

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

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2016**

**Company Number 4235957  
Charity Number 1092233**

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

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2016**

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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 2016**

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 2016. The financial statements have been prepared in accordance with the 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 issued in July 2014.

**Reference and Administrative Information**

*Charity name*

The Langham Partnership (UK & Ireland)

*Charity registration number*

1092233

*Company registration number*

4235957

*Registered office and Operational address*

Langham Service Centre, Unit 5, Gearshill Road, Kingstown Industrial Estate, Carlisle CA3 0ET, UK.

*Management Committee/Trustees*

Paul Cornelius (appointed 8 June 2016)

Mary Evans (Chair)

Ronald Clements

Norman Fraser

Stephen Osei-Mensah

David Jennings

Stephen Mackay (appointed 8 June 2016)

Gillian Phillips

Judith Sawers

John Thomas (Treasurer)

David Turner

*Secretary*

John Libby

*Senior staff/Chief Executive Officer*

Canon John Libby, National Director

*Auditors*

Kingston Smith LLP 60 Goswell Road, London EC1M 7AD

*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)**  
**(Limited by Guarantee)**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

## **Structure, Governance and Management**

The Langham Partnership (UK and Ireland) [LPUKI] is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. LPUKI was an original member of the Langham Partnership formed in 2001. It signed up to the provisions set out in the Langham Partnership International Protocol and is currently one of the 6 National members. Langham's global programs are jointly owned by, and are internationally operated through, the staff and funds provided by all 6 Members. The location and development of the Langham Service Centre in Carlisle results in additional responsibilities for LPUKI and the need for the LPUKI Board to have visibility of the program incomes and expenditures and cash flow requirements on a regular basis, in order to exercise its fiduciary interest in the program funds passing through the LPUKI accounts.

New Trustees are appointed by the existing Trustees in accordance with the Articles of Association, which specify that there must be a minimum of three Trustees at any one time, with no set maximum. The Board meets a minimum of three times a year, with one of these being a longer residential.

Two new Trustees were recruited and added to the Board this year. Newly appointed trustees are provided with a full induction and the Chair and CEO provide training. Some roles (such as that of Honorary Treasurer) require an appropriate professional qualification but most roles do not. Each year the Chair and CEO consider the number of vacancies likely to be available on the board against the particular skills, experience and other attributes that are being sought at that time to maintain diversity. Internal advertising to supporters and related organisations and approaches to known experts in key fields are the methods generally used for filling Trustee vacancies.

The Trustees have examined the major strategic, business and operational risks that LPUKI faces and review regularly an updated risk management matrix, confirming an assessment has been made of current risks and appropriate mitigating actions are in place. Those of primary concern to the Trustees at present relate to maintaining current income for the charity with a donor base that is ageing and in recruiting new supporters through updated methods. Large and unexpected foreign exchange fluctuations post Brexit are also of concern and lessening the impact of these will be assisted by the forthcoming introduction of the Intacct global accounting system.

## **Objectives and Activities**

The charitable company's objects as stated in its governing document are the advancement of the Christian religion, based on the belief set out in the Bible. This is given expression in the following ways;

- The writing, printing, publication and distribution of Christian literature
- Preaching and teaching
- Provision of post-graduate theological education and training

### *Public Benefit*

The objects of LPUKI are focused on education and teaching as a core means of advancement of the Christian religion in the Majority World (Latin America, Africa, Asia, the Middle East and Eastern Europe), to help the global church grow in maturity. This is done by providing grants, scholarships, training workshops, assistance in the creation, publication and distribution of literature and also includes the facilitation of local preaching networks.

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

In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

*Mission and main activities*

Our vision is to see churches in the majority world equipped for mission and growing in maturity in Christ, through the ministry of pastors and leaders who believe, teach and live by the Word of God. We achieve the objects of the charity and our mission to strengthen the ministry of the Word of God, through:

- Funding and nurturing national movements for biblical 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.
- Supporting individuals and Publishing houses in the Majority World through mentoring, writing, publication and distribution of Christian literature. This support is provided as free consultancy work, writer's workshops and also through the provision of financial grants and books.
- Providing scholarships and family support to scholars seeking further theological 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 Langham Partnership carries out these program initiatives through partnership with institutions and individuals in the countries where we operate. LPUKI has been a major contributor to a Strategic Planning process involving all six National Langham members and the three international programs. A 5-year plan was drafted and agreed at the International Council meeting in November 2015 and sets strategic targets that will impact upon the future work of LPUKI.

**Achievements and Performance**

The current and future direction of Langham's ministry, including all resources and activities, will be guided by a single, focused 5-year Strategic Plan which integrates the work of all Langham programs (Scholars, Literature, Preaching) across all 6 national Partners. The final aspects of this Plan were negotiated and defined over the year and this is due to be more fully implemented, supported by a significant capital campaign, over the next 5 years. Significant foundations have already been laid. Together with our supporters, and with God's grace, this past year these 3 Programs have:

**1) Scholars: Developed Theological Leaders to Disciple Their Nations for Christ**

- **73 Scholars from 35 countries were supported in 2016.**
- **9 new Scholars were awarded scholarships for the academic year** from India, Ethiopia, South Africa, Taiwan, Papua New Guinea, Ghana, Cameroon and Brazil.
- **14 Scholars completed their degrees and all have returned to their home countries to begin their ministries.**

**2) Preaching: Strengthened Grassroots Leaders for Biblical Preaching Movements.**

- **Held 228 training events, equipping 10,200+ pastors and lay leaders in 59 countries** in need of serious biblical preaching.
- **Shepherded 500+ preaching groups of 10-12 pastors and leaders** meeting regularly for ongoing training and mentoring.
- **New Preaching movements were started** in Cuba, Georgia, India (Telugu), Egypt, Vietnam and Senegal—and momentum builds. Our Country Coordinator and one of the most prominent evangelical leaders in Cuba, said *"This Langham ministry could be the most significant ministry that has taken place in Cuba; the church desperately needs it."*

**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
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**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

**3) Literature: Developed Strategic Biblical Resources**

- **Supplied 14,064 biblical books to 592 Majority World colleges** across 77 countries to help students grow and mature in Christ (8,156 of these books were supplied to Colleges free of charge through the Library Grants Program).
- **Distributed 22,876 biblical books to Majority World pastors, students and ministry partners** in need of study materials.
- **12 indigenous publishers were supported in the last year** and 25 heart-language titles were published. Of note:  
**The South Asia Bible Commentary:** 4,500+ copies have been distributed in India and surrounding countries. (Add to that Zondervan sales in the West of over 2,000 copies.) Translations are currently in progress into Hindi (set to publish in 2017), and Urdu and Tamil—both in the early stages.  
**The Slavic Bible Commentary**, the first complete Bible commentary to be written after a 100+ year period of theological silence in the East European context, was finished and due to be launched at celebrations in Ukraine, Belarus, Uzbekistan, and Russia. The preorder was the largest preorder ever for a book in Russian-speaking Slavic evangelical circles. Our commentary's project manager calls the book *"a witness of unity in Christ between Ukrainian and Russian Christians around the Lord. . . The investment of Langham was not just into a book or a commentary, but also into strengthening the relationships between evangelicals from the countries which are in a state of a hybrid war."*

• This year's Impact Studies have shown that the effect of these 3 programs around the majority world is considerable and growing. For instance:

**Langham's book distribution programs transform Bible colleges as:**

- 40% have gained accreditation because of Langham books acquired over the years
- 61% of colleges are able to educate 22% more students because of Langham books
- 27% added on average 3 new courses because of books received from Langham.

**With support and training from Langham, indigenous publishers and authors are developing and distributing books in their language and context as:**

- 82% of Langham publishing partners produced the 1<sup>st</sup> theology, preaching or Bible study books in a national language
- 339,607 books were distributed by Langham publishing partners
- 332 seminaries purchased books from Langham publishing partners to educate the next generation of leaders.

The disappointment of the year was the delayed definition, trial and implementation of the new global accounting system. Our thanks are due to the staff team who have coped with the resulting added workload and stress. The hope is that the system will be up and running shortly into the 2016/17 financial year.

Over the course of the year there were several senior staff changes, including CEO and CFO mid-year, and by the end of the year it was apparent a new effective team was being formed. Our thanks are due to the staff who have stewarded Langham to this point.

**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

## **Financial Review**

The 2015/16 achievements and impact of our programs set out above result from income raised by all six National Langham members. UKI has a unique global responsibility within the group because of the role of the Langham Service Centre (Carlisle, UK) in receiving and distributing group program funds. This year's figures include:

- UK donations income totaled £784k when Gift Aid and legacies are included. Additionally, transfers were received from other Langham Partners totaling £1,007k. Author receipts and Scholar Grant repayments bring the total seen as donations to a total of £1,876k.
- Donation income and management expenses each ended the year about £70k under budget. Expenses were low due to delays in investing in new fundraising and CRM systems (now taking place 2016/17).
- Drawing down of £215k start-of-year fund balances helped the growth in program expenditure.

By the end of the financial year

- The proposed new CRM system, eTapestry, has been identified
- An online digital donation mechanism was ready for trial
- A range of IT solutions to enable integration between the new SeedBed internet initiative, the CRM system and the new Intacct global accounting system were ready for trial.

## *Remuneration policy*

Salaries are set by benchmarking against market rates, normally based on Church on England levels suitably adjusted where similar positions occur in the wider charity sector or in order to fit local part time job scales.

## *Reserves Policy*

The trustees have assessed LPUKI's risks and determined the level of free reserves required, based on a formula that takes account of 3 month's operational costs, 1 month strategic reserve, multi-year program commitments especially for Scholars and contingency reserve needs, for example for the Hookses property. As such, a Reserves Policy Fund has been established at £448,000. At the year end the charity held reserves of £478,859 against this target and the trustees are satisfied with the current position. The Trustees will continue to review LPUKI's reserves policy and level of reserves on an annual basis, in the light of changing risks and developing strategies and plans.

## *Investment policy*

The trustees have the power to make any investments that 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 meet their requirements to generate both income and capital growth.

## *Auditors*

Kingston Smith were re-appointed to act as Auditors at the last year's AGM and we are grateful for their diligence and advice during the year.

## **Plans for future periods**

A global Five Year Strategic Plan has been and negotiated and agreed over the last two years, very much focused on expanding and developing the the three programme streams, and is due to be implemented starting in the next financial year.

**THE LANGHAM PARTNERSHIP (UK & Ireland)**  
**(Limited by Guarantee)**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**  
 (continued)

*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 trustees to prepare financial statements for each financial period that 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 period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

APPROVED BY THE BOARD OF DIRECTORS AND SIGNED ON ITS BEHALF BY:

8 February 2017

*Mary Evans*

Mary Evans  
Director



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

**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 June 2016 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows 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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 June 2016 and of 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.

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

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

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

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

**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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 Trustees' Annual Report and from preparing a Strategic Report.

*Kingston Smith LLP*

**James Cross, Senior Statutory Auditor**  
for and on behalf of Kingston Smith LLP, Statutory Auditor  
Devonshire House, 60 Goswell Road, London, EC1M 7AD

Dated: *9 March 2017*

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

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

Income and Expenditure Account	Note	Unrestricted Funds		Restricted Funds	Total Funds 2016	Total Funds 2015
		General £	Designated £	£	£	£
<b>Income</b>						
Donations	3	446,626	-	1,429,895	1,876,521	1,665,446
Investment income	4	25,271	-	4,517	29,788	34,285
Charitable activities:						
Literature	5	-	-	314,912	314,912	282,883
<b>Total Income</b>		<b>471,897</b>	<b>-</b>	<b>1,749,323</b>	<b>2,221,221</b>	<b>1,982,614</b>
<b>Expenditure</b>						
Cost of raising funds	6	217,591	-	-	217,591	192,025
Charitable activities	6	9,705	414,526	1,840,339	2,264,570	1,786,767
<b>Total Expenditure</b>		<b>227,296</b>	<b>414,526</b>	<b>1,840,339</b>	<b>2,482,161</b>	<b>1,978,792</b>
<b>Net operating (expenditure)/income</b>		<b>244,601</b>	<b>(414,526)</b>	<b>(91,016)</b>	<b>(260,940)</b>	<b>3,822</b>
Net gains or (losses) on investments		18,297	-	-	18,297	18,302
<b>Net (expenditure)/income for the year</b>		<b>262,898</b>	<b>(414,526)</b>	<b>(91,016)</b>	<b>(242,643)</b>	<b>22,124</b>
Transfers between funds	15	(258,947)	214,921	44,026	-	-
<b>Net movement in funds</b>		<b>3,951</b>	<b>(199,605)</b>	<b>(46,990)</b>	<b>(242,643)</b>	<b>22,124</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 <sup>st</sup> July 2015		124,346	678,464	1,012,550	1,815,360	1,793,236
<b>Funds carried forward at 30<sup>th</sup> June 2016</b>		<b>128,297</b>	<b>478,859</b>	<b>965,560</b>	<b>1,572,716</b>	<b>1,815,360</b>

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 2016**

		2016	2015
	Note	£	£
<b>Fixed assets</b>			
Tangible fixed assets	10	535,228	542,799
Investments	11	784,256	765,958
		<u>1,319,484</u>	<u>1,308,757</u>
<b>Current assets</b>			
Stock	12	118,344	182,259
Debtors and prepayments	13	104,388	94,591
Cash at bank and in hand		182,553	328,501
		<u>405,285</u>	<u>605,351</u>
<b>Current liabilities</b>			
Amounts falling due within one year	14	152,053	98,748
<b>Net current assets</b>		<u>253,232</u>	<u>506,603</u>
<b>Total assets less current liabilities</b>		<u>1,572,716</u>	<u>1,815,360</u>
Represented by:			
<b>Unrestricted funds:</b>			
General fund	15	128,297	124,346
Designated funds	15	478,859	678,464
		607,156	802,810
<b>Restricted funds</b>	16	965,560	1,012,550
		<u>1,572,716</u>	<u>1,815,360</u>

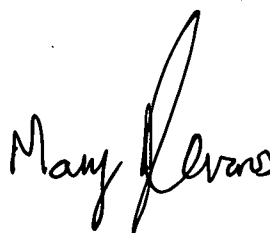
These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Directors on 8<sup>th</sup> February 2017 and signed on their behalf by:

Steve Osei-Mensah  
Director

 8/2/2017.

M Evans  
Director

 8/2/17

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

**STATEMENT OF CASH FLOWS**  
**AS AT 30<sup>TH</sup> JUNE 2016**

	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
<b>Cash inflow/(outflow) from operating activities</b>		
Net cash used in operating activities	(169,244)	(125,647)
<b>Cash flows from investing activities</b>		
Investment income and interest received	29,788	34,285
Payments to acquire tangible fixed assets	(6,492)	(37,102)
Net cash inflow/(outflow) from investing activities	23,296	(2,817)
<b>Net decrease in cash and cash equivalents</b>	(145,948)	(128,464)
Cash and cash equivalents at beginning of year	328,501	456,965
<b>Cash and cash equivalents at end of year</b>	182,553	328,501

**Reconciliation of net income/ (expenditure) to net cash flow from operating activities**

	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
<b>Net (expenditure)/income</b>	(242,643)	22,124
<b>Adjustments for:</b>		
Depreciation charges	14,063	10,408
Net gains on investments	(18,297)	(18,303)
Investment income	(29,788)	(34,285)
Decrease/ (increase) in stock	63,915	(68,241)
Increase in debtors	(9,799)	(20,564)
Increase/ (decrease) in creditors	53,305	(16,786)
<b>Net cash used in operating activities</b>	(169,244)	(125,647)

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**

**1 ACCOUNTING POLICIES**

**Accounting convention**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 July 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 30 June 2015. An explanation and reconciliation of how the transition has affected the reported financial position and financial performance is provided in note 20 to the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**Going concern**

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**Income**

- 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 and receipt is probable. 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 and receipt is probable.
- 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.

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2016**  
 (continued)

**1 ACCOUNTING POLICIES (continued)**

**Expenditure**

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 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 raising funds includes all expenditure in relation to obtaining funding for the charitable company to meet its charitable aims.
- Costs of charitable activities include all expenditure directly related to furthering the objects of the charitable company.
- Support costs including governance costs are allocated to cost of raising funds and charitable activities on the basis of an estimate of time spent by the relevant staff members, and resources utilised.
- Governance costs comprise strategic planning for the charity's future development, external audit and other costs of complying with constitutional and statutory requirements.

Expenditure includes attributable VAT that cannot be recovered.

**Depreciation**

Fixed assets below £500 are not capitalised. 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 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.

**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 cost and net realisable value. When publications are given to scholars, their cost is recognised within grants payable at the time of the gift.

**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.

**Financial Instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charitable company's balance sheet when the 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.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13 and 14 for the debtor and creditor notes.

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 (continued)

**1 ACCOUNTING POLICIES (continued)**

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

**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 denominated 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.

**Critical accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

- (i) Useful Economic Lives - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

In the view of the trustees in applying the accounting policies adopted, no other judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**2 TAXATION**

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



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**3 DONATIONS**

	<b>Unrestricted</b>		<b>Restricted</b>	<b>2016</b>
	<b>General</b>	<b>Designated</b>	<b>Funds</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Literature:				
Designated programmes	-	-	284,928	284,929
Other donations and gifts	-	-	255,884	255,884
Income tax receivable	-	-	4,739	4,739
Scholarship and education:				
Scholar Travel	-	-	-	-
Other donations and gifts	-	-	474,106	474,106
Income tax receivable	-	-	2,599	2,599
Preaching and teaching:				
LPUSA	-	-	-	-
Other donations and gifts	-	-	376,419	376,419
Income tax receivable	-	-	4,124	4,124
Hookses:				
Other donations and gifts	-	-	27,096	27,096
Other:				
Langham Service Centre Donations	-	-	-	-
General income:				
Other donations and gifts	366,954	-	-	366,954
Legacies	39,958	-	-	39,958
Income tax receivable	39,714	-	-	39,714
	<b>446,466</b>	<b>-</b>	<b>1,429,895</b>	<b>1,876,521</b>

	<b>Unrestricted</b>		<b>Restricted</b>	<b>2015</b>
	<b>General</b>	<b>Designated</b>	<b>Funds</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Literature:				
Designated programmes	29,296	-	179,102	208,398
Other donations and gifts	70,551	-	187,290	257,841
Income tax receivable	3,275	-	-	3,275
Scholarship and education:				
Scholar Travel	-	-	10,818	10,818
Other donations and gifts	-	-	195,913	195,913
Income tax receivable	-	-	2,979	2,979
Preaching and teaching:				
LPUSA	-	-	283,658	283,658
Other donations and gifts	-	-	148,991	148,991
Income tax receivable	-	-	4,644	4,644
Hookses:				
Other donations and gifts	-	-	27,683	27,683
Other:				
Langham Service Centre Donations	-	-	34,132	34,132
General income:				
Other donations and gifts	390,218	-	-	390,218
Legacies	64,242	-	-	64,242
Income tax receivable	32,654	-	-	32,654
	<b>590,236</b>	<b>-</b>	<b>1,075,210</b>	<b>1,665,446</b>

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 (continued)

**4 INVESTMENT INCOME**

**UK Investments**

	<b>Unrestricted</b>			<b>2016</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
				<b>£</b>
Listed investments	25,271	-	4,517	29,595
Bank interest receivable	-	-	-	-
	<u>25,271</u>	<u>-</u>	<u>4,517</u>	<u>29,595</u>

**UK Investments**

	<b>Unrestricted</b>			<b>2015</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Listed investments	23,113	-	10,931	34,044
Bank interest receivable	162	-	79	241
	<u>23,275</u>	<u>-</u>	<u>11,010</u>	<u>34,285</u>

**5 INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>			<b>2016</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Students Basic Library	-	-	-	-
Additional book programme	-	-	314,912	314,912
Other income	-	-	-	-
	<u>-</u>	<u>-</u>	<u>314,912</u>	<u>314,912</u>

	<b>Unrestricted</b>			<b>2015</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Students Basic Library	-	-	-	-
Additional book programme	194,409	-	-	194,909
Other income	88,474	-	-	88,474
	<u>282,883</u>	<u>-</u>	<u>-</u>	<u>282,883</u>

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**6 TOTAL EXPENDITURE**

	Cost of raising funds	Literature	Scholarship & education	Preaching & teaching	LSC	Hookses	Other & Governance	Total Funds 2016
	£	£	£	£	£	£	£	£
Grants (note 7)	-	404,518	363,062	416,277	-	-	-	1,183,857
Additional Book Programme	-	283,533	-	-	-	-	-	283,533
Staffing costs	-	239,858	77,266	38,597	-	-	-	355,721
Staffing costs UK management	142,958	-	-	-	-	-	-	142,958
Office, travel & other expenses	15,526	138,215	125,308	39,432	-	27,043	-	345,524
Promotions	36,367	-	-	-	-	-	-	36,367
Langham Partnership International	-	-	-	-	-	-	-	-
Legal and professional	-	-	-	-	-	-	11,191	11,191
Exchange (gain)/loss	19,146	-1,202	-	-	-	-	-	17,944
Depreciation	-	12,557	-	-	-	-	-	12,557
Bank charges	3,594	10,961	-	-	-	-	-	14,555
Meeting expenses	-	-	-	-	-	-	7,186	7,186
Auditors' fees	-	-	-	-	-	-	7,257	7,257
Accountancy	-	-	-	-	-	-	3,856	3,856
LSC recharge	-	40,700	-	-	-	-	18,955	59,655
Governance recharge	-	16,553	14,857	17,035	-	-	(48,455)	-
	217,591	1,145,693	580,493	511,341	-	27,043	-	2,482,161

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(continued)

**6 TOTAL EXPENDITURE (Continued)**

	Cost of raising funds	Literature	Scholarship & education	Preaching & teaching	LSC	Hookses	Other	Governance	Total Funds 2015
	£	£	£	£	£	£	£	£	£
Grants (note 7)	-	624,312	193,304	275,867	-	-	3,707	-	1,097,190
Additional Book Programme	-	183,682	-	-	-	-	-	-	183,682
Staffing costs	-	127,774	61,023	36,484	-	-	-	-	225,281
Staffing costs UK management	145,191	-	-	-	-	-	-	-	145,191
Office, travel & other expenses	16,791	43,829	35,558	397	69,906	27,536	-	-	194,017
Promotions	27,096	-	-	-	-	-	-	-	27,096
Langham Partnership International	-	23,142	28,083	22,766	-	-	-	-	73,991
Legal and professional	-	-	-	-	-	-	-	3,640	3,640
Exchange (gain)/loss	(817)	(864)	-	-	-	-	-	-	(1,681)
Depreciation	442	9,966	-	-	-	-	-	-	10,408
Bank charges	3,322	3,806	-	-	-	-	-	-	7,128
Meeting expenses	-	-	-	-	-	-	-	1,869	1,869
Auditors' fees	-	-	-	-	-	-	-	8,700	8,700
Accountancy	-	-	-	-	-	-	-	2,280	2,280
LSC recharge	-	-	-	-	-	-	-	-	-
Governance Recharge	-	9,414	2,915	4,160	-	-	-	(16,489)	-
	192,025	1,025,061	320,883	339,674	69,906	27,536	3,707	-	1,978,792

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(continued)

**7 GRANTS PAYABLE**

	<b>2016</b>	<b>2015</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>Library Grant Programme</b>		
English	-	67,993
French	-	-
<b>Creative &amp; Publishers' Grants</b>	316,361	528,874
<b>Other funds</b>		
Catalogues	(1,314)	3,301
Books for Preachers	-	23,509
Langham Preaching	18,013	-
Langham Scholars' Grant Prog	71	635
	<u>396,090</u>	<u>624,312</u>
Scholarships	363,062	171,003
Scholars International Research & Training Seminar	-	22,301
Speed to Need	-	-
John Stott Memorial Fund	-	193
LPI	-	3,514
Preaching	416,277	275,867
	<u>779,339</u>	<u>472,878</u>
	<u><u>1,183,857</u></u>	<u><u>1,097,190</u></u>

Grants paid in the year can be analysed:

	<b>No</b>	<b>£</b>
Individuals	5717	926,484
Institutions	2134	257,373

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**8 STAFF COSTS AND RELATED PARTY TRANSACTIONS**

	2016 £	2015 £
Wages and salaries	443,661	416,876
Social security costs	41,108	40,983
Pension costs	31,977	32,992
	<u>516,746</u>	<u>490,851</u>
Average monthly number of staff:	No	No
Office staff	<u>20</u>	<u>17</u>

No employees earned at a rate of more than £60,000 during the period (2015: none).

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £36,941 (2015: £76,756).

No remuneration was paid to any trustee in the year. During the year the trustees were reimbursed expenses for travel and meetings totalling £7,186 (2015: £1,869).

**9 NET INCOME/(EXPENDITURE)**

This is stated after charging:	2016 £	2015 £
Auditors' remuneration:		
- for audit services	7,470	7,250
- for non-audit services	4,000	1,500
Depreciation	<u>14,063</u>	<u>10,408</u>

**10 TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Furniture, fittings & equipment £	Total £
<b>Cost and valuation</b>			
At 1 <sup>st</sup> July 2015	503,169	107,322	610,491
Additions	-	6,492	6,492
Disposals	-	-	-
At 30 <sup>th</sup> June 2016	<u>503,169</u>	<u>113,814</u>	<u>616,983</u>
<b>Depreciation</b>			
At 1 <sup>st</sup> July 2015	-	67,692	67,692
Charge for the year	-	14,063	14,063
Released on Disposal	-	-	-
At 30 <sup>th</sup> June 2016	<u>-</u>	<u>81,755</u>	<u>81,755</u>
<b>Net book value</b>			
At 30 <sup>th</sup> June 2016	<u>503,169</u>	<u>32,059</u>	<u>535,228</u>
At 30 <sup>th</sup> June 2015	<u>503,169</u>	<u>39,630</u>	<u>542,799</u>

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 (continued)

**11 FIXED ASSET INVESTMENTS**

	<b>Listed investments 2016 £</b>	<b>Cash deposits 2016 £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<b>UK investments</b>				
At 1 <sup>st</sup> July 2015	736,959	29,000	765,959	747,655
Disposals	-	-	-	-
Net realised investment gains	-	-	-	-
Net unrealised investment gains	18,297	-	18,297	18,303
Market value at 30 <sup>th</sup> June 2016	<u>755,256</u>	<u>29,000</u>	<u>784,256</u>	<u>765,958</u>
Historic cost as at 30 <sup>th</sup> June 2016	<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.

**12 STOCK**

	<b>2016 £</b>	<b>2015 £</b>
Stock of books	<u>118,344</u>	<u>182,259</u>

**13 DEBTORS**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	82,576	41,502
Other debtors	21,812	53,089
	<u>104,388</u>	<u>94,591</u>

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

	<b>2016 £</b>	<b>2015 £</b>
Other creditors	85,798	23,533
Amounts received in advance	-	40,592
Accruals	66,255	34,623
	<u>152,053</u>	<u>98,748</u>

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**15 UNRESTRICTED FUNDS**

	Balance at 1.7.15 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 30.06.16 £
<i>General fund</i>						
LPUKI	124,346	471,897	(227,298)	(258,947)	18,297	128,296
Literature	-	-	-	-	-	-
	<u>124,346</u>	<u>471,897</u>	<u>(227,298)</u>	<u>(258,947)</u>	<u>18,297</u>	<u>128,296</u>
<i>Designated funds:</i>						
Scholarship Fund	4,244	-	(80,813)	80,232	-	4,464
Preaching Seminars Fund	146,501	-	(184,819)	38,319	-	-
Literature Fund	73,903	-	(144,320)	96,370	-	25,953
Reserves Policy Fund	448,403	-	-	-	-	448,403
Designated Library Gifts	5,413	-	(5,374)	-	-	40
	<u>678,464</u>	<u>-</u>	<u>(414,526)</u>	<u>214,921</u>	<u>-</u>	<u>478,860</u>
	<u>802,828</u>	<u>471,897</u>	<u>(641,824)</u>	<u>(44,026)</u>	<u>18,297</u>	<u>607,156</u>

	Balance at 1.7.14 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 30.06.15 £
<i>General fund</i>						
LPUKI	91,359	510,049	(197,183)	(298,181)	18,302	124,346
Literature	75,595	386,345	(516,016)	54,076	-	-
	<u>166,954</u>	<u>896,394</u>	<u>(713,199)</u>	<u>(244,105)</u>	<u>18,302</u>	<u>124,346</u>
<i>Designated funds:</i>						
Scholarship Fund	45,379	-	-	(41,135)	-	4,244
Preaching Seminars Fund	76,422	-	-	70,079	-	146,501
Literature Fund	97,605	-	-	(23,702)	-	73,903
Reserves Policy Fund	448,403	-	-	-	-	448,403
Designated Library Gifts	7,450	-	(2,037)	-	-	5,413
	<u>675,259</u>	<u>-</u>	<u>(2,037)</u>	<u>5,242</u>	<u>-</u>	<u>678,464</u>
	<u>842,213</u>	<u>896,394</u>	<u>(715,236)</u>	<u>(238,863)</u>	<u>18,302</u>	<u>802,810</u>

Planned transfers were made from the LPUKI general fund to the designated Scholarship, Preaching Seminars, and Literature Funds.

Transfers were made from the general fund to the following restricted funds: ETS/SBL, Francophone Co-ordinator, Slavic Commentary and Writers CEEB Funds to meet deficits resulting from expenditure during the year.

The designated 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. Planned transfers were made from LPUKI general fund to ensure that sufficient funds are available for the following



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year to sustain budgeted expenditure once restricted funds for the same purpose have been fully used.

The designated Preaching Seminars Fund is to facilitate the improvement of biblical preaching through seminars and consultations held in different parts of the world. Planned transfers were made from LPUKI general fund to ensure that sufficient funds are available for the following year to sustain budgeted expenditure once restricted funds for the same purpose have been fully used.

Planned transfers were made to the Literature designated fund from the LPUKI general fund to ensure that sufficient funds are available for the following year to sustain budgeted expenditure once restricted funds for the same purpose have been fully used.

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 Designated Library Gifts Fund was established for the provision of books to institutions.

## 16 RESTRICTED FUNDS

	Balance at 1.7.15 £	Incoming resources £	Outgoing resources £	Transfers £	Investment Gains £	Balance at 30.06.16 £
John Stott Memorial Fund	50,925	-	-	-	-	50,925
John Stott Executors' Fund	1,724	-	(708)	-	-	1,016
Scholarship Fund	-	480,604	(480,604)	-	-	-
Langham Service Centre	37,292	2,761	(18,583)	-	-	21,470
Hookses Fund	528,289	27,096	(28,274)	-	-	527,110
Preaching Seminars Fund	101,395	394,121	(328,334)	-	-	167,182
JSGL	20,971	-	-	(20,971)	-	-
Literature Fund	-	580,998	(580,998)	-	-	-
<i>Grant programmes:</i>						
ABC Malagasy	-	-	-	-	-	-
Arabic Commentary	-	-	-	-	-	-
Arabic Global Christian Library	-	-	-	-	-	-
Benin	-	-	-	-	-	-
Bernhard Ott Project	5,145	-	(5,145)	-	-	-
ETS/SBL	-	-	(9,857)	9,857	-	-
Digitisation	497	-	-	-	-	497
East Asia Fund	51,427	86,382	(85,094)	-	-	52,716
Francophone Co-ordinator	-	15,369	(17,863)	2,494	-	-
Hausa Commentary	15,263	1,309	(4,650)	-	-	11,922
Hippo	255	-	(242)	-	-	13
Latin Commentary	57,832	21,123	(60,206)	-	-	18,749
Scholars Travel Fund	7,863	-	(7,863)	-	-	-
LPS Preaching Fund	-	27,900	(23,677)	-	-	4,223
PD Europe Fund	32,358	27,019	(27,466)	9,565	-	41,476
PD South Asia	-	7,600	(4,046)	-	-	3,554
PD General Fund	9,565	-	-	(9,565)	-	-
Project Fund	-	-	-	-	-	-
SABC	42,407	18,957	(37,039)	-	-	24,325
<i>SABC URDU:</i>						
Slavic Commentary	-	6,200	(6,200)	-	-	-
Writers	49,342	24,604	(75,421)	50,817	-	-
CEEB	-	24,800	(33,760)	-	-	40,382
Editors	-	-	(1,829)	1,829	-	-
	-	2,480	(2,480)	-	-	-
	1,012,550	1,749,323	(1,840,339)	44,026	-	965,561

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NOTES TO THE FINANCIAL STATEMENTS  
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**16 RESTRICTED FUNDS**

	Balance at 1.7.14 £	Incoming resources £	Outgoing resources £	Transfers £	Investment Gains £	Balance at 30.06.15 £
John Stott Memorial Fund	51,118	-	(193)	-	-	50,925
John Stott Executors' Fund	2,287	-	(563)	-	-	1,724
Scholarship Fund	7,342	204,650	(321,257)	109,265	-	-
Langham Service Centre	-	34,132	(69,906)	73,066	-	37,292
Hookses Fund	529,606	27,683	(29,000)	-	-	528,289
Preaching Seminars Fund	2,966	437,294	(338,803)	(62)	-	101,395
JSGL	20,971	-	-	-	-	20,971
<i>Grant programmes:</i>						
ABC Malagasy	30,139	-	(30,139)	-	-	-
Arabic Commentary	-	14,570	(16,819)	2,249	-	-
Arabic Global Christian Library	-	13,950	(34,984)	21,034	-	-
Benin	2,769	-	(2,769)	-	-	-
Bernhard Ott Project	7,625	-	(2,480)	-	-	5,145
ETS/SBL	-	-	(8,163)	8,163	-	-
Digitisation	8,147	28,169	(35,819)	-	-	497
East Asia Fund	26,357	42,554	(17,484)	-	-	51,427
Francophone Co-ordinator	4,613	10,379	(15,717)	725	-	-
Hausa Commentary	-	37,599	(22,336)	-	-	15,263
Hippo	2,404	5,453	(7,602)	-	-	255
Latin Commentary	117,250	-	(59,418)	-	-	57,832
Scholars Travel Fund	-	10,818	(2,955)	-	-	7,863
LPS Preaching Fund	-	-	(20,020)	20,020	-	-
PD Europe Fund	71,740	8,940	(48,322)	-	-	32,358
PD General Fund	-	26,000	(16,435)	-	-	9,565
Project Fund	3,501	-	(3,501)	-	-	-
SABC	8,331	134,752	(100,676)	-	-	42,407
Slavic Commentary	11,103	24,480	(39,985)	4,402	-	-
Writers	42,754	24,800	(18,212)	-	-	49,342
	<b>951,023</b>	<b>1,086,223</b>	<b>(1,263,558)</b>	<b>238,862</b>	<b>-</b>	<b>1,012,550</b>

The John Stott Memorial Fund was established in accordance with John Stott's wish that a fund be established in his memory for the two charities that he founded; Langham Partnership, and the London Institute for Contemporary Christianity (LICC)

The John Stott Executors Fund was set up for the purpose of meeting expenditure related to the administration of John Stott's literary estate.

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. The fund received transfers from the Scholarship designated Fund to meet expenditure during the year.

The Langham Service Centre (LSC) serves as a hub for the Literature, Preaching, and Scholars programmes. Agreed transfers were made from those programmes to LSC for services provided.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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(continued)

**16 RESTRICTED FUNDS (continued)**

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.

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.

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 ETS/SBL, Francophone Co-ordinator, Slavic Commentary and Writers CEEB Funds received transfers from the general fund to meet expenditure during the year.

**17 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible Fixed Assets</b>	<b>Investments</b>	<b>Net Current Assets</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	32,059	784,256	(688,018)	128,297
Designated Funds	-	-	478,859	478,859
<b>Restricted funds</b>	503,169	-	462,391	965,560
	<u>535,228</u>	<u>784,256</u>	<u>253,232</u>	<u>1,572,716</u>

	<b>Tangible Fixed Assets</b>	<b>Investments</b>	<b>Net Current Assets</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	22,185	765,958	(663,797)	124,346
Designated Funds	-	-	678,464	678,464
<b>Restricted funds</b>	520,614	-	491,936	1,012,550
	<u>542,799</u>	<u>765,958</u>	<u>506,603</u>	<u>1,815,360</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.

**19 RELATED PARTY TRANSACTIONS**

During the year there were no related party transactions.

**THE LANGHAM PARTNERSHIP (UK & IRELAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2016**  
(continued)

**20 TRANSITION TO FRS102**

This is the first year that the Charity has prepared its financial statements under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 30 June 2015 and the date of transition to FRS 102 was 1 July 2014.

There has been no effect on the charitable company's net income for the financial year ended 31 July 2015 nor on its total funds at 1 July 2014 and 30 June 2015.

**Other Adjustments arising on transition to FRS 102**

The following adjustments have also been made in order to comply with the new SORP/ FRS 102 which have had no effect on total funds or the income and expenditure account but which have affected the presentation of certain items in the statement of financial activities. The main items were:

- i) Governance costs are no longer presented as a separate category of expenditure in the Statement of Financial Activities. They are now regarded as part of support costs which are allocated to the cost of activities undertaken by the Charity.

*Mary Jones* 8/2/17

*John Doe* 8/2/17