

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2020

Company Number 4235957
Charity Number 1092233



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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2020

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THE LANGHAM PARTNERSHIP (UK & Ireland)
(Limited by Guarantee)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2020

(1)

The directors (who are trustees of the charitable company) present their report and audited financial statements for the year ended 30th June 2020. The financial statements have been prepared in accordance with the Statement of Recommended Practice including Update Bulletin 2 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

David Ball

Peter Burt (*appointed 6th June 2020*)

Mary Evans (Chair)

Ronald Clements

Norman Fraser

Alan Johnston

Stephen Osei-Mensah

Stephen Mackay

Keith Mallon

Gillian Phillips

Judith Sawers

David Turner

Secretary

John Libby

Senior staff/Chief Executive Officer

Revd Canon John Libby, National Director

Auditors

Moore Kingston Smith LLP 60 Goswell Road, London EC1M 7AD

Bankers:

Barclays, 33 English St, Carlisle. CA3 8JS

Clydesdale Bank, 82 English Street, Carlisle. CA3 8HP

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

Lloyds Bank, 324-326 Regent Street, Marylebone, London W1B 3BL

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

Investment Managers:

The M&G Securities Limited, Laurence Pountney Hill, London. EC4R 0HH

Schroder Unit Trusts Limited, 31 Gresham Street, London EC2V 7QA

Blackrock Investment Management Limited, 12 Throgmorton Avenue, London. EC2N 2DL

THE LANGHAM PARTNERSHIP (UK & Ireland)
(Limited by Guarantee)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2020

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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 first adopted September 2003 (latest revision adopted November 2013) and is currently one of the 6 National members. Langham's global programmes 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 programme incomes and expenditures and cash flow requirements on a regular basis, in order to exercise its fiduciary interest in the programme 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. 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 continue to relate to growing current income for the charity with a donor base that is ageing and in recruiting new supporters through updated methods. Significant time and resources are now being invested in raising Langham's profile. Potential foreign exchange fluctuations post Brexit are of concern and require the transparency and modelling made possible by the new global accounting system. Where much of Langham's operation spans the globe, the rise in visa restrictions and their complexity is starting to have significant impact on planning.

The impact of Covid-19 has been considered on the charity's future plans and budgeting processes and the effect of the outbreak will be a significant risk into the 2020-21 financial year and potentially beyond. The effect on this year's financial statements has been considered as part of the going concern assessment in note 1. Critical to Langham is the ability to control expenditure in an environment where income is volatile or under pressure and this has proved itself this year. An anticipated 10% reduction in donor income due to Covid-19 was offset by a controlled reduction in programme expenditure.

Fundraising Policy

The charity is registered with the Fundraising Regulator and adheres to that Code of Practice as well as the Charity Commission guidelines on fundraising. Trustees are issued with the Institute of Fundraising 'Practical Handbook' (2016) and activity is reviewed annually against this. The charity only fundraises and promotes support via specific written information which is issued in response to explicit written consent or personal enquiry direct or through the website. No cold calling, telephone or street fundraising is carried out and no inducements are made to staff or volunteers. No professional fundraisers or commercial participators carried out any fundraising activities on behalf of the charity. Our privacy policy covers how we use our donors' data and provides opportunities for all donors to opt out of contact with us or make a complaint at any point. Overseeing fundraising is the responsibility of our Supporter Development Manager who is a member both of the Institute of Fundraising and our senior leadership team. No complaints linked to fundraising have been received during the period under review.

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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.

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)'.

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 usually 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 in 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. This process informed our global Strategic Plan and Growth Campaign which, after 2 years (out of 5) is currently being reassessed in the light of Covid-19.

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Achievements and Performance

Our global Strategic Plan could be usefully summarised as looking to double our global impact in financial terms over 5 years and then to sustain that level for a further 10 years while resources are committed to growing our regular core income to match. This Plan has been deliberately plateaued in the wake of Covid-19 pending greater clarity over the global economic situation and the response of our donors. The numbers given below are independently assessed and are given for Langham Partnership as a whole because UKI specific impact numbers are not independently collected. Comparable 2019 numbers are given in brackets where they are available.

Programmes have been expanding significantly over the last 2 years. This is true in virtually all aspects of Langham's mission and ministry apart from some areas of our Scholars' work. This reflects our commitment to an unusually high number of 12 Scholars who have needed 1-year extensions due to unexpected legitimate reasons – including personal illness, family issues or unstable local and international political situations.

Many of these figures below show a reduction on previous year but together represent a heroic response to Covid-19. Full use of real-time virtual, digital media has significantly helped to maintain impact as well as reducing travel and admin costs. Together with our supporters, and with God's grace, this past year these 3 programs have:

Langham Preaching:

- Held **331** (2019, 338) preaching training seminars in **69** (2019, 70) **of the 87** preaching movements in countries in need of solid biblical preaching.
- Equipped **9,661** (2019, 10,896) pastors and lay leaders to teach God's Word **929** (2019, 839) of these individuals are local indigenous Facilitators and Preaching Club coordinators). Training has been led by **545** local Facilitators, who are equipped and working together in teams to train others.
- Shepherded **1,190+** preaching groups of **7-10** pastors and leaders meeting regularly for ongoing training and mentoring.
- Held **5** (2019, 8) global or regional consultations, forums or leadership meetings, involving **82** (2019, 99) leaders and/or coordinators from across the world to review, learn, train and plan.

Langham Literature:

- Supplied **13,893** (2019, 17,697) Bible-centred books to **642** Majority World (MW) colleges (2019, 773) across **80** (2019, 84) countries to help students grow and mature in Christ. **9,952** (2019, 10,997) of these books were supplied to colleges free of charge through the Library Grants program.
- Distributed **35,229** (2019, 35,817) Bible-centred books to Majority World pastors, students and ministry partners in need of study materials. **8,788** (2019, 10,090) of these books were supplied free of charge to participants at, or Coordinators of, Langham Preaching seminars.
- Distributed **8,635** Bible-centred books to partner Majority World publishers.
- Supplied **17,308** (2019, 17,413) Langham publications to Western countries.
- Supported **22** (2019, 22) indigenous publishers, in **15** (2019, 20) different countries, in the production of **50** (2019, 47) local language titles, through the awarding of Publisher Grants. Additionally, **16** (2019, 24) local writers in **15** (2019, 20) countries were supported through Writer Grants.
- Trained **28** (2019, 11) Majority World Editors and **50** (2019, 14) Majority World writers.
- Published **48** books (2019, 47), including **25** (2019, 28) Langham Global Library, **13** (2019, 12) Langham Monographs, **3** Langham Preaching resources, **5** Hippobooks (2019, 2) and **2** LivresHippo books (2019, 1). **34** (2019, 31) of the books published were by MW authors or contributors and **13** (2019, 10) of these were by Langham Scholars.

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Langham Scholars:

- Supported **78** PhD (2019, 73) students from **44 MW** (2019, 41) countries in theological doctoral programs. **11** of these scholars are new scholars who commenced Langham scholarships during the 2019-20 academic year.
- Celebrated the graduation of **14** scholars (2019, 9), all of whom have returned, or are preparing to return, to serve in the Majority World. Leaders who will go on to shape their nations with a biblical worldview as they teach in seminaries, start salt and light ministries, and serve at the highest levels in government – and join a fellowship of **more than 300** graduated Langham Scholars serving around the world.
- Supported **6** (2019, 9) current doctoral MW scholars and **4** postdoctoral scholars, with study residencies for concentrated periods of study, or research and writing projects, in centres where there is access to excellent library resources and a research community.
- Supported the involvement of **9** Majority World postdoctoral scholars, in the International Research and Training seminar (IRTS), and **9** Francophone African postdoctoral scholars in the Francophone IRTS projects. 4 of the IRTS and 3 of the Francophone IRTS scholars had individual study residencies to assist them to produce papers, research articles and academic monographs.
- Held **1** Regional Scholar consultations (2019, 4) for current Langham scholars studying in USA/Canada and **3 (2019, 4)** Regional Forums for graduated Langham scholars serving in South Africa, East Asia, and Latin America. Consultations and Forums provide opportunities for scholars to network, receive pastoral care, share research, collaborate, and be more effective in serving the church and theological institutions.

The Covid-19 pandemic during the second half of 2019-20 adversely affected a number of Langham's planned activities, including: postponement or cancellation of Preaching seminars, Preaching global or regional consultations, Scholars study residencies and Scholar Consultations and Forums. In addition, the supply and distribution of books to the Majority World were impacted as supply chains and ability to ship books was disrupted.

Structural developments and Staffing changes

The last half of 2019-20 financial year was dominated by the impact of Covid-19. The UKI and LPI team in the UK made effective alternative working arrangements. Two staff were furloughed and the resources to work productively from home provided for others. A Covid-19 cleansing and distancing programme enabled continued if minimal warehouse and office use.

These arrangements highlighted the fact that the current premises are extremely cramped in normal use and warehouse systems severely constrained. We look forward to completing the planned warehouse/offices development during 2020-21.

The forced ability to undertake virtual meetings, added to the investment made over the last 3 years in cloud systems and a digital media presence, enhanced the efficiency of changed working practices forced by the pandemic. Developments in digital supporter events and participation in '2020 Virtual Keswick' indicate a productive and effective way forward in informing supporters and engaging with a potential wider support group.

THE LANGHAM PARTNERSHIP (UK & Ireland)
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Financial Review

The 2019-20 impact of our programmes (see 'Achievements and Performance', above) depends on the Group raising £7.2m in donations and other income. Much of this flows through UKI, both due to its role as banker to the group and the location of the Langham Service Centre in Carlisle, UK. There are about £2.0m of internal 'inter-entity transfers' through UKI accounts.

Of the £7.2m raised by the Group in 2019/20 (largely through donations) £1.4m was contributed directly from LPUKI income. This enabled the Group to spend £3.5m on Programmes directly and via global ministry support, of which £3.1m has been expended through LPUKI.

A significant project for 2019-20 and 2020-21, following planning in prior years, is the expansion and relocation of the Langham Service Centre as identified (and budgeted) in the Strategic Plan to underpin Langham's growing operation and as an 'invest to save' scheme. In March 2020, a site for the relocation was purchased, with site preparation underway as at 30th June 2020. It is anticipated that the new Service Centre will be brought into operation in Spring/ Summer 2021. Senior management and Trustees have reviewed the project and risks in light of Covid-19.

At the half year point, anticipated income was adjusted down by 10% for the last 6 months of the 2019/20 year with the expectation that this will continue through 2020-21, and planned expenditure was reduced accordingly. This relatively small adjustment, when compared to other charities and businesses, is made possible and realistic due to Langham's non-reliance on funding events and the nature of our long-term committed standing order and monthly donors. This will be carefully monitored over the coming months to assess whether any further expenditure adjustments are required.

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

Total funds held as at 30 June 2020 were £2,196k, of which £955k is restricted and not available for the general purpose of the charity and £1,241k is unrestricted.

The trustees have assessed LPUKI's risks and determined the level of free (designated 'policy') 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 with a current calculated requirement of £304k. As at 30th June 2019, the Reserves Policy Fund had a balance of £300k. During 2019-20, £46k of this balance has been utilised to support the LPUKI General Fund as it maintained its commitment to programme expenditure despite a small reduction in donations. It is proposed to replenish the Reserves Policy Fund at the earliest opportunity in 2020-21. 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.

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FOR THE YEAR ENDED 30TH JUNE 2020

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Auditors

Moore Kingston Smith LLP 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.

Trustees' Responsibilities

The trustees 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;
- observe the methods and principles in the Charities SORP
- 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 trustees 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 trustees 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 trustees 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:



Mary Evans (Director)



Alan Johnston (Director)

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 June 2020 which comprise the Statement of Financial Activities, 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'.

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 2020 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.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

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

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

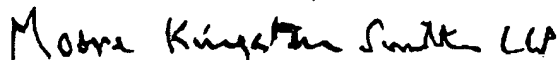
As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this report

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.



James Cross, Senior Statutory Auditor

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

Dated: 27 November 2020

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(Limited by Guarantee)

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2020

Income and Expenditure Account	Note	Unrestricted Funds		Restricted Funds	Total Funds 2020	Total Funds 2019
		General £	Designated £	£	£	£
Income						
Donations and legacies	3	796,248	248,756	1,914,641	2,959,645	4,264,522
Investment income	4	15,343	-	-	15,343	19,796
Grants	6	3,000	-	10,000	13,000	-
Charitable activities:						
Literature	5	104,787	-	287,592	392,379	605,242
Other programmes	5	970	6,386	4,183	11,539	5,997
Total Income		920,348	255,142	2,216,416	3,391,906	4,895,556
Expenditure						
Cost of raising funds	7	198,986	-	-	198,986	197,776
Charitable activities	7	54,224	758,709	2,329,234	3,142,167	3,605,076
Total Expenditure		253,210	758,709	2,329,234	3,341,153	3,802,852
Net operating income/(expenditure)		667,138	(503,567)	(112,818)	50,753	1,092,704
Net (losses)/ gains on investments		(13,343)	-	-	(13,343)	(2,647)
Net income/(expenditure) for the year		653,795	(503,566)	(112,818)	37,410	1,090,057
Transfers between funds	18	(654,375)	676,652	(22,277)	-	-
Net movement in funds		(580)	173,086	(135,095)	37,410	1,090,057
Reconciliation of funds						
Funds brought forward at 1 st July 2019		106,337	961,961	1,089,831	2,158,129	1,068,072
Funds carried forward at 30th June 2020		105,757	1,135,047	954,736	2,195,540	2,158,129

The whole of the movements arise from continuing activities.

There were no other recognised gains or losses other than those stated above.

The notes on pages 15 to 33 form part of these financial statements.

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BALANCE SHEET
AS AT 30TH JUNE 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	12		952,500		530,139
Investments	13		389,818		403,162
			<u>1,342,318</u>		<u>933,301</u>
Current assets					
Stock	14	179,096		127,886	
Debtors and prepayments	15	76,915		119,585	
Cash at bank and in hand		<u>784,878</u>		<u>1,182,246</u>	
		<u>1,040,889</u>		<u>1,429,717</u>	
Current liabilities					
Creditors: Amounts falling due within one year	16	<u>137,666</u>		<u>204,889</u>	
Net current assets			<u>903,221</u>		<u>1,224,828</u>
Total assets less current liabilities			<u>2,245,540</u>		<u>2,158,129</u>
Creditors: Amounts falling due after one year	17	<u>50,000</u>			-
Total net assets			<u>2,195,540</u>		<u>2,158,129</u>
Represented by:					
Unrestricted funds:					
General fund					
	18	105,757		106,338	
Designated funds	18	<u>1,135,047</u>		<u>961,961</u>	
			1,240,803		1,068,299
Restricted funds	19	<u>954,736</u>		<u>1,089,830</u>	
		<u>2,195,540</u>		<u>2,158,129</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 18th November 2020 and signed on their behalf by:



A Johnston
Director



M Evans
Director

The notes on pages 15 to 33 form part of these financial statements

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

STATEMENT OF CASH FLOWS
AS AT 30TH JUNE 2020

	2020	2019
	£	£
Cash outflow from operating activities		
Net cash provided by/(used in) operating activities	(28,773)	1,054,666
Cash flows from investing activities		
Investment income and interest received	15,343	19,796
Proceeds from sale of investments	-	-
Payments to acquire tangible fixed assets	(433,939)	(18,117)
Net cash provided by (used in) investing activities	(418,596)	1,679
Cash flows from financing activities		
Cash inflows from new borrowing	50,000	-
Net cash provided by (used in) financing	50,000	-
Net increase/(decrease) in cash and cash equivalents	(397,369)	1,056,345
Cash and cash equivalents at beginning of year	1,182,246	125,901
Cash and cash equivalents at end of year	784,877	1,182,246

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

	2020	2019
	£	£
Net income/(expenditure)	37,410	1,090,057
Adjustments for:		
Depreciation charges	11,578	13,583
Net losses/ (gains) on investments	13,344	2,647
Loss on disposal of fixed assets	0	1,543
Investment income	(15,343)	(19,796)
(Increase)/ Decrease in stock	(51,210)	43,285
(Increase)/Decrease in debtors	42,670	(25,292)
(Decrease)/ Increase in creditors	(67,223)	(51,361)
Net cash provided by/(used in) operating activities	(28,773)	1,054,666

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

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STATEMENT OF CASH FLOWS
AS AT 30TH JUNE 2020

Analysis of changes in net debt

	As at 1 July 2019	Cashflows		As at 30 June 2020
Cash at bank	1,182,246	(397,369)		784,877
Cash held by investment managers	-	-		-
Total	1,182,246	(397,369)		784,877

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

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 charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) including update bulletin 2, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

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.

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

Going concern

The trustees 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.

The trustees have given due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were signed.

The charity's investment portfolio is likely to be affected by market volatility, however, investment income and valuation is not considered material to Langham's operation.

Based on its donor profile, and sources of income, Langham is largely sheltered from the expected reductions in income, although it has built in an estimated reduction in income in 2020-21, which will be monitored closely. Langham's donation income is not particularly dependent on events, and therefore a conservative 10% reduction in donor income was anticipated from April 2020 and into the 2020-21 financial year. This will be subject to rigorous monitoring with budgeted expenditure adjusted accordingly. New, significant donations have been received in July 2020 as well as a significant legacy gift, which will help to provide a cushion for any decreases in income later in the year.

Income from other Langham entities (£1.96m in 2019-20) may reduce more significantly in 2020-21, however, decisions will be taken across the group where necessary to control costs. Representatives from each entity and programme streams meet regularly as part of a Leadership Team Executive Committee.

Whilst it is anticipated that income streams may fall, this will be offset by a fall in associated expenditure as activities are undertaken virtually as travel remains restricted globally. Wherever, globally imposed restrictions on travel and gatherings may impede the work of Langham, virtual and digital alternatives are being used to mitigate this.

The charity holds significant reserves as at 30th June 2020.

Taking the above into account, the Trustees are confident that the charity will continue to meet its obligations as they fall due and that therefore the going concern basis continues to be appropriate.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

ACCOUNTING POLICIES (continued)

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.

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. The freehold building is reviewed for impairment annually.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

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 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.

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.

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.

In the view of the trustees in applying the accounting policies adopted, no 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.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

2 TAXATION

The charity benefits from exemptions on income and gains falling within sections 466-493 of the Corporation Tax Act 2010 to the extent they are derived from charitable activities.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

3 DONATIONS

	Unrestricted		Restricted Funds £	2020 Total Funds £
	General Funds £	Designated Funds £		
Literature:				
Other donations and gifts	-	54,216	759,990	814,206
Income tax receivable	-	-	3,381	3,381
Scholarship and education:				
Other donations and gifts	-	47,940	520,120	568,061
Legacies	-	-	39,017	39,017
Income tax receivable	-	-	2,066	2,066
Preaching and teaching:				
Other donations and gifts	-	54,216	467,957	522,173
Income tax receivable	-	-	5,543	5,543
Hookses:				
Other donations and gifts	-	-	20,549	20,549
Langham International:				
Other donations and gifts	-	92,383	96,018	188,402
General Income:				
Other donations and gifts	660,567	-	-	660,567
Income tax receivable	85,945	-	-	85,945
Legacies	49,736	-	-	49,736
	796,248	248,755	1,914,641	2,959,645

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

3 DONATIONS

	Unrestricted		Restricted	2019
	General	Designated	Funds	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Literature:	-	113,514	1,407,388	1,520,903
Other donations and gifts	-	-	3,202	3,202
Income tax receivable	-	-	-	-
Scholarship and education:	-	129,662	711,238	840,900
Other donations and gifts	-	-	2,352	2,352
Income tax receivable	-	-	-	-
Preaching and teaching:	-	87,895	726,714	814,609
Other donations and gifts	-	-	6,443	6,443
Income tax receivable	-	-	-	-
Hookses:	-	-	24,922	24,922
Other donations and gifts	-	-	-	-
Langham International:	-	455,000	261,236	716,236
Other donations and gifts	-	-	-	-
General income:	105,966	-	-	105,966
Other donations and gifts	183,987	-	-	183,987
Income tax receivable	45,000	-	-	45,000
	334,954	786,071	3,143,497	4,264,522

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

4 INVESTMENT INCOME

UK Investments	Unrestricted General Funds	Designated Funds	Restricted Funds	2020 Total Funds £
Listed investments	15,343	-	-	15,343
	15,343	-	-	15,343

UK Investments	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2019 Total Funds £
Listed investments	19,796	-	-	19,796
	19,796	-	-	19,796

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds
Literature - Additional book programme	-	-	277,345	277,345
Literature - Other income	104,787	-	10,247	115,035
Other Programme Income	970	6,386	4,138	11,539
	105,757	6,386	291,775	403,919

	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2019 Total Funds £
Literature - Additional book programme	-	-	508,650	508,650
Literature - Other Income	93,278	-	3,314	96,592
Other Programme Income	-	-	-	-
	93,278	-	511,964	605,242

6 GRANT INCOME

	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds
Covid Discretionary Grant	3,000	-	-	3,000
Covid Support Grant - Hookses	-	-	10,000	10,000
	3,000	-	10,000	13,000

No grant income was received in the 2018-19 financial year.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

7 TOTAL EXPENDITURE

	Cost of raising funds	Literature	Scholarship & education	Preaching & teaching	LPI	Hookses	Other & Governance	Total Funds 2020
	£	£	£	£	£	£	£	£
Grants (note 7)	-	439,588	412,693	127,336	3,619	-	-	983,236
Other direct								
Programme	-	334,408	30,664	2,002	1,311	20,291	-	388,676
Literature Trading	-	258,618	-	-	-	-	-	258,618
Programme indirect costs	-	-	-	-	446	-	-	446
Wages & Salaries	142,224	345,267	78,762	110,444	155,777	-	-	832,474
LSC salary and cost allocation	-	19,771	1,636	7,143	(28,549)	-	-	1
General support costs	56,762	119,419	81,937	467,208	152,376	-	-	877,702
	<u>198,986</u>	<u>1,517,071</u>	<u>605,692</u>	<u>714,133</u>	<u>284,980</u>	<u>20,291</u>	<u>-</u>	<u>3,341,153</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

TOTAL EXPENDITURE

	Cost of raising funds	Literature	Scholarship & education	Preaching & teaching	LPI	Hookses	Other & Governance	Total Funds 2019
	£	£	£	£	£	£	£	£
Grants (note 7)	-	690,711	427,245	148,258	1,087	-	-	1,266,707
Other direct								
Programme	-	265,529	45,138	246,347	-	19,530	-	576,543
Literature Trading	-	477,785	-	-	-	-	-	477,785
Programme indirect costs	420	58,392	105,366	167,570	25,066	-	-	356,814
Wages & Salaries	135,963	327,136	75,971	119,935	155,523	-	-	814,529
LSC salary and cost allocation	-	40,204	3,411	14,540	(58,155)	-	-	-
General support costs	61,393	72,912	51,574	26,872	97,723	-	-	310,474
	<u>197,776</u>	<u>1,932,075</u>	<u>708,705</u>	<u>723,522</u>	<u>221,244</u>	<u>19,530</u>	<u>-</u>	<u>3,802,852</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

8 GRANTS PAYABLE

	2020 Total Funds	2019 Total Funds
	£	£
Scholarships	412,693	427,245
Preaching	127,336	148,258
Literature	439,588	690,117
Langham International	3,619	1,087
Total	983,236	1,266,707
	No	£
Grants paid in the year can be analysed :		
Individuals	7274	589,261
Institutions	714	393,974

Scholarship grants mainly comprise the support of Langham scholars to complete their PhD.

Preaching grants comprise grants made to support preaching seminars and clubs in majority world countries.

Literature grants comprise both grants to publishers and editors for creative projects, as well as book grants for the libraries of theological colleges in majority world countries.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

9 STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2020 £	2019 £
Wages and salaries	704,817	697,073
Social security costs	62,440	53,934
Pension costs	54,873	58,379
	<u>822,130</u>	<u>809,386</u>
 Average monthly number of staff:	 No	 No
Office and programme staff	<u>34</u>	<u>32</u>

No employees earned at a rate of more than £60,000 during the period (2019: 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 £193,428 (2019: £187,324). Excluding Trustees, the charity's key management personnel consisted of five staff members in 2019-2020 with an Acting CFO in place to cover maternity leave from July 2019 to September 2019. There were five key management personnel in 2018-19 including the Acting CFO covering maternity leave.

No remuneration was paid to any trustee in the year. During the year four trustees were reimbursed expenses for travel and meetings totalling £1,159 (2019: five trustees: £1,400).

10 NET INCOME/(EXPENDITURE)

This is stated after charging:	2020 £	2019 £
Auditors' remuneration:		
- for audit services: current year	13,100	11,125
- for audit services: prior year under accrual	1,537	3,181
Depreciation	11,578	13,583

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

11 OPERATING LEASES

The charitable company's total future minimum lease payments under non-cancellable operating leases is as follows in each of the following periods.

	2020	2019
	£	£
Land and Buildings		
Less than one year	23,500	4,500
Within 1-2 years	3,917	
	<u>27,417</u>	<u>4,500</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

12 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Assets under construction £	Furniture, fittings and equipment £	Total £
Cost and valuation				
At 1st July 2019	503,169	-	121,580	624,749
Adjustment to b/fwd cost	-	-	(871)	(871)
Additions	-	429,032	4,907	433,939
Disposal	-	-	-	-
At 30th June 2020	<u>503,169</u>	<u>429,032</u>	<u>125,616</u>	<u>1,057,817</u>
Depreciation				
At 1st July 2019	-	-	94,610	94,610
Adjustment to b/fwd accumulated depreciation	-	-	(871)	(871)
Charge for the year	-	-	11,578	11,578
At 30th June 2020	-	-	<u>105,317</u>	<u>105,317</u>
Net book value				
At 30th June 2020	<u>503,169</u>	<u>429,032</u>	<u>20,299</u>	<u>952,500</u>
At 30th June 2019	<u>503,169</u>	-	<u>26,970</u>	<u>530,139</u>

The Langham Partnership purchased a building and associated land in Carlisle in March 2020, which will be developed into a new warehouse and office for the Langham Service Centre. The purchase of the building and land, and expenditure to date on site preparation is classified as Assets under construction. The new warehouse and office is expected to be completed and brought into use Spring/ Summer 2021.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

13 FIXED ASSET INVESTMENTS

	Listed investments 2020 £	Cash deposits 2020 £	Total 2020 £	Total 2019 £
UK investments				
At 1 st July 2019	402,162	1,000	403,162	405,809
Disposals	-	-	-	-
Net investment (losses)/gains	(13,344)	-	(13,344)	(2,647)
Market value at 30 th June 2020	<u>388,818</u>	<u>1,000</u>	<u>389,818</u>	<u>403,162</u>
Historic cost as at 30 th June 2020	<u>225,177</u>	<u>1,000</u>	<u>226,177</u>	<u>226,177</u>

The investments are held in Blackrock Charities Equity Fund and Blackrock Charities Bond Fund, M&G Charifund income units; M&G Common Investment Fund; Schrodgers Charity Equity Fund income units; Schrodgers Charity Fixed Interest income units; Central Board of Finance (of The Church of England) COIF Charities Investment Fund accumulation units. None of these holdings is considered to be material in the context of the portfolio.

The investments are pooled for the General Fund.

14 STOCK

	2020 £	2019 £
Stock of books	<u>179,096</u>	<u>127,886</u>

15 DEBTORS

	2020 £	2019 £
Trade debtors	22,705	74,343
Other debtors	54,210	45,242
	<u>76,915</u>	<u>119,585</u>

16 CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Other creditors	84,688	157,072
Accruals	52,978	47,817
	<u>137,666</u>	<u>204,889</u>

17 CREDITORS: Amounts falling due after one year

	2020 £	2019 £
Loan	50,000	-
	<u>50,000</u>	<u>-</u>

During the year, the charity received a loan from a long standing supporter of the charity. The loan is interest free, unsecured and is for a duration of 3 years to 31/03/2023

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

18 UNRESTRICTED FUNDS

	Balance at 1.7.19 £	Income £	Expenditure £	Transfers £	Investment/ Gains £	Balance at 30.06.20 £
<i>General fund</i>						
LPUKI	106,337	814,590	(253,210)	(654,375)	(13,343)	-
Programmes	-	105,757	-	-	-	105,757
	<u>106,337</u>	<u>920,348</u>	<u>(253,210)</u>	<u>(654,375)</u>	<u>(13,343)</u>	<u>105,757</u>
<i>Designated funds:</i>						
Programmes	313,185	162,006	(734,457)	380,699	-	121,433
Reserves Policy Fund	300,000	-	-	(46,388)	-	253,612
LPI	-	22,979	-	70,064	-	93,043
LSC Property Development	348,776	70,158	(24,252)	272,277	-	666,959
	<u>961,961</u>	<u>255,143</u>	<u>(758,709)</u>	<u>676,652</u>	<u>-</u>	<u>1,135,047</u>

	Balance at 1.7.18 £	Income £	Expenditure £	Transfers £	Investment/ Gains £	Balance at 30.06.19 £
<i>General fund</i>						
LPUKI	-	454,025	(278,167)	(66,873)	(2,647)	106,337
LPI	4,530	-	(348)	(4,182)	-	-
	<u>4,530</u>	<u>454,025</u>	<u>(278,515)</u>	<u>(71,055)</u>	<u>(2,647)</u>	<u>106,337</u>
<i>Designated funds:</i>						
Programmes	-	331,071	(17,886)	-	-	313,185
Reserves Policy Fund	263,745	-	-	36,255	-	300,000
LPI	-	105,000	(105,000)	-	-	-
LSC Property Development	-	350,000	(1,224)	-	-	348,776
	<u>263,745</u>	<u>786,071</u>	<u>(124,110)</u>	<u>36,255</u>	<u>-</u>	<u>961,961</u>

In 2019-20, £272,277 has been transferred to the LSC Property Development Designated Fund. This comprises a £200,000 Growth Campaign receipt, the transfer of £22,277 from the restricted LSC fund and £50,000 from the LPUKI General Fund.

In 2019-20, £380,699 has been transferred from the LPUKI General Fund to the Programmes Designated Fund. This comprises LPUKI's contribution to programme expenditure. In addition, a further £55,154 has been designated for programmes based on known commitments in 2020-21. £70,064 has been transferred from LPUKI to the LPI Designated Fund which comprises LPUKI's contribution to Langham International programme expenditure. As a result of this, along with the £50,000 contribution from LPUKI to the LSC Property Development Designated Fund, £46,388 of the Reserves Policy Fund has been utilised by LPUKI to balance its General Fund in 2019-20.

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19 RESTRICTED FUNDS

	Balance at 1.7.19 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 30.06.20 £
John Stott Memorial Fund	16,953	-	(6,236)	(8,170)	-	2,546
Scholarship Fund	76,768	561,203	(521,723)	8,170	-	124,368
Langham Service Centre	22,277	1,018	(1,018)	(22,277)	-	-
Hookses Fund	542,334	30,574	(20,291)	-	-	552,617
LPI	160,738	96,018	(245,618)	-	-	11,138
LPI – International Ministry Director	4,488	3,140	(4,734)	-	-	2,893
Preaching Seminars Fund	81,779	473,500	(468,986)	-	-	86,293
Literature Fund	120,435	918,349	(883,780)	(49,873)	-	105,131
<i>Grant programmes:</i>						
East Asia Fund	9,728	13,338	(40,109)	17,042	-	-
PD General Fund	24,982	42,403	(100,217)	32,831	-	-
Windows on the Text	29,349	76,872	(36,471)	-	-	69,750
	<u>1,089,831</u>	<u>2,216,416</u>	<u>(2,329,234)</u>	<u>(22,277)</u>	<u>-</u>	<u>954,736</u>

	Balance at 1.7.18 £	Income £	Expenditure £	Transfers £	Investment Gains £	Balance at 30.06.19 £
John Stott Memorial Fund	26,300	-	(9,347)	-	-	16,953
Scholarship Fund	52,380	713,590	(689,202)	-	-	76,768
Langham Service Centre	22,277	-	-	-	-	22,277
Hookses Fund	537,171	24,922	(19,759)	-	-	542,334
LPI	-	261,236	(100,498)	-	-	160,738
LPI – International Ministry Director	-	-	(1,436)	5,924	-	4,488
Preaching Seminars Fund	44,442	733,157	(694,102)	(1,718)	-	81,779
Literature Fund	39,886	1,702,883	(1,624,047)	1,718	-	120,434
<i>Grant programmes:</i>						
East Asia Fund	54,557	-	(44,829)	-	-	9,728
Hausa Commentary	4,889	-	(4,889)	-	-	-
PD General Fund	-	109,293	(113,186)	28,876	-	24,982
Windows on the Text	13,762	57,146	(41,559)	-	-	29,349
Writers	4,139	53,233	(57,373)	-	-	-
	<u>799,797</u>	<u>3,655,460</u>	<u>(3,400,227)</u>	<u>34,800</u>	<u>-</u>	<u>1,089,830</u>

In 2019-20, £8,170 was transferred from the John Stott Memorial Fund to the Scholarship Fund in respect of staff time spent on the project.

The balance on the LSC restricted fund (£22,277) has been transferred to the Designated LSC Property Development Fund as this will be used to support the development of the new LSC.

£49,873 has been transferred from the literature fund in respect of expenditure on the Publisher Development Funds.

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19 RESTRICTED FUNDS (continued)

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 fund is expected to be fully utilised in the 2020-21 financial year.

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 Langham Service Centre (LSC) serves as a hub for the Literature, Preaching, and Scholars programmes. As detailed in the Report of the Directors, there are plans to expand the LSC and the designated fund will be used for that purpose.

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 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.

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20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets		Investments		Net Current Assets		Non Current Assets		Total 2020
	£		£		£		£		
Unrestricted funds									
General Funds	20,300		389,818		(254,360)		(50,000)		105,757
Designated Funds	429,032		-		706,015		-		1,135,047
Restricted Funds	503,169		-		451,567		-		954,736
	952,501		389,818		903,222		(50,000)		2,195,540
	Tangible Fixed Assets		Investments		Net Current Assets		Non Current Assets		Total 2019
	£		£		£		£		
Unrestricted funds									
General Funds	26,970		403,162		(323,794)		-		106,338
Designated Funds	-		-		961,961		-		961,961
Restricted Funds	503,169		-		586,661		-		1,089,830
	530,139		403,162		1,224,828		-		2,158,129

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21 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.

22 RELATED PARTY TRANSACTIONS

During the year there were no related party transactions (2019 : None).

23 POST BALANCE SHEET EVENTS

There are no adjusting or non-adjusting post balance sheet events in the financial statements.

24 CAPITAL COMMITMENTS

There were no capital commitments not provided for in the financial statements (2019: None)