

**THE LANGHAM PARTNERSHIP (UK & Ireland)  
(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2011**

**Company Number 4235957  
Charity Number 1092233**

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

**WEDNESDAY**



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**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
**(Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2011**

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**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
**(Limited by Guarantee)**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**

The directors (who are trustees of the charitable company) present their report and audited financial statements for the year ended 30<sup>th</sup> June 2011. The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 and comply with the Memorandum and Articles of Association and applicable law.

**Reference and Administrative Information**

*Charity name*

The Langham Partnership (UK & Ireland)

*Charity registration number*

1092233

*Company registration number*

4235957

*Registered office*

84A High Street, Southall, Middlesex UB1 3DB

*Operational address*

19 Whitfield Place, London W1T 5JX

*Management Committee/Trustees*

David Cansdale (Chairman)

Paul Batchelor

John Thomas (Treasurer)

David Turner

John Wallis (resigned 10 October 2010)

John Wyatt

Pam Bryan (resigned 05 February 2011)

Norman Fraser

Ronald Clements (appointed 10 October 2010)

Mary Evans (appointed 10 October 2010)

*Secretary*

Cindy Crossley

*Senior staff/Chief Executive Officer*

Ian Buchanan, Executive Director

*Auditors*

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

*Bankers*

C Hoare & Co, 37 Fleet Street, London EC4P 4DQ

Coutts & Co, 16 Cavendish Square, London W1A 1EE

Royal Bank of Scotland, 8 Princes Street, Ipswich IP1 1QT

Fifth Third Bank, Western Michigan, 1850 East Paris, Grand Rapids, Michigan USA 49546

*Investment Managers*

CCLA Investment Management Limited, St Alphage Street, 2 Fore Street, London EC2Y 5AQ

The M&G Securities Limited, M&G House, Victoria Road, Chelmsford CM1 1FB

Schroder Unit Trusts Limited, 33 Gutter Lane, London EC2V 8AS

Merrill Lynch Investment Management Limited, 33 King William Street, London EC4R 9AS

**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
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**REPORT OF THE DIRECTORS**  
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 (continued)

**Structure, Governance and Management**

The Langham Partnership (UK & Ireland) is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association

*Appointment and induction of Trustees*

New trustees are appointed by the existing Trustees in accordance with the Articles of Association. As specified in the Memorandum and Articles of Association there must be a minimum of three Trustees at any one time with no set maximum.

Newly-appointed trustees with little or no prior knowledge and understanding are likely to find that they need to acquire the full range of knowledge, and to develop their understanding, relevant to their role, omitting only those areas where they may have specific expertise (e.g. fund management). Some roles (such as that of Honorary Treasurer) require an appropriate professional qualification but most Trustee roles do not. The Board's requirements also change over time so each year the Chairman and CEO consider the number of vacancies likely to be available on the Board and the particular skills, experience and other qualities that are being sought at that time. Expressions of interest are always welcome from anyone with the commitment to trusteeship and relevant experience in any field. Internal advertising to supporters and approaches to known experts in key fields are the methods used for filling Trustee roles. If they choose to take up a role on the Board then training comes individually during meetings with the Chairman and CEO.

*Risk management*

The directors have examined the major strategic, business and operational risk which the charitable company faces and confirmed that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to reduce those risks.

*Organisational structure*

The directors currently meet three times a year, whilst the day to day management of the charitable company is delegated to the Directors of Langham Scholars, Langham Literature and Langham Preaching who are in turn supported by the Executive Director and the International Director.

**Objectives and Activities**

The charitable company's objects as stated in its governing document are the advancement of the Christian religion which is based on the belief set forth in the Bible. In particular:

- [i] The writing, printing, publication and distribution of Christian literature
- [ii] Preaching and teaching
- [iii] Provision of education and training

*Public Benefit*

The objects of the Langham Partnership (UK & Ireland) are focussed on education as a core means of advancement of the Christian religion in the Majority World (Latin America, Africa, Asia, Middle East and Eastern Europe). This is done by providing grants, scholarships, training workshops, assistance in the creation, publication and distribution of literature and also includes the facilitation of teaching and preaching networks.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and planning future activities.

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**REPORT OF THE DIRECTORS**  
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 (continued)

The Langham Partnership (UK & Ireland) carries out the objects of the charitable company by

- i) Funding preaching and teaching networks in the Majority World aimed at a wide range of church leaders who could not afford such training within their regions,
- ii) Supporting individuals and publishing houses through mentoring, writing, publication and marketing of Christian literature in the Majority World. This support is provided as free consultancy work, writers' workshops and also through the provision of financial grants and literature distribution, and
- iii) Providing scholarships and family support to scholars seeking further training to doctoral level. Scholars are always expected to return to their home countries in order to train others and develop training institutions in the Majority World.

The above three programmes allow the Langham Partnership (UK & Ireland) to fulfil its strategic priorities and make possible the provision of education for beneficiaries in the Majority World who would otherwise not be able to afford such education. The Langham Partnership (UK & Ireland) carries out these programme initiatives through partnerships with institutions and individuals in the countries where we operate.

### **Achievements and Performance**

#### ***Langham Scholars***

##### *Overview of the Programme*

Since its establishment, Langham Partnership has invested in the doctoral training of 348 Christian leaders from the evangelical tradition from 68 different nations. Eighty-six scholars, coming from 46 different nations, are currently studying on PhD programmes. During 2010-11, thirty-seven of these were funded through LP-UKI. Over the forty years the programme has been running, 227 scholars have graduated, and eighty-six percent of these Langham scholars (numbering 196) have returned to their home regions to serve as seminary principals, deans, lecturers, bishops, leaders of international and national organizations. The global impact of the programme is seen in the geographical spread of *current scholars* as demonstrated below.

Region	Countries	Scholars
Africa	12	21
Asia-SoPacific	10	34
Europe-Eurasia	12	17
Latin America	9	10
Middle East	3	4

##### *Scholar Programme Structure*

In November 2009, an *International Scholar team* was created, comprising Steve Hardy as the International Programme Director with Elaine Vaden and Ian Shaw serving as Associate International Programme Directors. Tiffany Randall in the US and Gaynor Harvey in the UK provide part-time administrative support. Steve Hardy continued in his role until June 2011, and a replacement for him will be appointed in early 2012. An *International Scholars'* budget now operates, even though each Langham national member continues to support the scholars it has selected, and for which it provides scholar care. To ensure uniformity in the quality of scholars selected globally, common application procedures and standards are operated. The scholarship committees of both LP-UKI and JSM share responsibilities to review applications from all Langham affiliates. The advice of Langham Partnership Regional Councils is highly valued in the selection process.

##### *Scholar Programme Developments*

To commemorate the centenary of the 1910 Edinburgh Missionary Conference, partnership scholarships were developed in the UK with Edinburgh University, Oxford Centre for Mission Studies, and London School of Theology. For these scholars from China (Hong Kong), Philippines, and Ethiopia were selected, and commenced their studies in late 2010. The partner institution pay all, or most, of student fees while Langham covers maintenance.

Some 25% of Langham scholars are studying for their PhDs in majority world contexts or in split-site programmes that allow them to take advantage of resources at Western institutions while continuing to be based in the majority world.

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(continued)

Langham Partnership continues to be involved in consultations to promote excellence in theological education in Majority World training programmes. In early March of 2010, Langham co-hosted an event held in Beirut with ICETE and OCI which invited leaders from 10 Majority World programmes offering doctoral training to discuss best practice and identify specific developments needed to ensure quality in emerging programmes. This will continue with a further consultation in Bangalore, India, in October 2011 at which Langham Partnership will be represented.

Langham Partnership also considers investment in the professional development of its former Langham scholars an important priority. Two former scholars were selected as postdoctoral fellows for three months of research and writing at centres of theological education in the UK. Dr Edison Kalengyo (Uganda) spent January to April 2011 as a postdoctoral fellow at Ridley Hall, Cambridge, and Dr Jey Kanagaraj (India) spent January to May as a postdoctoral fellow at Wycliffe Hall, Oxford University. Both undertook writing and research work to help develop their professional skills so as to serve better as mentors and scholars.

In June 2011 the Langham Partnership started its four-year *International Research and Training Seminar* to assist former Langham scholars working in Majority World contexts to gain research and mentoring skills. Thirteen scholars were selected from twelve different Majority World nations, for three weeks of postdoctoral residency, based at Wheaton College, Illinois, USA. Here they spent time in research, writing, and presenting academic papers at a Senior Research Seminar. Each postdoctoral scholar has been assigned a Senior Academic Mentor, who will work with them over four years in developing their research and writing skills, and help their development as future supervisors on PhD programmes. These Senior Academic Mentors are from major centres of theological education, including Cambridge University, St Andrews University, Notre Dame University, and Wheaton College.

A very important aspect of both Ian Shaw's and Elaine Vaden's jobs is monitoring the academic progress as well as the professional, emotional and spiritual health of scholars. This includes an annual consultation held in Cambridge in March for scholars currently studying in the UK and Europe. They maintain regular contact with current scholars through regular visits to them, and receiving reports from academic supervisors, and local review teams.

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**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
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***Langham Literature***

***Creative Projects***

The South Asia Bible Commentary (SABC), the Arabic Contemporary Commentary (ACC) and the Latin Contemporary Bible Commentary (LCBC) are progressing within budget. All are on target except for the SABC which is slightly behind schedule. An Editorial Conference for the ACC will take place in December 2011. The translation of the Africa Bible Commentary into Malagasy is complete which is a great encouragement and now means this project moves into the production stages.

- Within Langham Preaching Resources, *The Challenge of Preaching*, an abridged and updated version of John Stott's book, *I Believe in Preaching* prepared by Greg Scharf was published. The book is being used in the Langham Preaching network but is also available to purchase outside of North America. Also published was '*Relational Preaching*' by Greg Scharf.
- Two titles in the PPP (Pray, Prepare, Preach) series are in the process of being translated into French by PBA in Benin. We expect these to be published towards the end of 2011 and they will be used by Langham Preaching as well as made available to our member colleges through our trade programme.
- Three African Publishers from Francophone Africa were invited to join the Hippo consortium and attended our meetings in Nairobi, Kenya in April 11. They are PBA from Benin, Cle from Cameroon and CPE from Côte D'Ivoire. This takes us closer to our aim to extend the Hippo titles to include both French and English writing.
- The Hippo title '*Preachers of a Different Gospel*' by Femi Adeleye was published and 6,000 copies printed.
- '*The Seed and the Soil*' by Pauline Hoggarth was published as part of the Global Christian Library Series.
- Within our Langham Monographs, the title '*Mission between the Times*' by Rene Padilla was published.

Significant progress has been made within Langham Literature Creative and it has been encouraging to see the response to the various titles, which have been published. The provision of titles in the French language continues to be a high priority, especially in order to provide titles for the Langham Preaching seminars within Francophone Africa.

***Publisher Development***

A total of 17 different Majority World publishers received financial support for a range of projects, and to assist them towards greater commercial sustainability. 37 new titles were directly financed, 12 of these by national authors. Partner publishers published in excess of 110 new titles between them, amounting to more than 225,000 volumes. In addition, 11 Majority World writers were supported in writing projects. The publisher development work of EELAC continues in East and Central Europe, and starter projects are being pursued in Cambodia, Myanmar, Mongolia and Central Asia.

***Distribution***

- 622 colleges from 73 countries were supplied with 15,934 books through our Library Grant programme.
- 109 colleges across 42 countries were supplied with 8,062 books through our Trade programme.
- 9,004 books were supplied to Majority World pastors through our Trade programme.
- 39,342 books were donated to Pastors through the Pastors Book Club and Langham Preaching.

This year has seen an increase in the uptake of our Library Grant and our Trade programme. The response to the new catalogue, which was either emailed or posted to our member colleges, has been very positive. The donation of books to local Pastors has meant that many men and women who are responsible for leading their churches and preaching within their local communities have been given vital resources which otherwise they would not have received.

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**Langham Preaching**

We thank God for the steady development of Langham Preaching around the world during the financial year 2010/11. We are now active in **66 countries**, whether in terms of a full multi-level programme, the pioneering launch of new work, or the initial training of a small group of local leaders.

We report on the growth of the work by the following criteria, with some country examples.

**1. Continuity of training** in all countries, participants in the training programme are encouraged to commit themselves to all 3 national training events and to join a local preachers group. For example, in **Latin America** the return rate year by year is now close to 100%, with several significant developments helping sustain this. Countries now include the training of in-country group coordinators, before the launch of the programme, who themselves identify key participants with whom they will work for 3 years. Each country has developed a network of *escuelitas* (small preachers' schools) city by city.

Then there is a cascade effect, as those who have received training go on to train others. For example, Latin American Regional Coordinator Igor Amestegui reports that a new level 1 event will be held in **Entre Rios, Bolivia**, led by pastor **Jorge del Castillo**, from La Paz. *'The good news is that pastor Jorge del Castillo, who has done all three Langham levels, has organised a level 1 with them. This is exactly what we were hoping for, as the programme takes root in the pastors and that they, through a cascade effect, begin to teach others.'*

Another example is **Pakistan** where, following the completion of the national level 3 training in May 2011, the Pakistan team is developing three regional level 1 training events in **Lahore, Gujranwala and Rahimyarhan** during September and November 2011. The same is happening in larger countries such as **Nigeria**, with 7 regional networks being planned.

**2. Preachers clubs and 'escuelitas'** these small groups, often meeting monthly, continue to grow around the world. In **Peru** they are called 'societies', and there are now 21 groups, in **Tanzania** we estimate there are now 57 preachers clubs, in **Zimbabwe** there are 6 groups, in **Rwanda**, 11 groups, **Trinidad**, 11 groups, **Indonesia**, 20 groups, **Colombia**, 11 groups, **Central Asia**, 12 groups, **Brazil** 12 groups, and so on.

**3. Health and effectiveness of local committees** this is the most critical factor in the development of the work in each country. We have hit problems in two small Caribbean countries – **Grenada and Belize** – where we have inadequate local ownership. But in all other countries, work is in the hands of strong teams. An example in **Liberia**, members of the national coordinating committee now regularly travel the country in order regularly to visit the **20 preachers' clubs**, sustaining the momentum of training, establishing local libraries, and passing on training ideas. This is very important in countries where the majority of pastors have no email or internet access, and where even the postal system does not work effectively.

**4. Training of local trainers** one measure of maturity is the capacity of countries to develop their own training teams to develop work in new cities or in rural areas. This is now taking place in **16 countries** (in Africa, Latin America, Asia and Europe). In **Kenya**, the training team travels with the country coordinator to run local level 1 training events in new towns, and to visit the 16 preachers clubs, in **Vanuatu in the Pacific**, some 19 local trainers are developing work on their island (within the archipelago), in **Pakistan**, local level 1 events are taking place regionally.

**5. Self-financing** there are now many countries which are growing in their capacity to self-fund their work. In **Africa** this can often rise to as much as 30% of in-country costs, and up to 100% of costs of local preachers clubs, in **Guyana and Trinidad**, all of the in-country costs have been covered by local churches, in **Indonesia**, in a major launch of the work this year, all of the in-country costs have been covered by Indonesian churches and supporters, including through the sacrificial contribution of churches in the impoverished areas of **Timor**, who paid for the travel costs of 16 pastors to attend the training event in Jakarta.



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 FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011  
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**6. Denominational mix** in every country where we work the training is carried out across the denominations. By way of example, Langham Preaching in **Romania** is presently the only agency which gathers pastors from every evangelical denomination – a major benefit for the cause of unity within the country. In **Indonesia**, all three national Church Councils have agreed to sponsor the Langham Preaching work, with a wide mix of leaders from multiple denominations and synods.

**7. Partnerships** we have growing work with other agencies committed to developing preaching training, not only through multi-agency country committees which own the work, but also through working partnerships with other international missions, such as **Crosslinks** (where we work in Myanmar, Malaysia, Cambodia and elsewhere), **OMF** (where we work in Thailand, Cambodia, China), **CMS Australia** (Chile, Myanmar, Pakistan), **Interserve** (Central Asia), **IFES** (Nigeria, Ghana, Albania, Bulgaria, Greece, Burundi, Vanuatu and many others), and with a variety of seminaries, mission agencies, **Evangelical Alliances**, and other partners country by country. We are now developing a new **Biblical Preaching Alliance**, with a network of agencies committed to work for coordinated training of pastors and preachers.

**8. Management and development** we have made some progress this past year in strengthening the management of the global work, through the welcome appointment (part-time) of **Ruth Slater** as the Operations Manager. We are aware that we need to strengthen the staff team globally, since the number and size of the country programmes continue to grow, with a staff team of only 4 full-time staff and 3 part-time staff for the global work. We are in need of more support in the world regions, in country coordination, and in central administration. This remains one of the significant strategic needs for the next year or two.

**9. Pioneering** during the past year we have been thankful for the launch of work in several new countries, including **Cambodia, Sri Lanka, Indonesia, South Africa**, and line-up visits to **Myanmar, Bulgaria, and Greece**. There remain requests from **21 countries** to start work, which could begin within a year or two, and a further 24 countries which are also queued for subsequent development.

**10. Consultations** this past year we have had significant regional consultations in Latin America and Europe. These are gatherings of country coordinators, and sometimes of LP facilitators, which enhance the sense of regional solidarity and provide examples of best-practice training.

**11. Seminary training** last year we launched a project designed to initiate discussion and development of the teaching of preaching in seminaries and Bible schools around the world. Following the International Consultation in 2010, it is hoped to develop regional consultations in the years ahead.

**12. Langham Preaching Resources** in order to provide materials for preaching movements around the world, we are developing a series of practical books on preaching, two of which have already been published during FY11. These are **'The Challenge of Preaching'** by John Stott, and **'Relational Preaching'** by Greg Scharf. Further titles are being planned.

**13. Communications** in order to send regular information to supporters, prayer teams, preaching movements and churches, we have developed key communication tools, which include

- **The Langham Preaching prayershot** a weekly prayer bulletin sent to several thousand people each Monday morning
- **Preaching Good News** a 6-page colour news brochure, both in electronic and print format, produced 3 or 4 times a year
- And soon to be launched: **Club News** - a monthly bulletin for preachers groups

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REPORT OF THE DIRECTORS  
 FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011  
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**14. Church life and growth** the primary reason for the programme relates to the desire to strengthen biblical preaching which will, in turn, strengthen the churches in their mission and growth. There are many examples that, by God's grace, the LP work is having such an impact. Here is a report from the LP facilitator working in **Colombia**, where 70 pastors gathered in Bucaramanga in April 2011 for a level 3 programme. It represents the reasons for our work: *'These people are maturing in their preaching. They are placing more emphasis on the text, working harder at application and becoming clearer in their communication. The church in Colombia needs such preachers. As in so many countries they are struggling with allegorical and topical preaching, with nominalism and secularism, with prosperity teaching, and a lack of unity. The preached Word of God can, and does, transform these situations.'* Across the continents, we calculate that some 10,000 pastors and lay preachers are committed to this cause within the LP programme.

### **Financial Review**

Once again Langham Partnership (UK & Ireland) has been able to achieve income levels exceeding budgeted expectations making this the fifth year in a row of encouraging income growth. This valuable income boost has afforded Langham Partnership (UK & Ireland) the opportunity to increase its investment in all three beneficiary programmes.

#### *Reserves policy*

The trustees have assessed the charitable company's risks and determined the level of free reserves required based on a formula that takes account of operational, strategic, multi-year programme commitments, and contingency reserve needs. As such, a Reserves Policy Fund was established and is shown on note 15 to the financial statements.

The charitable company's trustees will continue to review its reserves policy and level of reserves on an annual basis in the light of changing risks and developing strategies and plans.

#### *Principal sources of funding*

Individual givers continue to grow in proportion to all other income sources. Over the last five years LPUKI has endeavoured to increase this more stable and lower risk form of income. The percentage rise in income from individual donors has risen from 35% to 61% in the last five years. Trust fund income has grown after FY09's recession induced drop. In FY11 the area of income below budget was from the churches once again. The number of churches giving to LPUKI has risen but the size of their gift has dropped and after two years of this trend little change is expected in FY12.

#### *Investment policy*

The directors have the power to make any investments, which they think fit. They have considered the most appropriate policy for investing funds and have found the specialist unit trusts designed for the charity sector meets their requirement to generate both income and capital growth.

### **Plans for the Future**

During FY11 Langham Partnership (UK & Ireland) returned to offering literature project sponsorship to new donors. After low new donor acquisition in FY10 we have seen a healthy return to higher new donor levels in FY11.

Individual donors are now the major source of income giving Langham Partnership (UK & Ireland) a low risk and healthy broad spread of income into the future. High levels of individual income now come via monthly standing orders. During FY12 we will continue to pursue this valuable source of income and thereby maintain our low risk spread of income from many individuals.

Trust giving has risen significantly after the falls experienced in FY09. This seems to be due to trust funds returning to modest income increases as well as the encouraging growth of new trust giving to Langham Partnership (UK & Ireland). However, the smallest stream of income, church giving, has experienced a small drop yet again. Although churches are continuing to give the amounts they are giving has dropped, an understandable development given the current recession. During FY12 we will continue to maintain a consistent offering to churches but the expectation of rising income levels from the sector has been downgraded.

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**Auditors**

The auditors, Jacob Cavenagh & Skeet have expressed their willingness to continue in office and the process for appointing the auditor for 2011/12 will take place in accordance with the Companies Act 2006

**Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its operations

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 directors who held office at the date of approval of this Annual Report as set out above each confirm that

- so far as they were aware, there is no relevant audit information (information required by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware, and
- as directors of the charitable company, they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information

**Small company**

This report has been prepared in accordance with the provisions applicable to companies subject to the Small Companies' regime in Part 15 of the Companies Act 2006

**Registered office**  
 84A High Street  
 Southall  
 Middlesex UB1 3DB

APPROVED BY THE DIRECTORS  
 AND SIGNED ON ITS BEHALF BY



**J Thomas**  
**Director**

5<sup>th</sup> October 2011

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
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**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE MEMBERS OF THE LANGHAM PARTNERSHIP (UK & IRELAND)**

We have audited the financial statements of The Langham Partnership (UK & Ireland) for the year ended 30<sup>th</sup> June 2011 which comprise of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the trust's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statement**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 30<sup>th</sup> June 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE MEMBERS OF THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(continued)**

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Annual Report



Miriam Hickson FCA CTA, Senior Statutory Auditor  
for and on behalf of **Jacob Cavenagh & Skeet**  
Statutory Auditor  
Chartered Accountants

5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

25 October 2011

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**

Income and Expenditure Account	Note	Unrestricted Funds		Restricted Funds	Total Funds 2011	Total Funds 2010
		General £	Designated £	£	£	£
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
<i>Voluntary income</i>						
Donations	5	541,648	39,609	882,667	1,463,924	1,194,571
<i>Investment income</i>	3	12,135	8,002	12,960	33,097	40,569
<b>Incoming resources from charitable activities</b>						
Literature	4	225,876	-	164	226,040	238,529
<b>Total incoming resources</b>		<u>779,659</u>	<u>47,611</u>	<u>895,791</u>	<u>1,723,061</u>	<u>1,473,669</u>
<b>Resources expended</b>						
<b>Cost of generating funds</b>						
Cost of generating voluntary income	6	175,368	-	-	175,368	188,892
<b>Charitable activities</b>	6	447,835	29,177	1,141,782	1,618,794	1,613,386
<b>Governance costs</b>	6	8,015	-	6,968	14,983	17,487
<b>Total resources expended</b>		<u>631,218</u>	<u>29,177</u>	<u>1,148,750</u>	<u>1,809,145</u>	<u>1,819,765</u>
<b>Net incoming/(outgoing) resources before transfers</b>		148,441	18,434	(252,959)	(86,084)	(346,096)
Transfers between funds		<u>(203,317)</u>	<u>(3,672)</u>	<u>206,989</u>	<u>-</u>	<u>-</u>
<b>Net (outgoing)/incoming resources after transfers</b>		(54,876)	14,762	(45,970)	(86,084)	(346,096)
Realised gains on investments		-	-	-	-	-
<b>Net (expenditure)/income for the year</b>	9	(54,876)	14,762	(45,970)	(86,084)	(346,096)
Unrealised gains on investments		<u>14,116</u>	<u>1,711</u>	<u>5,561</u>	<u>21,388</u>	<u>37,554</u>
<b>Net movement in funds</b>		(40,760)	16,473	(40,409)	(64,696)	(308,542)
<b>Reconciliation of funds</b>						
Funds brought forward at 1 <sup>st</sup> July 2010		<u>321,312</u>	<u>483,397</u>	<u>1,277,020</u>	<u>2,081,729</u>	<u>2,390,271</u>
<b>Funds carried forward at 30<sup>th</sup> June 2011</b>		<u>280,552</u>	<u>499,870</u>	<u>1,236,611</u>	<u>2,017,033</u>	<u>2,081,729</u>

The charitable company has no gains or losses other than those shown above. The whole of the movements arise from continuing activities.

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**  
**Company Number 4235957**

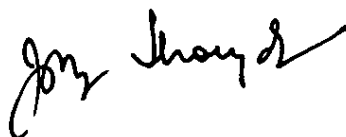
**BALANCE SHEET**  
**AS AT 30<sup>TH</sup> JUNE 2011**

	Note	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10		529,073		536,104
Investments	11		<u>700,994</u>		<u>679,606</u>
			1,230,067		1,215,710
<b>Current assets</b>					
Stock	12	113,158		141,129	
Debtors and prepayments	13	51,654		56,031	
Cash at bank and in hand		<u>791,072</u>		<u>830,512</u>	
		955,884		1,027,672	
<b>Current liabilities</b>					
Amounts falling due within one year	14	<u>168,918</u>		<u>161,653</u>	
<b>Net current assets</b>			<u>786,966</u>		<u>866,019</u>
<b>Total assets less current liabilities</b>			<u>2,017,033</u>		<u>2,081,729</u>
Represented by					
<b>Unrestricted funds</b>					
General fund	15	280,552		321,312	
Designated funds	15	<u>499,870</u>		<u>483,397</u>	
			780,422		804,709
<b>Restricted funds</b>	16		1,236,611		1,277,020
			<u>2,017,033</u>		<u>2,081,729</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Approved by the Directors on 5<sup>th</sup> October 2011 and signed on their behalf by

J Thomas  
Director



D Cansdale  
Director



**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 and applicable accounting standards

The charitable company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement, on the grounds that it is a small company

**Incoming resources**

- Donations, grants and other forms of voluntary income are recognised in the period in which the charitable company is legally entitled to its receipt and the amount can be measured with reasonable certainty. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Legacies are included on a receivable basis as and when the value can be measured with sufficient reliability.
- Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.
- Activities in furtherance of the charitable company's objects include income from book sales and is included in the period in which it is receivable.
- Investments are included in the balance sheet at their market value on that date. Unrealised revaluation gains are included in the Statement of Financial Activities. Investment income is credited to the income and expenditure account, and is inclusive of any income tax recoverable thereon.

**Resources expended**

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure has been classified under the headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

- Grants payable are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charitable company.
- Cost of generating funds includes all expenditure in relation to obtaining funding for the charitable company to meet its charitable aims.
- Costs of activities in furtherance of the charitable company's objects include all expenditure directly related to furthering the objects of the charitable company.
- Governance costs comprise the costs of running the charitable company, including strategic planning for its future development, external audit and other costs of complying with constitutional and statutory requirements.
- Support costs are allocated to each of the above categories on the basis of an estimate of time spent by the relevant staff members, and resources utilised.

Resources expended include attributable VAT that cannot be recovered.

**Depreciation**

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Fixtures, fittings and equipment	20% to 25% on cost
----------------------------------	--------------------

Freehold land is not depreciated. No depreciation is charged on freehold buildings as they are maintained to such a high standard, which prolongs their useful life and enhances their residual value (based on prices prevailing at the time of acquisition) and accordingly any depreciation charge arising is considered to be immaterial.



**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**1 ACCOUNTING POLICIES (continued)**

**Investments**

Investments are stated at market value at the balance sheet date. Realised and unrealised gains or losses for the period are accounted for through the Statement of Financial Activities.

**Stocks**

Stocks are stated at the lower of costs and net realisable value.

**Pensions**

The charitable company participates in a defined contribution pension scheme, the assets of which are held separately from those of the charitable company in a fund independently administered by the Pensions Trust. The charitable company also contributes to money purchase personal pension plans held by individual employees. Contributions are charged to the statement of financial activities for the period in which they are payable to the scheme.

**Operating leases**

Rentals payable for assets held under operating leases are charged as they fall due.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net movement in funds.

**Funds**

Unrestricted funds represent the funds of the charitable company that are not subject to any restrictions regarding their use, and are available for application to the general purposes of the charitable company. Funds designated for a particular purpose by the charitable company are also unrestricted. Designations are shown as a transfer from undesignated to designated funds.

Restricted funds are those amounts given for specific purposes, which may be declared by the donor or with their authority. Endowment funds represent a restricted capital fund, whose income is restricted.

**2 TAXATION**

The charitable company is exempt from corporation tax on its charitable activities.

**3 INVESTMENT INCOME**

UK Investments	Unrestricted			2011	2010
	General	Designated	Restricted	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
Listed investments	10,634	5,495	12,605	28,734	26,464
Bank interest receivable	1,501	2,507	355	4,363	14,105
	12,135	8,002	12,960	33,097	40,569

**4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted			2011	2010
	General	Designated	Restricted	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
Students Basic Library	995	-	-	995	21,058
Additional book programme	145,082	-	-	145,082	145,424
Royalties and other income	79,799	-	164	79,963	72,047
	225,876	-	164	226,040	238,529

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**5 DONATIONS**

	<b>Unrestricted</b>			<b>2011</b>	<b>2010</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Literature					
Designated programmes	41,874	6,265	194,595	242,734	446,237
Other donations and gifts	28,465	33,344	226,137	287,946	-
Income tax receivable	10,733	-	-	10,733	5,100
Scholarship and education					
Other donations and gifts	-	-	205,205	205,205	177,335
Income tax receivable	-	-	5,919	5,919	7,020
Preaching and teaching					
John Stott Ministries	-	-	94,900	94,900	61,980
Other donations and gifts	-	-	129,555	129,555	124,462
Income tax receivable	-	-	5,846	5,846	5,591
Hookses					
Other donations and gifts	-	-	19,251	19,251	16,001
John Stott					
John Stott Fund Donations	-	-	1,259	1,259	3,478
General income					
Other donations and gifts	312,782	-	-	312,782	298,330
Legacies	116,760	-	-	116,760	13,104
Income tax receivable	31,034	-	-	31,034	35,933
	<b>541,648</b>	<b>39,609</b>	<b>882,667</b>	<b>1,463,924</b>	<b>1,194,571</b>

**6 TOTAL RESOURCES EXPENDED**

	<b>Cost of</b>							<b>Total</b>	<b>Total</b>
	<b>generating</b>		<b>Scholarship</b>	<b>Preaching</b>	<b>John</b>			<b>Funds</b>	<b>Funds</b>
	<b>funds</b>	<b>Literature</b>	<b>&amp; education</b>	<b>&amp; teaching</b>	<b>Stott</b>	<b>Hookses</b>	<b>Governance</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants (note 7)	-	468,575	191,104	241,005	18,072	-	-	918,756	918,740
Additional Book Programme	-	107,775	-	-	-	-	-	107,775	116,168
Staffing costs	-	149,846	46,023	100,070	35,071	-	-	331,010	326,587
Staffing costs UK management	127,353	-	-	-	-	-	-	127,353	126,685
Office, travel & other expenses	13,633	61,436	29,827	8,215	2,246	41,018	-	156,375	126,752
Promotions	30,896	14,769	23,676	17,813	-	-	-	87,154	116,719
Langham Partnership International	-	12,601	20,200	15,198	-	-	-	47,999	55,435
Legal and professional	-	-	-	-	-	-	4,682	4,682	5,260
Exchange (gain)/loss	1,286	1,944	-	-	-	-	-	3,230	1,134
Depreciation	2,041	7,654	-	-	-	-	-	9,695	9,583
Bank charges	159	4,656	-	-	-	-	-	4,815	4,475
Meeting expenses	-	-	-	-	-	-	3,371	3,371	3,131
Auditors' fees	-	-	-	-	-	-	4,221	4,221	3,936
Accountancy	-	-	-	-	-	-	2,709	2,709	5,160
	<b>175,368</b>	<b>829,256</b>	<b>310,830</b>	<b>382,301</b>	<b>55,389</b>	<b>41,018</b>	<b>14,983</b>	<b>1,809,145</b>	<b>1,819,765</b>

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**7 GRANTS PAYABLE**

	<b>Unrestricted</b>		<b>Restricted Funds</b>	<b>2011 Total Funds</b>	<b>2010 Total Funds</b>
	<b>General</b>	<b>Designated Funds</b>			
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Students Basic Libraries</b>					
English	877	-	-	877	19,580
Spanish	-	-	-	-	6,171
<b>Graduate Book Programme</b>					
English	-	-	-	-	8,114
<b>Library Grant Programme</b>					
English	23,300	-	-	23,300	21,034
French	-	-	17,779	17,779	-
Spanish	15,687	-	-	15,687	4,843
<b>Pastors Book Club</b>					
English	-	-	-	-	750
<b>Publishers Grants</b>	27,638	25,622	249,663	302,923	305,425
<b>Agencies Grants</b>	-	-	-	-	17,778
<b>Global Christian Library</b>	-	-	35,326	35,326	3,637
<b>Other funds</b>					
Blue Database	-	-	-	-	4,546
Catalogues	4,480	-	-	4,480	-
Langham Preaching	503	-	63,961	64,464	33,586
Langham P'ship Regional Council	(7)	-	-	(7)	5
Langham Scholars' Grant Prog	3,746	-	-	3,746	19
	<u>76,224</u>	<u>25,622</u>	<u>366,729</u>	<u>468,575</u>	<u>425,488</u>
Scholarships	-	-	191,104	191,104	228,104
Staff retirement	-	3,555	-	3,555	3,459
John Stott	-	-	2,517	2,517	816
Travel	12,000	-	-	12,000	12,000
Preaching	-	-	241,005	241,005	248,873
	<u>12,000</u>	<u>3,555</u>	<u>434,626</u>	<u>450,181</u>	<u>493,252</u>
	<u>88,224</u>	<u>29,177</u>	<u>801,355</u>	<u>918,756</u>	<u>918,740</u>

Grants paid in the year can be analysed

	<b>No</b>	<b>£</b>
Individuals	22,535	441,003
Institutions	841	477,753
	<u>23,376</u>	<u>918,756</u>

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**8 STAFF COSTS**

	2011 £	2010 £
Wages and salaries	394,251	377,983
Social security costs	34,361	43,605
Pension costs	29,751	31,684
	<u>458,363</u>	<u>453,272</u>
Average monthly number of staff	No	No
Office staff	<u>19</u>	<u>19</u>

No employees earned at a rate of more than £60,000 during the period (2010 none)

There were no contributions payable to money purchase pension schemes at the year-end (2010 £nil)

No directors received remuneration during the period (2010 none) and no directors were reimbursed for travel costs (2010 £205 reimbursed to 4 directors)

**9 NET INCOMING/(OUTGOING) RESOURCES**

This is stated after charging

	2011 £	2010 £
Auditors' remuneration		
- for audit services	4,221	3,936
- for non-audit services	2,709	5,160
Depreciation	<u>9,695</u>	<u>9,583</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Furniture, fittings & equipment £	Total £
<b>Cost and valuation</b>			
At 1 <sup>st</sup> July 2010	503,169	47,678	550,847
Additions	-	2,664	2,664
Disposals	-	-	-
At 30 <sup>th</sup> June 2011	<u>503,169</u>	<u>50,342</u>	<u>553,511</u>
<b>Depreciation</b>			
At 1 <sup>st</sup> July 2010	-	14,743	14,743
Charge for the year	-	9,695	9,695
Released on Disposal	-	-	-
At 30 <sup>th</sup> June 2011	<u>-</u>	<u>24,438</u>	<u>24,438</u>
<b>Net book value</b>			
At 30 <sup>th</sup> June 2011	<u>503,169</u>	<u>25,904</u>	<u>529,073</u>
At 30 <sup>th</sup> June 2010	<u>503,169</u>	<u>32,935</u>	<u>536,104</u>

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**11 FIXED ASSET INVESTMENTS**

	Listed investments 2011 £	Cash deposits 2011 £	Total 2011 £	Total 2010 £
<b>UK investments</b>				
At 1 <sup>st</sup> July 2010	650,606	29,000	679,606	642,052
Disposals	-	-	-	-
Net realised investment gains	-	-	-	-
Net unrealised investment gains	21,388	-	21,388	37,554
Market value at 30 <sup>th</sup> June 2011	<u>671,994</u>	<u>29,000</u>	<u>700,994</u>	<u>679,606</u>
Historic cost as at 30 <sup>th</sup> June 2011	<u>615,177</u>	<u>29,000</u>	<u>644,177</u>	<u>644,177</u>

The investments are held in Charishare income shares, Charinco income shares, M&G Charifund income units, M&G Charibond income units, Schroders Charity Equity Fund income units, Schroders Charity Fixed Interest income units, Central Board of Finance (of The Church of England) COIF Charities Investment Fund accumulation units. These holdings (except the latter) are all in excess of 5% of the total investments held by the charitable company.

The investments are pooled for the General Fund, the John Stott Fund, the Staff Retirement Fund and the Speed to Need Fund.

**12 STOCK**

	2011 £	2010 £
Stock of books	<u>113,158</u>	<u>141,129</u>

**13 DEBTORS**

	2011 £	2010 £
Trade debtors	15,120	37,093
Other debtors	<u>36,534</u>	<u>18,938</u>
	<u>51,654</u>	<u>56,031</u>

**14 CREDITORS** Amounts falling due within one year

	2011 £	2010 £
Bank overdrafts	-	7,740
Other creditors	46,062	44,594
Amounts received in advance	60,657	54,399
Accruals	<u>62,199</u>	<u>54,920</u>
	<u>168,918</u>	<u>161,653</u>

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**15 UNRESTRICTED FUNDS**

	Balance at 1 7 10 £	Incoming Resources £	Outgoing resources £	Transfers £	Investment Gains £	Balance at 30 06 11 £
<i>General fund</i>						
LPUKI	197,753	471,577	(181,061)	(233,628)	14,116	268,757
Literature	123,559	308,082	(438,157)	30,311	-	23,795
	<u>321,312</u>	<u>779,659</u>	<u>(631,218)</u>	<u>(203,317)</u>	<u>14,116</u>	<u>280,552</u>
<i>Designated funds</i>						
Staff Retirement Fund	61,843	1,728	(3,555)	-	1,711	61,727
Reserves Policy Fund	421,554	6,275	(12,000)	-	-	415,829
Bislama Publishing Fund	-	2,886	(2,886)	-	-	-
Cambodia Publishing Fund	-	36,722	(22,736)	(3,672)	-	10,314
	<u>483,397</u>	<u>47,611</u>	<u>(29,177)</u>	<u>(3,672)</u>	<u>1,711</u>	<u>499,870</u>
	<u>804,709</u>	<u>827,270</u>	<u>(660,395)</u>	<u>(206,989)</u>	<u>15,827</u>	<u>780,422</u>

The Staff Retirement Fund provides for staff on retirement. Current surpluses are available for charitable distribution under staff discretion.

As indicated in the Reserves Policy in the Report of the Directors, the Trustees agreed to set aside a contingency fund which is based on a formula. This is to be used in funding emergencies only.

The Bislama and Cambodia Publishing Funds were set up to provide Publishers' grants to countries in South East Asia, thus expanding our reach to the Majority World.

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011**  
 (continued)

**16 RESTRICTED FUNDS**

	Balance at 1 7 10	Incoming resources	Outgoing resources	Transfers	Investment Gains	Balance at 30 06 11
	£	£	£	£	£	£
John Stott Fund	56,389	1,259	(38,479)	-	4,705	23,874
Scholarship Fund	90,729	221,567	(313,151)	71,002	-	70,147
Speed to Need Fund	37,477	2,517	(2,517)	-	856	38,333
Hookses Fund	518,780	19,251	(42,180)	-	-	495,851
Preaching Seminars Fund	84,454	230,300	(384,623)	151,034	-	81,165
Global Chnstan Library	-	-	(420)	420	-	-
JSGI	131,154	-	-	(23,030)	-	108,124
<i>Grant programmes</i>						
ABC	893	10,851	(15,016)	3,272	-	-
ABC Malagasy	26,325	44,345	(28,417)	(4,435)	-	37,818
ABC Swahili	23,890	-	(21,693)	(2,197)	-	-
Arabic Commentary	14,880	24,800	-	(2,480)	-	37,200
African Pastors' Book Pack	-	17,476	(3,669)	(1,748)	-	12,059
Arabic Global Christian Library	3,000	-	(34,906)	31,906	-	-
Benin	15,734	-	(645)	-	-	15,089
Hippo	1,155	10,750	(23,678)	11,773	-	-
Latin Commentary	7,709	194,168	(51,935)	(19,417)	-	130,525
Langham Monographs	-	164	1,068	(1,232)	-	-
LGP Asia	-	9,300	-	(930)	-	8,370
LGP East Africa	-	19,754	(17,779)	(1,975)	-	-
LPS Preaching Fund	26,125	-	(16,797)	-	-	9,328
Myanmar Publishing Projects	4,353	-	-	-	-	4,353
New Bible Dictionary	-	18,731	(6,787)	(1,862)	-	10,082
SABC	50,992	5,339	(36,335)	(534)	-	19,462
Writers	9,932	25,778	(16,020)	(2,578)	-	17,112
<i>EELAC Funds</i>						
Main merger fund	68,333	39,441	(94,771)	13,841	-	26,844
Other EELAC funds	-	-	-	90,875	-	90,875
Czech Republic	18,804	-	-	(18,804)	-	-
Hungary	1,597	-	-	(1,597)	-	-
Poland	417	-	-	(417)	-	-
Serbia and Croatia	10,174	-	-	(10,174)	-	-
Central Asia	39,010	-	-	(39,010)	-	-
Publishing Development	19,187	-	-	(19,187)	-	-
Theology and Reference	15,527	-	-	(15,527)	-	-
	1,277,020	895,791	(1,148,750)	206,989	5,561	1,236,611

The John Stott Fund was used to finance the teaching, preaching and writing ministry of the Rev Dr John Stott

The Scholarship Fund provides grants to strengthen theological leadership in the Developing World PhD scholars research biblical, theological and related subjects, largely in the UK, with relevance to their home countries. Transfers were made from the general fund to ensure that sufficient funds are available for the following year to sustain budgeted expenditure

The Speed to Need Fund provides resources for medical emergencies in Africa

The Hookses Fund arose from a gift of a freehold property to the charity for its use and ministry

The Preaching Seminars Fund is to facilitate the improvement of biblical preaching through seminars and consultations held in different parts of the world. Transfers were made from the general fund to ensure that sufficient funds are available for the following year to sustain budgeted expenditure

The Global Christian Library Fund represents funds received towards the provision of a new series of books providing inter-cultural exposition and application of the Christian faith. These are distributed through our literature programme

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
**(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2011**  
 (continued)

**16 RESTRICTED FUNDS (continued)**

The John Stott Global Initiative (JSGI) is a fund started in 2007 to raise funds from donors for Langham Partnership beneficiary programmes internationally with the aim that funds would be used for programmes within five years. The net transfers of £23,030 from the JSGI fund are planned transfers to programmes.

The Grant Programme funds represent donations given towards specific programmes run by Langham Literature and are used to fund the costs of running each programme. Literature restricted funds projects utilise significant general Literature staff and management time, and also consume general resources in the delivery of restricted funds projects. The funding regime is such that restricted projects funding is replacing general funding.

Historically, Literature restricted funds projects have not contributed to general funds, although the latter has borne restricted funds projects' overhead costs. Overhead recovery by the Literature general fund from restricted fund projects is supported by the trustees. Restricted funds donors also recognise the consumption of general resources in the delivery of projects. Generally 10% of restricted fund income has been recovered by the general fund as overhead contribution. In the case of other restricted funds, alternative recovery has been applied where deemed more appropriate.

The charitable company merged with the European Evangelical Literature Advisory Committee (EELAC) on 1<sup>st</sup> July 2008. Its net assets were gifted to the charitable company on that date and as such, the individual funds that had been previously restricted within EELAC arose from the gifted assets, and are shown as above. The main merger fund is for unspecified publisher development projects in Eastern Europe and the former Communist countries. Other EELAC funds are for specific publisher development projects in Eastern Europe.

**17 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible Fixed Assets</b>	<b>Investments</b>	<b>Net Current Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	25,904	462,655	(208,007)	280,552
Designated Funds	-	56,080	443,790	499,870
<b>Restricted funds</b>	503,169	182,259	551,183	1,236,611
	<u>529,073</u>	<u>700,994</u>	<u>786,966</u>	<u>2,017,033</u>

**18 CONSTITUTION OF THE CHARITABLE COMPANY**

The charitable company is limited by guarantee, and each director is under covenant to contribute a sum not exceeding ten pounds sterling in certain circumstances as set out in clause 7 of the Memorandum of Association.