



**REPORT OF THE DIRECTORS
and
FINANCIAL STATEMENTS**

***for the year ended
31st December 2015***

*Registered Charity No. 249768
Company No. 88218 registered in England*

Registered Office and Principal Office
235 SHAFTESBURY AVENUE
LONDON WC2H 8EP

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS and FINANCIAL STATEMENTS for the year ended 31st DECEMBER 2015

Officers and Key Management Personnel:

Chairman:

Revd PAUL A WINCHESTER, ACIB MCT

Treasurer:

Mr HOWARD R BROWN, FCA

Trust Officer:

Mrs JACKIE R PENISTONE CEng, MIMechE, MSc, BSc, LLB

Solicitors:

Carter Lemon Camerons LLP, 10 Aldersgate Street, London, EC1A 4HJ

Surveyors:

Rapleys LLP, 51 Great Marlborough Street, London, W1F 7JT

Bankers:

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

Auditor:

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

Contents	Page
Report of the Directors	1-5
Directors at 31 st December 2015	6
Report of the Auditor	7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11-16
Churches and Associations for which the Company acts as Custodian Trustee	17-19

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended 31st December 2015, which have been prepared in accordance with the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

AIMS and OBJECTIVES

The principal object for which the company was formed in 1906 is set out in the company's Memorandum and Articles of Association:

The advancement of the Christian religion in particular by the means and in accordance with the principles of the Baptist denomination.

In furthering this aim, the company serves the work of the Baptist denomination by

- (a) acting as custodian or holding trustee for churches and other organisations associated with the Baptist denomination; and
- (b) operating a deposit and loan fund in order to make loans available to churches in membership with the London Baptist Association and churches and organisations in trust with the company for the purpose of the purchase, repair or improvements of church property.

The company operates principally, but not exclusively, in London.

The company has continued to focus on its core tasks throughout the year. The company has continued to offer support to churches with an annual income of over £100,000 as they have registered with the Charity Commission.

HOW THE COMPANY'S ACTIVITIES DELIVER PUBLIC BENEFIT

The directors are aware of and have regard to the Charity Commission's published guidance on public benefit. The company delivers a public benefit by offering services to local Baptist churches that facilitate the provision of places for public worship and premises from which local churches are able to serve the needs of the community in Christian outreach. The company also offers support and guidance to the trustees of local Baptist churches to help them to comply with the requirements of charity law and to follow best practice in their responsibilities as charity trustees.

In addition to this any surplus that does not need to be retained by the company for its continuing work is given by way of grant to the London Baptist Association ('LBA') and the Baptist Union Home Mission appeal, both of which are registered charities and serve the public benefit by the promotion of the Christian faith.

The company as holding trustee

The company acts as custodian trustee for 320 churches and certain other organisations as listed at the back of this document. A record of the deeds is maintained to ensure that these assets are segregated from the company's own assets. In most instances, a trust deed will establish the role of the company as the custodian or holding trustee.

In the course of the year under review, five properties have been acquired by churches and taken into trust, six properties have been sold, the directors have agreed to the declaration of trusts for four properties, and leases have been sealed relating to seven properties held in trust. In addition to this activity, approval was given for alterations to church premises and the staff of the company offered support and guidance to churches on a wide range of matters.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS (continued)

The Deposit and Loan Funds

The deposit and loan funds operated by the company serve a public benefit by enabling churches to have access to loan funding in order to purchase, repair or improve premises that are used for public worship or that further the charitable objects of the churches.

Nine new loans were agreed by the directors during the year, enabling churches to repair or redevelop their premises or purchase new property in order more effectively to fulfil their mission and ministry.

With the uncertainties created by the prevailing economic situation and the problems in the financial services sector, the directors monitored closely the company's investments and the appropriate level of interest to pay to depositors.

During the year, the deposit fund decreased by £392,930 to £9,406,411 at 31 December 2015. In the same period, loan funds increased by £932,095 to £3,238,092 at 31 December 2015.

FINANCIAL REVIEW

The financial results of the company for the year 2015 are set out in the accompanying financial statements. There was a positive movement of funds in the year, after revaluation adjustments, of £347,435 (2014 £126,767). The directors resolved during the year to make appropriations of £5,000 to Baptist Union Home Mission (2014: £5,000) and £60,000 to the LBA (2014: £60,000). The directors have also resolved to make an appropriation of £30,000 to the LBA in the year 2016.

The company does not measure its success in terms of its financial results but by the measure of how well it serves the needs of the churches held in trust. The financial objective of the company is primarily to cover the costs of its activities through the operation of the deposit and loan funds, and out of any surplus to make appropriations to Baptist Union Home Mission and the LBA. In the continuing low interest regime in the UK, the directors are finding it difficult to maintain sufficient margin between loans and deposits and therefore part of the appropriation in 2015 is being funded out of reserves.

Investment Policy

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

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS (continued)

Capital and Reserves

The company's property portfolio was revalued by qualified valuers at 31st December 2015, giving rise to a surplus of £357,766. As the principal financial activity of the company is to make loans available to churches and organisations (see "*Objects and Activities*" above) and appropriations are usually only made out of operating profits, the policy is to accumulate surpluses realised from the disposal of tangible assets and investments in the General Investment and Contingency Reserve. The accumulated reserve is used to support the expansion of the future lending business of the Company and is considered adequate to support the ongoing activities of the company.

A surplus of £357,173 has arisen on the revaluation of investments as at 31st December 2015 which has been credited to the Revaluation Reserve.

Future Plans

The company intends to continue its present activities as it supports the work of Baptist churches in and around London and to carry out its duties as holding trustee of such churches.

GOVERNANCE and MANAGEMENT

Governing document

The company was created in 1906 by the Council of the LBA. The company is incorporated under the Companies Acts (Registered No: 88218), is a registered charity (Charity Registration No: 249768) and is governed by its Memorandum and Articles of Association. The current Memorandum and Articles of Association were adopted by the company on 23 July 2002. Amendments to the Articles of Association were adopted on 25 November 2003 and on 24 January 2006. Further amendments were adopted in 2009 to make provision relating to directors' conflicts of interest.

With effect from 1st January 2002, all the "A" shares in The London Baptist Property Board Limited were transferred to the ownership of the LBA, so that the company is a wholly-owned subsidiary of the LBA.

The board of directors

The directors of the company are appointed by the LBA. The directors who have served during the year and to the date of this report are listed on page 6.

In the year 2014, the Directors met on six occasions. The directors have been grateful for the attendance and assistance of Mr Duncan Tuft of Carter Lemon Camerons (solicitors) and Mr Robert Stibbards of Biscoe Craig Hall (surveyors). During the year, Biscoe Craig Hall merged their practice with Rapleys PLC, who have now become the Company's Surveyors. Mr Robert Stibbards retired on 31 December 2015 and the Directors wish to record their grateful thanks to him for his professional advice over many years. While no formal training has been given to the directors through the year, the presence of professional advisers at all meetings ensures that the directors have access to help and guidance where necessary in the exercise of their responsibilities.

In dealing with loan applications, the directors are indebted to three honorary Loans Officers: Mr Moran Farnsworth, Mr David Golder, and Mr Paul Scott-Evans. Mr Farnsworth retired during the year after many years of faithful service, for which the Directors wish to record their gratitude.

No director of the company received remuneration of any kind by virtue of holding that office.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS (continued)

Risk Management

The company has conducted an assessment of the major risks to which it is exposed and has reviewed the risks in the course of the year. Measures have been taken to mitigate risks.

Staffing

The key management personnel of the company as listed on page 1 are in charge of directing, controlling, running and operating the charity on a day to day basis.

The day to day work of the company is conducted by its staff who have continued to serve the company effectively and efficiently through the course of the year: Mrs Jackie Penistone (Trust Officer), and Mrs Debbie Kachidza (Bookkeeper). The company also benefits from the work of the office staff of the LBA: Mr Norman Kincaid (Administrator) and Ms Cynthia Arthur (Administration Assistant).

Related parties

The company is a wholly-owned subsidiary of the LBA. The staff are jointly employed by the company and the LBA. The company provides financial support to the LBA through an annual appropriation from available surpluses. The work of the company is viewed by the directors of the LBA as an integral part of the support and guidance that the Association is able to offer to its member churches.

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 Policies).

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with charity law and 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 of fraud and other irregularities.

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

THE LONDON BAPTIST PROPERTY BOARD LIMITED

REPORT OF THE DIRECTORS (continued)

DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Directors are aware at the time of approving our Directors' Annual Report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware; and
- The Trustees, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The directors intend to re-appoint Jacob Cavenagh & Skeet as auditors of the company for the ensuing year.

SMALL COMPANY

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

Signed on behalf of the Directors

H R Brown

Howard R Brown
Director

1 March 2016

THE LONDON BAPTIST PROPERTY BOARD LIMITED

DIRECTORS DURING THE YEAR ENDED 31st DECEMBER 2015 AND TO THE DATE OF THIS REPORT

The following Directors served throughout the year and to the date of this report:

Revd Paul A Winchester BD ACIB MCT (Chairman)

Former Regional Managing Director, UK and Europe, National Westminster Bank plc. Former Minister (and Trustee) of Stone Baptist Church, Dartford, Member of Crayford Baptist Church.

Revd Geoffrey E Andrews BA MA MMin

Former Regional Minister (Team Leader) London Baptist Association. Minister of Brixham Baptist Church.

Mr Howard R Brown FCA (Treasurer)

Chartered Accountant. Former partner at Ernst & Young, Chartered Accountants. Treasurer (and Trustee) of Bloomsbury Central Baptist Church.

Mr Olusegun O Obidipe ACMA MBA

Chartered Management Accountant. Senior Partner of Graceolu & Co. Director of London Baptist Association. Treasurer (and Trustee) of Harringay United Church (Baptist).

Mr Anthony J A Pike MA FIA FCSI

Fellow of the Institute of Actuaries. Chartered FCSI. Former Head of Investments, BP Investment Management Limited. Elder (and Trustee) of Croham Road Baptist Church, South Croydon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LONDON BAPTIST PROPERTY BOARD LIMITED

We have audited the financial statements of the London Baptist Property Board Limited for the year ended 31st December 2015 on pages 8 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and to its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (page 4), the directors 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). These standards require us to comply with the Auditing Practices Board'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 substantial misstatement, whether caused by fraud or error. This includes an assessment of (a) whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; (b) the reasonableness of significant accounting estimates made by the directors; and (c) the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements 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 31st December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006 and take advantage of the small companies exemption in preparing the Report of the Directors.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Report of the Directors 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanation we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report and from preparing a strategic report.

5 Robin Hood Lane
SUTTON
SM1 2SW

MIRIAM HICKSON FCA CTA (Senior Statutory Auditor)
For and on behalf of JACOB CAVENAGH & SKEET
Statutory Auditor
Chartered Accountants

27 May 2016

THE LONDON BAPTIST PROPERTY BOARD LIMITED

Registered Charity No: 249768
Company No: 88218

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st DECEMBER 2015 (incorporating the Income and Expenditure Account)

			2015		2014
	Note	General Funds £	Designated Funds £	Total £	Total £
Income from:					
Charitable activities – Loan interest		91,597	-	91,597	76,942
Investments	2	122,306	-	122,306	106,848
Donations and legacies		23,690	-	23,690	6,202
Other income		-	-	-	53
Total income		<u>237,593</u>	<u>-</u>	<u>237,593</u>	<u>190,045</u>
Expenditure on:					
<i>Raising funds</i>					
Investment property management costs		<u>15,709</u>	<u>-</u>	<u>15,709</u>	<u>5,346</u>
<i>Charitable activities</i>					
Appropriations to:					
London Baptist Association		60,000	-	60,000	60,000
Baptist Union Home Mission		5,000	-	5,000	5,000
Interest payable on deposits		48,456	-	48,456	49,429
Support and governance costs	3	<u>118,166</u>	<u>-</u>	<u>118,166</u>	<u>123,369</u>
		<u>231,622</u>	<u>-</u>	<u>231,622</u>	<u>237,798</u>
Total expenditure		<u>247,331</u>	<u>-</u>	<u>247,331</u>	<u>243,144</u>
Net gains on investments		<u>357,173</u>	<u>-</u>	<u>357,173</u>	<u>179,866</u>
Net income		347,435	-	347,435	126,767
Fund balances brought forward	9,10	<u>860,537</u>	<u>1,851,769</u>	<u>2,712,306</u>	<u>2,585,539</u>
Fund balances carried forward		<u>1,207,972</u>	<u>1,851,769</u>	<u>3,059,741</u>	<u>2,712,306</u>

All of these results relate to continuing activities.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

Registered Charity No: 249768
Company No: 88218

BALANCE SHEET AS AT 31st DECEMBER 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	4		4,690		1,786
Investments	5		<u>2,078,157</u>		<u>1,720,984</u>
			2,082,847		1,722,770
Current assets					
Debtors	6	3,264,937		2,324,003	
(including £2,140,617 (2014: £1,933,805) recoverable after more than one year)					
Short term deposits		5,806,135		6,806,118	
Cash at bank		<u>1,338,183</u>		<u>1,680,278</u>	
		10,409,255		10,810,399	
Creditors: Amounts falling due within one year	7	<u>9,420,721</u>		<u>9,809,223</u>	
Net current assets			<u>988,534</u>		<u>1,001,176</u>
Net assets			<u>3,071,381</u>		<u>2,723,946</u>
Capital and reserves					
Called up share capital	8		11,640		11,640
General Funds:	9				
Income and expenditure account		16,995		26,733	
Revaluation reserve		<u>1,190,977</u>		<u>833,804</u>	
			1,207,972		860,537
Designated Funds:	10				
General investment and contingencies reserve		1,848,554		1,848,554	
Quinquennial survey support fund		<u>3,215</u>		<u>3,215</u>	
			<u>1,851,769</u>		<u>1,851,769</u>
Total shareholders' funds	11		<u>3,071,381</u>		<u>2,723,946</u>

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

The financial statements were approved by the Directors on 1 March 2016 and signed on their behalf by:

Howard R Brown
Director

THE LONDON BAPTIST PROPERTY BOARD LIMITED

Registered Charity No: 249768
Company No: 88218

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st DECEMBER 2015

	Note	£	2015 £	£	2014 £
Cash used in operating activities	i)		(1,459,734)		(515,644)
Cash flows from investing activities					
Interest received		79,707		79,339	
Rental income from investment properties		42,599		27,509	
Payments to acquire tangible fixed assets		(4,650)		-	
Cash provided for investing activities			<u>117,656</u>		<u>106,848</u>
Net cash outflow			(1,342,078)		(408,796)
Cash and cash equivalents at 1 st January 2015			<u>8,486,396</u>		<u>8,895,192</u>
Cash and cash equivalents at 31st December 2015			<u>7,144,318</u>		<u>8,486,396</u>
i) Cash used in operating activities					
Net income			347,435		126,767
<i>Adjustments for:</i>					
Interest received shown in investing activities		(79,707)		(79,339)	
Rental income received shown in investing activities		(42,599)		(27,509)	
Depreciation		1,747		4,068	
Gains on investments		(357,174)		(179,866)	
(Increase)/decrease in debtors		(940,934)		198,953	
Decrease in creditors		(388,502)		(558,718)	
Cash used in operating activities			<u>(1,459,734)</u>		<u>(515,644)</u>

THE LONDON BAPTIST PROPERTY BOARD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015

1 ACCOUNTING POLICIES

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

1.1 Accounting convention

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments. There are no material uncertainties about the charity's ability to continue in operation.

The London Baptist Property Fund meets the definition of a public benefit entity under FRS 102.

1.2 Reconciliation with previous UK Generally Accepted Accounting Practice

In preparing the financial statements, the directors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The net income for the year under previous United Kingdom Generally Accepted Accounting Practice has been adjusted for the presentation of investment gains as a component of reported income. In accordance with the requirements of FRS 102 reconciliations of opening balances and net income are provided as follows:

Reconciliation of reported net income	£
Net expenditure as previously stated	(53,099)
Adjustment for net investment gains now treated as a component of net income	<u>179,866</u>
2014 net income as restated	<u>126,767</u>

1.3 Investments

Investment properties

Investment properties are shown at fair value at the balance sheet date and surpluses/(deficiencies) arising on the revaluation are treated as unrealised surpluses/(losses) which are credited/(debited) directly to the revaluation reserve.

Other investments

Other investments are stated at market value.

1.4 Computer and office equipment

The useful life of the office equipment is estimated to be 4 years and of computer equipment is estimated to be 3 years. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its useful life. Computer and office equipment with a cost of over £500 is capitalised.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015 (continued)

1 **ACCOUNTING POLICIES** (continued)

1.5 **Dividends and interest receivable**

Dividends and interest receivable on government and commercial securities are recognised on an accruals basis.

1.6 **Grants and appropriations payable**

Grants and appropriations payable are recognised once payment has been made.

1.7 **Expense allocation**

The company carries out no separate fundraising activities. In view of the company's principal activities, all administrative support costs and governance costs are regarded as charitable expenditure.

1.8 **Income**

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

Loan interest receivable and interest payable on deposits is recognised on an accruals basis.

1.9 **Debtors**

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

1.10 **Cash at bank**

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

1.11 **Creditors and provisions**

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

1.12 **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured using amortised cost on the effective interest rate method.

1.13 **Fund accounting**

Details of the nature and purpose of each fund is given in Note 11.

1.14 **Pensions**

The charity contributes to the Baptist Pension Scheme, via the London Baptist Association, in respect of its employees. This is a defined contribution scheme and contributions are accounted for as they fall due.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015 (continued)

2	INVESTMENT INCOME	2015	2014
		£	£
	Rental income from investment properties	42,599	27,509
	Dividends and interest received:		
	Other investments	9,488	9,144
	Interest receivable:		
	Short term deposits	<u>70,219</u>	<u>70,195</u>
		<u>122,306</u>	<u>106,848</u>

3	SUPPORT AND GOVERNANCE COSTS	2015	2014
		£	£
	Employment costs	52,723	58,389
	Office rental and service charge	9,781	9,099
	Professional fees	33,600	32,350
	Other charges	15,516	14,663
	Depreciation of computer & office equipment (see Note 5)	1,747	4,068
	Auditor's remuneration	<u>4,800</u>	<u>4,800</u>
		<u>118,167</u>	<u>123,369</u>
	Employment costs comprise:		
	Salaries	42,414	
	National insurance	2,845	
	Pension contributions	<u>7,464</u>	
		<u>52,723</u>	

There were four employees (equivalent to two full-time employees) during the year. There were no employees who received employee benefits of more than £60,000. The key management personnel received employee benefits of £19,521 (2014: £19,295) during the year.

4	TANGIBLE FIXED ASSETS	
	Computer & office equipment	£
	Cost or valuation	
	At 1 st January 2015	58,489
	Additions	<u>4,650</u>
	At 31 st December 2015	<u>63,139</u>
	Depreciation	
	At 1 st January 2015	56,703
	Charge for year	<u>1,746</u>
	At 31 st December 2015	<u>58,449</u>
	Net book value	
	At 31 st December 2015	<u>4,690</u>
	At 31 st December 2014	<u>1,786</u>

THE LONDON BAPTIST PROPERTY BOARD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015 (continued)

5 INVESTMENTS

	Other investments £	Freehold investment properties £	Total £
Valuation			
At 1 st January 2015	197,750	1,523,234	1,720,984
Revaluation surplus/(deficit)	(593)	357,766	357,173
At 31 st December 2015	<u>197,157</u>	<u>1,881,000</u>	<u>2,078,157</u>
Historical cost			
As at 31 st December 2015	<u>20,149</u>	<u>867,032</u>	<u>887,181</u>
As at 31 st December 2014	<u>20,149</u>	<u>867,032</u>	<u>887,181</u>

The freehold investment properties were valued at 31 December 2015, according to the locality of the properties, by the following independent professional surveyors: Rapleys, Caxtons and Cartwright Marston. They have followed the Royal Institution of Chartered Surveyors Valuation – Professional Standards January 2014.

6 DEBTORS

	2015 £	2014 £
Advances (financial assets measured at amortised cost)		
Churches	2,885,804	1,863,511
Manses	235,439	331,468
Denominational societies	<u>116,849</u>	<u>111,018</u>
	3,238,092	2,305,997
Prepayments	3,919	4,238
Accrued income	<u>22,926</u>	<u>13,768</u>
	<u>3,264,937</u>	<u>2,324,003</u>

7 CREDITORS: Amounts falling due within one year

	2015 £	2014 £
7 day notice deposits		
Churches	8,459,882	8,879,837
Denominational societies and funds	<u>946,529</u>	<u>919,504</u>
	9,406,411	9,799,341
Accruals	9,768	5,495
Due to London Baptist Association	<u>4,542</u>	<u>4,387</u>
	<u>9,420,721</u>	<u>9,809,223</u>

8 SHARE CAPITAL

	Authorised		Allotted, issued and fully paid	
	2015 No.	2014 No.	2015 £	2014 £
Ordinary shares of £10 each:				
A shares	411	411	4,110	4,110
B shares	<u>1,589</u>	<u>1,589</u>	<u>7,530</u>	<u>7,530</u>
	<u>2,000</u>	<u>2,000</u>	<u>11,640</u>	<u>11,640</u>

The A shares carry one vote per share. The B shares have no voting rights.

THE LONDON BAPTIST PROPERTY BOARD LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2015 (continued)

9	GENERAL FUNDS	Income and expenditure £	Revaluation reserve £	2015 Total £	2014 Total £
	At 1 st January 2015	26,733	833,804	860,537	733,770
	Net expenditure	(9,738)	-	(9,738)	(53,099)
	Gains on investments (Note 5)	-	357,173	357,173	179,866
	At 31 st December 2015	<u>16,995</u>	<u>1,190,977</u>	<u>1,207,972</u>	<u>860,537</u>

10	DESIGNATED FUNDS	General investment and contingencies reserve £	Quinquennial survey support fund £	2015 Total £	2014 Total £
	At 1 st January 2015 and 31 December 2015	<u>1,848,554</u>	<u>3,215</u>	<u>1,851,769</u>	<u>1,851,769</u>

The general investment and contingencies reserve has arisen from the realised gains on investment disposals over a number of years. It is held to support the continuing operations of the charity.

The quinquennial survey support fund has arisen from transfers made from the income and expenditure account. The funds are available to provide financial support to churches requiring a survey of their premises.

11	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2015 £	2014 £
	At 1 st January 2015	2,723,946	2,597,179
	Retained (deficit) for the year	(9,738)	(53,099)
	Unrealised gains (losses) on investments	<u>357,173</u>	<u>179,866</u>
	At 31 st December 2015	<u>3,071,381</u>	<u>2,723,946</u>

12	COMMITMENTS	2015 £	2014 £
	The company has the following commitments at 31 st December 2015:		
	Loan facilities approved but not yet taken up	<u>344,592</u>	<u>502,087</u>

13	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Tangible assets £	Investments £	Net current assets £	Total £
	Unrestricted and designated funds				
	Income and expenditure	-	-	16,994	16,994
	Revaluation reserve	-	1,190,978	-	1,190,978
	General investment and contingencies reserve	4,690	887,179	956,685	1,848,554
	Quinquennial survey support fund	-	-	3,215	3,215
		<u>4,690</u>	<u>2,078,157</u>	<u>976,894</u>	<u>3,059,741</u>
	Share capital	-	-	11,640	11,640
		<u>4,690</u>	<u>2,078,157</u>	<u>988,534</u>	<u>3,071,381</u>

THE LONDON BAPTIST PROPERTY BOARD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015 (continued)

14 RELATED PARTIES

The key management personnel of the charity are considered to be related parties and the total employee benefits are set out in note 3 above. The directors receive no remuneration or expenses. As disclosed on page 6, the Directors are variously Officers and/or members of churches which are affiliated to the London Baptist Association, and those churches may place deposits from time to time with the LBPB. The rates payable on such deposits are identical to those offered to all churches.

Office rental and service charge (see note 3) is payable to Bloomsbury Central Baptist Church for the lease of part of the Church building. Howard Brown, treasurer and director of the company, is also treasurer and Deacon of the Church. The determination of the rent and the basis for the service charge are dealt with by a third party who is independent of the company and the Church.

The "A" shares are wholly owned by the London Baptist Association (LBA) (registered charity number 1091160, company number 04325272). The object of the LBA is the advancement of Christianity in and through its member churches individually and acting together, in accordance with the principles of the Baptist denomination. The LBA is affiliated to the Baptist Union of Great Britain. The LBA seeks to fulfil its purpose through resourcing, supporting and encouraging the life and mission of its member churches. The company's results have been included in the consolidated accounts which are available from the registered office.

At the year end, the company had the following loan and deposit balances with the LBA:

	2015	2014
	£	£
Loans advanced	<u>91,584</u>	<u>91,584</u>
Deposits held	<u>792,892</u>	<u>725,985</u>

Interest is received on the loans and paid on the deposits at the standard rates.

THE LONDON BAPTIST PROPERTY BOARD LIMITED

CHURCHES AND ASSOCIATIONS FOR WHICH
THE COMPANY WAS ACTING AS CUSTODIAN TRUSTEE at 31st DECEMBER 2015

(A) CHURCHES IN MEMBERSHIP WITH THE LONDON BAPTIST ASSOCIATION

Abbey Road Baptist Church	Chelsea Community Church	Hainault Baptist Church
Acton Baptist Church	Chingford Mount Baptist Church	Ham Christian Centre
Albany Park Baptist Church	Chiswick Baptist Church	Hampstead Garden Suburb Free
Aldersbrook Baptist Church	Christ Church, New Southgate & Friern Barnet	Hampton Baptist Church
All Nations Baptist Church (Clapham Park)	City on the Hill Romanian Baptist Church	Hampton Wick Baptist Church
All Nations Church, Manor Park	Clapham Baptist Church	Harringay United Church-Baptist
Alperton Baptist Church	Claremont Free Church	Harrow Baptist Church
Amott Road Baptist Church	Clayhall Baptist Church	Hatch End Free Church
Ashford Baptist Church	Clementswood Baptist Church	Haven Green Baptist Church
Ashford Common Baptist Church	Coldharbour Lane Baptist Church	Hayesford Park Baptist Church
Ashurst Drive Baptist Church Ilford	Coney Hill Baptist Church	Heath Street Baptist Church
Avenue Baptist Church	Cranbrook Baptist Church	Hendon Baptist Church
Baldwyns Park Baptist Church	Crayford Baptist Church	Herne Hill Baptist Church
Balham Baptist Church	Cricklewood Baptist Church	Hersham Baptist Church
Baptist chm Tamil Congregation	Crofton Park Baptist Church	Highams Park Baptist Church
Barking Baptist Church	Croham Road Baptist Church	Highfield Road Baptist Church
Barnes Baptist Church	Cross Street Baptist Church	Hillingdon Park Baptist Church
Battersea Chapel Educational Foundation	Crown Road Baptist Church	Hither Green Baptist Church
Beckenham Baptist Church	Custom House Baptist Church	Honor Oak Baptist Church
Bedford Hill Baptist Church	Denmark Place Baptist Church	Hornsey Rise Baptist Church
Belvedere Baptist Church	Disciples Baptist Church	IHOPE
Bethel Baptist Church	E1 Community Church	Ilford High Road Baptist Church
Blackheath and Charlton Baptist Church	Earlsfield Baptist Church	John Bunyan Baptist Church
Blackhorse Road Baptist Church	East Barnet Baptist Church	Joy Christian Centre International
Bloomsbury Central Baptist Church	East Ham Baptist Church	Kensal Rise Baptist Tabernacle
Bonny Downs Baptist Church [Newham]	East Hill Baptist Church	Kenton Baptist Church
Boston Road Baptist Church	East Plumstead Baptist Church	Kingsbury Free Church
Bow Baptist Church	East Sheen Baptist Church	Kingswood Community Church
Braemar Avenue Baptist Church	Eastern Avenue Baptist Church	Leytonstone United Free Church
Brandon Baptist Church	Edmonton Baptist Church	Likewise Christian Ministries
Brentford Free Church	Eldon Road Baptist Church	Lindsay Park Baptist Church
Brighton Road Baptist Church	Eltham Park Baptist Church	Little Ilford Baptist Church
Brixton Baptist Church	Emmanuel Baptist Church, Hounslow	Living Waters Baptist Church
Broadmead Baptist Church	Emmanuel Church (Thamesmead)	London Arabic Evangelical Church
Bromley Baptist Church	Enfield Baptist Church	London Network Church
Bromley Common Baptist Church	Epsom Baptist Church Centre	London Spanish-Speaking Baptist Church
Brondesbury Christian Church	Everyday Church Kingston	Longheath Baptist Church
Brownhill Road Baptist Church	Everyday Church Southfields	Lordship Lane Baptist Church
Buckhurst Hill Baptist Church	Faith Baptist Church (London)	Major Road Baptist Church
Camden Road Baptist Church	Finchley Baptist Church	Manor Park Christian Centre
Campsbourne Baptist Church	Foots Cray Baptist Church	Marks Gate Baptist Church
Camrose Baptist Church	Frampton Park Baptist Church	Memorial Community Church
Cann Hall & Harrow Green Baptist Church	Fulham Baptist Church	Merton Park Baptist Church
Carshalton Baptist Church	Goodmayes Baptist Church	Mill Hill East Church
Carshalton Beeches Baptist Free Church	Gospel Restoration Baptist Church	Mitcham Baptist Church
Central Baptist Church, Stratford	Grange Park Baptist Church	Morden Baptist Church
Chadwell Heath Baptist Church	Green Street Green Baptist Church	Morden Park Baptist Church
Chalk Farm Baptist Church	Greenford Baptist Church	Muswell Hill Baptist Church
Charis Baptist Church	Greenleaf Baptist Church	Myanmar Christian Fellowship
Chatsworth Baptist Church	Haddon Hall Baptist Church	New Addington Baptist Church

THE LONDON BAPTIST PROPERTY BOARD LIMITED

CHURCHES AND ASSOCIATIONS FOR WHICH

THE COMPANY WAS ACTING AS CUSTODIAN TRUSTEE at 31st DECEMBER 2015

New Bevan Baptist Church	New Life Church	New River Baptist Church
Norbury Baptist Church	Selsdon Baptist Church	Trinity Baptist Church {West Norwood}
North Cheam Baptist Church	Shoreditch Tabernacle Baptist Church	Trinity Baptist Church Bexleyheath
North Hanwell Baptist Church	Shrublands Christian Fellowship	Twickenham Green Baptist Church
North Peckham Baptist Church	Sidcup Baptist Church	Underhill Baptist Church
Northcote Road Baptist Church	Slade Green Christian Fellowship	Union Church and Community Centre
Northolt Grange Baptist Church	South Hanwell Baptist Church	Upper Holloway Baptist Church
Northolt Park Baptist Church	South Harrow Baptist Church	Victoria Park Baptist Church
Northumberland Heath Baptist Church	South London Tabernacle	Victory Baptist Church, Tooting
Oakwood Baptist Church	South Norwood Baptist Church	Victory Family Christian Centre
Oasis Charitable Trust	South Street Baptist Church	
Oasis Church Colliers Wood	Southall Baptist Church	Victory Life Baptist Church
Old Lodge Lane Baptist Church	Southborough Lane Baptist Church	Wallington Baptist Church
Oldfield Free Church (Baptist)	Spruce Hill Baptist Church	Waltham Abbey Baptist Church
Open Doors Baptist Church	St Andrew's Church, Walthamstow	Walton Baptist Church
Palmers Green Baptist Church	Stanmore Baptist Church	Wanstead Baptist Church
Pawsons Road Baptist Church	Stoke Newington Baptist Church	Wealdstone Baptist Church
Peckham Park Road Baptist Church		Welling Baptist Church
Peckham Rye Tabernacle Baptist Church	Stone Baptist Church	West Croydon Baptist Church
Penge Baptist Church	Stoneleigh Baptist Church	West Drayton Baptist Church
Pentecost Baptist Church	Streatham Baptist Church	West Green Baptist Church
Perry Rise Baptist Church	Streatham Vale Baptist Church	West Hendon Baptist Church
Pinner Baptist Church	Stroud Green Baptist Church	West Wickham & Shirley Baptist Church
Pollards Hill Baptist Church	Sudbury Baptist Church	Westbury Avenue Baptist Church
Purley Baptist Church	Suffolks Baptist Church	Whitton Baptist Church
Quaystone Christian Church	Surbiton New Life Baptist Church	Willesden Green Baptist Church
Queen Street Baptist Church	Sutton Baptist Church	Wimbledon & District Korean Baptist Church
Raleigh Park Baptist Church	Tasso Baptist Church	Winchmore Hill Baptist Church
Ravenscourt Baptist Church	Temple Hill Baptist Church	Woodford Baptist Church
Rayners Lane Baptist Church	The King's Cross Baptist Church	Woodgrange Baptist Church
Roding Lane Free Church	The Well Community Church	Woodmansterne Baptist Church
Royal Docks Community Church	Tooting Junction Baptist Church	Woodside Baptist Church
Ruislip Baptist Church	Tottenham Baptist Church	Woolwich Central Baptist Church
Rye Lane Baptist Chapel	Totteridge Road Baptist Church	Worcester Park Baptist Church
Salem Baptist Church	Trinity Baptist Church, Woolwich	

(B) CHURCHES IN MEMBERSHIP WITH THE EASTERN BAPTIST ASSOCIATION

Becontree Avenue Baptist Church	Ferndale Baptist Church Ltd	Romford Baptist Church
Benfleet Baptist Church	Friars Baptist Church	Shoeburyness and Thorpe Bay Baptist Church
Brentwood Baptist Church	Hadleigh Baptist Church	Shotgate Baptist Church
Chase Cross Baptist Church	Hawkehill Baptist Church	Stifford Clays Baptist Church C
Cranham Baptist Church	Leigh Beck Baptist Church	Upminster Baptist Church
Dagenham Baptist Church	Oxlow Lane Baptist Church	Winter Gardens Baptist Church
Earls Hall Baptist Church, Westcliff	Pilgrims Hatch Baptist Church	Wood Lane Baptist Church
Elm Park Baptist Church	Ramsden Bellhouse Baptist Church	

THE LONDON BAPTIST PROPERTY BOARD LIMITED

CHURCHES AND ASSOCIATIONS FOR WHICH

THE COMPANY WAS ACTING AS CUSTODIAN TRUSTEE at 31st DECEMBER 2015 (continued)

(C) CHURCHES IN MEMBERSHIP WITH OTHER ASSOCIATIONS

Cippenham Baptist Church
Dormansland Baptist Church

Godstone Baptist Church
Life Church, Cuffley

Potters Bar Baptist Church
Wraysbury Baptist Church

(D) CHURCHES NOT IN MEMBERSHIP WITH AN ASSOCIATION

Beulah Church
Biggin Hill Christian Fellowship Trust
Central Baptist Church, Walthamstow
Cheam Baptist Church
Childs Hill Baptist Church
City Hope Church London
Community Church, Putney
Cranford Baptist Church
Days Lane Baptist Church
Ealing Road Baptist Church
East Dulwich Tabernacle
East Finchley Baptist Church
East London Tabernacle Baptist

East Street Baptist Church
Elmstead Baptist Church
Everyday Church Wimbledon
Gresham Baptist Church
Gunnersbury Baptist Church
Harmondsworth Baptist Church
Hatton Road Baptist Church
High Barnet Baptist Church
Hitherfield Road Baptist Church
Ichthus New Life Centre, Greenwich
King's Church Iver
King's Church London
Leghorn Road Baptist Church

Leyton Baptist Church
Lighthouse Baptist Church
Metropolitan Tabernacle
Olivet Baptist Church
Twynholm Baptist Church
Upney Baptist Church
West Kilburn Baptist Church
Westbourne Grove Church
Westminster Baptist Church
Woolwich Evangelical Church

(E) OTHER ORGANISATIONS

Regent's Park College

Spurgeons College

The London Baptist Association