



THE MESSAGE TRUST

ANNUAL REPORT & FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

Company Limited by Guarantee

Company Registration Number 03961183

Registered Charity Number 1081467

Scottish Registered Charity Number SC045838

THE MESSAGE TRUST

FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

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REFERENCE AND ADMINISTRATIVE DETAILS

The Board of Trustees

C. Hardicre (Chairman)
R. D. White
J. A. Wainwright
D. I. Moore
A. C. Leakey
G. J. Haynes

Company Secretary

I. Rowbottom

Chief Executive Officer

A. Hawthorne OBE

Registered Office

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Harper Road
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External Auditors

Beever and Struthers
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Bankers

National Westminster Bank PLC
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REPORT OF THE TRUSTEES

YEAR ENDING 31 AUGUST 2020

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ending 31 August 2020.

The Message Trust is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number 1081467. Company number 03961183. On 27 July 2015 The Message Trust became a cross-border charity registered with the Scottish Charity Regulator (OSCR) Charity number SC045838. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

BACKGROUND AND OBJECTIVES

The Message was formed in 1991 with one full-time member of staff, who worked mainly within secondary schools in the Greater Manchester area. This work developed with the formation of a dance music band, The World Wide Message Tribe who became one of Europe's most popular Christian Music groups. The formation of Eden teams working in the toughest parts of the city of Manchester and many other projects have added rapid growth with the work now becoming a significant organisation employing an average of 131 paid staff (2019: 114) with an annual income of £6 million (2019 £10.3 million).

The organisation was initially set up as the Message to Schools Trust but, with the growth and increasing number of opportunities opening up, all the activities, assets and liabilities were transferred to a new trust, The Message Trust, with effect from 31 August 2000. The new Trust, a company limited by guarantee, was incorporated on 30 March 2000 but did not become active until 31 August 2000 when it took over the operations of the old trust.

These objects are being worked out in seven main areas:

- Partnering with local churches, local authorities, schools, the police and other agencies to provide new opportunities and positive experiences for disadvantaged, deprived and marginalised young people throughout the United Kingdom.
- Producing quality Christian music and educational resources. Live music bands, printed materials, the internet and multi-media are all used to communicate Christianity to young people in ways that are relevant to today's youth culture and perspectives.
- Community-based 'Eden' youth teams advancing the work of The Message through partnerships with local churches. Our goal is to see Eden "Hubs" across the UK, each one situated in one of the country's social deprivation "hotspots" and planting Eden Partnerships throughout their region. Each Eden Partnership would employ full-time and volunteer youth and community workers that would positively impact the people in those areas irrespective of religion, colour or background.
- Providing regular, long-term, accredited education courses alongside friendship and care to young prisoners in Young Offenders' Institutions through our Message in Prisons team using drama, music, video and other activities.
- Providing Christian training to young people, youth workers and others through "Message Academy" and "Advance" as well as a range of training courses in music and dance through the "Genetik Sessions".
- Providing regular, long-term mobile youth centres in urban areas where teenagers have nowhere to go through our "Message Buses" (formerly known as Eden Buses), fully

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equipped with the latest video game technology and staffed by trained and skilled professional youth workers.

- Through its subsidiary charity, offering employment, training and housing to ex-offenders through the “Message Enterprise Centre” and “The Oaks”.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The directors of the charitable company (“the charity”) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees’ recruitment is by personal contact of existing Trustees. They are then elected by the Board of Trustees in consultation with the Chief Executive, on the basis of their expertise, wisdom and advice that they can bring to the Management and Administration of the Trust. Training and induction are provided to new Trustees as appropriate.

The Board of Trustees has a variety of experience including both Christian ministry and commercial business skills. They meet quarterly to oversee the vision and strategies of the charity. Executive Directors have been appointed by the Trustees to oversee the day-to-day operations of the charity. The Board is accountable to the Charity Commission for the careful use of charitable and other public funds provided in a variety of forms, and for the achievement of appropriate performance standards in service delivery. The Board also undertakes at least one additional annual away-day for the purposes of further developing The Message Mission and Vision, and to concentrate on continuous improvement in performance.

With the growth of activities of the Trust an increasing level of expertise is required on a day-to-day basis and an established senior management team is in place that is capable of running the affairs of the Trust. The Trust's senior management team is the Executive Board, headed by the Chief Executive, Mr A Hawthorne. The Executive Board meets monthly, and its members are both jointly and individually accountable via the Chief Executive to the Board of Trustees.

Day-to-day management matters are further scrutinised by a cross-functional team of internal departmental managers, who meet on a monthly basis. This latter group’s work is fed into the Executive process whenever a more significant matter of policy or other key decision-making arises.

The Trustees remain committed to the policy of utilising music bands as one of the most effective ways to communicate the Gospel to young people. Our goal continues to be to present the Christian message and lifestyle in ways that are relevant to today’s youth.

Eden teams also remain one of the primary ways that the Trustees seek to ground the work of The Message with both local churches and the communities. Our goal is to see Eden teams with full-time and volunteer youth and community workers established in the most deprived neighbourhoods of the UK, positively impacting the people in those areas irrespective of religion, race or background.

The Message recognises the importance of our staff and aims to help them to develop their potential, improve their skills and gain greater job satisfaction.

RISK MANAGEMENT

Risk awareness is integral to the Trust’s overall management effectiveness. All Executive Team members and Managers with the assistance of their teams carry out regular reviews of risks affecting their areas of the Trust’s activity, including risks surrounding the current Covid-19

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pandemic, see the going concern note on page 50 for further details. Wherever possible the Risk is quantified and financial values and other qualitative assessments of risk assigned, including recognition of consequential effect. Executive and Board of Trustee status reports detail any changes to the overall levels of risk, particularly when introducing a new activity.

The Board of Trustees consider the consolidated impact of all risks annually, recognising that some risk is positive and beneficial in assisting the organisation to stretch and grow, particularly in terms of innovation. A standardised risk analysis and mapping procedure assists the Trust to identify, evaluate and rank any special risk and audit needs or manage any corrective action required, taking into account the impact and likelihood and the known strengths and weaknesses of internal controls.

Operationally the activity of The Message Trust is split into two parallel functions: **Mission and Support.**

Mission encompasses staff and volunteers with regular or frequent face to face contact with young people and / or vulnerable adults. Each of the mission project areas and departments has its own branded identity as follows:

Message Bus (mobile youth centres), Eden (missions teams in urban communities), Advance (evangelists' movement), Message to Prisons (working with prisoners and young offenders), Message Academy (training initiatives) and educational ministry teams: BrightLine (rock group), Vital Signs (hip-hop group), Galactus Jack (electronic dance music DJ), SoulBox (soul, rap & beatbox group), Amongst Wolves (pop-rock group), OTC (rap and afro-pop group), Respect Me (relationships & self-esteem education team), Enable (seen and unseen disabilities team) as well as The Message Enterprise Centre (MEC), which in turn houses the Mess Café, Shine Hair & Beauty (closed August 2020), Wedding Angels, MEC Buildings team, Good Seeds gardening and landscaping (closed September 2019), The Oaks and MEC Property business.

Support encompasses staff and volunteers, mostly working behind the scenes. These activities are structured departmentally as follows: Administration, Operations (including fleet and facilities management), Finance, Communications, Partnerships and the Executive Leadership team.

Summary of Mission priorities:

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

Our mission is to demonstrate and explain the Christian faith to young people and adults in very practical and relevant ways using a variety of means including educational work in high schools, young offender institutions and prisons, relational and recreational work in community centres, churches and outdoors. We have a particular concern for urban youth and adults from deprived or socially excluded backgrounds who do not receive the same opportunities as those growing up in the wealthier suburbs.

The Message Trust's Executive leadership team seek to achieve this by motivating staff and volunteers with a compelling vision and supporting them within a robust management framework.

We ensure our volunteers have comprehensive support for their roles through appropriate policies and procedures, clarifying the extent of their remit and providing checks and balances in relation to the key areas of the Management & HR Strategy.

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ACHIEVEMENTS AND PERFORMANCE

The Message Group: 2019–20 in review

This year continued to present significant opportunities for our work to grow in many areas of ministry and into new locations, which was matched by an ongoing development of our processes and teams to support and resource our work.

This report includes just a few highlights of our work with the hardest-to-reach young people during 2019–20.

IMPACT OF COVID-19

As you'll see from this report 2019 – 2020 was a significant year of mission for The Message Trust with a 14 date Higher Tour planned, schools work growing, opportunities to expand our prisons work, new missions teams launching, partners asking to launch Eden teams and enterprise expanding outside of Manchester. The first six-months of the year saw us hit the ground running with the gospel being shared in schools, communities, on buses and in prisons as well as Advance Group growth starting to build.

On 23 March 2020, the UK went into its first Covid-19 national lockdown requiring school closures and strict restrictions being imposed on gatherings, businesses and many other areas of life, which impacted upon our operations, like it did countless other businesses and organisations.

Whilst some of our planned activity was unable to progress (see page 14 – Message Bus) or had to be rescheduled, The Message Trust did not shift from its central vision of sharing the good news of Jesus with people and communities in word and deed, and many areas of our work were repurposed (see page 8 – Message Live and page 33 – Message Community Grocery).

Creative mission went online giving the opportunity to reach more young people than ever before, in-person events moved online too drawing the largest audiences and brand-new resources for schools to use as part of their home school provision were launched.

The impacts of Covid-19 have been felt acutely by the UK's poorest neighbourhoods. Our Eden teams who were already on the ground in the communities immediately began to change their plans and serve their neighbours in need in new ways (see page 12).

Significantly, as our enterprise businesses had to close their doors for the lockdown, new opportunities to ensure the facilities were used to help those in need emerged with the kitchens starting to prepare hundreds of meals a week that were delivered to those in need/shielding. From this developed an awareness of the need for our nation's poorest families to have access to affordable food and the idea of the Message Community Grocery was born. Launched, initially in Sharston in September 2020 the Message Community Grocery will provide members with the food they need for their families, coupled with support through a range of courses and services. In addition, there will be opportunities for them to learn more about Christianity through these courses. Given the level of need across the UK, plans to rapidly replicate Community Groceries around the country are being developed.

Partnerships developed through the meal delivery project saw our team also undertake a week of social action mission in Wythenshawe called 'Love Wythenshawe' during August 2020 where they cleared streets of litters, tidied residents' gardens, undertook two large scale projects transforming the gardens of two families and as we worked got to chat to people about Jesus and pray with them.

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CREATIVE MISSION

This year saw our outreach through creative mission continuing as well as its reach online increase. Our five bands and two educational teams were joined by a sixth band OTC all delivering lessons, assemblies and performances in schools and venues throughout the UK and beyond.

BrightLine, Vital Signs, Amongst Wolves, SoulBox, OTC and Galactus Jack use music and personal stories to deliver RE and PSHE lessons in schools, and at evening performances to share the life-changing gospel of Jesus Christ. Respect ME delivers a programme of school lessons covering such topics as self-esteem, bullying, sex and relationships and abuse. Enable delivers training about and raises awareness of seen and unseen disabilities, helping people connect with God.

As lockdown began, creative mission moved online with bands and teams creating concerts, TV shows, lessons and resources for young people and schools to access through our Message Live platform. Through these channels thousands of young people heard about the love and hope of Jesus in relevant ways.

In September 2019, Brightline headed over to Germany to take part in their youth conference organised by Message Germany where they performed and were able to share the gospel with hundreds of young people.

As planning for the Higher Tour 2020 built, October 2019 saw us partner with Scripture Union in the **Hope Tour** with SoulBox and Brightline running days of schools work and evangelistic events.

2020 began as we meant it to go on with **Higher North Wales**. Three bands of our teams delivered 10 schools days in 13 different schools and met 4,596 young people there. They saw 1,213 at the evening gig held as part of the tour where 452 responded to the gospel. Each of these was introduced to their local youth worker who would be leading the Higher follow-up sessions in their school or church and they were given a response pack including a Higher Bible and other discipleship resources.

Higher Southport quickly followed on the heels of the North Wales tour, giving us another opportunity to share the gospel with young people in an area where The Message Trust has not previously worked extensively. Visiting six schools over the week our two bands saw over 2,500 young people in schools and 350 at the end of week evangelistic gig. At the concert 182 responded to the gospel.

These were just the first two Higher Tours planned for a 14-date tour that would span this year and into early 2020/21, however March 2020 saw Covid-19 start to impact life in the UK and, as schools closed and national restrictions on gatherings were imposed, a decision to postpone the rest of the planned tour had to be made.

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CREATIVE MISSION (continued)

However, this did not stop creative mission and we repurposed. Aware that meeting young people face-to-face was not possible during this season, mission moved online, and **Message Live** was launched. From Monday to Friday every week we broadcast videos and content that shared the gospel with young people and equipped the Church for mission. Shows packed with teaching, music, fun and the good news of Jesus began to be broadcast. But as well as introducing young people to faith we want them to grow in this too, so weekly discipleship shows were launched too. To date Message Live has reached over 500,000 people and counting.

As part of Message Live, Respect ME lessons also went online with weekly shows, The Message Today, designed to address the key issues young people were facing in lockdown. Tackling issues such as mental health, grief and living online the videos doubled up as resources that could be used by schools in their online and in-person teaching programmes.

Respect ME: The Message Today

‘I find these videos helpful because I’ve become more confident that I can make life better for myself and others. I’ve learnt that I can persevere and become resilient with the challenges I face. I really hope these videos have helped others realise that everybody should be treated equally and should be loved the same.’

Quote from a young person using The Message Today lessons in school

Higher North Wales: Taking the gospel higher in North Wales

‘In one school, we worked with a group of vulnerable young people who had been through abuse and trauma. Ben shared his testimony, explained his struggles and how God helped him and gave him hope and a future. One young girl began to cry while Ben shared as she resonated with what he was saying. We’re now praying that this girl will know the same as she was so moved by his testimony.’

Sammy, SoulBox

Brightline have continued to play a key part in our creative missions this year in schools, at performances and online. They were a key part of the Higher Tours in North Wales and Southport leading lessons, performing during lunchtime concerts and at the end of the week gigs. Alongside this, they have been involved in online mission activity running online concerts for young people, connecting with youth groups and running discipleship sessions. Covid-19 restrictions meant national and international events Brightline were due to perform at did not go ahead in person, however they were still able to be perform as part of events such as Big Church Day Out, one of the largest Christian music festivals in the UK, when these moved online.

Vital Signs continued to work with a particular focus on prisons, crisis education centres and pupil referral units (PRUs), with opportunities to work in PRUs increasing significantly. Creatively, Vital Signs continued developing music and writing songs focused on life transformation for other artists. The team also performed at the No More Knives tour gig in January 2020.

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CREATIVE MISSION (continued)

Amongst Wolves involvement within missions and schools work continued to increase this year. The band were heavily involved in the two Higher tours that took place in early 2020 as well as our regular schools' work, prisons work and running music workshops with young people in a mental health hospital helping them express themselves. Whilst also travelling to Poland in October 2019 to perform as part of the Exit tour. As mission work moved online, the band began producing weekly shows that both equipped young people as they faced the challenge of the pandemic and shared the good news of Jesus with them.

This year, the band released their first new music with their new line-up. The singles Golden and Defender proved instantly popular. Further new music is planned for release during 2020/21.

SoulBox's profile as a band continued to increase this year giving them opportunity to perform and share the gospel in schools work, in evening performances and at national and international events. Lockdown saw SoulBox perform several times during the online Big Church Day Out and this has been viewed more than 33,000 times to date.

OTC (Outta The Cage) launched as a mission team band in September 2019 and have hit the ground running. This year has seen them form as a band, decide on their creative direction, begin writing music for release next year as well as take part in schools work and start to perform at events like the No More Knives tour concert. As mission work moved online, OTC have launched their digital platforms and begun creating gospel-centred content that is engaging to young people.

Galactus Jack has taken opportunities to perform at events and online as these have arisen. Ben Jack's focus has continued to shift towards his leadership of Advance: The Message Evangelists Movement which has groups growing and developing across the globe (see page 11 for full information about Advance Groups and its growth this year).

The work of **Respect ME** continued to grow this year with tens of thousands of young people being equipped, empowered and built up through lessons and courses. As schools shut due to Covid-19, opportunities to share lessons in person were not available so the team repurposed and launched a new online resource for schools and youth groups - The Message Today. Exploring the hot topics young people are facing during lockdown and a global pandemic, The Message Today are weekly 30-minute lessons packed full of stories, stats and hope that are given to schools and broadcast through Message Live. Covering issues such as mental health, living online and grief, The Message Today and its accompanying discussion questions is being used regularly in classes and groups, giving opportunities to connect with schools and young people we've not previously worked with.

Enable delivered by John Williams and others, reaches out to young people with seen and unseen disabilities. This year John has continued working with churches as well as schools in partnership with other educational teams from The Message Trust. As opportunities have arisen, John has also spoken at national events. At the end of the year, John moved into a new role outside of The Message and we will spend 2020-21 assessing the role Enable could play in our future mission activity.

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CREATIVE MISSION (continued)

Creative Mission: Outcomes against our 2019 – 2020 goals

- **Launch a new band as a new missions team**
Achieved – OTC (Outta The Cage) was launched in September 2019 as The Message Trust's new mission's team and have since begun creating music and performing to young people.
- **Complete stage one of the UK Higher Tour 2020 and prepare for stage two that will take place during 2020/21**
Impacted by Covid-19 – plans and preparations for stage one and two of the UK Higher Tour 2020 were in place and the first two of the 14 date tours had been successfully completed in North Wales and Southport during February and March 2020. Covid-19 and the closure of schools and events meant that the remaining tours were unable to proceed as planned. However, plans to develop an online Higher Tour during 2020/21 are in development.
- **Achieve 250,000 audio streams across all platforms per month**
Impacted by Covid-19 – this figure was based upon the increased audio stream figures bands secure when out touring and linked to the planned Higher Tour which had to be postponed due to Covid-19. On average 152,207 audio streams were achieved each month throughout the 2019/2020 year showing that a significant audience was reached via our music and its message.

Through letter writing we've built relationships and encouraged prisoners we currently worked with as well as with those we'd not previously worked with. Prison radio has also given us a new way to connect with men and women. Each week our show is reaching 1,600 prisoners and during the autumn of 2020 we had the opportunity to broadcast a service sharing the good news of Jesus into every prison cell in the country. Working with partner Junction 42 and local churches, we have also sent packs filled with Bibles, music, encouragements and the good news of Jesus to every prisoner across the country.

We've continued to work closely with the Message Enterprise Centre, so that we can refer those leaving prison to The Oaks (supported housing) and our enterprise businesses.

Prisons: Letters of Hope

One prisoner that our team connected with through lockdown letter writing was Gareth*. As he wrote he shared that one of his close friends had been diagnosed with a tumour and that even though he wasn't a Christian, the moment he heard the news he felt like he needed to pray.

From there his passion for prayer and to find out about Jesus grew.

As our letters to Gareth continued, we were able to encourage him in his faith as he learnt to read the Bible and pray. Despite being confined to his cell for 23 hours a day Gareth gave away his TV saying 'with a TV I don't spend enough time with God and it's a distraction. My routine is now wake, wash, pray, read the Bible, exercise, write letters, pray, read the Bible and Christian book and pray. To be honest, I've never, ever felt better in my life.'

*Names changed to protect the individual's identity

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PRISONS (continued)

Prisons: Breaking free of self-harm

As the first lockdown eased Jo from our Message in Prisons team was able to head back into prison to run a Bible study group. There she met a number of ladies who she hadn't met before including Leah* who said:

'I asked to speak to Jo because a woman in my house has been helping me when I was struggling with self-harming. She told me about the Bible study group that she went to before lockdown. Jo gave me some books to read and prayed for me. The thoughts of self-harm have started to fade and I'm really looking forward to coming to the group because I need to find some hope and something to believe in.'

*Names changed to protect the individual's identity

ADVANCE: THE MESSAGE EVANGELISTS MOVEMENT

This year has seen Advance Groups grow at their fastest rate ever, both here in the UK and overseas. Advance groups are now established in 32 nations across the globe including Brazil, Peru, Zambia, Libya, Thailand and Germany. In August 2020, there were circa 500 groups established, training and equipping around 3,000 evangelists.

Demand for the Advance Group Mentoring Guide has increased across the globe and this is now being used extensively to equip groups and has been translated into Afrikaans, Lugandan, Romanian, French and Portuguese. Over the coming year, the materials will be translated into more languages as requests come in and the stage 2 Advance Group Mentoring Guide will be completed and published.

Advance: Outcomes against our 2019–20 goals

- **Establish 175 groups in the UK with 1200 members in total**

Achieved – over 200 active groups were established across the UK by the end of August 2020 with more enquiries about setting up new groups being received.

- **Establish 110 groups globally with 800 members in total**

Achieved – 2019/20 saw groups growing across the globe with the number of active ones totalling 150 by August 2020.

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COMMUNITY TRANSFORMATION

Eden

Eden, our flagship programme working in deprived communities, continued to be effective this year and our teams continued to work day-in, day-out to achieve real transformation in their local communities.

This year has seen the Eden Network continue to build with established teams becoming increasingly engaged within their neighbourhoods. From September 2019 – March 2020 community meals, Alpha courses, mentoring, detached youth work, English language classes, sports clubs and bouncy castle church were just some of the initiatives that teams were running week in, week out alongside building and deepening relationships with their neighbours.

As the Prime Minister announced the first national lockdown our Eden teams were perfectly positioned to provide vital support to those in some of our nation's most deprived neighbourhoods. Food parcels were given out, homecooked meals prepared, and shopping and prescriptions delivered.

In London, knowing that many of their neighbours would face extreme food poverty, our East Finchley team partnered with a local church to set up a brand-new Foodbank and in just its first few days, hundreds of food parcels had been distributed. Our heartbeat has always been and will always be to point people to Jesus, so as well as providing practical help to their neighbours, teams seized every opportunity to share the gospel with those they meet and speak to.

This year also saw a new team launched in Farnworth (Bolton) and 50 team members join the network.

This year the Proximity conference moved online in May 2020 as a one-day event and reached its largest audience ever. Entitled 'Come Follow Me' and focused on Jesus' counter cultural message to follow him in every area of our lives and see mission on the margins of society as a priority once again. Speakers included Shane Claiborne, Danielle Strickland, Natalie Williams, Bishop Philip North, Ash Barker, Sam Ward, Andy Hawthorne and Sarah Small. As at previous conferences, funds were raised to finance the brand-new Eden team in Central Drive, Blackpool. At the event we were also able to celebrate the launch of the Whitmore Reans team which was funded by the Proximity 2019 conference.

Work to address the challenging nature of recruitment is ongoing with a strategy being rolled out to see recruitment owned and championed at every level of the movement – national, regional and local.

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COMMUNITY TRANSFORMATION (continued)

Eden: Outcomes against our 2019 – 2020 goals

- **Launch 10 new Eden teams with 100 team members**
Ongoing – 1 new Eden team launched in Farnworth (Bolton) and 50 team members recruited. The timescales for launching new teams and the recruitment of team members into these was impacted by Covid-19. Advanced plans to launch teams during 2020/21 are already in place.
- **To fully launch the new Proximity Network with key stakeholders in place**
Achieved – the Proximity Network has been launched and was instrumental in bringing key stakeholders together for the Lockdown Hunger project that delivered over 2,334,000 meals to vulnerable families during the first national lockdown.
- **Deliver Proximity Conference in May 2020 (Come Follow Me), growing its reach from previous years**
Achieved – due to Covid-19 restrictions the Proximity Conference moved online and took place on Friday 15 May 2020 reaching and engaging with over 4,000 people, making it the largest Proximity Conference to date.

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MESSAGE BUS

This has been a year of two halves for our Message Buses. From September 2019 – March 2020 our fleet of buses were out working in hard-to-reach communities partnering with local churches and the opportunity to extend our work into schools had developed. We also continued to add to our fleet with the purchase of two new buses that will make it possible for Message Buses to work in London, the Midlands, Wales, Scotland, Merseyside, Manchester and Yorkshire.

Covid-19 restrictions and subsequent Government guidelines have meant that from the beginning of the March 2020 lockdown the work of the Message Buses had to be paused, and the fleet was taken temporarily off the road. Short-term opportunities to repurpose the bus fleet for missional activity during 2020/21 until core activity can resume are currently being developed and costed.

Message Bus: Outcomes against our 2019 – 2020 goals

- **Recruit and train bus managers for the Scotland, Wales, London, North East, and Midlands Hubs**
Ongoing – recruitment and training of individuals into posts for Scotland and London had been completed prior to the start of the March 2020 lockdown however with the buses not currently operating staffing arrangements needed to be reviewed in the short/medium-term. Planned recruitment for the North East and Midlands positions has been temporarily paused and will resume once the bus fleet begins operating again.
- **Fleet transfer of bus from Wales to North East once the Wales bus is delivered in March 2020**
Ongoing – the delivery of the new Message Wales bus has been completed however the transfer of its predecessor to the North East has been delayed due to Covid-19.
- **Launch the new Message Wales bus**
Achieved – the refurbishment and fit out of the new Message Wales bus has been completed and whilst this is yet to undertake bus ministry it is planned to be used as part of community social action mission weeks taking place in autumn 2020.
- **Transfer the current Wales bus to the North East and launch bus work in the hub area**
Ongoing – conversations and partnerships associated with the launch of bus work in the North East are underway and progressing well. However, Covid-19 restrictions mean that plans associated with the rollout of this work have been temporarily paused.
- **Refurbish and launch the new Message Bus for the Midlands**
Ongoing – following the successful securing of funding, a Message Bus for the Midlands has been purchased and the refurbishment will progress during 2020/21 with the launch of mission activity if guidelines allow.

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THE MESSAGE ACROSS THE UK

This year a new hub team was created in the North East and operations within the HQ extended to establish a dedicated North West Hub team too. We now have teams operating in the North West, North East, Scotland, Wales, London, the Midlands and Yorkshire. In each location our opportunities to reach out into schools, communities and prisons grew. Our continued approach of devolving work to hub teams is proving successful, increasing innovation with each hub identifying opportunities for new and exciting mission activities in their schools, prisons and local communities, as well as Eden teams and church partnership within their area.

London

With the expansion of prisons, schools and enterprise work in the capital our work in London has continued to grow substantially this year. Our first enterprise outside of Manchester was launched in March 2020 with the opening of Neal Street Espresso, a new coffee shop in Covent Garden. Achieved through our partnership with London City Mission the coffee shop will offer employment and training opportunities to ex-offenders and those at risk of offending. Ahead of Covid-19 restrictions impacting trading, reviews of Neal Street Espresso were very positive, and it was establishing itself as a popular venue in the area. As restrictions ease over the coming year, Neal Street Espresso will reopen and opportunities for the lease of function space will be progressed. In the meantime, we are keen to ensure the space does not sit empty and is used for mission activity so are in discussion with a local church about partnering with them to use Neal Street as a centre where homeless people across the capital can come and get hot meals.

Schools work in London has grown with the appointment of a full-time schools' worker within the London hub team. This has given opportunities to go into schools on a weekly basis running lunch clubs and mentoring students. From these emerging relationships we were able to run a week-long mission in West London where SoulBox ran lessons and gigs in school.

Covid-19 has seen our Eden Gurnell Grove team in London reaching out to their neighbours in new and innovative ways. From making kids activity packs and dropping off lunch boxes to providing shopping for those who are vulnerable and shielding, they've used every chance possible to build relationships with the community.

Throughout the first half of the year, we put on a number of Lift events at venues in London, seeing a regular attendance of a few hundred young people.

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YEAR ENDING 31 AUGUST 2020

THE MESSAGE ACROSS THE UK (continued)

London: Outcomes against our 2019 – 2020 goals

- **Launch Neal Street Espresso and employ one team member**
Achieved – Neal Street Espresso opened in early 2020 following a full refurbishment with a team member in place.
- **Run two schools mission weeks followed by Lift events**
Ongoing – one full week of schools mission was run in West London ahead of school closures due to Covid-19 and two in person Lift events were held before these moved online during lockdown.
- **Launch sessions leading up to a Lift show case in June**
Impacted by Covid-19 - Unable to run these due to the first national Covid-19 lockdown.
- **Run eight Advance the Gathering events**
Ongoing – five events were run in September, October and November 2019 as well as January and February 2020 prior to restrictions meaning the other planned events for 2019/20 had to be cancelled.
- **Run week of Advance the Scattering in July 2020**
Impacted by Covid-19 - Unable to proceed due to Government restrictions on gathering sizes.
- **Launch Message Bus February 2020**
Achieved – the Message Bus for London was launched.
- **Support eight Eden Teams in effective Mission and Evangelism**
Achieved – the Eden teams across the capital have been undertaking mission and evangelism throughout their communities during 2019/20. As Covid-19 struck, the way they deliver this has been reshaped but still met the needs of their communities in word and deed.
- **Employ one prisons worker**
Achieved – a full-time Outreach Worker is now in post and working in Feltham Young Offenders Institute building relationships with prisoners in different ways and sharing the good news of Jesus with them.

THE MESSAGE TRUST

REPORT OF THE TRUSTEES

YEAR ENDING 31 AUGUST 2020

THE MESSAGE ACROSS THE UK (continued)

Central and East

Schools and bus work grew significantly during the first half of the year. Our Respect ME worker had opportunities to go into schools sharing lessons on value and identity from a Christian perspective with thousands of pupils across the region. Opportunities with schools and partners to take the Message Bus into schools to run Respect ME were also developing which would extend the reach of both schools and bus work.

In its first full year of ministry the Yorkshire Message Bus was out delivering youth work in local communities partnering with churches and Eden teams, and the reach of our work was building prior to March 2020 and the Covid-19 lockdown.

The hub team were also actively developing partnerships and arrangements for the Lincoln and York and Harrogate Higher Tours that were planned. This included building relationships with local churches, securing schools bookings and planning discipleship courses for young people after the mission. Whilst the plans for these tours have had to be postponed these relationships continue to be built upon and will be ones on which future mission activity will be built as Government restrictions ease.

Plans to bring a new Enterprise Centre to Yorkshire continued to develop with a new centre for this at Woodseats Baptist Church being secured. Refurbishment work on this will continue in the next year with the aim of launching enterprise work as soon as possible in the near future.

Central and East: Outcomes against our 2019 – 2020 goals

- **Deliver Higher Lincolnshire in June 2020, visiting 9 schools**
Impacted by Covid-19 – the closure of schools meant that this mission week was unable to proceed as planned.
- **Launch one new Eden team**
Ongoing – planned development of the team and timescales associated with this were impacted by Covid-19 and the restrictions associated with this.
- **Recruit an Outreach Worker to work in a partner HMP/YOI**
Ongoing – recruitment into this post began just prior to the first national lockdown and was paused due to this. However, opportunities to work in prisons in Yorkshire are still developing and recruitment will recommence 2020/21 with the aim of employing someone into the post during September 2020 and for them to begin their work partnering with HMP/YOI.
- **Secure new premises to base the enterprise centre and finalise business model**
Achieved – a new premises at the former Woodseats Baptist Church have been secured and a full business model to adapt this into a new hub office location as well as an enterprise centre is in place and signed off.
- **Embed Respect ME and Message Bus ministries into the hub's rhythm of mission**
Achieved – teams are now fully operational as mission teams.

THE MESSAGE TRUST

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THE MESSAGE ACROSS THE UK (continued)

North East

Our new North East hub was launched in September 2019 with Terry Young taking up the role of Hub Leader, supported by Darren Scott as Operations Manager. Since then, the team have been joined by Joe Winterschladen a Respect ME worker for the area.

Since launching, the team have dedicated time to building the profile of the Message in the North East by building relationships with local churches and partners. Through these growing relationships opportunities for mission, Eden teams and community outreach are being developed for 2020/21. Plans to take the Higher Tour 2020 to Sunderland in June 2020 were in development, however Covid-19 restrictions meant this tour could not proceed, however future mission opportunities in the schools and with the local churches will be developed.

North East: Outcomes against our 2019 – 2020 goals

- **Launch one new Eden team**
Ongoing – Eden Redcar is due to be launched in partnership with a local church, however Covid-19 restrictions have delayed team recruitment and it is hoped to launch this 2020/21.
- **Launch Advance groups in the hub area**
Achieved - Advance Groups have been launched in Teesside and have 35 active members.
- **Secure a bus that can be brought into operation as the Message North East Bus**
Ongoing – a bus from the Message Bus fleet has been identified for redeployment to the North East and this was due to take place in April 2020, however the national lockdown and subsequent restrictions on bus ministry mean that the Message North East Bus is yet to be brought into operation.
- **Deliver the Higher 2020 tour in Sunderland in June 2020**
Impacted by Covid-19 – the national lockdown and restrictions meant that the planned Sunderland tour had to unfortunately be cancelled, however future mission opportunities will be developed as soon as possible.
- **Connect with local churches and partners to bring the Higher Tour to Tyneside in March 2021**
Ongoing – relationships with local churches and partners have been built and continue to be built, however the delivery of the Tyneside Higher Tour has been impacted by Covid-19.

THE MESSAGE TRUST

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THE MESSAGE ACROSS THE UK (continued)

North West

The Message Trust has always had a presence in Manchester with our headquarters being in the city and a significant amount of schools work, Eden work, prisons work and mission work developing from this. However, in September 2020, a hub team to continue building our mission opportunities across the North West was launched. The launch was marked with a fundraising dinner in autumn 2019.

Headed up by Tim and Emma Owen as joint Hub Leaders, the North West hub has achieved a lot in its first year. Time has been spent building relationships with local churches and partners through which mission opportunities will be developed. Alongside this, Higher Southport was run in early March 2020. During this tour over 2,500 young people in six schools heard the gospel proclaimed and 350 attended the end of week evangelistic gig, with 182 responding to the gospel.

Opportunities to work with Greater Manchester Police (GMP), to help address the issue of knife crime have emerged and seen the launch of the No More Knives Tour. In partnership with GMP, Mo Timbo, Social Beingz and ROC, our missions team head into schools delivering lessons warning young people about the dangers of knife crime and equipping them with the skills and knowledge they need to say no to knives and discover their full value and identity. The pilot tour culminated in an evangelistic gig that was attended by hundreds of young people. Plans to roll the tour out across the city were in development however the timescale for these was impacted by Covid-19.

North West: Outcomes against our 2019 – 2020 goals

- **Launch the North West hub**
Achieved – the new North West hub was launched in September 2019.
- **Launch one new Eden team**
Achieved – Eden Farnworth was launched in February 2020 partnering with Farnworth Baptist Church.
- **Recruit a North West Eden coordinator and a Hub Operations Manager**
Achieved – appointments into these two hub roles were made.
- **Develop Respect ME in five North West schools**
Achieved – Respect ME continues to develop its relationships with a growing number of schools across the North West. Since schools have closed free, online Respect ME lessons have been made available.
- **Connect with local churches and partners to bring the Higher Tour to Manchester in November 2020**
Achieved – meetings discussing the Manchester Higher Tour have been held, however due to Covid-19 restrictions the tour has had to be cancelled. The relationships will continue to be built on and future missional activity discussed.
- **Begin fundraising for Higher Manchester 2020**
Impacted by Covid-19 – due to national restrictions and lockdowns the tour has had to be cancelled therefore fundraising was not undertaken.

THE MESSAGE TRUST

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THE MESSAGE ACROSS THE UK (continued)

The Midlands

The Midlands hub team continue to build relationships with churches and schools maximising opportunities for mission wherever possible. A significant amount of the team's time this year was spent on the development of partnerships through which we would deliver the planned Higher Coventry tour in early 2020/21. Whilst restrictions mean that this tour cannot proceed as first planned, there is still a significant appetite from schools and churches for us to undertake schools mission in Coventry as soon as restrictions allow.

Funding to launch a Midlands Message Bus has been secured and the purchase of a vehicle that will see the launch of bus ministry across the hub area has been finalised. The refurbishment work of this will be completed during 2020/21 in order that missional activity can be launched as soon as this is allowed.

Our Eden Whitmore Reans team continues to bring change to the lives of their neighbours and community. The first half of the year saw them continuing to build relationships as well as launching new community initiatives. As the first national lockdown was announced, the team repurposed what they were doing to serve their neighbours in need.

Building on the success of our first Midlands Youth Conference a second event was planned for June 2020. In order to extend the reach of this further, a steering group comprised of key local partners had formed, and together with The Message planning for the event was well underway and proactive publicity had begun. However, Covid restrictions meant that running this event in person was not possible, however we moved this online in October 2020 engaging with youth groups up and down the UK and equipping them to share their faith with friends with a new boldness. Speakers at the event included Rachel Gardener, Mo Timbo and Aaron Routledge. Plans to run another online youth conference in May 2021 are now in development.

The Midlands: Outcomes against our 2019 – 2020 goals

- **Launch one new Eden team**
Ongoing - planned development of the team and timescales associated with this were impacted by Covid-19 and the restrictions associated with this.
- **Employ a part-time Creative Missions worker for the Midlands**
Impacted by Covid-19 – development of creative mission within the hub is ongoing however due to Covid-19 restrictions the employment of someone into this role was paused. It is hoped to fill this role during 2020/21.
- **Launch a Message Bus for Coventry and Warwickshire**
Ongoing – funding for the Midlands Message Bus has been secured, a bus purchased, and the refurbishment begun. The launch of missional activity has been impacted by Covid-19 restrictions.
- **Promote the 2020 Midlands Youth Conference**
Achieved – proactive communications had begun for the June 2020 conference however the national lockdown meant that this event had to be postponed until October 2020 and then moved online. Proactive communications, for this event in 2020/21, were well underway at the year end.

THE MESSAGE TRUST

REPORT OF THE TRUSTEES

YEAR ENDING 31 AUGUST 2020

THE MESSAGE ACROSS THE UK (continued)

Scotland

Our schools work across Scotland continued to grow this year. Through this and our growing partnership with Scripture Union Scotland we were able to undertake a full week of schools mission in Dunfermline and Kirkcaldy. Over the week, 2,850 young people heard about the good news of Jesus in their lessons and at two gigs. From this, further schools weeks are planned in Scotland.

During the first half of the year (prior to the national lockdown in March 2020) our Message Bus was busy delivering 10:10 projects where we deliver youth programmes, bus sessions and Youth Alpha on the bus in partnership with churches.

The team have also invested time in building connections and partnerships with local churches and schools in Glasgow and Edinburgh in preparation for the Higher Tours in early 2020/21. Discussions and preparations with partners and organisations were in place and being developed for the tour, however Covid-19 restrictions mean that these are unable to proceed as originally planned. It is hoped that once restrictions ease, these foundations can be built upon to deliver schools mission activity.

Scotland: Outcomes against our 2019 – 2020 goals

- **Launch one new Eden team**

Ongoing - due to the longer time period needed to recruit team members and the restrictions associated with Covid-19 the timescale for the launch of the teams was updated to be 2020/21.

- **Continue the delivery of the youth programme at the Refuel youth conference**

Impacted by Covid-19 – plans for the delivery of this were all in place however the Refuel conference had to be cancelled by organisers due to national Covid-19 restrictions from the Scottish Government.

- **Deliver 72 10:10 bus sessions**

Impacted by Covid-19 – bus ministry through 10:10 sessions were being undertaken across Scotland until the national lockdown was announced in March 2020. At this point we were unable to fulfil further bookings and due to Government imposed restrictions we were unable to run any further sessions for the remainder of 2019/2020.

- **Deliver three weeks of schools' mission. One in partnership with SU Scotland**

Impacted by Covid-19 – in February 2020, a week of schools' mission was held in the Dunfermline/Kirkcaldy area. Over the week the teams went into 4 different high schools seeing around 2,850 young people. Two evangelistic gigs were held as part of the missions week where 169 young people responded to the gospel. The other planned schools mission weeks were unable to proceed due to the closure of schools due to Covid-19.

- **Connect with local churches and partners to bring the Higher Tour to Glasgow and Edinburgh in September 2020**

Achieved – partnerships with schools and churches for the Higher Tours in Glasgow and Edinburgh were in place. Covid-19 restrictions mean that these tours can no longer proceed however these established partnerships will act as a base for future missional activity.

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THE MESSAGE ACROSS THE UK (continued)

- **Explore the opportunities of launching prison ministry in Scotland**
Ongoing – discussions associated with bringing prison ministry to Scotland have begun and are ongoing.
- **Explore the opportunities for developing a sports ministry**
Ongoing – discussions associated with launching sports ministry in Scotland have begun and are ongoing.

Wales

February 2020 saw the Higher Tour head to North Wales. Over the course of the week our teams visited 13 schools delivering ten full teaching days in these. The lessons and assemblies were seen by 4,596 pupils with 1,213 young people attending the end of week evangelistic gig that was held. Here there were 452 responses to the gospel and each young person was connected immediately with their local youth worker who would be leading the discipleship course in their school/local area. Higher North Wales was significant because not only did thousands of young people get to hear about the good news of Jesus, but it was also our first mission activity in north Wales. The delivery of the tour saw us established partnerships with local schools and churches across North Wales, relationships we've since built on and will continue developing through mission activity in the future.

Message Bus work has continued to grow across Wales with the bus heading into local neighbourhoods working in partnership with churches and Eden teams.

Prisons work has also continued to develop with an opportunity to deliver Respect ME lessons as part of the education programme within a young offenders institute opening up. Testimonies from the young people who took part in the programme, as well as staff, was that through the lessons they saw students engage and their self-belief grow.

Covid-19 and the associated restrictions saw a number of our plans in Wales being postponed. However, this did not mean that mission or activity stopped, instead it was repurposed. In person Lift events were replaced with online gatherings that reached a larger audience, a new video resource for young people called Honest Conversations was launched and as lockdown eased the Wales team were out running weeks of social action mission across South Wales, where in word and deed they shared the gospel with their neighbours.

THE MESSAGE TRUST

REPORT OF THE TRUSTEES

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THE MESSAGE ACROSS THE UK (continued)

Wales: Outcomes against our 2019 – 2020 goals

- **Launch one new Eden team**
Ongoing – plans were in place to launch Eden Blaen-Y-Maes during 2019/20 however Covid-19 restrictions delayed this slightly. This team will be launched post year-end in September 2020.
- **Run Higher North Wales**
Achieved – Higher Wales ran in February 2020. Over the course of a week our teams headed into 13 schools delivering 10 full days of lesson teaching and assemblies. They were in front of 4,596 pupils in schools plus a further 1,213 at the end of the week gig where they saw 452 young people respond to the gospel.
- **New Message Bus (plus appoint bus manager)**
Achieved – a new Message Bus for Wales was purchased and the refurbishment of this is underway. A new Bus Manager was appointed and started employment in January 2020.
- **Take teams into schools to run over 30 days of RE lessons and Respect ME session**
Impacted by Covid-19 – schools work was undertaken by the team and was growing. However, March 2020 saw all schools work paused as schools closed due to Covid-19. Since then, new free, online lessons have been made available through our Respect ME team.
- **Hold six Lift events**
Ongoing – six events were planned for 2019/20 starting in March 2020. However due to Covid-19 restrictions these had to be cancelled, instead they were replaced with online events extending the reach of the events. The first was held in July 2020 and has been viewed over 1,100 times to date. Further online events are planned for the autumn of 2020.
- **Celebrate the 25th anniversary of Ignite/Message Wales**
Ongoing - Unfortunately this was cancelled due to Covid-19 restrictions, however, plans to mark the anniversary in the future will be investigated.
- **Continue to develop our prisons outreach and explore future opportunities in a second prison**
Achieved – a new prisons outreach worker was appointed in January 2020 and quickly began building on established work. Whilst our in-person work in prisons in Wales has been impacted it has not stopped it with opportunities to connect with prisoners through prison radio and letter writing developing.
- **Continue the Street Pastors work in Cardiff, whilst exploring options for developing Rail Pastors and Schools Pastors work**
Achieved – the Street Pastors have continued to be active on the streets of Cardiff for most of the year and work trialling Rail Pastors has begun with a number of pilot shifts.

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THE MESSAGE ACROSS THE UK (continued)

Andy Hawthorne OBE

Andy's speaking engagements throughout the year, both in person and online, continued to expose our work to a wider audience and inspire our staff and ministry partners. Alongside this he began broadcasting weekly teaching online through Message Live extending the reach of the ministry even further.

Despite the restrictions this year, between September 2019 and August 2020 Andy undertook 43 speaking engagements, representing The Message at churches across the UK and internationally in South Africa, Canada Germany, and the Netherlands.

Sam Ward

Sam Ward continued in his role of Director of Ministry this year, with a broad remit to grow our work through Eden, Creative Mission and UK expansion, and oversaw the launch of the Proximity Network in February 2020. The newly launched Proximity Network played a key role in bringing together partners to ensure that vulnerable families and children did not go hungry during the first lockdown. The partnership to date has seen over 2,334,000 meals delivered to families.

Sam's speaking engagements continued at churches across the UK and at larger events, including the online Proximity Conference and New Wine online in August 2020. He has also begun broadcasting regular teaching online through Message Live. He continues to raise the profile of our ministry through work with partners and regular contributions to the Message and Flow podcasts and regular features in Flow magazine.

Priority of Prayer

A rhythm of daily, weekly and monthly prayer lies at the heart of our life together as a ministry. At the beginning of each day a half hour daily prayer time (one hour on Tuesdays) is mandatory for all staff as a key time to reflect and refuel. We also encourage all staff to spend at least an additional half-hour in prayer during a weekly time in our prayer room from 12 to 3pm on Tuesdays.

Our all-staff monthly prayer days have become increasingly essential for keeping up with news from across the ministry, especially as God continues to open doors in the wider UK and abroad. These continued in person until March 2020 and then moved online as Covid-19 restrictions were implemented. We often invite special guests to speak or contribute to Prayer Day: this year our guests included Shane Claiborne, Amy Orr-Ewing, Bill Hogg and Stacie Reeser, amongst others.

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OPERATIONS AND MINISTRY SUPPORT

Staff

The Message Trust and the Message Enterprise Centre employed an average of 131 personnel in the year (2019: 114) in total across the group. This average includes full-time and part-time staff.

Volunteers

Volunteers play a key role in helping us deliver both our front-line missional work and behind-the-scenes support. Commitments this year ranged from full-time volunteer work based in our offices to ad-hoc volunteer support at events. Across the year, in the region of 12,000 hours (2019: 11,100 hours) were freely given in support of our activities.

Creative, Communications, Facilities and IT

We continued to undertake facilities projects across our HQ buildings and hub offices and got involved in development of plans for the opening of the first Community Grocery in Sharston. The imposition of the national lockdown and Covid-19 restrictions impacted significantly upon the team and their requirements to make facilities Covid secure.

Our in-house design and communications department were instrumental in the development and delivery of Message Live as well as continuing to deliver supporter communications throughout the year, including editions of Flow magazine, supporter prayer and fundraising updates, a suite of websites, and email and social media campaigns. A new Message Trust website was launched in February 2020 further developing our online profile. Alongside this, a proactive communications strategy highlighting the work of The Message Trust within the local and national media continues to be implemented. Our focus on supporter engagement continues with opportunities to increase engagement, especially across digital platforms being fully utilised. Beyond supporter communications, the team delivered video content for live events and digital platforms, album artwork and relaunched a number of our websites, including Higher Life (thehigherlife.co.uk), Message Events (messageevents.co.uk) and international Advance Groups sites.

Finance

Our Director of Finance, Sam Peach-Barnes has continued in his new role implementing a number of new financial systems and processes, aimed at increasing efficiency and organisational engagement. Additionally, improvements to the monthly management reporting and annual budgeting process were implemented, aimed at providing better information and greater insight for managers across the organisation to enable better decision making going forwards.

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PARTNERSHIPS

Supporter Events and Fundraising

With the announcement on 23rd March 2019 of a national lockdown due to Covid-19, our large fundraising events and local hub fundraising events had to be cancelled and like many other charities, we lost out on income from these events but also from a number of our regular donors who found themselves unexpectedly in a different financial position.

We made a decision in May to take our Proximity Conference online with some great speakers and gained 30 new regular supporters plus a number of one-off gifts towards the launch of Eden Central Drive, Blackpool and began to seek the Lord about which direction we needed to take things in this season. Over the coming months we launched the Lockdown Hunger Project, Message Live and the Message Community Grocery which you can read more about on page 33.

In January 2020 we employed a Donor Care Co-ordinator to focus on developing and deepening our engagement with our supporters and helping to lower our attrition rate.

Although we saw a decline of 9% in our new regular supporter donor growth this season, we did see a 52% increase in people signing up to our database, to be regularly contacted by The Message, when compared to 2018-19. This is positive going forwards in terms of our supporter pipeline.

Supporter Events and Fundraising: Outcomes against our 2019 - 2020 goals

- **Gain over 2,000 new or increased regular donations**
Ongoing - due to the events of the year, we only gained 691 new or increased regular gifts this year but have plans to build this during 2020/21
- **Aim for a donor attrition rate of less than 10%**
Impacted by Covid-19 - unfortunately due to the prevailing conditions and uncertainty donors faced about their finances our attrition rate rose from 11.9% to 13.5%. We aim to get this back down to 11% during 2020/21.
- **Deliver 160 church visits**
Ongoing - prior to the national lockdown we had visited 98 churches with the second half of the year seeing a small amount of online church visits.
- **Raise £45,000 of funds for The Message Trust through sponsored events**
Impacted by Covid-19 - due to the situation, we only raised £16,000 of income through staff sponsored events in 2019/20.

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PARTNERSHIPS (continued)

Sharing our resources

Our commitment to helping others around the world who share our heart for the poor and unreached is expressed through our tithe fund. We tithe a proportion of our unrestricted charitable income and give it to other organisations and charities who share similar objectives to The Message Trust.

Our giving (the Direct Costs given to Other Projects) in 2019-20 totalled **£462,685** (2018-19 £543,837).

Compassion UK received **£31,055** (2018-19 £26,725) for child sponsorship in Haiti; and **£4,165** (2018-19 £9,996) for prisons ministry.

We continued our support of **Life Association** (a related party link with Simon Hawthorne) through a gift of **£16,883** (2018-19 £22,383) to help provide schooling for Dalit orphans in Machilipatnam, India. **£7,500** was given to **Press Red** who are making a stand against the violence suffered by girls and women worldwide (a related party link with Michelle Hawthorne) (2018-19 £12,272). **£42,500** was given to **Ignite** (a related party) to support their ministry in India (2018-19 £25,750) and £3,000 to Ignite Big Idea in the UK (2018-19 £Nil).

We also gave **significant gifts** to the following projects £13,200 to Good Shepherd Children's Orphanage in Haiti (2018-19 £13,200); £5,000 (2018-19 £5,250) to Innervation Trust, working in primary and special needs schools in the UK; £8,335 to CRMI (2018-19 £5,250) for child sponsorship in Uganda, plus £20,000 to help build a church in Bombo, Uganda and £5,000 for poultry pens to help people find work in Uganda (2018-19 £Nil). £23,065 was given to CRM Manchester (2018-19 £Nil) helping to provide jobs for destitute women in the slums in Kampala. Philippines Outreach Centre Ministries £Nil (2018-19 £14,000); £12,000 to support Potters House Church, Hull, led by Mo Timbo (2017-18 £22,700); £10,000 to El Shaddai TV for international work with Advance groups (2018-19 £Nil); £13,000 to Egyptian Mission to help with relocation costs, connected with the Advance projects in Egypt (2018-19 £Nil); £10,000 to Foreningen Be Free for community work in Denmark (2018-19 £Nil); £12,433 to Manchester House of Prayer for their prayer ministry (2018-19 £Nil) £6,000 to Visible Ministries addressing issues of brokenness and addiction (2018-19 £27,272); £6000 to Prayer Storm as they seek to mobilise prayer amongst a younger generation (2018-19 £13,500); and £Nil to The Lighthouse Church's Impact Project (2018-19 £10,000 to help poor kids in India).

Other gifts to our **Message partners** in the UK and beyond from Other Projects (per note 5) included £23,864 to Message Germany (2018-19 £29,176); £25,416 to Message Canada (2018-19 £19,907); £12,000 to Eden Westwood, Oldham (2018-19 £12,000); £6,893 to Message South Africa (2018-19 £142,600) and £3,000 to Eden Bow (2018-19 £Nil); £8,000 to Eden Buttershaw (2018-19 £Nil); £5,000 to Eden Dagenham (2018-19 £Nil); £2,500 to Eden Farnworth (2018-19 £Nil); and £Nil to Eden Rhydyfelin in Wales (2018-19 £1,000).

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MEC - OUR BUSINESSES

This year The Message Enterprise Centre continued with its apprenticeship model for training, aiming to maximise skills development and financial sustainability for our team members. Graduations due for team members on the two-year programme had to be postponed from May to October due to Covid-19, but all three successfully graduated (2019 – three) and have now moved into full-time employment.

Up until the national lockdown, **The Mess Café's** popularity continued to grow, and the footfall continued to build even further, supported by the popularity of the events business. There were further opportunities to ensure the Café's efficiency improved, helping to increase revenues and reduce costs.

The **MEC Events** business continued to grow significantly (up to March 2020) with The Venue securing record levels of room booking for a wide range of events, helping to successfully increase the revenue generated in this area of our business. Demand for the space was consistent throughout the week, helped by the securing of some regular Venue bookings.

Whilst a small number of educational clients (where guidelines permit) have retained events booking, the impact of Covid-19 upon the profitability of the MEC Events business has been significant. This year also saw changes within the rental of our office space, however throughout the year the space has remained fully occupied. Current tenants within the office space include Gospel for Asia, EasiDrive (up to January 2020), Our Boards (from January 2020), Barnabus (ReNu) (up to June 2020) and BSkill (from June 2020).

Two new team members joined **Shine Hair & Beauty** and our work to build the hair side of the business continued. The salon was rebranded and work to secure a regular pipeline of clients was underway ahead of the national lockdown. As restrictions began to ease, it became obvious that in order to operate within the new guidelines significant investment into Shine was required to make Covid compliant. When this expenditure was considered alongside Shine Hair & Beauty's profitability the difficult decision to close the business with effect from July 2020 was made. In making this decision the opportunity to repurpose the space for the **Message Community Grocery** (see page 33) arose. Opportunities for new team roles and apprenticeships within the Community Grocery are being explored.

The work of **MEC Building Services** has focused primarily on refurbishment and development projects this year, with the team undertaking projects both for The Message and refurbishment of the MEC's rental properties. The team oversaw the development of the new Manchester House of Prayer within the Lancaster House campus, began the development work required on TMT's new enterprise centre in Sheffield, as well as completing numerous other projects throughout the year. The coming year will see the building services team undertake shop fitouts within the new Message Community Grocery as well as continue work on the Sheffield Enterprise Centre. Plans to launch a second building team were realised by bringing them together with The Message Trust Facilities team, meaning that they now have the capacity to be deployed and take on larger projects.

With other team members moving on and reducing demand from commercial clients a decision to cease the operation of **Good Seeds Garden Services** was made in September 2019.

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MEC - OUR BUSINESSES (continued)

Our **MEC Property Management** grew with the addition of four new properties to our portfolio this year. Ten of the Message Academy students, (2019 - 10), are housed in MEC properties, with properties also being rented to Message Academy graduates, team members, vulnerable families who are connected to our Eden teams, as well as some employees of The Message Trust, 21 lettings in total in 2020.

This year saw our **Wedding Angels** business grow. Our partnerships with local churches have continued and the growth of the wedding offer within the events business has seen a number of Wedding Angels customers decide to hold their wedding within the MEC. Whilst the national lockdown has impacted upon Wedding Angels' trade, demand for their services remains and plans to further strengthen and develop the business once Covid-19 restrictions ease have been identified.

As partnerships across the UK grew, our vision has been to expand our enterprise work outside of Manchester, offering training and discipleship opportunities to team members in other areas of the country. In partnership with London City Mission an opportunity to take on their coffee shop in Neal Street, Covent Garden emerged and has been developed in previous years. In March 2020, **Neal Street Espresso** opened its doors to visitors, residents and workers in Covent Garden and the quality of its coffee and food proved instantly popular. Ahead of the opening a full staff team was appointed for the coffee shop including one team member who would complete a two-year training and discipleship programme with the MEC. Two weeks after opening the UK Covid-19 lockdown was announced, causing the Café to close for an extended period. The scale of the Café's offering is being carefully managed to ensure operations match demand and current government restrictions and guidelines for businesses, including partial re-opening for takeaway as permitted, thus helping to protect the long-term sustainability of the coffee shop.

Growing the MEC businesses: Outcomes against our 2019 – 2020 goals

- **Relaunch, rebrand and refurbish Shine Hair and Beauty**
Achieved – work to rebranded and relaunch Shine Hair and Beauty had been completed prior to the national lockdown in March 2020, and work on the refurbishment had begun.
- **Recruit two new external social enterprises to become tenants within the Enterprise Centre**
Achieved – Our Boards and BSkill became MEC tenants in January and June 2020, respectively.
- **Launch a second building team**
Achieved – working with The Message Trust Facilities team means that a second building team has been created and we now have the capacity available to take on larger projects.
- **Purchase and refurbish three new houses for use within The Message Group**
Achieved – four Message Group houses were refurbished during 2019/20.
- **Develop the Events & Catering business so that it is taking more bookings than 2018-19**
Impacted by Covid-19 – prior to the national lockdown record levels of bookings were being taken. However, Covid restrictions have significantly impacted the business with only a limited number of education related bookings being able to proceed.
- **Open Neal Street Espresso in London**
Achieved – Neal Street Espresso opened its doors for business in March 2020.

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MEC - SUPPORT AND DISCIPLESHIP

Discipleship continues to be at the heart of our work. Our discipleship programme focused on support and the development continues to prove successful.

The Oaks, our supported house in Wythenshawe, continues to be a hub for its community, being used for Alpha courses, outreach events and Bible studies for both residents and non-residents, in person and online. The residents have been actively sharing the stories of how their lives have been transformed in churches, sometimes online, and at local, regional and national events before lockdown, gaining confidence in the process. This year they also travelled over to Germany to be part of a mission being hosted by Message Germany getting to share their stories in churches and communities. We had six residents in The Oaks for the full year (2019: six at varying times). A strategy aimed at reducing the vacancy rate in The Oaks by developing links with new referral partners continues to be in place and new residents have been identified through this.

The Oaks: Outcomes against our 2019 - 2020 goals

- **Enhance support for the training programme operating within the Oaks and within the Business Enterprises**
Achieved – to ensure full integration of the training and support offered managers meet regularly to ensure consistency and continual development within the training programmes.
- **Reduce The Oaks vacancy rate by developing new referral partners**
Ongoing – We contacted every prison chaplain in the UK, sending them information about The Oaks, and had a steady number of residents living in the Oaks throughout the year.
- **Increase the number of residents in the year to at least 6**
Achieved – We had six residents in the Oaks throughout the year.
- **Hold weekly outreach events, seeking responses to the gospel**
Ongoing – Before Covid, these included Alpha nights, talking to people in homeless shelters, prison visits and conferences. During lockdown, some events went online.

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STORIES FROM THE MESSAGE ENTERPRISE CENTRE

Dennis' Story

Dennis' story perfectly encapsulates the journey we take with people through our prison and enterprise ministry.

'I used to be what you'd call a functioning alcoholic. I was working, kept myself out of trouble and thought I was doing fine, but this couldn't have been further from the truth. And I was in denial! If you'd met me back then you'd have seen straight away that my life was chaotic and spiralling out of control, I just didn't know it. The more I drank the angrier I became, falling out with everyone I met. It was only a matter of time before I lost my job, and then things went from bad to worse. I'd been angry before but I became more aggressive.

'In 2013, after another heavy drinking session I assaulted someone and ended up in prison. I'd lost everything and hit rock bottom. The shock of being locked up hit me hard, but in my despair, I felt compelled to pray to Jesus. I still can't explain why I felt like this, but I had an overwhelming feeling of needing to be forgiven and that this was the only way it would happen.

'From that moment something in me changed. There was a shift and I just needed to find out more about Jesus. The next Sunday I headed straight to the chapel. There I found a place filled with God's presence and holiness. Since then, I've not looked back.

'I met Richard from the Message in Prisons team who, knowing that I was into music, offered to give me guitar lessons. He was amazing – not just because of his guitar playing – but because he was interested in me. I was used to people avoiding me but Richard wanted to spend time with me chatting about my new faith and showing Jesus' love to me.

'One day, he said, 'Dennis, you've only got four weeks left, what are your plans for when you're released?' I was blown away as I'd been praying hard about this but not told anyone. I was desperate not to head straight back to my old life. I'd found Christ in prison and wanted to live my life for him. I needed a fresh start.

'Richard told me about The Oaks – a place where ex-offenders could get the home, support, job and discipleship they needed to rebuild their lives and grow in their faith. This answered my prayers – I was truly amazed. Four weeks later I headed straight from prison to The Oaks and found there the caring home I needed. I was loved and supported by my instant family. They were there to cheer me on every step of the way. That's not to say it's all been easy. There have been times when I've struggled and it would have been easy to give up, but my Oaks family have been there for me.

'The support of The Message didn't stop with providing me a home in The Oaks, they wanted to help me rebuild the confidence and self-esteem I'd lost, so offered me an apprenticeship at the Message Enterprise Centre. Fast forward two years, I've graduated from the Oaks and I'm completing my training as I work a full-time building job that I love. I have a purpose in life, a future and I know I'm loved unconditionally by God. I could only have dreamed of life being this good!'

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MEC - SUPPORT AND DISCIPLESHIP (continued)

Recruitment pipeline: Outcomes against our 2019 - 2020 goals

- **Fill each of the vacancies at The Message Enterprise Centre through funded team members**
Achieved – prior to the national lockdown all team members were filled. Given the nature of its work, endeavours to fill places within The Oaks is ongoing.
- **Generate 36 applications for the Message Enterprise Centre & The Oaks**
Ongoing – We only saw 12 new applications, largely due to disruption to our usual activities and prisons work caused by the pandemic.
- **All team members with over one year's service to complete their second year and graduate**
Ongoing – three team members graduated from their second year and all but two first year team members graduated into their second year.
- **Develop relationships with external agencies so that team members can undertake placements with them**
Achieved – Team members from the building team in the second year of their apprenticeship began undertaking work placements with an external building firm.

MEC - SUPPORTER EVENTS AND FUNDRAISING

Our ability to hold business network dinners was impacted by Covid-19 restrictions this year. However, prior to the national lockdown 1 event was held raising £15,000 (2018-19 £57,000 from 3 events) which allowed us to take on and see more lives transformed through our Message Enterprise Centre. We continue to fundraise and have a pipeline of people who would love to join our programme, once Covid-19 restrictions begin to ease.

Many businesses and organisations have chosen to support the Message Enterprise Centre during the past year, and we are very grateful to them all. One example of the relationships in place is Mowgli Street Food who last year selected us as the charity partner for their Manchester restaurant, but this year added their Birmingham restaurant as well.

Supporter events and fundraising: Outcomes against our 2019 - 2020 goals

- **Recruit another 100 new staff personal supporters**
Ongoing – staff recruited a total of 42 (97 in 2018-19) new personal supporters during the year bringing in an additional £401 per month by the end of the year. A strategy to encourage the recruitment of new personal supporters has been developed and will continue to be implemented next year.
- **To cover all our charity costs (excluding business activities) through fundraising**
Achieved – with the assistance of Government grants covering some of the income lost due to Covid-19.
- **Fundraise positions for up to 12 team members**
Ongoing – apprentice funding totalling £95,050 was raised which equates to 9 first year apprentice salaries. Our ability to fully achieve this objective was impacted by Covid-19 and the associated restrictions, meaning planned events could not progress.

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MEC - REPURPOSING DURING COVID-19

The announcement of the national lockdown and new national restrictions on 23 March 2020 saw us have to temporarily close a number of our MEC businesses. However, it soon became obvious that there was significant need within the community close to the Message Enterprise Centre, in Sharston, as families struggled to get the free school meals they relied upon, as well as feed their families on a reduced income.

Partnering with Revolution Youth, the Mess Café kitchen became a lifeline to families, cooking and despatching hundreds of meals and free school meal packs to hungry and vulnerable families across Wythenshawe. In total around 60,000 meals were prepared and delivered from the MEC.

As lockdown started to ease it became obvious that the level of need in Wythenshawe as well as across the whole of the UK was not lessening in fact it was growing, and families were now in desperate need as they did not know where their next meal was coming from. So, the idea of the **Message Community Grocery** was born. Planning to launch in September 2020 the Community Grocery in Wythenshawe will be supplied through partnerships we have established with supermarkets and food suppliers for the redistribution of surplus food. For £3 per shop each member will be able to get a full shop up to twice a week, that will keep their families fed. Financial modelling has shown that once the initial shop fit has been undertaken (funded through planned fundraising activity) the groceries business model is self-sustaining. We believe Message Community Groceries could be significant in helping to feed our nation's poorest families, so The Message Trust hopes to launch and rollout multiple groceries during 2020/21, based on our model in Wythenshawe and in partnership with local Churches. Initial feedback on plans from potential partners has been encouraging.

Within the Community Grocery in Wythenshawe, team member posts will be created, ensuring the continuation and growth of our enterprise work. A model that it is hoped will be replicated in other groceries, as our enterprise work grows throughout the Message Group.

MEC - CHARITABLE GIVING

Following a further change in policy, our charitable giving this year totalled £3,233 (2019: £129) and was distributed in the following ways, to organisations or individuals who share similar objectives to The Message Enterprise Centre:

- Legal Fees £2,300 (2019: £Nil) sponsoring an application for an Apprentice to be given the right to work in this country.
- Other gifts £933 (2019: £129)

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GROUP FINANCIAL REVIEW

The 2020 accounts have been prepared in accordance with the Charities SORP (Statement of Recommended Practice) (second edition – October 2019) Accounting and Reporting by Charities: applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective from 1 January 2019.

The Trustees have taken the opportunity to review all The Message's key accounting policies to ensure that they continue to be in accordance with the requirements of the Charities SORP (FRS 102) and best accounting practice.

Whilst these steps have resulted in enhanced disclosures in the financial statements, it has not been necessary to make any significant amendments to key accounting policies.

Review of the year

Despite the significant challenges of the pandemic, this year has still managed to be one of growth for The Message Group, which saw its baseline income rise to £6m (2019: £5.3m) when you exclude the 'Separate material item of income' received last year towards new projects (2019: £5m), a highly positive outcome in the context of the year. Costs also grew to £6.1m (2019: £5.9m), as the charity aimed to deliver on last year's plans and also initiated new projects in response to the pandemic. This resulted in a net expenditure of £0.1m, meaning some reserves from the prior year were used, which was projected by the Trustees in the annual budget to invest in growth.

The first half of the financial year was a significant fundraising period for The Message Trust, in part thanks to a significant gift of £1m in November, part of a multi-year pledge to the Charity. Investment in the expansion of our Hub and Missions teams, as well as large scale projects such as the Higher Tour was also in progress, reflecting the intentions of the Trustees, as stated in the 2018/19 report, to spend some of its reserves in order to expand the reach of the Charity further around the UK and build capacity in priority areas.

The second half of the financial year was significantly impacted by the global Covid-19 pandemic, which affected all aspects of the Charity's planned activities and outcomes. Financially, the pandemic meant that many of our planned fundraising and income generating activities/events could no longer proceed following the lockdown in March.

Our largest fundraising event of the year, The Urban Heroes awards, as well as other regular fundraising activities, such as speaking visits in Churches and sponsored events were cancelled due to the government restrictions. We were also unable to continue many of our income generating activities in Schools, Prisons and local communities between March and August, and as such income for the Charity was lower in the second half of the year than the first.

The Trustees mitigated this loss of income through a range of immediate cost reductions, most of which are temporary and reversible, in order to protect the Charity from further financial loss. These included the temporary closure of our Headquarters at Lancaster Campus in Sharston, restrictions on global and local travel for all staff, limiting recruitment and the use of freelance staff and contractors to essential only, as well as redundancies for just a handful of staff. Additionally, a number of staff were placed on temporary furlough from the start of the lockdown on 23rd March as they were not able to fulfil their usual roles due to the closure of Schools and Prisons and the government restrictions on movement and contact with other people. The Charity therefore benefitted from the Government's Coronavirus Job Retention Scheme, meaning that redundancies were avoided for the vast majority of our staff, for which we are truly grateful.

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As the Charity repurposed its staff and resources towards projects like Message Live, Love Wythenshawe and the Lockdown Hunger Project, fundraising opportunities for these initiatives through online channels and mail-outs to our supporters proved hugely successful.

Income and Expenditure

The Message continues to rely on voluntary income as its principal source of funding. Total income from Donations and Legacies, including Gift Aid amounted to £5.3m (2019: £4.4m).

Gifts from Trust and Foundations decreased to £940k (2019: £973k) which constitutes 17.7% (2019: 22%) of Donations. Gifts from individuals (including Gift Aid) increased to £3,006k providing - 57% of Donations (2019: £2,486k - 56%), while income from other organisations - Churches, Ministries and Business Supporters provided £404k - 7% (2019: £535k - 12%), income from Sponsored Events raised £14k – 0.3% (2019: £209k – 5%) whilst other sources including Grants and Legacies this year provided £941k – 18% (2019: £200k – 5%), of which Government Grants (from the Coronavirus Job Retention Scheme) were £789k - 15% (2019: £Nil – 0%).

Income from Other trading activities, which support the charity, decreased to £26k in 2020 due to Covid restrictions (2019: £149k).

The cost of Raising Funds in the financial statements amounted to £221k in 2020 (2019: £238k), as per Note 4a.

Other funds were generated through Charitable Activities, most notably Project Income (including the various Eden Partnerships and Prison projects) £83k (2019: £130k); Message Academy £21k (2019: £40k), Business Income from the Enterprise Businesses £206k (2019: £357k); Rental Income £168k (2019: £72k) and Events £42k (2019: £70k). Please note: The Message Academy is not an exclusively commercial operation, as the Trustees encourage both the training and facility to be used by the community.

Governance

The £14k (2019: £28k) governance includes the expenses associated with Trustee Board meetings, Trustee elections, maintaining our constitution, external audit and core executive management.

Net Deficit in the Year

It was the Trustees intention to spend some of our reserves built up from the surplus in 2018/19 in the 2019/20 financial year, in order to fund the growth of our activities. Total expenditure exceeded income in the year by (£73k) due to investment in our staff and resources to grow the reach of our activities, as well as the impact of Covid-19 and the need to respond quickly to help families in this crisis, as the Group undertook significant new ventures (2019: Net income was £4,459k due to the Separate material item of income mostly designated to new projects). Hence in 2020 we have Net expenditure of (£175k) (2019: Net income £4,401k) within unrestricted funds and Net income of £48k (2019: Net income £58k) within restricted funds, after transfers and other recognised gains.

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REPORT OF THE TRUSTEES

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GROUP FINANCIAL REVIEW (continued)

Balance Sheet

The Balance Sheet as at 31st August 2020 remained strong ensuring that the charity has the assets required to deliver its commitments to the community.

The additions to fixed assets amounted to £397k (2019: £87k) comprising Message Trust Operational Equipment £28k – on camera and video equipment; equipment for our ministry teams and equipment for our buildings, including an electric car power charger and new bike shed (2019: £11k); £26k – for IT equipment, upgraded security measures, including an office shredder (2019: £12k); £72k – mostly spent refurbishing the Message Wales Bus with some work on the Message Scotland Bus (2019: £47k); £24k spent purchasing a bus (2019: £Nil), along with kit costs and building work for the new Manchester House of Prayer costing £76k and work on Neal Street Espresso Café costing £141k. New MEC Enterprise Equipment cost £30k (2019: £16k) – consisting of a new coffee machine costing £10k; a set of Stacking chairs £5k; Refrigeration equipment £3k, Tables and benches £3k; plus £9k on other essential items of equipment for our businesses.

Subsidiary undertakings

The Message Trust established a second subsidiary charitable company, in 2012, The Message Enterprise Centre (MEC), which is included in the consolidated accounts.

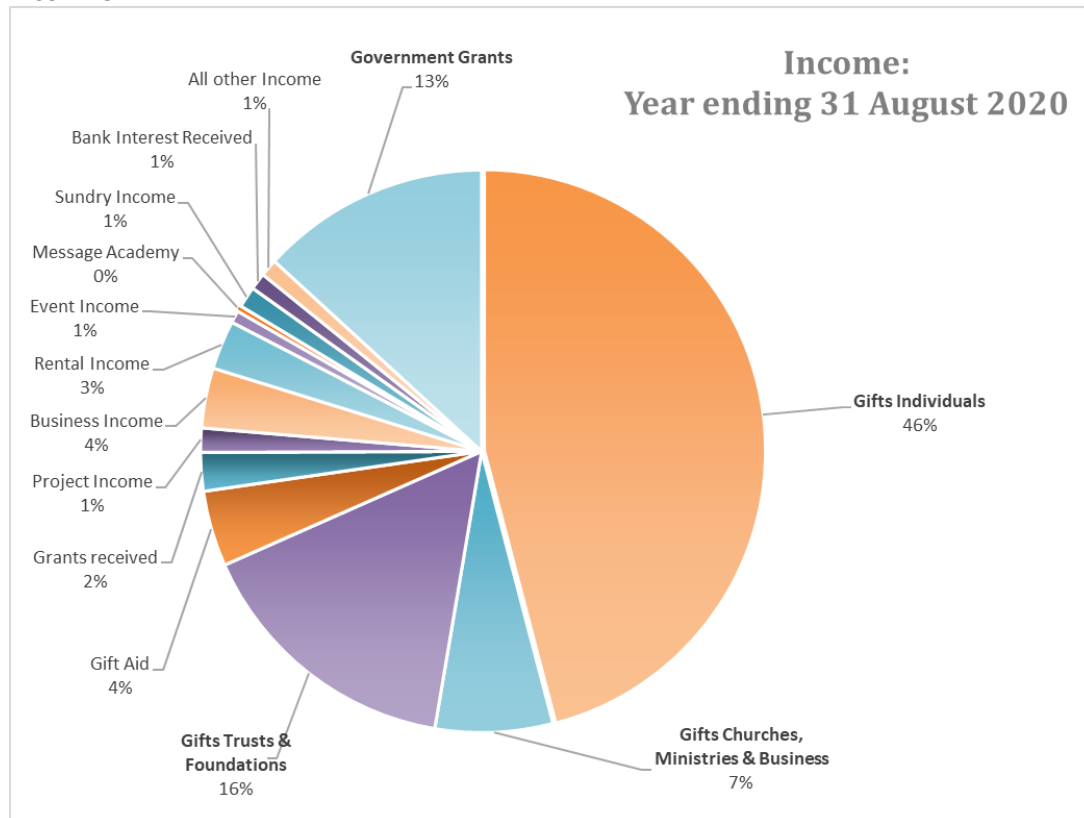
During 2013 The Message Trust established an associate – Eden Network Merseyside, which became a registered charity on 8 July 2013.

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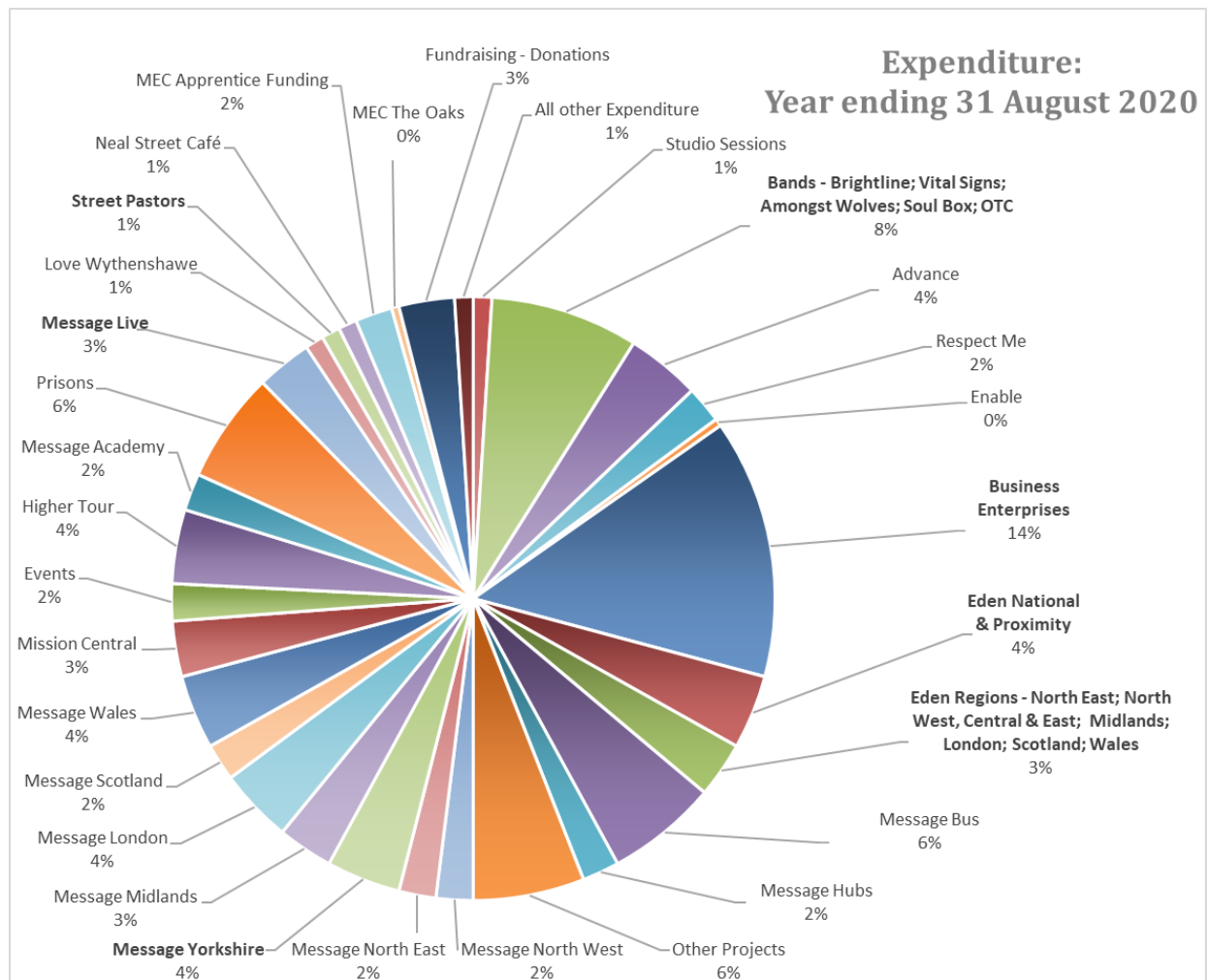
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INCOME GRAPH



EXPENSES GRAPH



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Investment Powers and Policies

The Trustees have the power to invest surplus funds of the charity in investments, securities and property as they think fit. The current policy of the Trustees is to invest funds not immediately required by the charity into a range of Treasury, Capital Bond and Deposit accounts which bear competitive rates of interest. The Trustees consider the social, environmental and ethical impact of the investment, before placing any new funds with a third party. This policy is reviewed periodically by the Trustees.

Reserves

The Trustees have adopted a reserves policy which they consider appropriate, to ensure the continuing ability of both The Message Trust and the Group to meet its objectives and obligations.

The total funds held by the Group at 31 August 2020 are £7,199,225 (2019: £7,271,837), of which £391,656 (2019: £343,888) are restricted and not available for the general purposes of the charitable group.

In order to be prudent, the Message Trust aims to accumulate, in general reserves, an amount equivalent to at least one month's staff costs, approx. £290k (2019: £270k). The amount of General Funds, excluding restricted and designated funds and fixed assets, freely available to spend on any of the charity's purposes as at 31 August 2020 was £803,551 (2019: £917,152) which is £513k (2019: £647k) in excess of the minimum reserves set out in our reserves policy.

We recognise that the long-term economic consequences of the Covid-19 pandemic are still uncertain, and therefore the Trustees' have set revised financial budgets for the coming year, which include some cost reductions. Fundraising activities have also been repurposed for the current climate; online campaigns, dinners and direct mailings are proving hugely successful for the Charity post year-end. With this in mind, the Trustees have judged it appropriate to maintain the amount held in general reserves in line with this policy. Further details of the financial planning reviewed by the Trustees are in the going concern note on page 50.

The Message Trust also received a significant donation last year, as shown in the Separate Material Item of Income, which the Trustees have designated to specific funds for launching several new projects (see Note 19 for further details).

The Trustees have therefore designated funds to underwrite a series of new projects and future mission projects over the next 5 years. The Group has unrestricted funds at 31 August 2020, totalling £6,807,569 (2019: £6,927,949), of which £3,949,472 (2019: £4,461,609) has been designated for underwriting new and future mission projects by The Message Trust, and a further £2,054,566 (2019: £1,589,322) by The Message Enterprise Centre. A significant proportion of these designated funds are held in the form of buildings and other fixed assets, which are an ongoing resource for future mission projects across the group. The designated fund for Future Mission Projects can only be realised by disposing of £1,197,542 (2019: £1,049,932) the amount of tangible fixed assets and investment properties held by The Message Trust at 31 August 2020, whilst The Message Enterprise funds rely on the separate disposal of £2,014,741 (2019: £1,319,432) the amount of tangible fixed assets and investment properties held by The Message Enterprise Centre. Therefore, the total held by the Group for Future Mission Projects in the form of buildings and other fixed assets is £3,217,283 (2019: £2,369,363).

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Grant making Policy

Grants are made to Eden Partners or to designated individuals directly associated with those Partnerships. Currently there are 19 partnerships in the UK and overseas (2019: 19 partnerships) in receipt of grants and work is ongoing to establish others. Part of the aims of The Message Trust are achieved through these partnerships, which employ full-time and volunteer youth and community workers. These workers seek to positively impact the people in their area, irrespective of religion, colour or background.

Student bursaries are also made to Message Academy students, who would otherwise not be able to finish their course. The Message Academy fulfils the objectives of the charity by providing training courses to Christian youth workers and others.

Remuneration Policy

The remuneration policy seeks to balance our Christian values and the need to attract and retain staff with appropriate qualifications and skills.

Our minimum wage is based on the Living Wage as set by the Living Wage Foundation, which is higher than the National Living wage as regulated by HMRC. Pay scales are benchmarked against similar jobs in the North West and a London weighting is applied where appropriate. We review the retail price and consumer price indices for inflation on an annual basis, before deciding upon any annual increments for inflation. Individual staff salaries are reviewed annually, with mid-term reviews every 6 months. The Executive pay is set within the same pay grade structure. The Trustees set and approve the salary for the Chief Executive, and other members of the Executive. Details regarding employees with salaries above £60,000 can be found in note 7 of the Financial Statements.

Social Investment Policy

In order to provide appropriate affordable housing for our Message Academy Students during their one-year course, as well as providing refurbishment and building maintenance opportunities for our Message Enterprise Building Team Members the charity has adopted a policy of investing in local Wythenshawe properties, rather than renting properties from local landlords. This policy started in 2016.

The Message Enterprise Centre continues to hold an investment in The Oaks – in order to provide supported accommodation and offer a discipleship programme to those seeking to rebuild their lives. This building is currently being maintained by the Message Enterprise Building Team.

Principal Risks and Uncertainties

The Trustees have identified four principal risk areas for both The Message Trust and its subsidiary The Message Enterprise Centre. These cover potential risks to the reputation of both charities, financial sustainability, safeguarding of young people & vulnerable adults, and cyber security, arising from both internal and external factors. The principal financial sustainability risks present at the year-end are related to the economic consequences of the Covid-19 pandemic and the potential impact on income for The Message Trust, which are discussed in more detail in the going concern note on page 50. The Trustees have also adopted a number of measures to counter each of these risks, to reduce the likelihood that they will adversely affect the charity. These strategies are reviewed periodically to ensure they remain effective and are considered sufficient measures to protect the charitable group, its staff, and beneficiaries from significant harm.

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PLANS FOR FUTURE PERIODS

Goals for 2020-21

Our teams set the following objectives, for the next financial year, during the Covid-19 crisis. We will therefore keep these plans under review over the coming months, in the light of government guidance and requirements to shut certain types of business and avoid certain activities. However, we are still aiming to complete these goals over the next year.

Creative Mission

- Continue developing online mission opportunities to share the gospel with young people
- Investigate and develop opportunities to take The Higher Tour online
- Double the number of monthly listeners across all platforms
- Increase the subscribers to each creative mission teams YouTube channel by at least 50%
- Produce and release eight new music tracks

Advance

- Have 300 groups established in the UK
- Have 700 groups established globally across 50 nations
- Translate the Advance Groups Mentoring Guide into 18 languages

Eden

- To launch 8 new Eden teams including 1 international team
- Recruiting 80 new team members
- Hold an online Proximity Conference

Message Bus

- Relaunch bus ministry as soon as Covid-19 restrictions allow
- Launch bus ministry in Coventry and Warwickshire
- Continue recruitment of volunteers to serve on bus teams

Message in Prisons

- Relaunch work in all seven of our existing prisons
- Launch new work in one new prison
- Give access to our music to every prisoner in the country
- Share the gospel with 4,000 prisoners through Christmas
- Lead 75 people to Jesus for the first time

London

- Employ an additional team at Neal Street Espresso
- Launch one new Eden Team
- Relaunch the Message Bus in London
- Develop and launch a new schools lesson on diversity
- Launch a new Advance Youth hub
- Run Advance the Scattering
- Launch a Message Community Grocery in London
- Investigate opportunities for launching an Oaks house in the capital
- Continue supporting existing Eden Teams

THE MESSAGE TRUST

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PLANS FOR FUTURE PERIODS (continued)

Central and East

- Deliver Higher Lincolnshire in June 2020, visiting 9 schools
- Launch one new Eden team
- Recruit an Outreach Worker to work in a partner HMP/YOI
- Secure new premises to base the enterprise centre and finalise business model
- Embed Respect ME and Message Bus ministries into the hub's rhythm of mission

North East

- Launch two new Eden teams
- Launch Advance Groups in Wearside
- Open Message Community Groceries within the hub area
- Launch an Advance Youth hub
- Run an online Rebuilding Lives conference

North West

- Recruit a replacement Hub Operations Manager
- Recruit an Enable/ Respect ME Tutor
- Recruit a replacement Bus Manager and undertake mission activity
- Investigate opportunities to launch Advance Youth
- Continue developing and supporting Eden teams
- Continue developing Genetik Sessions
- Continue with the No More Knives tour once schools reopen to visitors
- Begin building relationships and partnerships for ahead of Festival Manchester 2022

Midlands

- To launch the Message Bus for Coventry and Warwickshire
- Employ a part-time creative missions worker
- Launch one new Eden team in the hub area
- Run six Love Where U Live missions across the Midlands
- Launch one new community grocery
- Run an online youth conference in 2021

Wales

- Maintain and strengthen existing Eden teams and continue exploring potential new teams
- Re-start Message bus sessions as soon as Covid-19 restrictions allow
- Re-engage with school's once Covid-19 restrictions allow
- Provide online resources to schools across Wales through Respect Me online sessions
- Run 6 LIFT online events, plus plan for live versions as soon as restrictions allow
- Deliver weekly prison radio gospel programmes and re-start in-person sessions when allowed
- Continue maintaining a strong presence in Cardiff through the Cardiff Street Pastors
- Run 6 'Love Where U Live' missions across South Wales
- Begin exploring a Community Grocery in South Wales, identifying potential partner Churches
- Run creative one-off outreach projects at Christmas 2020, Easter 2021, and Summer 2021, in partnership with local churches

THE MESSAGE TRUST

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PLANS FOR FUTURE PERIODS (continued)

Scotland

- Launch one Community Grocery within the hub area
- Launch one new Eden team
- Run a Love Where U Live mission within the hub area
- Hold an online mission event in partnership with SU Scotland

Supporter events and fundraising

- To add new or increased regular gifts
- Aim for a donor attrition rate of 11%

Message Community Grocery

- To open another 6 Community Groceries across the UK
- To save 1,000 tonnes of surplus food from going to landfill
- To have 5,000 members of our Community Groceries nationwide
- Host community events for our grocery members at each location (as restrictions allow)
- For each grocery to have a full weekly schedule of support services

MEC Message Community Grocery

- To launch the first Community Grocery in Wythenshawe
- Host monthly community events for our grocery members
- To have a full weekly schedule of support services

MEC Businesses

- To reopen our café & catering business and return to an average 100 customers a day
- To reopen Neal Street Espresso and employ one additional team member
- To reopen our events and conferencing business and bring the room rentals income back to over £5,000 a month
- To refurbish a further 5 houses

MEC The Oaks

- Reduce The Oaks vacancy rate by developing new referral partners

MEC Recruitment pipeline

- To take on a further 8 apprentices through our cafés, building maintenance and grocery enterprises, including apprentices in Message Community Groceries outside of Manchester

MEC Supporter events and fundraising

- Recruit 50 new staff personal supporters
- Fundraise positions for up to 5 team members

THE MESSAGE TRUST

REPORT OF THE TRUSTEES

YEAR ENDING 31 AUGUST 2020

DIRECTORS AND TRUSTEES

The directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The trustees serving during the year and since the year-end were as follows:

C. Hardicre
D.I. Moore

G.J. Haynes
J.A. Wainwright

A.C. Leakey
R.D. White

RELATED PARTIES

A summary of transactions with related parties is set out in note 17 of the financial statements.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Message Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group at the end of the year and of the income and expenditure for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on pages 50 to 54, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees also confirm that:

- as far as they are aware there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

The annual report was approved by the trustees of the charity on 27th August 2021 and signed on its behalf by:



Colin Hardicre (Chairman)

Date: 27th August 2021

THE MESSAGE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MESSAGE TRUST

Opinion

We have audited the financial statements of The Message Trust “the parent charitable company” and its subsidiary “the group” for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities including the Consolidated Income and Expenditure Account, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and of the parent charitable company’s affairs as at 31 August 2020 and of the group’s incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 the financial statements section of our report. We are independent of the group and parent 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 to you 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 group’s or the parent 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 (who are also the directors of the parent charitable company for the purposes of company law) 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.

THE MESSAGE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MESSAGE TRUST (Continued)

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 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' report which includes the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Trustees' Responsibilities Statement set out on page 43, the trustees (who are also the directors of the parent 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.

THE MESSAGE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MESSAGE TRUST (Continued)

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent 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

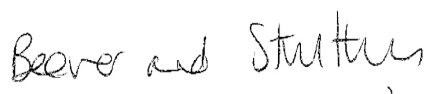
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees 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 parent charitable company, parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

St George's House

215/219 Chester Road

Manchester M15 4JE

Date: 27th August 2021

THE MESSAGE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) YEAR ENDING 31 AUGUST 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
INCOME					
Donations and Legacies	3a	3,443,220	1,862,066	5,305,286	4,418,840
Income from Charitable activities	3b	590,075	2,762	592,837	747,429
Income from Other trading activities	3c	26,084	100	26,184	148,589
Investment Income	3d	57,729	-	57,729	6,739
Separate material item of income	3e	-	-	-	5,000,000
TOTAL INCOME		4,117,108	1,864,928	5,982,036	10,321,597
EXPENDITURE					
Raising Funds	4a	221,421	-	221,421	248,228
Charitable Activities	4b	2,649,699	3,237,768	5,887,467	5,629,503
TOTAL EXPENDITURE		2,871,120	3,237,768	6,108,888	5,877,731
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		1,245,988	(1,372,840)	(126,852)	4,443,866
TRANSFERS					
Transfers between Funds	18	(1,420,608)	1,420,608	-	-
NET (EXPENDITURE) / INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		(174,620)	47,768	(126,852)	4,443,866
OTHER RECOGNISED GAINS AND LOSSES					
Gains on revaluation of fixed assets for charity's own use		54,240	-	54,240	15,072
NET (EXPENDITURE) / INCOME		(120,380)	47,768	(72,612)	4,458,938
NET MOVEMENT IN FUNDS		(120,380)	47,768	(72,612)	4,458,938
Total Funds Brought Forward		6,927,949	343,888	7,271,837	2,812,899
TOTAL FUNDS CARRIED FORWARD		6,807,568	391,656	7,199,225	7,271,837

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 50 to 72 form an integral part of these financial statements.

THE MESSAGE TRUST

CONSOLIDATED & CHARITY BALANCE SHEETS

AS AT 31 AUGUST 2020

	Note	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
FIXED ASSETS					
Intangible assets		-	3,382	-	-
Tangible fixed assets	11	562,065	310,807	389,211	269,932
Investments	12	2,655,218	3,058,555	813,331	1,785,000
		<u>3,217,283</u>	<u>3,372,744</u>	<u>1,202,542</u>	<u>2,054,932</u>
CURRENT ASSETS					
Stocks	13	58,929	80,515	47,607	27,906
Debtors	14	307,445	279,987	247,163	207,942
Cash at bank and in hand	15	4,045,283	3,951,575	3,846,132	3,502,298
		<u>4,411,657</u>	<u>4,312,077</u>	<u>4,140,902</u>	<u>3,738,146</u>
CREDITORS: Amounts falling due within one year	16	(429,715)	(412,984)	(362,185)	(315,516)
NET CURRENT ASSETS		<u>3,981,942</u>	<u>3,899,093</u>	<u>3,778,717</u>	<u>3,422,630</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,199,225</u>	<u>7,271,837</u>	<u>4,981,259</u>	<u>5,477,562</u>
NET ASSETS		<u>7,199,225</u>	<u>7,271,837</u>	<u>4,981,259</u>	<u>5,477,562</u>
FUNDS OF THE CHARITY					
Restricted Income Funds	18a	391,656	343,888	258,180	168,856
Unrestricted Income Funds	18b	6,807,569	6,927,949	4,723,079	5,308,706
TOTAL FUNDS		<u>7,199,225</u>	<u>7,271,837</u>	<u>4,981,259</u>	<u>5,477,562</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The notes on pages 50 to 72 form an integral part of these financial statements, which were approved and authorised for issue by the Trustees on 27th August 2021 and signed on their behalf by:



..... Colin Hardicre, Trustee



..... Gordon Haynes, Trustee

Company Registration Number 03961183

THE MESSAGE TRUST

CONSOLIDATED STATEMENT of CASH FLOWS

YEAR ENDING 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net movement in funds		(72,612)	4,458,938
Adjustments to cash flows from non-cash items			
Depreciation		148,205	119,926
Profit on disposal of tangible fixed assets		(1,313)	(300)
Loss on disposal of intangible fixed assets		520	-
Investment Income		(57,729)	(6,739)
(Increase) in valuation of investments		(54,240)	(15,072)
		<u>(37,169)</u>	<u>4,556,753</u>
Working capital adjustments			
Decrease / (increase) in stocks		21,584	(26,007)
(Increase) in debtors		(27,458)	(16,871)
Increase / (decrease) in creditors		59,150	(51,488)
Increase in deferred income		32,581	11,939
Net cash flows from operating activities		<u>48,688</u>	<u>4,474,326</u>
Cash flows from investing activities			
Interest receivable and similar income		57,729	6,739
Proceeds of sale of tangible fixed assets		1,313	1,300
Purchase of intangible fixed assets		-	(624)
Purchase of tangible fixed assets		(396,600)	(87,131)
Purchase of investments		(542,422)	(1,140,378)
Sale of investments		1,000,000	-
Net cash flows from investing activities		<u>120,020</u>	<u>(1,220,093)</u>
Cash flows from financing activities			
Addition of loans during the period		-	-
(Repayment) of loans and borrowings		(75,000)	(414,109)
Net cash flows from financing activities		<u>(75,000)</u>	<u>(414,109)</u>
Net increase in cash and cash equivalents		93,708	2,840,124
Cash and cash equivalents at 1 September		<u>3,951,575</u>	<u>1,111,452</u>
Cash and cash equivalents at 31 August		<u>4,045,283</u>	<u>3,951,575</u>
Cash at Bank and in hand	15	<u>4,045,283</u>	<u>3,951,575</u>

All the cash flows are derived from continuing operations during the two periods above.

The notes on pages 50 to 72 form an integral part of these financial statements.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

1. ACCOUNTING POLICIES

Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts (financial statements) have been prepared in accordance with the Charities SORP (Statement of Recommended Practice) (second edition – October 2019) Accounting and Reporting by Charities: applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019, with the Charities Act 2011, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The charity meets the definition of a public benefit entity under FRS102. The Charity exists for the benefit of the public through the promotion of Christian values and spiritual development, providing education, mentoring and enterprise services, in particular to those who have poor employment potential.

Financial statements

The financial statements are presented in GBP and rounded to the nearest £. The accounts include all transactions, assets and liabilities for which the charity is responsible in law.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiaries The Message Trading Company Limited and The Message Enterprise Centre on a line-by-line basis, up to 31 August 2020. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The results of the parent charity are detailed in note 9.

It is the charity's policy to write off any deficit on consolidation to reserves.

The accounts include all transactions, assets and liabilities for which the trust is responsible in law.

Disclosure exemptions

The parent charity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such advantage has been taken of the following reduced disclosures available under FRS 102:

- No cash flow has been presented for the parent charity

Going concern

The Trustees of the Group consider that there are no material uncertainties related to events or conditions that cast significant doubt on the ability of the Message Trust to continue to operate as a going concern. This conclusion has been reached after reviewing the Charity's financial position, the levels of reserves and cash, including general funds available to the Charity, and the two-year financial forecast.

Due to the Covid-19 pandemic, The Trustees undertook a number of immediate cost saving measures during the year, most of which are temporary and reversible, and are willing to make further reductions in the coming months if required as the situation changes. The longer-term economic impact of the pandemic remains uncertain, and therefore revised Budgets have been prepared for the coming year taking account of the planned cost reduction and expected temporary fall in income, particularly in relation to the Charity's primary-purpose trading and voluntary giving from in-person events. Alongside this, 2-year financial forecasts have been prepared including scenario modelling, to stress test the forecasts for worst case outcomes, such as a 20% reduction in income. Such modelling demonstrates that the Charity's current unrestricted reserves are sufficient enough to sustain such a fall in income for the next two years at least, without the need to make further cost reductions, although further cost saving measures would in all likelihood be taken in such circumstances to mitigate the loss of income. Accordingly, the Trustees considered these factors in their assessment and they are confident that the Group will continue as a going concern for the foreseeable future. The Message Enterprise Centre continues to have the full support of its parent charity – The Message Trust, having all its trustees in common with the parent charity.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

Judgements

The Trustees have based the Group's investment property valuations on observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset, combined with comparison to movements in Housing Price Indices since their last independent professional valuation – see note 12 for details.

INCOME

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the Trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the Charities SORP (FRS 102) or FRS 102.

Donations and Grants

Donations and grants are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 Charities SORP (FRS102)).

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 Charities SORP (FRS 102)).

Income is deferred only when there are conditions to fulfil before becoming entitled to it and where the donor has specified that the income is to be expended in a future period.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Contractual income

This is only included in the SoFA once the charity has provided the related goods or services.

Donated goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'

Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDING 31 AUGUST 2020

Donated services and facilities

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

Income from interest and royalties

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Settlement of insurance claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met and are included as an item of other income in the SoFA.

Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

EXPENDITURE and LIABILITIES

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Grants with performance conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants payable without performance conditions

Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation is recognised.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition at cost. Subsequent measurement is at fair value (their market value).

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDING 31 AUGUST 2020

ASSETS

Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year and cost at least £500.

They are valued at cost.

Depreciation is provided in equal annual instalments over the estimated useful lives of the assets and is calculated on the cost or valuation of the assets.

The following annual rates are used:

Buildings – Log Cabin	5%
Operational Equipment	25%
Fixtures and Fittings	25%
Motor Vehicles	25%

Depreciation is first charged in the quarter following acquisition and up to the month of disposal.

No provision is made for the increased cost of tangible fixed assets.

Investments

Fixed asset investments are valued at initially at cost and subsequently at fair value (their market value) at the year end, unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale (or pending their sale) and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments

Investment properties

Investment properties are carried at fair value, derived from the current market prices for comparable real estate determined by external valuers, with properties being valued on a rolling basis every five years. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair values are recognised in profit or loss.

Stocks and work in progress

Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value. Cost is determined using the First-in, First-out (FIFO) methodology.

Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.

Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

Funds

Funds held by the charity are either:

Unrestricted general funds

These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds

These are unrestricted funds that have been earmarked for a particular project. This designation is for administrative purposes only and does not restrict the Trustees' discretion to apply the fund within the objects of the charity.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities in equal annual instalments over the term of the lease.

Pension costs and other benefits

The pension costs charged in the financial statements represent the contributions payable by the company during the period in accordance with FRS 102. The charity provides a defined contribution scheme for staff.

2. LEGAL STATUS OF THE CHARITY

The Message Trust charity is a private company limited by guarantee, incorporated in England and Wales, and consequently has no share capital. The registered office is Lancaster House, Harper Road, Manchester, M22 4RG. The liability of each member in the event of winding-up the company is limited to £1.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

3. INCOME

The Message - Group	Unrestricted	Restricted	T O T A L	Unrestricted	Restricted	T O T A L
	Funds	Funds		Funds	Funds	
	Total	Total		Total	Total	
	£	£		£	£	
3a Donations and Legacies						
Gifts Individuals	2,150,504	596,090	2,746,594	1,779,439	447,702	2,227,141
Gifts Churches, Ministries & Business	143,305	260,810	404,115	240,593	294,170	534,763
Gifts Trusts & Foundations	518,936	420,667	939,603	615,132	357,441	972,573
Government Grants	397,947	391,176	789,123	-	-	-
Gift Aid	198,599	61,566	260,165	206,128	53,045	259,173
Gifts in Kind	170	-	170	16,205	-	16,205
Grants received	22,267	110,119	132,386	33,776	141,709	175,485
Sponsored Events	5,844	8,003	13,847	200,549	7,951	208,500
Legacies	5,648	13,635	19,283	25,000	-	25,000
	3,443,220	1,862,066	5,305,286	3,116,822	1,302,018	4,418,840
3b Income from Charitable Activities						
Project Income	83,382	-	83,382	129,504	938	130,442
Message Academy	20,600	-	20,600	39,610	-	39,610
Business Income	206,146	-	206,146	357,005	-	357,005
Rental Income	167,993	-	167,993	71,758	-	71,758
Event Income	41,077	1,067	42,144	69,725	263	69,988
Royalties	105	-	105	3,261	-	3,261
Sundry Income	70,772	1,695	72,467	74,747	619	75,365
	590,075	2,762	592,837	745,609	1,819	747,429
3c Income from Other trading activities						
Merchandise Sales	16,000	-	16,000	29,595	-	29,595
Training Sales	(257)	-	(257)	-	-	-
Fundraising Events	749	100	849	3,942	-	3,942
Charity Sponsorship	-	-	-	90,000	-	90,000
Speakers Gifts	7,169	-	7,169	13,008	-	13,008
Media Creative Income	-	-	-	5,175	-	5,175
Other Sales Income	2,423	-	2,423	6,869	-	6,869
	26,084	100	26,184	148,589	-	148,589
3d Investment Income						
Bank Interest Received	57,729	-	57,729	6,739	-	6,739
	57,729	-	57,729	6,739	-	6,739
3e Other Incoming Resources						
Separate material item of income	-	-	-	5,000,000	-	5,000,000
	-	-	-	5,000,000	-	5,000,000
TOTAL INCOME	4,117,108	1,864,928	5,982,036	9,017,759	1,303,838	10,321,597

The separate material item of income shown in 3e above, represents a single gift designated towards the new projects shown in note 19. We are immensely grateful to the donor for this one-time gift to launch these projects.

Many volunteers give freely of their time in the service of our Lord for the Trust, the value of which is unquantifiable.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

4. EXPENDITURE

	Staff £	Deprecia tion £	Project Costs £	Total Direct Costs	Staff £	Deprecia tion £	Other Support Costs £	Total Support Costs £	Total 2020 £	Total 2019 £
4a Raising Funds										
Fundraising - Donations	96,236	-	79,778	176,014	-	-	-	-	176,014	165,778
Fundraising - Events	-	-	5,982	5,982	-	-	-	-	5,982	38,452
Trading Activities	-	-	38,546	38,546	-	-	-	-	38,546	33,512
	96,236	-	124,306	220,542	-	-	-	-	220,542	237,742
Investment Management Costs										
Interest Payable	-	-	879	879	-	-	-	-	879	10,486
	96,236	-	125,185	221,421	-	-	-	-	221,421	248,228

4b Charitable Activities Unrestricted Funds

Eden Regions	-	-	16,938	16,938	-	-	-	-	16,938	55,876
Eden London	-	-	6,000	6,000	-	-	-	-	6,000	28,876
Message Bus	33,405	-	-	33,405	11,555	1,020	5,540	18,115	51,520	12,788
Message Hubs	46,838	716	17,905	65,459	23,110	2,040	11,080	36,230	101,689	2,403
Mission Central	-	-	7,795	7,795	-	-	-	-	7,795	36,136
Events	20,469	3,691	49,676	73,836	23,105	2,035	11,077	36,217	110,053	113,072
Higher	-	-	-	-	-	-	-	-	-	124
Message Academy	33,103	43	34,852	67,998	34,665	3,060	16,619	54,344	122,342	187,498
Studio Sessions	23,170	2,050	2,349	27,569	11,555	1,020	5,540	18,115	45,684	73,966
BrightLine	81,093	-	5,464	86,557	34,665	3,060	16,619	54,344	140,901	153,882
Vital Signs	13,341	-	2,068	15,409	11,555	1,020	5,540	18,115	33,524	48,776
Amongst Wolves	64,622	-	4,375	68,997	34,665	3,060	16,619	54,344	123,341	115,096
Soul Box	55,046	-	3,639	58,685	23,110	2,040	11,080	36,230	94,915	91,327
OTC	43,804	-	810	44,614	23,110	2,040	11,080	36,230	80,844	-
Advance	36,114	-	59,844	95,958	69,329	6,119	33,239	108,687	204,645	119,211
Respect Me	1,099	282	26,066	27,447	23,110	2,040	11,080	36,230	63,677	124,501
Enable	12,484	-	2,705	15,189	11,555	1,020	5,540	18,115	33,304	28,444
Prisons	-	-	-	-	-	-	-	-	-	(11)
Proximity	24,785	-	21,843	46,628	23,110	2,040	11,080	36,230	82,858	-
Message Live	-	-	-	-	46,219	4,079	22,159	72,457	72,457	-
Love Wythenshawe	-	-	-	-	11,555	1,020	5,540	18,115	18,115	-
Other Projects	-	-	352,436	352,436	-	-	-	-	352,436	543,837
Business Enterprises	234,470	38,589	511,021	784,080	88,576	299	-	88,875	872,955	674,539
The Oaks	-	-	-	-	-	-	-	-	-	53,634
Governance	-	-	13,705	13,705	-	-	-	-	13,705	28,442
	723,844	45,371	1,139,491	1,908,706	504,549	37,012	199,432	740,993	2,649,699	2,492,417
Total Expenditure Unrestricted	820,080	45,371	1,264,676	2,130,127	504,549	37,012	199,432	740,993	2,871,120	2,740,645

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

4b Charitable Activities

Restricted Funds

	Staff Deprecia		Project	Direct	Staff Deprecia		Other	Total	Total	Total
	tion	tion	Costs	Costs	tion	tion	Support	Support	2020	2019
	£	£	£		£	£	£	£	£	£
Eden National	81,185	-	21,448	102,633	46,219	4,079	22,159	72,457	175,090	212,678
Eden Manchester	-	-	13,516	13,516	11,555	1,020	5,540	18,115	31,631	46,385
Eden Merseyside	-	-	-	-	-	-	-	-	-	11,873
Eden Yorkshire	-	-	15,487	15,487	11,555	1,020	5,540	18,115	33,602	155,305
Eden North East	-	-	15,209	15,209	11,555	1,020	5,540	18,115	33,324	38,902
Eden Midlands	-	-	13,236	13,236	-	-	-	-	13,236	7,933
Eden London	-	-	26,236	26,236	11,555	1,020	5,540	18,115	44,351	52,656
Eden Scotland	-	-	7,000	7,000	-	-	-	-	7,000	10,058
Eden Wales	-	-	87	87	-	-	-	-	87	9,033
Message Bus	118,328	-	56,453	174,781	80,884	7,139	38,778	126,801	301,582	370,485
Message North West	55,021	-	11,405	66,426	34,665	3,060	16,619	54,344	120,770	34,741
Message North East	61,257	-	9,612	70,869	34,665	3,060	16,619	54,344	125,213	-
Message Yorkshire	122,153	363	32,652	155,168	69,329	6,119	33,239	108,687	263,855	212,672
Message Midlands	75,256	-	19,602	94,858	46,219	4,079	22,159	72,457	167,315	132,188
Message London	124,964	-	31,472	156,436	69,329	6,119	33,239	108,687	265,123	237,358
Message Scotland	30,563	-	57,647	88,210	34,665	3,060	16,619	54,344	142,554	94,505
Message Wales	113,944	125	49,954	164,023	69,329	6,119	33,239	108,687	272,710	238,166
Mission Central	95,928	-	720	96,648	46,219	4,079	22,159	72,457	169,105	116,775
Events	893	-	-	893	-	-	-	-	893	-
Higher	71,144	-	70,114	141,258	57,774	5,099	27,699	90,572	231,830	531,636
Message Academy	5,748	-	800	6,548	-	-	-	-	6,548	25,326
Studio Sessions	1,422	-	-	1,422	-	-	-	-	1,422	2,473
Bands	12,061	-	-	12,061	-	-	-	-	12,061	6,314
Advance	49,303	-	-	49,303	-	-	-	-	49,303	11,982
Respect Me	33,701	-	-	33,701	-	-	-	-	33,701	30,953
Enable	1,584	-	-	1,584	-	-	-	-	1,584	12,037
Prisons	189,817	-	16,432	206,249	92,439	8,159	44,318	144,916	351,165	333,799
Message Live	71,843	-	21,755	93,598	-	-	-	-	93,598	-
Love Wythenshawe	-	-	18,248	18,248	-	-	-	-	18,248	-
Street Pastors	20,722	-	9,738	30,460	11,555	1,020	5,540	18,115	48,575	45,162
Business Enterprises	2,138	-	1,836	3,974	-	-	-	-	3,974	4,126
MEC Neal Street Café	72,164	-	8,443	80,607	-	-	-	-	80,607	10,426
MEC Apprentice Funding	108,814	-	267	109,081	-	-	-	-	109,081	103,603
MEC Training	-	-	-	-	-	-	-	-	-	7,000
MEC The Oaks	23,549	-	-	23,549	-	-	-	-	23,549	23,970
MEC Wythenshawe Properties	-	-	-	-	-	-	-	-	-	2,723
Other Restricted	5,082	-	-	5,082	-	-	-	-	5,082	3,843
Total Restricted Funds (*)	1,548,583	488	529,369	2,078,440	739,511	65,271	354,546	1,159,328	3,237,768	3,137,086
(*) includes Grants see note 5										
Total Expenditure Restricted	1,548,583	488	529,369	2,078,440	739,511	65,271	354,546	1,159,328	3,237,768	3,137,086
TOTAL EXPENDITURE	2,368,663	45,859	1,794,045	4,208,567	1,244,060	102,283	553,978	1,900,321	6,108,888	5,877,731

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

5. GRANTS - Payable in furtherance of the charity's objects

Grants given to Organisations:	2020	Total 2020	2019	Total 2019
Partnerships - Overseas	£	£	£	£
Advance	£ 62,759		£ -	
Message Canada	£ 25,416		£ 19,907	
Message Germany	£ 23,864		£ 29,176	
Message South Africa	£ 6,893		£ 143,600	
Total Partnership Grants	£ 118,932		£ 192,682	
Eden Teams - UK				
Eden Teams Manchester				
Eden Farnworth	£ 15,025		£ -	
Eden Westwood	£ 12,000		£ 12,000	
Eden Latchford	£ -		£ 5,000	
Eden Falinge	£ 4,660		£ 7,974	
Eden Islington	£ -		£ 30,000	
	£ 31,685		£ 54,974	
Eden Merseyside				
Eden Birkenhead	£ -		£ 11,873	
	£ -		£ 11,873	
Eden Teams Midlands				
Eden Whitmore Reans	£ 13,150		£ 7,890	
Eden Walsall	£ 3,000		£ -	
	£ 16,150		£ 7,890	
Eden Teams North East				
Eden Mill Lane, Stockton	£ 15,074		£ 22,611	
Eden Hexham	£ 4,000		£ 11,000	
	£ 19,074		£ 33,611	
Eden Teams Scotland				
Eden Hill Head	£ 7,000		£ 10,000	
	£ 7,000		£ 10,000	
Eden Teams Wales				
Eden Tremorfa	£ 3,500		£ -	
Eden Rhydyfelin	£ -		£ 8,334	
	£ 3,500		£ 8,334	
Eden Teams London				
Eden Bow	£ 3,000		£ -	
Eden East Finchley	£ 5,000		£ 12,500	
Eden Farley Hill	£ 5,000		£ 12,500	
Eden Dagenham	£ 15,000		£ 17,000	
Eden Gurnell Grove	£ 6,000		£ 9,000	
	£ 34,000		£ 51,000	
Eden Teams Yorkshire				
Eden Buttershaw	£ 8,000		£ -	
Eden Fir Vale	£ 1,250		£ -	
Eden West Bowling	£ 15,203		£ 19,763	
Eden Wheatley	£ -		£ 58,750	
	£ 24,453		£ 78,513	
Total Eden Team Grants	£ 135,862		£ 256,195	
Total Grants given to Organisations	£ 254,793		£ 448,878	
Grants to Individuals:				
Bursaries				
Message Academy Student Bursaries	£ 800		£ 8,049	
Genetik Session Student Bursaries	£ 500		£ -	
	£ 1,300		£ 8,049	
Total Grants:	£ 256,093		£ 456,927	

The Message Trust works in partnership with, and makes grants to, autonomous Eden Partners, who look to The Message Trust for support and guidance on best practice in work with young people.

These grants are included within Project Costs across several activities in Note 4 above, including Eden Teams – Restricted and Unrestricted Funds, Other Projects and Message Hubs.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

6. NET INCOME

This is stated after charging / (crediting):

	2020	2019
	£	£
Auditors' remuneration	13,100	13,100
Amortisation of goodwill	2,862	392
Depreciation of owned assets	148,394	119,534
Loss on disposal of assets	1,438	750
Profit on disposal of assets	(125)	(450)
Rentals under operating leases		
Building lease	33,000	33,000
Academy & other accommodation Leases	27,266	8,800
Hire of motor vehicles & equipment	91,553	53,625

7. INFORMATION REGARDING TRUSTEES AND EMPLOYEES

	2020	2019
	£	£
Employee costs during the year:		
Wages and salaries	3,152,128	2,586,685
Social security costs	282,603	227,410
Pension costs	177,992	143,934
	<u>3,612,723</u>	<u>2,958,029</u>

The monthly average number of persons (including the Executive Directors) employed by the group during the year was as follows:

	No.	No.
Average number of staff employed:		
Charitable Activities	85	72
Cost of Generating Funds	5	4
Governance / Management	4	4
Others - Support	37	34
	<u>131</u>	<u>114</u>
Employee costs during the year:		
Employee earning £60,000 - £70,000	<u>1</u>	<u>1</u>

Amounts paid or Reimbursed to Trustees in their capacity as Trustees - £Nil (2019: £Nil)

The key management personnel are defined as the Trustees, CEO and other Executive Directors in office during the year. Their total remuneration for the year was £276,264 (2018-19 £237,349).

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

8. TAX ON SURPLUS ON ORDINARY ACTIVITIES

	2020	2019
	£	£
Corporation tax based on the results of the Trading Company for the year at Nil% (2019: Nil%)	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The Message Trust is a registered charity and is therefore exempt from taxation on its charitable activities.

9. FINANCIAL PERFORMANCE OF THE CHARITY

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements. The parent company's gross income for the year was £5,277,535 (2019: £9,653,611) and the net expenditure for the year amounted to (£496,303) (2019: £3,025,980 net income)

10. INVESTMENTS IN SUBSIDIARY COMPANIES

a. COMMERCIAL TRADING OPERATIONS AND INVESTMENT IN TRADING SUBSIDIARY

The wholly owned trading subsidiary, The Message Trading Company Limited, company number 03863509, which is incorporated in the United Kingdom, aims to pay all its profits to the charity by gift aid. The charity owns the entire issued share capital of 5,000 ordinary shares of £1 each. The Trading Company did not trade in the year 2020.

The net assets of the trading subsidiary are £5,000 (2019: £5,000).

	2020	2019
	£	£
Turnover	-	52,500
Cost of Sales	-	(25,681)
	<u>-</u>	<u>-</u>
Gross Profit	-	26,819
Distribution Costs	-	(23,059)
Administrative expenses	-	(3,760)
	<u>-</u>	<u>-</u>
Profit on Ordinary Activities before Taxation	-	-
Tax on profit on ordinary activities	-	-
	<u>-</u>	<u>-</u>
Retained Profit for the Financial Year	-	-
Balance brought forward	-	-
	<u>-</u>	<u>-</u>
Balance carried forward	<u>-</u>	<u>-</u>

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

b. THE MESSAGE ENTERPRISE CENTRE

The Message Enterprise Centre is a charitable company and a wholly owned subsidiary of The Message Trust. The Message Enterprise Centre accounts are consolidated in the group accounts of The Message Trust. The, separately filed, accounts of The Message Enterprise Centre, are available to view on The Charity Commission web-site – Registered Charity Number 1147287 and Company Number 07892774.

The gross income for the year of The Message Enterprise Centre is £1,475,642 (2019: £2,314,587) and the net movement in funds for the year is £423,689 (2019: £1,403,036). The total funds held by the subsidiary charity at 31 August 2020 is £2,188,042 (2019: £1,764,353)

The Message Enterprise Centre holds investments at 31 August 2020 totalling £1,846,887 (at 31 August 2019: £1,278,555), namely The Oaks and currently 10 Other Wythenshawe Properties (2019: 6 Other Wythenshawe Properties). The Oaks investment property opened in 2016 providing a residential support programme for up to 8 residents. The Other Wythenshawe Properties in 2020 housed 21 people, including 10 Message Academy students; 4 Academy graduates; 2 Message staff and 5 MEC Team members. (2019: 10 Message Academy students) and are maintained by the MEC Building Services Team.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

11. TANGIBLE FIXED ASSETS

The Message - Group		Buildings	Operational Equipment	Fixtures & Fittings	Motor Vehicles	Total
		£	£	£	£	£
Cost	at 1 September 2019	1,335	225,846	225,071	470,224	922,476
	Additions	216,589	52,234	31,724	96,053	396,600
	Disposals	-	-	(15,142)	-	(15,142)
	at 31 August 2020	<u>217,924</u>	<u>278,080</u>	<u>241,653</u>	<u>566,277</u>	<u>1,303,934</u>
Depreciation	at 1 September 2019	-	172,226	174,280	265,163	611,669
	Charge for year	15,995	23,517	33,955	71,876	145,343
	Disposals	-	-	(15,142)	-	(15,142)
	at 31 August 2020	<u>15,995</u>	<u>195,743</u>	<u>193,092</u>	<u>337,039</u>	<u>741,869</u>
Net Book Value	at 31 August 2020	<u>201,929</u>	<u>82,337</u>	<u>48,561</u>	<u>229,238</u>	<u>562,065</u>
	at 31 August 2019	<u>1,335</u>	<u>53,620</u>	<u>50,791</u>	<u>205,061</u>	<u>310,807</u>
The Message Trust - Company		Buildings	Operational Equipment	Fixtures & Fittings	Motor Vehicles	Total
		£	£	£	£	£
Cost	at 1 September 2019	1,335	171,991	197,137	462,515	832,978
	Additions	75,961	24,796	31,724	96,053	228,533
	Disposals	-	-	(15,142)	-	(15,142)
	at 31 August 2020	<u>77,296</u>	<u>196,787</u>	<u>213,718</u>	<u>558,568</u>	<u>1,046,369</u>
Depreciation	at 1 September 2019	-	147,961	153,109	261,975	563,045
	Charge for year	1,933	9,081	28,291	69,950	109,255
	Disposals	-	-	(15,142)	-	(15,142)
	at 31 August 2020	<u>1,933</u>	<u>157,042</u>	<u>166,258</u>	<u>331,925</u>	<u>657,158</u>
Net Book Value	at 31 August 2020	<u>75,363</u>	<u>39,745</u>	<u>47,460</u>	<u>226,643</u>	<u>389,211</u>
	at 31 August 2019	<u>1,335</u>	<u>24,030</u>	<u>44,027</u>	<u>200,540</u>	<u>269,932</u>

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

12. INVESTMENTS

	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
Investment Properties				
The Oaks	420,887	420,000	-	-
Other Wythenshawe Properties	1,426,000	858,555	-	-
Message Enterprise Centre	808,331	780,000	808,331	780,000
	<u>2,655,218</u>	<u>2,058,555</u>	<u>808,331</u>	<u>780,000</u>
 Investment in Trading Company	 <u>-</u>	 <u>-</u>	 <u>5,000</u>	 <u>5,000</u>
 Other Investments	 <u>-</u>	 <u>1,000,000</u>	 <u>-</u>	 <u>1,000,000</u>
 Total	 <u>2,655,218</u>	 <u>3,058,555</u>	 <u>813,331</u>	 <u>1,785,000</u>

Investment Property Analysis:

	The Message Group £	The Message Trust £
Valuation		
At 1 September 2019	2,058,555	780,000
Revaluation in the year	54,240	-
Additions in the year	542,422	28,331
At 31 August 2020	<u>2,655,218</u>	<u>808,331</u>

As at 31 August 2020 The Message Group owns twelve Investment Properties (2019: eight properties). Seven of these Investment properties were valued by Roger Hannah & Co or Longden & Cook, both members of the Royal Institute of Chartered Surveyors. The first five properties were valued in the period from 2nd October 2017 to 7th December 2017, and the sixth property on 21st January 2019. The seventh property was purchased in August 2018 and initially carried at its purchase price in the Balance Sheet, plus the cost of refurbishment in 2019. The eighth property was purchased in February 2019 and after being refurbished in 2019 was revalued on 3rd October 2019, also by Longden & Cook. Properties nine, ten and eleven were purchased in September, October and November 2019 respectively, with property twelve purchased in January 2020 and initially carried in the Balance sheet at their purchase price.

However, more recent observable market prices, adjusted as appropriate for the nature, location and condition of the property were reviewed alongside movements in Housing Price Indices in 2020. The Trustees have therefore sort to cautiously reflect these adjustments in the values carried in the Balance sheet.

The Trustees consider all these properties are carried in the Balance Sheet at their fair value as at 31 August 2020, given these valuations were carried out within 36 months of the year end and the lack of sales of similar properties within the immediate area, to suggest a different valuation. The Trustees have a policy of using professional independent valuers to revalue investment properties on a rolling basis every 5 years.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

13. STOCKS

	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
Stocks of goods for resale	<u>58,929</u>	<u>80,515</u>	<u>47,607</u>	<u>27,906</u>

14. DEBTORS

	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
Trade debtors	78,880	98,731	69,759	75,588
Prepayments	106,186	105,806	92,709	84,298
Accrued income	52,271	25,188	52,271	26,087
Other debtors	70,108	50,262	32,424	21,969
	<u>307,445</u>	<u>279,987</u>	<u>247,163</u>	<u>207,942</u>

15. CASH AT BANK & IN HAND

	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
Cash at Bank and in Hand				
Reserve Accounts	3,923,114	3,681,683	3,774,653	3,248,813
Current Accounts	121,374	268,385	71,176	252,928
Cash	795	1,507	303	557
	<u>4,045,283</u>	<u>3,951,575</u>	<u>3,846,132</u>	<u>3,502,298</u>

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

16. CREDITORS: Amounts falling due within one year

	The Message Group 2020 £	The Message Group 2019 £	The Message Trust 2020 £	The Message Trust 2019 £
Trade Creditors	165,074	167,184	142,245	128,909
Amounts due to Group undertakings	-	-	30,956	36,705
Other Loans	-	75,000	-	-
Accruals and Deferred income	139,125	49,570	81,763	45,732
Taxation and Social Security	86,887	62,071	75,361	48,054
Other Creditors	38,629	59,159	31,860	56,115
	429,715	412,984	362,185	315,516

Included in accruals and deferred income – Message Group £139,125 (2019 £49,570) and Message Trust £81,763 (2019 £45,732) - is respectively deferred income of:

Deferred Income

	2020 £	2019 £	2020 £	2019 £
Deferred income brought forward	26,224	14,285	21,171	11,492
Income released in the year	(391,998)	(391,998)	(376,943)	(378,753)
Added in the year	424,579	403,937	405,386	388,432
Deferred income carried forward	58,805	26,224	53,752	23,431

Deferred income consists of grants and fees received in advance of projects and courses taking place after the year end. The resources are held as a liability until the charity becomes entitled to the income when the project or course takes place, at which point the income is released and recognised as an incoming resource.

THE MESSAGE TRUST

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17. RELATED PARTY TRANSACTIONS

The Message Enterprise Centre sold goods and services to the value of £72,261 (2019: £39,260) at cost to The Message Trust (Parent Charity) during the year and bought goods and services to the value of £25,191 (2019: £37,935) from The Message Trust. Appropriate expenses totalling £83,801 in 2020 (wages, premises costs, etc) were recharged from The Message Trust (Parent Charity) to The Message Enterprise Centre at cost and £75,599 in 2019. The Message Trust received £30,000 (2019: £30,000) in rent from The Message Enterprise Centre for the building in which they operate and paid £23,400 (2019: £48,450) in rent to The Message Enterprise Centre for the academy students' accommodation in property which is owned or leased by The Message Enterprise Centre for rental purposes. The Message Trust donated £654,070 (2019: £1,421,317) to the Message Enterprise Centre for general funds and future Message Enterprise projects. As at 31 August 2020, The Message Trust owed The Message Enterprise £25,956 (2019: £31,705).

During the year gifts totalling £16,883 (2019: £22,383) were given to the Life Association, providing schooling for 50 poor children in India. These are related party transactions as Simon Hawthorne, Director of the Life Association is a close relative of Andy Hawthorne, Chief Executive of The Message Trust.

Gifts totalling £45,500 were given to Ignite (Big Ideas) (2019: £25,750). These are related party transactions as Ian Rowbottom Executive Director of Operations is also a Trustee of the charity Ignite (Big Ideas).

During the year Michele Hawthorne, Andy Hawthorne's wife, was paid £10,978 (2019: £10,455) for networking, fundraising, providing hospitality and work on UK & international assignments with Andy.

The Message Trust gave £7,500 to Press Red who are making a stand against the violence suffered by girls and women worldwide (2019 £12,272). The Message Trust invoiced £Nil (2019 £2,341 for work on various design and print assignments). Press Red is a related party as both Michelle Hawthorne and Colin Hardacre are trustees of Press Red.

The Message Trading Company Limited invoiced Boodles £Nil (2019: £15,000 for Urban Hero Awards Sponsorship). Boodles also made donations to The Message Trust in the year totalling £25,000 (2019: £7,500), including £10,000 for the Norway Cycle Challenge, which has been postponed due to Covid-19. Jody Wainwright, Trustee of The Message Trust is also a director of Boodle & Dunthorne Limited (trading as Boodles), hence these are related party transactions.

Axon Moore Group Ltd gave £8,500 to The Message Trust in 2020 (2019: £21,200 to The Message Trust and £10,000 to The Message Enterprise). David Moore, Trustee of The Message Trust is also a director of Axon Moore Group Limited, hence these are related party transactions. Open Hands Open Heavens gave £4,391 to The Message Trust (2019: £100). This is a related party transaction as David Moore is also a Trustee of this charity.

The Message Trust invoiced Christ Church Pennington for a number of Message Bus sessions between October and December 2019 totalling £2,400 (2018-19: £3,200) and the church donated £2,005 to The Message Trust in 2020 (2019: £2,000). These are related party transactions as Andrew Leahey is a PCC Member of Christ Church Pennington.

The Message Trust invoiced Goyt Properties Limited £Nil (2019: £7,500 for Urban Hero Awards Sponsorship). Gordon Haynes, Trustee of The Message Trust is also a director of Goyt Properties Limited, hence this is a related party transaction. Gordon Haynes is also a director of Issachar Foundation, which donated £6,000 to The Message Trust (2019: £6,000).

In addition to these transactions above, the Trustees collectively gave The Message Trust £15,000 including gift aid (2019: £67,910) and gave £10,875 including gift aid (2019: £14,750) to The Message Enterprise.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

18. RECONCILIATION OF MOVEMENTS IN FUNDS

	Balance at 31/08/2019 £	Movement in Resources		Transfers Between Funds £	Gains on Revaluation Fixed Assets £	Balance at 31/08/2020 £
		Incoming £	Outgoing £			
18a. Restricted Funds						
Eden National	-	151,391	(175,090)	45,526	-	21,827
Eden Manchester	7,160	29,649	(31,631)	11,527	-	16,705
Eden Merseyside	8,127	-	-	-	-	8,127
Eden Yorkshire	45,717	83,498	(33,602)	11,976	-	107,589
Eden North West	-	6,125	-	(2,550)	-	3,575
Eden North East	(7,918)	10,767	(33,324)	16,454	-	(14,021)
Eden Midlands	(3,539)	7,488	(13,236)	(1,333)	-	(10,620)
Eden London	10,881	37,539	(44,351)	9,299	-	13,368
Eden Scotland	6,224	600	(7,000)	176	-	-
Eden Wales	-	-	(87)	60	-	(27)
Message Bus	12,063	127,250	(301,582)	164,766	-	2,497
Message North West	-	32,714	(120,770)	100,728	-	12,672
Message North East	-	30,824	(125,213)	94,389	-	-
Message Yorkshire	22,980	189,980	(263,855)	73,875	-	22,980
Message Midlands	-	38,949	(167,315)	128,366	-	-
Message London	-	120,187	(265,123)	144,936	-	-
Message Scotland	-	13,871	(142,554)	128,683	-	-
Message Wales	-	113,634	(272,710)	159,328	-	252
Mission Central	-	50,543	(169,105)	118,562	-	-
Events	-	893	(893)	-	-	-
Higher	-	122,315	(231,830)	107,951	-	(1,564)
Message Academy	-	6,548	(6,548)	-	-	-
Studio Sessions	-	1,422	(1,422)	-	-	-
Bands	-	12,061	(12,061)	-	-	-
Advance	-	49,303	(49,303)	-	-	-
Respect Me	-	33,701	(33,701)	-	-	-
Enable	-	8,743	(1,584)	-	-	7,159
Prisons	-	198,816	(351,165)	157,081	-	4,732
Proximity	-	45,292	-	-	-	45,292
Message Live	-	128,202	(93,598)	(17,983)	-	16,621
Love Wythenshawe	-	23,409	(18,248)	(6,269)	-	(1,108)
Property	44,219	-	-	(44,219)	-	-
Street Pastors	-	25,837	(48,575)	22,738	-	-
Business Enterprises	-	8,319	(1,836)	(4,360)	-	2,123
MEC Enterprises	2,000	2,138	(2,138)	-	-	2,000
MEC Neal Street Espresso	52,032	28,575	(80,607)	-	-	-
MEC Apprentice Funding	120,999	95,090	(109,081)	22,003	-	129,011
MEC The Oaks	-	26,014	(23,549)	-	-	2,465
Other Restricted Funds	22,943	3,241	(5,082)	(21,102)	-	-
	343,888	1,864,928	(3,237,768)	1,420,608	-	391,656

THE MESSAGE TRUST

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YEAR ENDING 31 AUGUST 2020

18. RECONCILIATION OF MOVEMENTS IN FUNDS (continued)

	Balance at 31/08/2019 £	Movement in Resources		Transfers Between Funds £	Gains on Revaluation Fixed Assets £	Balance at 31/08/2020 £
		Incoming £	Outgoing £			
18b. Unrestricted Funds						
General Fund	917,152	2,622,422	(1,117,010)	(1,619,013)	-	803,551
Designated Funds:						
- Eden Teams	-	84,353	(22,938)	(38,563)	-	22,852
- Message Bus	-	38,702	(51,520)	12,818	-	-
- Respect Me	10,275	47,806	(63,677)	16,314	-	10,718
- Other Associates	43,382	-	-	(8,483)	-	34,899
- Festival Manchester	-	-	-	500,000	-	500,000
- Message Community Groceries	-	-	-	500,000	-	500,000
- New Higher Tour	380,000	-	-	(380,000)	-	-
- New Mission Teams	100,000	-	(42,952)	-	-	57,048
- New Eden Teams	550,000	-	-	-	-	550,000
- New Proximity Network	50,000	-	(48,549)	-	-	1,451
- New Prisons Teams	100,000	-	(23,549)	-	-	76,451
- New Message Buses	240,000	-	(66,308)	(24,200)	-	149,492
- New Regional Hubs	200,000	-	(103,899)	(56,034)	-	40,067
- New Premises	100,000	-	-	-	-	100,000
- New Advance Groups	200,000	-	(87,464)	(15,441)	-	97,095
- New International Projects	70,000	-	-	-	-	70,000
- New Investment Properties	887,086	-	-	(445,257)	-	441,829
- New Businesses	250,000	-	-	(250,000)	-	-
- Neal Street Espresso	190,800	-	-	(90,792)	-	100,008
- Future Mission Projects	1,049,932	-	-	147,610	-	1,197,542
- Message Enterprise Centre	1,589,322	1,323,825	(890,818)	(22,003)	54,240	2,054,566
- Other Projects	-	-	(352,436)	352,436	-	-
	6,927,949	4,117,108	(2,871,120)	(1,420,609)	54,240	6,807,569
	7,271,837	5,982,036	(6,108,888)	-	54,240	7,199,225

The Transfer of Funds from Unrestricted to Restricted, relates to support for Restricted Projects. Eden North East and Eden Midlands are currently in deficit, along with three other projects with much smaller deficits. The Trustees are aware that there is regular giving coming into these funds, which has continued post year end, and have therefore set fundraising targets to reduce these deficits over the next three to five years.

The various Eden projects comprise teams of youth workers who regularly work within Secondary schools (e.g. taking RE lessons, assemblies, lunch clubs) preparing the groundwork for visits by Brightline, and other Christian bands, as well as being attached to a local church where they continue with after school activities. Since 1 September 2010, all these projects have operated through a partnership arrangement, with The Message Trust providing support and training, initially over a three-year period.

A number of gifts are received in the year restricted for the Eden work but not for a single specified project. These are accumulated in the Eden National Fund and then reallocated to specific Eden Projects at the end of the year as the Trustees see fit.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

18. RECONCILIATION OF MOVEMENTS IN FUNDS (continued)

In 2020 £176,554 (2019: £84,037) was received by way of donations and personal support for employees who work in non-restricted areas of ministry, e.g. Bands, Advance, etc. The gifts received have been fully utilised by way of a contribution to the salaries and associated costs of the individual employees specifically supported. They are shown within the restricted income and expensed within the restricted Outgoing, in order to cover their salary costs paid from General Funds.

During the year £147,610 was designated to Future Mission Projects. (In 2019: (£1,197,383) was withdrawn from Future Mission Projects, as the MEC set up its own fund for such projects). This is a designated fund to cover the costs of Future Mission Projects, arising over the next five years.

The Trustees have designated in total the equivalent of The Message Trust's Net Book Value of Fixed assets and Investment Properties for future mission projects, which totals £1,197,542 at 31 August 2020 (2019: £1,049,932).

Other transfers have arisen in order to establish new projects like Festival Manchester and Message Community Groceries, and for the Investment Properties and Neal Street Espresso due to the purchase and capitalisation of new assets. The net transfers total (£261,724) (2019: (£622,144)).

In addition, at the end of 2020 the Trustees have undesignated a net total of (£17,915) (2019: designated £6,788) between General Funds and Other Designated Funds – Eden Teams, Message Bus, Respect Me and Other Associates for future projects over the next three years, as priorities change.

The Message Bus fund relates to the activities around our fleet of Message buses. Over the last six years several buses have been purchased and refurbished, as they are repurposed for our work with youth people. The refurbishment costs of the buses have been capitalised and charges are made for depreciation over the useful life of the buses.

The Message Buses, which are fitted with the latest in sound and visual technology, combine two roles. Firstly, providing Christian teaching and secondly, as a fun area for young people to engage in various activities and play on the game consoles on the buses. They would normally work alongside the Eden teams across England, Scotland and Wales.

Restricted Funds held by Message Yorkshire £22,980 (2019: £22,980) are for projects in the next financial year, e.g. Higher Yorkshire. Eden Yorkshire funds £107,589 (2019: £45,717) will go towards funding a 3-year Eden partnership. Proximity funds £45,292 (2019: £Nil) are for supporting the Proximity Network. MEC Apprentice funding £129,011 (2019: £120,999) is held to support existing apprentices over a 2-year period and to provide some initial funding for new apprentices in the future.

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

19. ANALYSIS OF NET ASSETS BY FUND

	Tangible Fixed Assets £	Intangible Assets / Investments £	Net Current Assets £	Creditors Due after One Year £	2020 TOTAL £	2019 TOTAL £
Restricted Funds						
Eden National	-	-	21,827	-	21,827	-
Eden Manchester	-	-	16,705	-	16,705	7,160
Eden Merseyside	-	-	8,127	-	8,127	8,127
Eden Yorkshire	-	-	107,589	-	107,589	45,717
Eden North West	-	-	3,575	-	3,575	-
Eden North East	-	-	(14,021)	-	(14,021)	-
Eden Midlands	-	-	(10,620)	-	(10,620)	(3,539)
Eden London	-	-	13,368	-	13,368	10,881
Eden Scotland	-	-	-	-	-	6,224
Eden Wales	-	-	(27)	-	(27)	-
Message Bus	-	-	2,497	-	2,497	12,063
Message North West	-	-	12,672	-	12,672	-
Message Yorkshire	-	-	22,980	-	22,980	22,980
Message Wales	-	-	252	-	252	-
Higher Tour	-	-	(1,564)	-	(1,564)	-
Enable	-	-	7,159	-	7,159	-
Prisons	-	-	4,732	-	4,732	-
Proximity	-	-	45,292	-	45,292	-
Message Live	-	-	16,621	-	16,621	-
Love Wythenshawe	-	-	(1,108)	-	(1,108)	-
Property	-	-	-	-	-	44,219
Business Enterprises	-	-	2,123	-	2,123	-
MEC Enterprises	-	-	2,000	-	2,000	2,000
Neal Street Espresso	-	-	-	-	-	52,032
MEC Apprentice Funding	-	-	129,011	-	129,011	120,999
MEC The Oaks	-	-	2,465	-	2,465	-
Other Restricted Funds	-	-	-	-	-	22,943
	-	-	391,656	-	391,656	343,888
Unrestricted Funds	562,065	2,655,218	3,590,286	-	6,807,569	6,927,949
	<u>562,065</u>	<u>2,655,218</u>	<u>3,981,942</u>	<u>-</u>	<u>7,199,225</u>	<u>7,271,837</u>

20. PENSIONS

The charity operates a defined contribution pension scheme on behalf of its employees. All contributions due have been fully paid.

21. CONTINGENCIES

The Trustees have confirmed that there were no contingent liabilities which should be disclosed at 31 August 2020 (2019: £Nil).

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NOTES TO THE FINANCIAL STATEMENTS

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22. OPERATING LEASE COMMITMENTS

At 31 August 2020 the total of future minimum lease payments under non-cancellable operating leases are as follows:

The Message - Group	2020	2020	2019	2019
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£	£	£	£
Leases which expire:				
Not later than one year	23,856	18,378	25,808	35,732
Later than one year and not later than five years	33,000	49,186	33,000	42,134

The Message Trust - Company	2020	2020	2019	2019
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£	£	£	£
Leases which expire:				
Not later than one year	23,856	18,378	25,808	35,732
Later than one year and not later than five years	33,000	40,738	33,000	33,103

23. CAPITAL COMMITMENTS

At 31 August 2019 there was an outstanding capital commitment of £261,000 for the purchase of two investment properties. These were purchased in the first quarter of 2019-20. There was no capital commitment as at 31 August 2020.

	2020	2019
	£	£
Investment Properties	-	261,000
	-	261,000

24. ANALYSIS OF CHANGES IN NET DEBT

	At		At
	1 September	Cashflows	31 August
	2019		2020
	£	£	£
Cash	3,951,575	93,708	4,045,283
Loans due < 1 year	(75,000)	75,000	-
	3,876,575	168,708	4,045,283

THE MESSAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDING 31 AUGUST 2020

25. CONTINGENT ASSET

Following an appeal and a Tribunal hearing in November 2020, Manchester City Council has been ordered to recalculate the housing benefit due to residents of The Oaks, some of which is paid directly to The Message Enterprise Centre in rent. Until the council has completed its calculations the exact amount of the additional rent which will be paid to The Message Enterprise Centre in back payments is not known, although it is estimated to be of the order of £54k as at 31 August 2020.