit	20,506	28,958
	<u>301,133</u>	<u>393,001</u>

15 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>201,704</u>	<u>364,043</u>

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	6,285	3,132
Other debtors	3,527	38,482
Prepayments and accrued income	2,434	2,166
	<u>12,246</u>	<u>43,780</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	-	3,035
Trade creditors	24,355	4,287
Other creditors	659	659
Accruals and deferred income	13,712	10,363
	<u>38,726</u>	<u>18,344</u>

18 Provisions for liabilities

	2022	2021
	£	£
Retirement benefit obligations	19 186,166	327,000
	<u>186,166</u>	<u>327,000</u>

Movements on retirement benefit obligations:

	£
At 1 September 2021	327,000
Contributions paid in year	(93,967)
Actuarial (gains)/losses in year	(46,867)
At 31 August 2022	<u>186,166</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operates a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

We have estimated the average duration of the past service liabilities to be approximately 20 years.

Funding arrangements

The Scheme operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the Principal Employer, based on a prudent assessment of the Scheme's liabilities.

Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 April 2014, it was agreed that the Principal Employers will pay deficit contributions of £11,000 per month until 1 December 2022, of which LWPT as the Secondary Employer agreed to pay 10%.

Following the triennial valuation as of 1 April 2020, the Scheme remained in deficit and it was proposed by the Pension Trustees that total monthly contributions needed to increase to £12,083. LWPT, as the Secondary Employer agreed to their responsibility of contributing 10% of this new monthly deficit repayment. Based on the current Schedule of Contributions, the employer expects to pay contributions in the region of £17,424 to the scheme during the next accounting period.

Risk exposure

Since the Scheme is a defined benefit arrangement, the benefits payable to Scheme members are not directly related to the amount of the assets.

The Employer is exposed to the risk of the Scheme's assets being insufficient to meet the benefits payable. Risks arise due to uncertain future investment returns, future levels of inflation, and future changes to life expectancy.

Sensitivity Information

A 0.1% decrease in the discount rate assumption would increase obligations by around £70,000.

A 0.1% increase in the assumed rates of inflation would increase obligations by around £10,000.

A 0.5% increase in the assumed long term rate of future mortality improvements would increase obligations by around £90,000.

These sensitivity figures ignore the effect on the annuities, as any change in the liability value would be matched by a change in the asset value and the net effect would be zero.

The pension deficit is split between LWPHomes (90%) and LWPT (10%) and the annual payments to the pension scheme are paid using the same apportionment.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Retirement benefit schemes

(Continued)

Under the definitions set out in Financial Standards (FRS 102), the Methodist Local Preachers Mutual Aid Association Pension Scheme is a multi-employer pension scheme.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Retirement benefit schemes

(Continued)

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

	2022	2021
	£'000	£'000
Defined benefit obligation	458	655
Fair value of scheme assets	310	443
	<u>(148)</u>	<u>(212)</u>
Net defined benefit liability	(148)	(212)
Unrecognised surplus	-	-
	<u>(148)</u>	<u>(212)</u>
Net defined benefit liability after allowance for surplus restriction	(148)	(212)
Analysis of Statement of Financial Activities charge		
	2022	2021
	£'000	£'000
Net interest expense on net defined benefit liability	3	4
	<u>3</u>	<u>4</u>
Total pension expense / (credit) recognised in Statement of Financial Activities	3	4
	<u>3</u>	<u>4</u>
Principal actuarial assumptions at the balance sheet date:		
	2022	2021
Discount rate	3.97%	1.73%
RPI inflation rate	3.35%	3.34%
Pension increases in payment - RPI max 5%	3.19%	3.18%
Pension increases in deferment - 5% fixed	0	0
Commutation (% of pension)	0	0
Post-retirement mortality	S3PA	S3PA
	CMI 2021	CMI 2020
	[1%]	[1%]
Reconciliation of defined benefit obligation over the year	2022	2021
Defined benefit obligation at the start of the year	655	666
Interest expenses on defined benefit obligation	11	11
Remeasurement - effect of experience adjustments (gain) / loss	(197)	2
Remeasurement - effect of changes in assumptions (gain) / loss	4	(11)
Benefits paid	(15)	(13)
Settlements	-	-
	<u>458</u>	<u>655</u>
Defined benefit obligation at the end of the year	458	655
	<u>458</u>	<u>655</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Retirement benefit schemes	(Continued)	
Changes in the fair value of scheme assets are as follows:	2022	2021
Fair value of scheme assets as at the start of the year	443	429
Interest income on scheme assets	8	7
Remeasurement - return on scheme assets excluding interest income (gain) / loss	(142)	4
Contributions by the Employer	16	16
Benefits paid	(15)	(13)
	<hr/>	<hr/>
Defined benefit obligation at the end of the year	310	443
	<hr/>	<hr/>
Remeasurements recognised in Other Comprehensive Income (OCI)	2022	2021
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	(142)	4
Remeasurement - effect of changes in assumptions (gain) / loss	197	(2)
Remeasurement - return on plan assets excluding interest income (gain) / loss	(4)	11
	<hr/>	<hr/>
Total remeasurement gain / (loss) recognised in OCI	51	13
	<hr/>	<hr/>
Reconciliation of funded position	2022	2021
	£'000	£'000
Net defined benefit liability at start of year	212	237
Expense recognised in Statement of Financial Activities	3	4
(Gain) / loss recognised in OCI	51	(13)
Contributions by the Employer	(16)	(16)
	<hr/>	<hr/>
Net defined benefit liability at end of year	148	212
Closure rectification costs	38	115
	<hr/>	<hr/>
Total defined benefit liability at end of year	186	327
	<hr/>	<hr/>

During the period the charitable company made contributions to the fund of £17,133.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £8,994 (2021: £5,483).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 August 2022
	Incoming resources	Resources expended	Incoming resources	Resources expended	
	£	£	£	£	£
MLPMAA - General Purposes Fund	66,181	(8,542)	61,579	(8,695)	338,954
Owen Fund	-	-	-	-	11,110
	228,431	286,070	297,180	(8,695)	350,064
	11,110	11,110			
	239,541	297,180	61,579	(8,695)	350,064

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

Investment properties
Investments
Current assets/(liabilities)
Provisions

	Unrestricted Funds		Restricted Funds		Total Unrestricted Funds		Restricted Funds		Total	
	2022	£	2022	£	2021	£	2021	£	2021	£
	-		-		200,000		-		200,000	
Investment properties	290,023		11,110		381,891		11,110		393,001	
Investments	787,560		338,954		329,681		286,070		615,751	
Current assets/(liabilities)	(186,166)		-		(327,000)		-		(327,000)	
	891,417		350,064		584,572		297,180		881,752	

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	1,462	17,550
Between two and five years	-	1,462
	<u>1,462</u>	<u>19,012</u>

23 Related party transactions

There were no disclosable related party transactions during the year.

24 Cash generated from operations

	2022 £	2021 £
Surplus for the year	312,862	19,905
Adjustments for:		
Investment income recognised in statement of financial activities	(13,876)	(37,007)
Loss/(gain) on disposal of investments	13,464	(5,208)
Fair value gains and losses on investment properties	-	25,000
Fair value gains and losses on investments	14,112	(36,402)
Difference between pension charge and cash contributions	46,867	8,976
Movements in working capital:		
Decrease/(increase) in debtors	31,534	(14,296)
Increase/(decrease) in creditors	20,382	(10,938)
Decrease in provisions	(140,834)	(25,000)
Cash generated from/(absorbed by) operations	<u>284,511</u>	<u>(74,970)</u>

25 Analysis of changes in net funds

The charitable company had no debt during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity registration number 1107967

Company registration number 5247784 (England and Wales)

THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	John Griffiths David Latter Charlie Styles (resigned 23 March 2021) David Tuckett Harvey Kwiyani (appointed 01 September 2021)
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Notes to the financial statements	13 - 30

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The objects of The Leaders of Worship and Preachers Trust (LWPT), as laid out in the Memorandum, are:

- 1 to advance Christian religion by:
 - (i) supporting training, education and pastoral care of those leading worship and preaching;
 - (ii) developing and publishing resources and materials to assist those leading worship and preaching in carrying out their duties.
- 2 to assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active, retired or in training and their widows, widowers, parents, parents in law, children and other dependants, including the provision of housing, treatment, care, advice and advocacy.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in preaching, by supporting training opportunities for those involved in preaching and by offering a grant programme of vocational and hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years it has gradually focused on three areas of work, resources, grants and training and now is in a strong position to work to achieve increased activity within each of these areas. The key strategies for the year will be:

- 1 Building on the previous year's team building and vision setting activities, the Trustees and staff will work together to finalise a three-year strategy for LWPT in terms of direction, activity and resources.
- 2 LWPT is primed to support those that preach both those at the start of their vocation and those that are more experienced. To ensure that the organisations' reach is truly ecumenical, LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 3 LWPT staff will work to publicise the grant making programme and a key emphasis will be with developing good relationships with theological training providers.
- 4 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 The charity consolidated the staff team, several of whom had been recruited in the previous year. Several job functions had been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor, Marketing Manager, Office Manager and Membership and Office Administrator.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular tweets and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities.
- 3 The Membership scheme, which was launched in 2016, has three donation tiers and donors are able to give monthly or annually via a variety of payment methods. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and also a variety of other benefits. The key focus has been to track statistics in terms of new members and membership retention.
- 4 During the pandemic LWPT attended the Christian Resources Exhibition and the Methodist Digging for Treasure Conference. These conferences not only increase public awareness of LWPT's activities but also offer the opportunity to promote the Membership scheme. More effort was expended on having an online presence at Christian events.
- 5 Across the financial year 2020/21, 4 editions of LWPT's key resource, Preach were produced. These focused on the themes of Winter 2020, issue 25: All Welcome [landed November], Spring 2021, issue 26: Creation Hope [landed February], Summer 2021, issue 27: Changing Church [landed May] and Autumn 2021, issue 28: Grief and Lament [landed August]. The Editor engaged a mix of high-profile writers, academics and preachers from a wide range of theological perspectives to write articles from a range of perspectives and theological stances. The Editorial Board consists of members from different denominations representing a theological college, Bible learning publications, an Anglican reader, and online media. Their role is to provide thoughtful insight and feedback on published issues and discuss themes and commissions for forthcoming magazines.
- 6 Mindful of LWPT's rich Methodist heritage, the charity works with the Methodist Church on new initiatives where possible. In August 2018, the partnership between the Methodist Church and LWPT for Bible Month was launched. LWPT has taken on the production and distribution of the Bible Month materials and will look to extend the previous excellent work carried out and deliver it more broadly across churches and denominations.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

- 7 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications.
- 8 The vocational grants programme received increased applications across the year. We have increased the grants offering by 10% to £25,000 per annum starting from 2021.
- 9 The Sermon of the Year event was taken online with our sponsors in 2020/21 due to the Covid pandemic. An independent assessor evaluates all the written entries and draws up a top ten shortlist who would all feature in the accompanying book. The final event was well attended and the judging panel were extremely impressed by the preaching delivered. If the event had remained a physical event, we were hoping to get 150 to attend. Since it moved online we were able to share the event with 2,700 views.

Fundraising achievements

The launch of the Membership Scheme in 2016 is now seeing results as the numbers increase through a mixture of promotion to gain new members and indeed word of mouth due to the growing reputation of Preach magazine. LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last review June 2020, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £126,576 (2020: £369,688), of which £61,166 (2020: £224,178) was for LWPT general funds and £65,410 (2020: £144,805) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2020/21 has been approved by the Trustee Board and is subject to regular monitoring and review.

LWPT is responsible for 10% of the deficit owned by the LPMA Pension scheme which is a closed defined benefit pension scheme. The Trustees of the pension scheme have agreed with the employers a plan to remove the pension deficit from the companies operating surpluses. The pension deficit is carefully monitored by Broadstone who as well as administering the pension, provide investment advice for the Trustees. The recovery plan is reviewed formally by the Trustees at each pension valuation and takes regard of the need for an expeditious recovery whilst not damaging the viability of the charitable companies. In line with the actuarial review during 2017, the Trustees agreed to increase monthly contributions towards the deficit payments from 1 April 2021 to £1,410 per month.

From the middle of August 2019, LWPT were advised that they needed to fund a further deficit in the MLPMAA Pension Fund, due to the fund not being closed appropriately in 2004. LWPT needed to assign up to £115,000 from its funds.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2021	2020	2019	Change 2020 to 2021	Change 2019 to 2020
	£	£	£	%	%
Voluntary donations received	191,394	207,321	211,737	-7.7	-2.1
Expenditure (running costs and overheads)	334,856	300,885	291,587	+11.3	+3.2
Vocational grants made	21,282	21,446	20,500	-0.01	+4.6
Hardship grants made	1,000	3,800	5,700	-73.7	-33.3
Grants made to charities from LPMA funds	6,150	-	5,000	+100.0	-100.0
Pension rectification costs from LPMA funds	-	70,000	-	-100.0	+100.0
Legacies received by LWPT	61,166	224,883	177,104	-72.8	+27.0
Legacies received by LPMA	65,410	144,805	123,848	-54.8	+16.9

Future Plans for 2021-22

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Membership scheme through advertising and attendance at relevant events with a target of 400 new members.
- 3 To increase the number of downloadable preaching resources available on the websites.
- 4 To develop partnerships with organisations who are putting on preaching events, including a preaching weekend at Cliff College and an event for Methodists in the South West.
- 5 To continue exhibiting at events such as the Christian Resources Exhibition and the Methodist Evangelicals Together Event.
- 6 To continue growing the vocational grants programme and developing ongoing relationships with grantees.
- 7 To continue the LPMA grants scheme to run alongside the LWPT grant programme.
- 8 To develop new partnerships with relevant organisations to develop training opportunities.
- 9 To build relationships with training colleges.
- 10 To build on previous success of the Sermon of the Year event, by running this independently with support from relevant sponsors and to increase publicity for the event to attract entries from different denominations and churches.
- 11 To launch a partnership with the Methodist Church in the production of resources and running the Bible Month project.
- 12 To have a staff and Trustee away day so that a long-term strategic plan can be produced. This is planned for May 2022.

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £84,250 (2020: £84,000): current reserves are at the required level.

Our total reserves are: 881,752

Of which:

Amount restricted to donor nominated purposes	297,180
Amount available to meet current operations	257,572
Amount required to fund pension deficit	327,000

The level of reserves held at 31 August 2021 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

COVID-19

The Trustees sought to regularly review the impact of the pandemic on the charity and its finances. The Trustees agreed regular reforecasting of the budget, alongside an updated income strategy which was monitored regularly, with the flexibility necessary to manage the charitable company through this period. The Trustees remain confident that the charitable company will be able to deliver significantly against our aims and objects within the resources that will be available.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

Statement of trustees' responsibilities

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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 charitable company will continue in operation.

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

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



David Latter
Trustee

Dated: 23 March 2022



John Griffiths
Trustee

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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 charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 19 April 2022

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	252,434	65,536	317,970	577,009
Charitable activities	4	14,933	-	14,933	14,280
Other trading activities	5	19,501	-	19,501	12,135
Investments	6	36,362	645	37,007	27,715
Other income	7	3,000	-	3,000	3,000
Total income		326,230	66,181	392,411	634,139
<u>Expenditure on:</u>					
Raising funds	8	25,828	-	25,828	15,148
Charitable activities	9	354,746	8,542	363,288	396,836
Total expenditure		380,574	8,542	389,116	411,984
Net gains/(losses) on investments	12	16,610	-	16,610	(4,272)
Net income / (expenditure) for the year		(37,734)	57,639	19,905	217,883
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes		8,976	-	8,976	(75,122)
Net movement in funds		(28,758)	57,639	28,881	142,761
Fund balances at 1 September 2020		613,330	239,541	852,871	710,110
Fund balances at 31 August 2021		584,572	297,180	881,752	852,871

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Prior financial year		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	431,981	145,028	577,009
Charitable activities	4	14,280	-	14,280
Other trading activities	5	12,135	-	12,135
Investments	6	26,919	796	27,715
Other income	7	3,000	-	3,000
Total income		488,315	145,824	634,139
<u>Expenditure on:</u>				
Raising funds	8	15,148	-	15,148
Charitable activities	9	322,466	74,370	396,836
Total expenditure		337,614	74,370	411,984
Net gains/(losses) on investments	12	(4,272)	-	(4,272)
Net income / (expenditure) for the year		146,429	71,454	217,883
Other recognised gains and losses				
Actuarial gain/(loss) on defined benefit pension schemes		(75,122)	-	(75,122)
Net movement in funds		71,307	71,454	142,761
Fund balances at 1 September 2020		542,023	168,087	710,110
Fund balances at 31 August 2021		613,330	239,541	852,871

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investment properties	13		200,000		225,000
Investments	14		393,001		347,158
			<u>593,001</u>		<u>572,158</u>
Current assets					
Debtors	16	43,780		29,485	
Cash at bank and in hand		590,315		632,510	
		<u>634,095</u>		<u>661,995</u>	
Creditors: amounts falling due within one year	17	(18,344)		(29,282)	
Net current assets			615,751		632,713
Total assets less current liabilities			<u>1,208,752</u>		<u>1,204,871</u>
Provisions for liabilities			(327,000)		(352,000)
Net assets			<u>881,752</u>		<u>852,871</u>
Income funds					
Restricted funds	20		297,180		239,541
<u>Unrestricted funds</u>					
General unrestricted funds		851,675		929,654	
Revaluation reserve		59,897		35,676	
Pension reserve		(327,000)		(352,000)	
		<u>584,572</u>		<u>613,330</u>	
			<u>881,752</u>		<u>852,871</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 March 2022


David Latter
Trustee

John Griffiths
Trustee 

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

In the opinion of the Trustees, despite the effects of the COVID-19 pandemic, it is nonetheless considered that the Going Concern basis of the preparation of the financial statements remains appropriate. Similarly, in the opinion of the Trustees, no adjustments are required to the results or carrying values of assets or liabilities declared in these financial statements, and none have been made.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

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

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	191,268	126	191,394	207,098	223	207,321
Legacies receivable	61,166	65,410	126,576	224,883	144,805	369,688
	<u>252,434</u>	<u>65,536</u>	<u>317,970</u>	<u>431,981</u>	<u>145,028</u>	<u>577,009</u>

4 Charitable activities

	2021	2020
	£	£
Ancillary trading income	<u>14,933</u>	<u>14,280</u>

For the year ended 31 August 2020

	2020
	£
Ancillary trading income	<u>14,280</u>
Analysis by fund	
Unrestricted funds	<u>14,280</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Merchandising income	<u>19,501</u>	<u>12,135</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Rental income	30,860	-	30,860	19,423	-	19,423
Dividends and fixed interest	5,412	625	6,037	6,745	613	7,358
Interest receivable	90	20	110	751	183	934
	<u>36,362</u>	<u>645</u>	<u>37,007</u>	<u>26,919</u>	<u>796</u>	<u>27,715</u>

7 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	<u>3,000</u>	<u>3,000</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Advertising	4,617	10
Other fundraising costs	15,901	9,605
	<hr/>	<hr/>
Fundraising and publicity	20,518	9,615
	<hr/>	<hr/>
<u>Trading costs</u>		
Other trading activities	4,092	4,455
	<hr/>	<hr/>
<u>Investment management</u>	1,218	1,078
	<hr/>	<hr/>
	25,828	15,148
	<hr/> <hr/>	<hr/> <hr/>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	2021 £	2020 £
Staff costs	153,099	135,366
Other staff costs	2,250	4,249
Grants and financial assistance	28,561	25,246
Premises costs	20,229	20,135
Repairs and maintenance costs	1,816	4,591
Office costs	8,519	8,287
Computer costs	13,625	21,190
Printing resources	56,876	44,459
Travel and subsistence costs	615	3,884
General expenses	858	930
Legal and professional costs	70,250	51,514
Pension scheme rectification costs	-	70,000
Bank charges and other finance costs	4,752	4,687
Governance costs	1,838	2,298
	<u>363,288</u>	<u>396,836</u>
Analysis by fund		
Unrestricted funds	354,746	
Restricted funds	8,542	
	<u>363,288</u>	
Unrestricted funds		322,466
Restricted funds		74,370
		<u>396,836</u>

Governance costs comprise independent examiners fees £1,800 (2020: £1,800), trustee meeting costs £38 (2020: £498). In addition the independent examiners charged £4,500 (2020: £3,000) for accountancy and advisory services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administrative	6	6
	<u>6</u>	<u>6</u>
Employment costs	2021	2020
	£	£
Wages and salaries	135,430	122,164
Social security costs	8,316	6,701
Other pension costs	9,353	6,501
	<u>153,099</u>	<u>135,366</u>

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

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	36,402	362
Gain/(loss) on sale of investments	5,208	(4,634)
Revaluation of investment properties	(25,000)	-
	<u>16,610</u>	<u>(4,272)</u>

13 Investment property

	2021 £
Fair value	
At 1 September 2020	225,000
Net gains or losses through fair value adjustments	(25,000)
	<u>200,000</u>
At 31 August 2021	<u>200,000</u>

The investment property is Flats 20 to 24 Southcroft, Psalter Lane, Sheffield. The property is held on a 999 year lease expiring July 2988 at an annual rent of a peppercorn. The Trustees are of the opinion that the current market value at 31 August 2021 should be reduced to £200,000 following an impairment review.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Investment property	(Continued)	
	2021 £	2020 £
Long leasehold	200,000	225,000
	<u>200,000</u>	<u>225,000</u>
14 Fixed asset investments		Listed investments £
Cost or valuation		
At 1 September 2020		347,158
Additions		5,208
Valuation changes		36,402
Net movement in cash		4,233
At 31 August 2021		<u>393,001</u>
Carrying amount		
At 31 August 2021		<u>393,001</u>
At 31 August 2020		<u>347,158</u>
	2021 £	2020 £
Investments at fair value comprise:		
Equity shares	169,369	153,083
Investment trusts and unit trusts	194,674	164,545
Cash on deposit	28,958	29,530
	<u>393,001</u>	<u>347,158</u>
15 Financial instruments	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>393,001</u>	<u>347,158</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Debtors		2021	2020
Amounts falling due within one year:		£	£
Trade debtors		3,132	2,435
Other debtors		38,482	26,375
Prepayments and accrued income		2,166	675
		<u>43,780</u>	<u>29,485</u>
		<u><u>43,780</u></u>	<u><u>29,485</u></u>
17 Creditors: amounts falling due within one year		2021	2020
Other taxation and social security		£	£
Other taxation and social security		3,035	3,201
Trade creditors		4,287	11,911
Other creditors		659	659
Accruals and deferred income		10,363	13,511
		<u>18,344</u>	<u>29,282</u>
		<u><u>18,344</u></u>	<u><u>29,282</u></u>
17 Provisions for liabilities		2021	2020
Retirement benefit obligations	Notes	£	£
Retirement benefit obligations	19	327,000	352,000
		<u>327,000</u>	<u>352,000</u>
		<u><u>327,000</u></u>	<u><u>352,000</u></u>

19 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operates a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

We have estimated the average duration of the past service liabilities to be approximately 20 years.

Funding arrangements

The Scheme operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the Principal Employer, based on a prudent assessment of the Scheme's liabilities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Retirement benefit schemes

(Continued)

Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 April 2014, it was agreed that the Principal Employers will pay deficit contributions of £11,000 per month until 1 December 2022, of which LWPT as the Secondary Employer agreed to pay 10%.

Following the triennial valuation as of 1 April 2020, the Scheme remained in deficit and it was proposed by the Pension Trustees that total monthly contributions needed to increase to £12,083. LWPT, as the Secondary Employer agreed to their responsibility of contributing 10% of this new monthly deficit repayment. Based on the current Schedule of Contributions, the employer expects to pay contributions in the region of £16,921 to the scheme during the next accounting period.

Risk exposure

Since the Scheme is a defined benefit arrangement, the benefits payable to Scheme members are not directly related to the amount of the assets.

The Employer is exposed to the risk of the Scheme's assets being insufficient to meet the benefits payable. Risks arise due to uncertain future investment returns, future levels of inflation, and future changes to life expectancy.

There is significant uncertainty that has arisen as to the closure of the Scheme to accrual in 2003. It is possible this closure was not completed correctly, which would potentially lead to significantly higher liabilities if continued accrual has to be awarded to members who continued in employment after 2003. These disclosures do include any allowance for this potential liability. If it is established that closure occurred at 13 June 2003 rather than 31 March 2003, this would add around £72,000 to the liabilities.

Sensitivity Information

A 0.1% decrease in the discount rate assumption would increase obligations by around £115,000.

A 0.1% increase in the assumed rates of inflation would increase obligations by around £16,000.

A 0.5% increase in the assumed long term rate of future mortality improvements would increase obligations by around £154,000.

These sensitivity figures ignore the effect on the annuities, as any change in the liability value would be matched by a change in the asset value and the net effect would be zero.

The pension deficit is split between LWPHomes (90%) and LWPT (10%) and the annual payments to the pension scheme are paid using the same apportionment.

Under the definitions set out in Financial Standards (FRS 102), the Methodist Local Preachers Mutual Aid Association Pension Scheme is a multi-employer pension scheme.

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

	2021	2020
	£'000	£'000
Defined benefit obligation	(655)	(666)
Fair value of scheme assets	443	429

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Retirement benefit schemes	(Continued)	
Net defined benefit liability	<u>(212)</u>	<u>(237)</u>
Unrecognised surplus	-	-
Net defined benefit liability after allowance for surplus restriction	<u>(212)</u>	<u>(237)</u>
Analysis of Statement of Financial Activities charge		
	2021	2020
	£'000	£'000
Current service cost	-	-
Net interest expense on net defined benefit liability	4	4
Pension Scheme expenses (excluding investment related expenses)	-	-
Past service cost	-	-
Curtailments	-	-
Settlements	-	-
Interest expense on effect of (asset ceiling) / onerous liability	-	-
Total pension expense / (credit) recognised in Statement of Financial Activities	<u>4</u>	<u>4</u>
Principal actuarial assumptions at the balance sheet date:		
	2021	2020
Discount rate	1.73%	1.57%
RPI inflation rate	3.34%	2.95%
Pension increases in payment - RPI max 5%	3.18%	2.87%
Pension increases in deferment - 5% fixed	5.00%	5.00%
Commutation (% of pension)	-	-
Post-retirement mortality	S3PA	S2PA
	CMI 2020	CMI 2019
	[1%]	[1%]

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Retirement benefit schemes	(Continued)	
Reconciliation of defined benefit obligation over the year	2021	2020
	£'000	£'000
Defined benefit obligation at the start of the year	666	666
Current service cost	-	-
Contributions by the members	-	-
Interest expenses on defined benefit obligation	11	11
Remeasurement - effect of experience adjustments (gain) / loss	2	10
Remeasurement - effect of changes in assumptions (gain) / loss	(11)	(1)
Benefits paid	(13)	(20)
Past service cost	-	-
Disposals and acquisitions	-	-
Curtailments	-	-
Settlements	-	-
	<u>655</u>	<u>666</u>
Defined benefit obligation at the end of the year	655	666
Changes in the fair value of scheme assets are as follows:	2021	2020
	£'000	£'000
Fair value of scheme assets as at the start of the year	429	424
Interest income on scheme assets	7	7
Remeasurement - return on scheme assets excluding interest income (gain) / loss	4	4
Contributions by the Employer	16	14
Contributions by the Members	-	-
Benefits paid	(13)	(20)
Pension Scheme expenses (excluding investment-related expenses)	-	-
Disposals and acquisitions	-	-
Settlements	-	-
	<u>443</u>	<u>429</u>
Defined benefit obligation at the end of the year	443	429
Return on scheme assets	21	21

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Retirement benefit schemes	(Continued)	
Remeasurements recognised in Other Comprehensive Income (OCI)	2021	2020
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	4	4
Remeasurement - effect of changes in assumptions (gain) / loss	(2)	(10)
Remeasurement - return on plan assets excluding interest income (gain) / loss	11	1
Limit on asset that can be recognised (change in unrecoverable surplus)	-	-
	<hr/>	<hr/>
Total remeasurement gain / (loss) recognised in OCI	13	(5)
	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of funded position	2021	2020
	£'000	£'000
Net defined benefit liability at start of year	237	242
Expense recognised in Statement of Financial Activities	4	4
(Gain) / loss recognised in OCI	(13)	5
Contributions by the Employer	(16)	(14)
	<hr/>	<hr/>
Net defined benefit liability at end of year	212	237
Closure rectification costs	115	115
	<hr/>	<hr/>
Total defined benefit liability at end of year	327	352
	<hr/> <hr/>	<hr/> <hr/>

During the period the charitable company made contributions to the fund of £16,024.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £9,353 (2020: £6,501).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		Movement in funds		Balance at 31 August 2021
	Incoming resources	Resources expended	Incoming resources	Resources expended	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
MLPMAA - General Purposes Fund	145,824	(74,370)	145,824	(74,370)	66,181	(8,542)	286,070
Owen Fund	-	-	-	-	-	-	11,110
	<u>145,824</u>	<u>(74,370)</u>	<u>145,824</u>	<u>(74,370)</u>	<u>66,181</u>	<u>(8,542)</u>	<u>297,180</u>
	<u>156,977</u>	<u>11,110</u>	<u>228,431</u>	<u>11,110</u>			
	<u>168,087</u>		<u>239,541</u>				

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Investment properties	200,000	-	200,000	225,000	-	225,000
Investments	381,891	11,110	393,001	336,048	11,110	347,158
Current assets/(liabilities)	329,681	286,070	615,751	404,282	228,431	632,713
Provisions and pensions	(327,000)	-	(327,000)	(352,000)	-	(352,000)
	<u>584,572</u>	<u>297,180</u>	<u>881,752</u>	<u>613,330</u>	<u>239,541</u>	<u>852,871</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

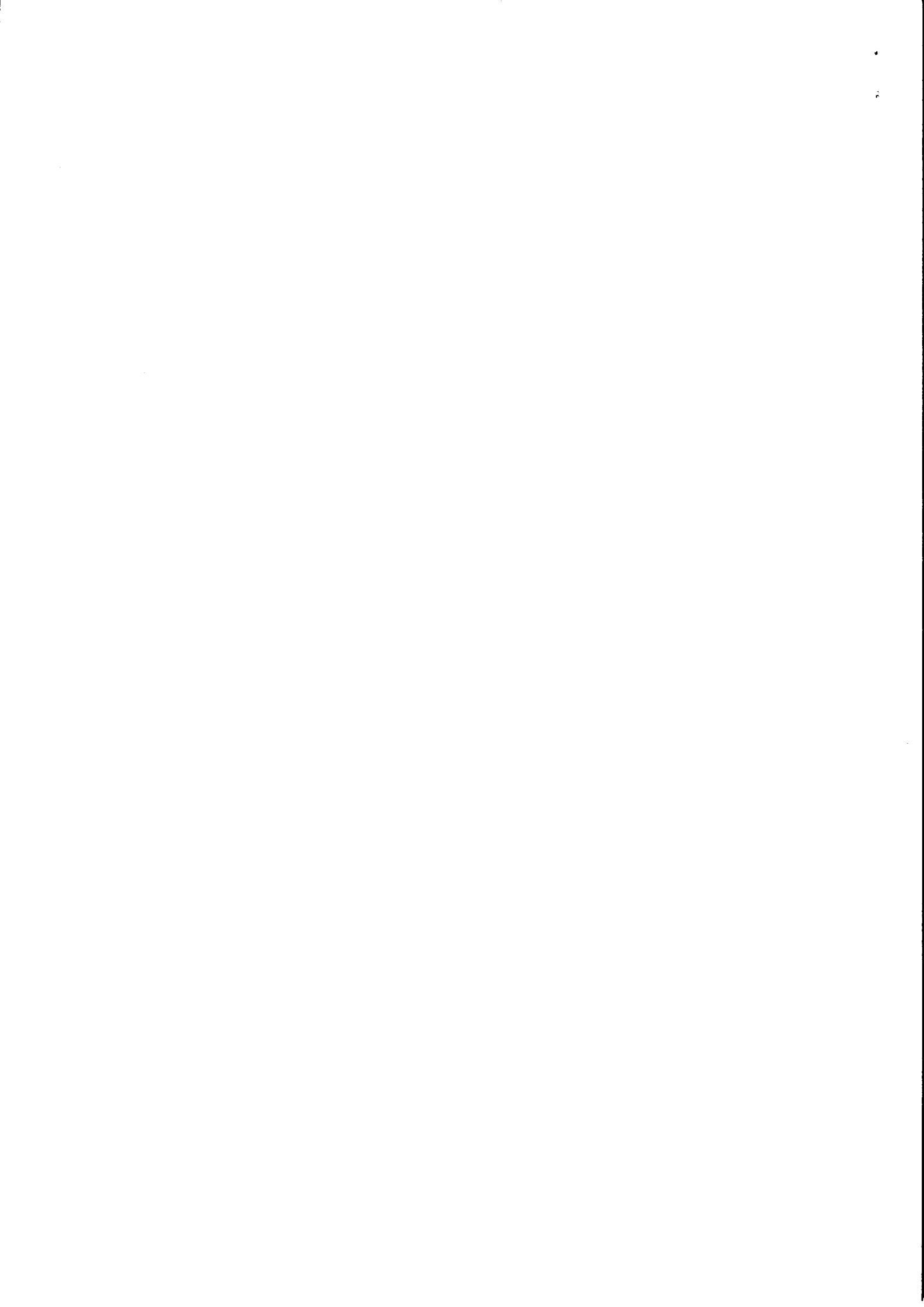
22 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	17,550	17,550
Between two and five years	1,462	19,012
	<u>19,012</u>	<u>36,562</u>

23 Related party transactions

There were no disclosable related party transactions during the year.



THE LEADERS OF WORSHIP AND PREACHERS TRUST

England & Wales - Charity number 1107967

Accounts

Charity Registration No. 1107967

Company Registration No. 5247784 (England and Wales)

THE LEADERS OF WORSHIP AND PREACHERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE LEADERS OF WORSHIP AND PREACHERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	John Griffiths David Latter Andrew Moreman (resigned 25 March 2020) Charlie Styles David Tuckett (appointed 10 December 2019)
Secretary	Ian Buchanan
Charity number	1107967
Company number	5247784
Registered office	Unit 14 Orbital 25 Business Park Dwight Road Watford Hertfordshire WD18 9DA
Independent examiner	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisors	Coutts & Co. 440 Strand London WC2R 0QS

THE LEADERS OF WORSHIP AND PREACHERS TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 31

THE LEADERS OF WORSHIP AND PREACHERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives, aims and activities

Charitable objects

The objects of The Leaders of Worship and Preachers Trust (LWPT), as laid out in the Memorandum, are:

- 1 to advance Christian religion by:
 - (i) supporting training, education and pastoral care of those leading worship and preaching;
 - (ii) developing and publishing resources and materials to assist those leading worship and preaching in carrying out their duties.
- 2 to assist those, in financial or other need, who are involved in leading Christian worship and preaching, whether active, retired or in training and their widows, widowers, parents, parents in law, children and other dependants, including the provision of housing, treatment, care, advice and advocacy.

Aims of charity

LWPT is an ecumenical charity which aims to achieve its objectives by providing resources for those involved in preaching, by supporting training opportunities for those involved in preaching and by offering a grant programme of vocational and hardship grants.

Main objectives for the year

- 1 To increase LWPT's supporter base
- 2 To increase resources provision
- 3 To develop training opportunities
- 4 To grow the grant making programme

Strategies for achieving objectives

LWPT is an organisation that has undergone a significant period of change. Over the last few years it has gradually focused on three areas of work, resources, grants and training and now is in a strong position to work to achieve increased activity within each of these areas. The key strategies for the year will be:

- 1 Building on the previous year's team building and vision setting activities, the Trustees and staff will work together to finalise a three-year strategy for LWPT in terms of direction, activity and resources.
- 2 LWPT is primed to support those that preach both those at the start of their vocation and those that are more experienced. To ensure that the organisations' reach is truly ecumenical, LWPT will actively seek to work in informal and formal partnerships with other Christian charities and institutions.
- 3 LWPT staff will work to publicise the grant making programme and a key emphasis will be with developing good relationships with theological training providers.
- 4 Financial vigilance is paramount in ensuring that the organisation is run well. A full financial review of activities, incoming and outgoing resources will be carried out to ensure that the charity is maximising all opportunities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

How we assess success against our objectives

All the work that we carry out meets our charitable objective and we measure the success by ensuring that our materials are made available to all that need or require them, by publicising our work through adopting a comprehensive marketing strategy and by delivering a comprehensive grants programme to all those that meet the criteria for LWPT grants. Financial viability is of importance and we aim to achieve a budget that meets future commitments.

Statement on compliance with Charity Commission guidance on public benefit

When deciding on activities and events, LWPT's Trustees pay due regard to the Charity Commission's guidance on public benefit as set out in section 17 of the Charities Act 2011 and the published advice of the Charity Commission.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meets the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

- 1 The charity consolidated the staff team, several of whom had been recruited in the previous year. Several job functions had been restructured or amalgamated into other roles and the team now consists of the Chief Executive, Editor, Marketing Manager, Office Manager and Membership and Marketing Officer.
- 2 During the year a number of activities were undertaken to increase LWPT's presence on social media platforms. A key driver for this has been to increase our presence on social media using Twitter, Instagram and Facebook. A programme of regular tweets and posts included Christian comments on topical subjects, promotional messages and updates on all LWPT's activities.
- 3 The Membership scheme, which was launched in 2016, has three donation tiers and donors are able to give monthly or annually via a variety of payment methods. In return for their financial gift, donors receive Preach magazine, the charity newsletter Ichthus and also a variety of other benefits. The key focus has been to track statistics in terms of new members and membership retention. The scheme now has nearly 2,000 members and the attrition rate has been calculated as 5% for renewals (research indicates approximately 86% donor retention rate in a well performing membership scheme).
- 4 During the first part of the year LWPT exhibited at a number of events including the inaugural Festival of Preaching in Oxford, Books for Life Live in Cheltenham and at the Christian Resources Exhibition. These events not only increase public awareness of LWPT's activities and resources but also offer the opportunity to promote the Membership scheme. In addition to LWPT attended at a number of usual events and exhibitions (such as the Methodist Conference and the MET Digging for Treasure conference). Since the start of the 2020 Covid pandemic attendance at Christian events has moved to being online.
- 5 Across the year 2020, 4 editions of LWPT's key resource, Preach were produced. These focused on the themes of Justice 2020, Chaos and Truth, Towards Healing and All Welcome (inclusivity). The Editor engaged a mix of high-profile writers, academics and preachers from a wide range of theological perspectives to write articles from a range of perspectives and theological stances. The Editorial Board consists of members from different denominations representing a theological college, Bible learning publications, an Anglican reader, and online media. Their role is to provide thoughtful insight and feedback on published issues and discuss themes and commissions for forthcoming magazines.
- 6 Mindful of LWPT's rich Methodist heritage, the charity works with the Methodist Church on new initiatives where possible. In August 2018, the partnership between the Methodist Church and LWPT for Bible Month was launched. LWPT has taken on the production and distribution of the Bible Month materials and will look to extend the previous excellent work carried out and deliver it more broadly across churches and denominations.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

- 7 LWPT continues to keep updated in terms of GDPR management. To ensure that good practice in terms of data collection and retention has been carried out, all contacts on the database whose records indicate have not actively donated or supported the Membership scheme were contacted to clarify their wishes concerning remaining on the database. In accordance with GDPR regulations we only contact people online if they have opted in to further communications.
- 8 The vocational grants programme received increased applications across the year. We have increased the grants offering by 10% to £25,000 per annum starting from 2021.
- 9 The Sermon of the Year event was taken online with our sponsors in 2020 due to the Covid pandemic. An independent assessor evaluates all the written entries and draws up a top ten shortlist who would all feature in the accompanying book. The final event was well attended and the judging panel were extremely impressed by the preaching delivered. If the event had remained a physical event, we were hoping to get 150 to attend. Since it moved online we were able to share the event with 1.9K people and a further 530 people viewing the award ceremony.

Fundraising achievements

The launch of the Membership Scheme in 2016 is now seeing results as the numbers increase through a mixture of promotion to gain new members and indeed word of mouth due to the growing reputation of Preach magazine. LWPT has raised the importance of appeals for keeping our supporter's prayers, time and money support up-to-date. The summer of 2020 saw our highest ever income from an appeal with £18k income received.

Investment performance

The Trustees appointed Coutts as the charity's investment managers in 2010. The investment policy is normally reviewed on an annual basis, last review June 2020, when the investment manager reports investment performance to the Trustees.

LWPT pursues a policy of ethical investment. The fund managers are instructed to invest in investments that will maximise income returns within the ethical policy. Major changes in financial markets notwithstanding, the investment returns during the year have been satisfactory.

Financial review

The financial performance has been satisfactory in the period being reported and the level of donations from supporters has remained sound, we remain truly grateful to all those that donate to LWPT.

During the year, the charity received legacy income of £369,688 (2019: £300,952), of which £224,178 (2019: £177,104) was for LWPT general funds and £144,805 (2019: £123,848) was in respect of the Methodist Local Preachers Mutual Aid Association (LPMA) restricted fund. We give grateful thanks to those who have remembered LWPT and LPMA in this way.

The Trustees believe that growing revenue more than covers expenditure and that, over and above a contingency buffer, some of these reserves could be used for appropriate activities.

The budget for 2020/21 has been approved by the Trustee Board and is subject to regular monitoring and review.

LWPT is responsible for 10% of the deficit owned by the LPMA Pension scheme which is a closed defined benefit pension scheme. The Trustees of the pension scheme have agreed with the employers a plan to remove the pension deficit from the companies operating surpluses. The pension deficit is carefully monitored by Broadstone who as well as administering the pension, provide investment advice for the Trustees. The recovery plan is reviewed formally by the Trustees at each pension valuation and takes regard of the need for an expeditious recovery whilst not damaging the viability of the charitable companies. In line with the actuarial review during 2017, the Trustees agreed to increase monthly contributions towards the deficit payments from 1 April 2020 to £1,282 per month.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In order to present a clear picture as to the financial development of LWPT, some metrics have been introduced for key areas and these will be reviewed throughout the year:

Key performance indicators	2020	2019	2018	Change 2019 to 2020	Change 2018 to 2019
	£	£	£	%	%
Voluntary donations received	207,321	211,737	234,477	-2.1	-9.7
Expenditure (running costs and overheads)	300,885	291,587	312,453	+3.2	-6.7
Vocational grants made	21,446	20,500	24,230	+4.6	-15.4
Hardship grants made	3,800	5,700	3,000	-33.3	+90.0
Grants made to charities from LPMA funds	-	5,000	200,000	-100.0	-97.5
Pension rectification costs from LPMA funds	70,000	-	-	100.0	-
Legacies received by LWPT	224,883	177,104	72,623	+27.0	+143.9
Legacies received by LPMA	144,805	123,848	154,547	+16.9	-19.9

From the middle of August 2019, LWPT were advised that they needed to fund a further deficit in the MLPMAA Pension Fund, due to the fund not being closed appropriately in 2004. LWPT need to assign up to £115,000 from its funds.

Future Plans for 2020-21

- 1 To continue producing four editions of Preach across the year engaging a range of writers representing different Christian denominations focusing on a variety of themes guided by the Editorial Board.
- 2 To grow the Membership scheme through advertising and attendance at relevant events with a target of 600 new members.
- 3 To increase the number of downloadable preaching resources available on the websites.
- 4 To develop partnerships with organisations who are putting on preaching events, including a preaching weekend at Cliff College.
- 5 To continue exhibiting at events such as the Christian Resources Exhibition and the Festival of Preaching in Oxford.
- 6 To continue growing the vocational grants programme and developing ongoing relationships with grantees.
- 7 To continue the LPMA grants scheme to run alongside the LWPT grant programme.
- 8 To develop new partnerships with relevant organisations to develop training opportunities.
- 9 To build relationships with training colleges.
- 10 To build on previous success of the Sermon of the Year event, by running this independently with support from relevant sponsors and to increase publicity for the event to attract entries from different denominations and churches.
- 11 To launch a partnership with the Methodist Church in the production of resources and running the Bible Month project.
- 12 To have a staff and Trustee away day so that a long-term strategic plan can be produced.

LPMA Funds

The LWPT Trustees are de facto the Trustees of LPMA. LPMA is a shell charity, being the original charity, which agreed the formation of LWPT. Funds that come to LPMA are held by LWPT as restricted funds and are only spent according to the original objectives of LPMA. These funds mainly comprise of legacies made by longstanding supporters. All requests for funding are considered by the Trustees and must be made by a letter of application and due to LWPT's past relationship with LWPHomes, applications for funding of their eligible projects are encouraged. During 2018-19 a new grant scheme was launched to distribute the funds in a more efficient manner.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves Policy

The Trustees consider that the unrestricted reserves should be maintained at a level equivalent to at least 3 month's running costs to enable an orderly wind down in the event of the charity's closure. This amount would currently be £84,250 (2019: £84,000): current reserves are at the required level.

Our total reserves are:	852,871
Of which:	
Amount restricted to donor nominated purposes	239,541
Amount available to meet current operations	261,330
Amount required to fund pension deficit	352,000

The level of reserves held at 31 August 2020 is shown on the Balance Sheet.

Risk management

The Trustees have agreed procedures which address internal risks that the charity may face. These include processes for the authorisation of financial transactions and record keeping which are carried out by the staff on a day to day basis. In addition, the Trustees have considered other risks where the charity may be exposed and have taken steps to mitigate these risks. These risks include damage to reputation, criminal acts, data loss, health and safety, investment performance, changes in personnel and funding sources. All staff receive training in GDPR procedures and are aware of the importance of keeping personal data safely and they understand the steps that must be taken should there be a breach of data protection.

COVID-19

Before the end of the accounting year the COVID-19 pandemic spread throughout the World affecting all aspects of daily life. Although this had less effect on the results of this period the Trustees considered the impact this may have on the affairs of the charitable company, revising operational and financial plans for the year ahead accordingly.

The Trustees will seek to regularly review the impact of the pandemic on the charity and its finances. It is too early to quantify the impact of the pandemic on the next accounting period, but the Trustees have agreed regular reforecasting of the 2020/21 budget, alongside an updated income strategy which shall be monitored regularly, with the flexibility necessary to manage the charitable company through this period. The Trustees remain confident that the charitable company will be able to deliver significantly against our aims and objects within the resources that will be available.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 1 October 2004 and as such has no share capital. It is governed by a Memorandum and Articles of Association which was reviewed and updated in August 2014.

The Company was registered as a charity on 4 February 2006 by the Charity Commission for England and Wales.

The Directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees is given on the Legal and Administration page 1 of the financial statements. Trustees may hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustees must retire at each AGM with those longest in office retiring first. Eligible Trustees may be reappointed for a maximum of three, three year terms after which there must be a one year break before reappointment.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees, when complete, shall consist of at least three and not more than eight persons appointed as follows:

- one person appointed by the Methodist Council;
- one person appointed by the Wesleyan Reform Union;
- up to three persons elected by the Members by ordinary resolution at an AGM, or by postal or electronic ballot in accordance with Article 12; and
- up to three persons appointed by other Local Ecumenical Partnerships invited by the Trustees to make appointments.

To ensure that Trustees from a wide range of backgrounds are recruited, vacant positions are advertised on free volunteer recruitment sources such as Do-it.org and the NVCO Trustee bank. Potential Trustees first meet with senior LWPT staff and then are invited to meet with Trustees.

New Trustees are provided with copies of the Charity Commission leaflets CC3 & CC3a and key LWPT documents including the Memorandum and Articles of Association. All Trustees are advised of free training opportunities through companies such as Stone King.

All LWPT Trustees are volunteers and the only payment they receive is for "out of pocket" expenses such as travel expenses.

Policy decisions concerning the charity are made by the Trustees as a whole and they delegate the day to day running of the charity to the Chief Executive.

Statement of trustees' responsibilities

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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



David Latter
Trustee

Dated: 23 March 2021

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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

Company Law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEADERS OF WORSHIP AND PREACHERS TRUST

I report to the trustees on my examination of the financial statements of The Leaders of Worship and Preachers Trust (the charitable company) for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 26 March 2021

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	3	431,981	145,028	577,009	512,689
Charitable activities	4	14,280	-	14,280	6,648
Other trading activities	5	12,135	-	12,135	7,667
Investments	6	26,919	796	27,715	29,055
Other income	7	3,000	-	3,000	-
Total income		488,315	145,824	634,139	556,059
<u>Expenditure on:</u>					
Raising funds	8	15,148	-	15,148	18,317
Charitable activities	9	322,466	74,370	396,836	322,787
Total expenditure		337,614	74,370	411,984	341,104
Net gains/(losses) on investments	12	(4,272)	-	(4,272)	2,781
Net income / (expenditure) for the year		146,429	71,454	217,883	217,736
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes		(75,122)	-	(75,122)	(74,681)
Net movement in funds		71,307	71,454	142,761	143,055
Fund balances at 1 September 2019		542,023	168,087	710,110	567,055
Fund balances at 31 August 2020		613,330	239,541	852,871	710,110

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Prior financial year

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>				
Donations and legacies	3	388,355	124,334	512,689
Charitable activities	4	6,648	-	6,648
Other trading activities	5	7,667	-	7,667
Investments	6	28,657	398	29,055
Total income		431,327	124,732	556,059
<u>Expenditure on:</u>				
Raising funds	8	18,317	-	18,317
Charitable activities	9	314,911	7,876	322,787
Total expenditure		333,228	7,876	341,104
Net gains/(losses) on investments	12	2,781	-	2,781
Net income / (expenditure) for the year		100,880	116,856	217,736
Other recognised gains and losses				
Actuarial loss on defined benefit pension schemes		(74,681)	-	(74,681)
Net movement in funds		26,199	116,856	143,055
Fund balances at 1 September 2019		515,824	51,231	567,055
Fund balances at 31 August 2020		542,023	168,087	710,110

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

All income and expenditure derive from continuing activities.

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Investment properties	13		225,000		225,000
Investments	14		347,158		337,351
			<u>572,158</u>		<u>562,351</u>
Current assets					
Debtors	15	29,485		79,636	
Cash at bank and in hand		632,510		390,848	
		<u>661,995</u>		<u>470,484</u>	
Creditors: amounts falling due within one year	16	(29,282)		(30,725)	
Net current assets			<u>632,713</u>		<u>439,759</u>
Total assets less current liabilities			<u>1,204,871</u>		<u>1,002,110</u>
Provisions for liabilities			(352,000)		(292,000)
Net assets			<u>852,871</u>		<u>710,110</u>
Income funds					
Restricted funds	19		239,541		168,087
<u>Unrestricted funds</u>					
General unrestricted funds		929,654		794,862	
Revaluation reserve		35,676		39,161	
Pension reserve		(352,000)		(292,000)	
		<u>613,330</u>		<u>542,023</u>	
			<u>852,871</u>		<u>710,110</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 March 2021



David Latter
Trustee



John Griffiths
Trustee

Company Registration No. 5247784

THE LEADERS OF WORSHIP AND PREACHERS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	23		228,026		114,442
Investing activities					
Purchase of investments		(155,377)		(95,296)	
Proceeds on disposal of investments		129,735		88,149	
Net movement on cash balance in investment portfolio		11,563		57	
Investment income		27,715		29,055	
Net cash generated from investing activities			13,636		21,965
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			241,662		136,407
Cash and cash equivalents at beginning of year			390,848		254,441
Cash and cash equivalents at end of year			<u>632,510</u>		<u>390,848</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

The Leaders of Worship and Preachers Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 14 Orbital 25 Business Park, Dwight Road, Watford, Hertfordshire, WD18 9DA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

As at 31 December 2019 China had alerted the World Health Organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as Coronavirus (or COVID-19) came to light in early 2020.

In the opinion of the Trustees, despite the potential effects of the COVID-19 outbreak, it is nonetheless considered that the Going Concern basis of the preparation of the financial statements remains appropriate. Similarly, in the opinion of the Trustees, no adjustments are required to the results or carrying values of assets or liabilities declared in these financial statements, and none have been made.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

The charity's policy is to recognise all income on a receivable basis.

Donations are recognised in the financial statements when the charity becomes beneficially entitled to the income. Where claimable, this also includes Gift Aid reclaimed.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Legacies are included in the financial statements when receivable, when there is notification from the personal representatives of the amount, or when there is sufficient documentation to allow a reasonable estimate of the amount to be received.

This includes pecuniary legacies with a life interest held by another party. In some cases this may result in the income being accrued for many years before actual receipt of the cash. In the case of residual legacies, income is not accounted for until the estate's accounts are finalised or the income has been received by The Leaders of Worship and Preachers Trust as it is only then that the amount can be reliably ascertained.

Investment income is accounted for on an accruals basis.

A monetary value of services provided by the volunteers is not included in the Statement of Financial Activities.

1.5 Expenditure

The charitable company also makes vocational grants which support the training and education costs of those leading worship and preaching. These grants are made in response to applications for support which are assessed and awarded. Payment is made after taking up references. The grants are made in support of the primary objects of the charitable company.

The charitable company makes hardship grants to individuals in response to certified applications. The grants are also made in support of the primary objects of the charitable company.

Grants are made from LPMA restricted funds to organisations and individuals who meet the objects as set out in the LPMA rule book on an application and assessment basis.

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

1.6 Tangible fixed assets

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

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

Fixtures and fittings	over 5 years
Computers	over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

[Property rented to a group entity is accounted for as tangible fixed assets.]

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.8 Fixed asset investments

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

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

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

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	207,098	223	207,321	211,251	486	211,737
Legacies receivable	224,883	144,805	369,688	177,104	123,848	300,952
	<u>431,981</u>	<u>145,028</u>	<u>577,009</u>	<u>388,355</u>	<u>124,334</u>	<u>512,689</u>

4 Charitable activities

	2020	2019
	£	£
Ancillary trading income	<u>14,280</u>	<u>6,648</u>

For the year ended 31 August 2019

	2019
	£
Ancillary trading income	<u>6,648</u>
Analysis by fund	
Unrestricted funds	<u>6,648</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Merchandising income	<u>12,135</u>	<u>7,667</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Rental income	19,423	-	19,423	19,793	-	19,793
Dividends and fixed interest	6,745	613	7,358	7,427	398	7,825
Interest receivable	751	183	934	1,437	-	1,437
	<u>26,919</u>	<u>796</u>	<u>27,715</u>	<u>28,657</u>	<u>398</u>	<u>29,055</u>

7 Other income

	Unrestricted funds	Total
	2020 £	2019 £
Other income	<u>3,000</u>	<u>-</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Advertising	10	959
Other fundraising costs	9,605	11,858
	<u>9,615</u>	<u>12,817</u>
<u>Trading costs</u>		
Other trading activities	4,455	4,264
	<u>1,078</u>	<u>1,236</u>
<u>Investment management</u>		
	<u>15,148</u>	<u>18,317</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	2020 £	2019 £
Staff costs	135,366	132,683
Depreciation	-	1,021
Other staff costs	4,249	3,495
Grants and financial assistance	25,246	26,200
Premises costs	20,135	18,589
Repairs and maintenance costs	4,591	3,745
Office costs	8,287	6,575
Computer costs	21,190	10,261
Printing resources	44,459	51,450
Travel and subsistence costs	3,884	4,723
General expenses	930	1,051
Legal and professional costs	51,514	51,394
Pension scheme rectification costs	70,000	-
Bank charges and other finance costs	4,687	3,980
Governance costs	2,298	2,620
	<u>396,836</u>	<u>317,787</u>
Capital Grants to Institutions	-	5,000
	<u>396,836</u>	<u>322,787</u>
Analysis by fund		
Unrestricted funds	322,466	
Restricted funds	74,370	
	<u>396,836</u>	
Unrestricted funds		314,911
Restricted funds		7,876
		<u>322,787</u>

Governance costs comprise independent examiners fees £1,800 (2019: £1,800), trustee meeting costs £498 (2019: £820). In addition the independent examiners charged £3,000 (2019: £3,000) for accountancy services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administrative	6	6

Employment costs

	2020 £	2019 £
Wages and salaries	122,164	119,648
Social security costs	6,701	7,350
Other pension costs	6,501	5,685
	<u>135,366</u>	<u>132,683</u>

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

12 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Revaluation of investments	362	5,674
Gain/(loss) on sale of investments	(4,634)	(2,893)
	<u>(4,272)</u>	<u>2,781</u>

13 Investment property

	2020 £
Fair value	
At 1 September 2019 and 31 August 2020	<u>225,000</u>

The investment property is Flats 20 to 24 Southcroft, Psalter Lane, Sheffield. The property is held on a 999 year lease expiring July 2988 at an annual rent of a peppercorn. The Trustees are of the opinion that the current market value at 31 August 2020 is not materially different from the valuation when the property was transferred in.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Investment property	(Continued)	
	2020	2019
	£	£
Long leasehold	225,000	225,000
	<u>225,000</u>	<u>225,000</u>
14 Fixed asset investments		Listed investments £
Cost or valuation		
At 1 September 2019		337,351
Additions		155,377
Valuation changes		362
Net movement in cash		(11,563)
Disposals		(134,369)
		<u>347,158</u>
At 31 August 2020		<u>347,158</u>
Carrying amount		
At 31 August 2020		<u>347,158</u>
At 31 August 2019		<u>337,351</u>
	2020	2019
	£	£
Investments at fair value comprise:		
Fixed interest securities	-	10,656
Equity shares	153,083	147,021
Hedge funds	-	7,606
Investment trusts and unit trusts	164,545	136,665
Cash on deposit	29,530	35,403
	<u>347,158</u>	<u>337,351</u>
	<u>347,158</u>	<u>337,351</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Debtors		2020	2019
Amounts falling due within one year:		£	£
Trade debtors		2,435	334
Other debtors		26,375	76,786
Prepayments and accrued income		675	2,516
		<u>29,485</u>	<u>79,636</u>
		<u><u>29,485</u></u>	<u><u>79,636</u></u>
16 Creditors: amounts falling due within one year		2020	2019
		£	£
Other taxation and social security		3,201	2,612
Trade creditors		11,911	19,829
Other creditors		659	-
Accruals and deferred income		13,511	8,284
		<u>29,282</u>	<u>30,725</u>
		<u><u>29,282</u></u>	<u><u>30,725</u></u>
17 Provisions for liabilities		2020	2019
	Notes	£	£
Retirement benefit obligations	18	352,000	292,000
		<u>352,000</u>	<u>292,000</u>
		<u><u>352,000</u></u>	<u><u>292,000</u></u>

18 Retirement benefit schemes

Scheme characteristics and nature of the benefits provided

The Principal Employer (The Leaders of Worship and Preachers Homes) operates a final salary defined benefit scheme for its employees.

The Scheme commenced on 1 January 1975 and is now closed to future accrual.

Pension benefits are based on length of pensionable service and final salary.

The Scheme is managed by a board of trustees.

We have estimated the average duration of the past service liabilities to be approximately 20 years.

Funding arrangements

The Scheme operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the Principal Employer, based on a prudent assessment of the Scheme's liabilities.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Retirement benefit schemes

(Continued)

Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 April 2014, it was agreed that the Principal Employers will pay deficit contributions of £11,000 per month until 1 December 2022, of which LWPT as the Secondary Employer agreed to pay 10%.

Following the triennial valuation as of 1 April 2017, the Scheme remained in deficit and it was proposed by the Pension Trustees that total monthly contributions needed to increase to £12,083. LWPT, as the Secondary Employer agreed to their responsibility of contributing 10% of this new monthly deficit repayment. Based on the current Schedule of Contributions dated 12 March 2018, the employer expects to pay contributions in the region of £15,600 to the scheme during the next accounting period.

Risk exposure

Since the Scheme is a defined benefit arrangement, the benefits payable to Scheme members are not directly related to the amount of the assets.

The Employer is exposed to the risk of the Scheme's assets being insufficient to meet the benefits payable. Risks arise due to uncertain future investment returns, future levels of inflation, and future changes to life expectancy.

There is significant uncertainty that has arisen as to the closure of the Scheme to accrual in 2003. It is possible this closure was not completed correctly, which would potentially lead to significantly higher liabilities if continued accrual has to be awarded to members who continued in employment after 2003. These disclosures do include any allowance for this potential liability. If it is established that closure occurred at 13 June 2003 rather than 31 March 2003, this would add around £72,000 to the liabilities.

Sensitivity Information

A 0.1% decrease in the discount rate assumption would increase obligations by around £119,000.

A 0.1% increase in the assumed rates of inflation would increase obligations by around £16,000.

A 0.5% increase in the assumed long term rate of future mortality improvements would increase obligations by around £171,000.

These sensitivity figures ignore the effect on the annuities, as any change in the liability value would be matched by a change in the asset value and the net effect would be zero.

The pension deficit is split between LWPHomes (90%) and LWPT (10%) and the annual payments to the pension scheme are paid using the same apportionment.

Under the definitions set out in Financial Standards (FRS 102), the Methodist Local Preachers Mutual Aid Association Pension Scheme is a multi-employer pension scheme.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Retirement benefit schemes

(Continued)

The following FRS102 calculations have been carried out by an independent qualified actuary and relate to LWPT's share of the Methodist Local Preachers Mutual Aid Association Pension Scheme.

	2020	2019
	£'000	£'000
Defined benefit obligation	(666)	(666)
Fair value of scheme assets	429	424
Net defined benefit liability	(237)	(242)
Unrecognised surplus	-	-
Net defined benefit liability after allowance for surplus restriction	(237)	(242)

Analysis of Statement of Financial Activities charge

	2020	2019
	£'000	£'000
Current service cost	-	-
Net interest expense on net defined benefit liability	4	6
Pension Scheme expenses (excluding investment related expenses)	-	-
Past service cost	-	-
Curtailments	-	-
Settlements	-	-
Interest expense on effect of (asset ceiling) / onerous liability	-	-
Total pension expense / (credit) recognised in Statement of Financial Activities	4	6

Principal actuarial assumptions at the balance sheet date:

	2020	2019
Discount rate	1.57%	1.80%
RPI inflation rate	2.95%	3.30%
Pension increases in payment - RPI max 5%	2.87%	3.10%
Pension increases in deferment - 5% fixed	5.00%	5.00%
Commutation (% of pension)	-	-
Post-retirement mortality	S2PA CMI 2019 [1%]	S2PA CMI 2018 [1%]
Life expectancies:		
Male currently aged 60	87.2 years	86.4 years
Female currently aged 60	89.4 years	88.4 years
Male currently aged 40	86.0 years	87.6 years
Female currently aged 40	88.1 years	89.7 years

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Retirement benefit schemes

(Continued)

Other demographic assumptions are consistent with the formal funding valuation as at 1 April 2017.

Assets	2020		2019	
	£'000	% weight	£'000	% weight
Equities	56	12	-	-
Corporate Bonds	54	12	-	-
Equity - like Target Return Funds	72	15	181	40
Bond - based Target Return Funds	-	-	-	-
Liability Driven Investments (LDI)	203	44	190	43
Cash	4	1	5	1
Insured pensioners	73	16	72	16
	462	100	448	100

Reconciliation of defined benefit obligation over the year

	2020	2019
	£'000	£'000
Defined benefit obligation at the start of the year	705	616
Current service cost	-	-
Contributions by the members	-	-
Interest expenses on defined benefit obligation	12	17
Remeasurement - effect of experience adjustments (gain) / loss	27	89
Remeasurement - effect of changes in assumptions (gain) / loss	(3)	2
Benefits paid	(22)	(19)
Past service cost	-	-
Disposals and acquisitions	-	-
Curtailments	-	-
Settlements	-	-
Defined benefit obligation at the end of the year	719	705

Changes in the fair value of scheme assets are as follows:

	2020	2019
	£'000	£'000
Fair value of scheme assets as at the start of the year	448	385
Interest income on scheme assets	8	11
Remeasurement - return on scheme assets excluding interest income (gain) / loss	13	57
Contributions by the Employer	15	15
Contributions by the Members	-	-
Benefits paid	(22)	(20)
Pension Scheme expenses (excluding investment-related expenses)	-	-
Disposals and acquisitions	-	-
Settlements	-	-
Defined benefit obligation at the end of the year	462	448

Return on scheme assets

21 68

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Retirement benefit schemes	(Continued)	
Remeasurements recognised in Other Comprehensive Income (OCI)	2020	2019
	£'000	£'000
Remeasurement - effect of experience adjustments (gain) / loss	4	33
Remeasurement - effect of changes in assumptions (gain) / loss	(10)	(50)
Remeasurement - return on plan assets excluding interest income (gain) / loss	1	(1)
Limit on asset that can be recognised (change in unrecoverable surplus)	-	-
	<u> </u>	<u> </u>
Total remeasurement gain / (loss) recognised in OCI	(5)	(18)
	<u> </u>	<u> </u>
 Reconciliation of funded position	 2020	 2019
	£'000	£'000
Net defined benefit liability at start of year	242	232
Expense recognised in Statement of Financial Activities	4	6
(Gain) / loss recognised in OCI	5	18
Contributions by the Employer	(14)	(14)
	<u> </u>	<u> </u>
Net defined benefit liability at end of year	237	242
Closure rectification costs	115	50
	<u> </u>	<u> </u>
Total defined benefit liability at end of year	352	292
	<u> </u>	<u> </u>

During the period the charitable company made contributions to the fund of £15,122.

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The scheme and its assets are held by and administered by independent managers.

The total contributions charged to the Statement of Financial Activities during the period are £6,501 (2019: £5,685).

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2018		Movement in funds		Balance at 1 September 2019		Movement in funds		Balance at 31 August 2020	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£	£
MLPMAA - General Purposes Fund	40,121		124,732	(7,876)	156,977		145,824	(74,370)	228,431	
Owen Fund	11,110		-	-	11,110		-	-	11,110	
	<u>51,231</u>		<u>124,732</u>	<u>(7,876)</u>	<u>168,087</u>		<u>145,824</u>	<u>(74,370)</u>	<u>239,541</u>	

The MLPMAA General Purposes Fund is funds given to be spent on the objects of the former Methodist Local Preachers Mutual Aid Association as defined in its rule book.

The Owen Fund represents a legacy which is restricted to the use of the income arising on the capital.

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Investment properties	225,000	-	225,000	225,000	-	225,000
Investments	336,048	11,110	347,158	326,241	11,110	337,351
Current assets/(liabilities)	404,282	228,431	632,713	280,677	159,082	439,759
Provisions and pensions	(352,000)	-	(352,000)	(292,000)	-	(292,000)
	<u>613,330</u>	<u>239,541</u>	<u>852,871</u>	<u>539,918</u>	<u>170,192</u>	<u>710,110</u>

THE LEADERS OF WORSHIP AND PREACHERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Between two and five years	-	17,550

22 Related party transactions

There were no disclosable related party transactions during the year.

23 Cash generated from operations

	2020 £	2019 £
Surplus for the year	217,883	217,736
Adjustments for:		
Investment income recognised in statement of financial activities	(27,715)	(29,055)
Gain on disposal of investments	4,634	2,893
Fair value gains and losses on investments	(362)	(5,674)
Depreciation and impairment of tangible fixed assets	-	1,021
Difference between pension charge and cash contributions	(15,122)	(13,999)
Movements in working capital:		
Decrease/(increase) in debtors	50,151	(71,804)
(Decrease)/increase in creditors	(1,443)	13,324
Cash generated from operations	228,026	114,442

24 Analysis of changes in net funds

The charitable company had no debt during the year.