

COMPANY REGISTRATION NUMBER: 05101167
CHARITY REGISTRATION NUMBER: 1104551

The Melanesian Mission
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2021

THOMAS WESTCOTT

Chartered Accountants
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

The Melanesian Mission
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2021

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The Melanesian Mission

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name The Melanesian Mission

Charity registration number 1104551

Company registration number 05101167

Principal office and registered office 21 The Burlands
Feniton
Honiton
Devon
EX14 3UN

The trustees Canon J Brooke (Re-elected 21 September 2020)
Mr A M Cartwright (Retired 21 September 2020)
Revd M B Cox
Revd C Duce
Ven Dr M R Gilbertson - Vice Chair (Re-elected 21 September 2020)
Mrs D Jordan
Revd J Pinder
Miss K Pwaisiho
Rt Revd M J Rylands - Chair
Mr S J Scoffield
Revd J J Wise

Company secretary Katie Drew

Independent examiner Catherine Williams ACA DChA
Thomas Westcott Chartered Accountants
47 Boutport Street
Barnstaple
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The Melanesian Mission

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, governance and management

Governing document

The organisation is a charitable company, limited by guarantee, incorporated on 14th April 2004, and registered as a charity in the UK on 25th June 2004. The company was established under a memorandum of association which established the objectives and powers of the charitable company and is governed under its articles of association.

Management

The company is governed by members of a Board who are appointed as Directors under the Companies Act 2006 and as Trustees for charitable purposes. The Board of Trustees (which shall be not less than six and not more than ten, plus up to one co-opted member) administers the Charity. The Board meets regularly during the year. The Trustees appoint an Executive Officer to manage the day to day operations of the Charity. To facilitate operations, the Executive Officer has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and employment.

Recruitment and appointment of Trustees

Trustees are elected at an Annual General Meeting of the company. One third in number of the Trustees retire by rotation at the Annual General Meeting and are eligible for immediate re-election. All members are entitled to nominate Trustees prior to the AGM. When considering potential Trustees, the Board has regard to the requirement for any specialist skills needed. An audit of the skills of current Trustees has been conducted.

As permitted in the Constitution, two of the Trustee Directors, Revd. Jacky Wise and Mrs D Jordan are appointed as Trustees by the Archbishop of Melanesia. The Revd Richard Carter, as Commissary to the Archbishop of Melanesia, normally attends Trustee meetings.

Induction and training of Trustees

New Trustees are fully briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity.

The Melanesian Mission

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Purposes and aims

Objective

The constitutional objective of the Mission is:

'to advance the Christian religion by furthering the charitable activities of the Anglican Church of the Province of Melanesia in the Province of Melanesia and the United Kingdom'.

Mission Statement

The Melanesian Mission is a Christian mission agency that provides support to the work of the Anglican Church of Melanesia (ACoM) through prayer, people and giving.

Vision Statement

By building a relationship between the people of Melanesia and the UK, and through funding, the Melanesian Mission aims to be:

- A channel that fosters a sense of communion and Christian community between the UK and Melanesia
- A voice for ACoM at times when their own voice cannot be heard or needs extra support
- A critical friend allowing support and challenge of ACoM and national governments in Melanesia, whilst being a channel of connection between ACoM education and schools and colleges in the UK, and a provider of support for other projects.

The work of the Melanesian Mission is:

- to help people in the UK and in Melanesia to share and deepen Christian spirituality, relationships, and prayer for the benefit of both regions
- to speak out on issues that affect Melanesia and its peoples
- to work with ACoM to emphasise the values and benefits of Christian education work in Melanesia and the UK
- to support the work carried out by Diocesan, Church, Companion and School Partnerships.

Aims

The aims of the Melanesian Mission are:

- to provide financial support for ACoM and its chosen projects
- to develop living partnerships between ACoM and the Church of England
- to resource and encourage prayer support
- to raise awareness of ACoM in the UK
- to enable personnel exchange between Melanesia and the UK

Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit and the specific guidance on charities for the advancement of religion. Having considered the activities which the Mission undertakes which are detailed in our achievements and performance, and our planning for the future, the Trustees are of the opinion that the Mission exists and conforms to the requirements for the public benefit.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Melanesian Mission

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Achievements and performance

Due to ongoing COVID restrictions the Trustees met online in 2020 in June and November and in January 2021. The residential was also online in March and the Archbishop of Melanesia was able to join the meeting. The first online AGM and Festival for the charity was held in September and was attended by 65 devices, with many couples sharing a device. Supporters and friends joined the meeting from across the UK, Solomon Islands, Fiji and Australia. The programme included worship, a hymn from Tabalia from footage shot in 2016 by Alex Leger, a pre-recorded address from Archbishop Leonard and talks on visits to the region given by Kate Pwaisiho and Sam Rylands. The charity is now considering running an online AGM every other year for environmental reasons and to encourage a more varied attendance and greater accessibility to the event.

Although COVID was contained in the region to a few cases in repatriated citizens identified in quarantine, the pandemic has affected the Province. Many lost their jobs due to a downturn in the economy and no tourism industry due to closed borders. Food prices also increased due to reduced levels of imports. ACoM's response was to run COVID awareness sessions and encourage a grow your own food scheme. MMUK supporters and linked UK Dioceses were very generous in sending donations to help with the church's relief efforts and the Melanesian Brothers loss of income from Chester Rest House.

Following Cyclone Harold in April 2020, the charity launched an emergency appeal and raised £19,710. At the request of ACoM most of the funds were sent to the Diocese of Vanuatu, as it was most affected by the storm. Recovery in the region was slow due to COVID closing borders and concerns about COVID transmission.

MMUK facilitated an appeal by UK Associates to the Melanesian Sisters for their Chapel Appeal and sent donations totalling £19,397 in the financial year. The UK Associates also continued to support the Novices lunches, sending £200 a month.

At ACoM's request MMUK continued to part fund the Environment Observatories Project Manager based in Honiara for an additional year. The four test sites celebrated their first anniversary in December 2020 with invited guests from the Solomons Islands Government and the British High Commissioner to the Solomon Islands. ACoM has prioritised this project and intends to expand the number of sites in the next financial year.

Marie Schlenker from the University of Southampton volunteered full time with the charity for three months from January 2021. Marie's responsibilities included the management of ACoM Environment Observatory Project, development of outreach materials on climate change and creation care, writing content for the MMUK's newsletter and magazine, and research on climate change adaptation and the work of other organisations in Melanesia.

The charity published two magazines in 2020 distributed to 465 supporters. Over forty people have now requested to read online and not receive printed copies. Due to all events being cancelled and a ban on printed materials in churches, there was not the opportunity to distribute additional copies of the magazine. The charity continued to issue one email newsletter a month to around 330 subscribers.

The Melanesian Mission

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Achievements and performance *(continued)*

Although there were no visits to the region or visits by Melanesians to the UK, online meetings have ensured MMUK and ACoM remained well informed and actually resulted in us working more closely together. Regular meetings over the last year were held with ACoM General Secretary Dr Abraham Hauriasi. MMUK worked with ACoM's IT department and SSF on improving their internet connections. The Lambeth Conference funded six satellites dishes in remote dioceses. MMUK agreed to fund the first year's data package. Improved and more regular communication with all nine dioceses and the religious orders, has been a highlight of the year, and has enabled MMUK to respond more swiftly to requests for support spiritually and financially.

In the absence of physical events the charity has run regular online events with supporters across the UK. Following the success of our AGM we launched Coffee Mornings and Cocoa nights. Some events have included guests from Melanesia. Parishes have held events with the Sisters of the Church and the Melanesian Brothers. UK Associates to the Melanesian Sisters held online services and meetings with the community, and the Franciscan Brothers have spoken to UK supporters about their work on the human rights implications of logging. Online meetings have been another success for the charity this year.

Canon Brian Macdonald-Milne continues to oversee the charity's archive and answer questions from researchers and the public. Brian's book, 'Seeking Peace in the Pacific', was published and ACoM requested copies for Bishops, church schools, theological colleges and to sell in the Provincial Bookshop in Honiara. Over 300 copies were sent in December 2020. The charity also agreed a contribution towards the printing cost of this book, due to its historical value. All work on the Lambeth Conference was halted on the announcement that the conference was postponed until July 2022.

Financial review

The trustees are pleased to report:

- a surplus of £27,648 (2020 £8,943) on Unrestricted funds.
- a deficit of £3,002 (2020 deficit of £306) on restricted funds. The deficit is due to restricted funds received in previous years being spent in this financial year.

Principal funding sources

Voluntary income

During the year, the charity received £72,647 in voluntary donations (2020 - £40,866). The increase is due to large, restricted donations including funding for the CSM Chapel and Cyclone Harold Emergence Appeal.

Investment income

The accounts show a decrease in investment income this year at £105,811 (2020 - £109,695). The Trustees are pleased that investments continue to provide a consistent level of income for the charity.

The Melanesian Mission

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Financial review *(continued)*

Reserves Policy and Going Concern

The Trustees hold restricted reserves of £5,010 and endowment reserves of £52,865.

The following designated reserves are held at the yearend:

- **Lambeth 2022**
The Trustees have designated £20,000 towards the costs of supporting ACoM attendance at Lambeth 2022.
- **Investment Reserve**
Unrestricted Investments are held to provide income to fund the activities of the charity. Investment income forms our principal source of funding. The Trustees have designated a reserve equal to the valuation of its unrestricted investments which cannot be used to fund expenditure without being sold of £3,279,855.

The remaining reserves of £71,910 are held in the Unrestricted Income Fund.

The Trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The Trustees are of the view that the charity is a going concern.

Investment policy and objectives

The Trustees adopted a revised investment policy at their meeting on 30 November 2015 which is reviewed annually.

The aim is to balance the need of current and future beneficiaries. The capital remains invested to provide for future beneficiaries and the income is spent on current charitable activity.

- The Charity's investment funds are invested to produce the best financial return within an acceptable level of risk.
- The investment objective is to balance income and capital returns. The assets should be managed to at least maintain the real capital value of the funds, whilst generating a sustainable level of investment income to support the current charitable activities.
- The current income target is set at £100,000 per annum (a starting yield of 5%) and as such the overall investment objective is a return of inflation plus 5% pa, which will maintain the real valuation of the assets, whilst funding annual increase in expenditure in the region of 5% per annum.

Management of Risk

The Trustees are of the opinion that the charity's objectives and operation are inherently of low risk and this is minimised by its procedures in all areas.

The Trustees have identified that the main risks to the charity are:

- **Coronavirus** which may:
 - reduce our investment income and
 - make visits to and from Melanesia difficult in the foreseeable future.
- **Loss of Executive Officer**

The Trustees manage the risk to cashflows by preparing and reviewing budgets on a regular basis and ensuring sufficient cash deposits are held to meet current spending commitments.

The Melanesian Mission

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Plans for future periods

Continue to regularly meet online with ACoM, the Religious Orders and other agencies working in the region.

Continue to host and encourage others to host, online MMUK / ACoM services, bible study groups, events, and talks.

Assist ACoM in the expansion of the Environment Observatories across the nine dioceses.

Heighten awareness of climate change in Melanesia in the lead up to G7 and COP26.

Review the offer and funding of placements in Melanesia, with a particular focus on Ordinands.

Review the charity's communications with supporters and potential supporters, including social media and the website.

Review the charity's fundraising practices to meet future needs.

Prepare for Lambeth 2022.

Move Trustees onto Microsoft Teams for improved online meeting experience, document storage and shared working practices.

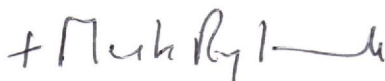
Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 21 to the financial statements.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 18/09/21 and signed on behalf of the board of trustees by:



Rt Revd M J Rylands
Chair of Trustees

The Melanesian Mission

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Melanesian Mission

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of The Melanesian Mission ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for 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).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Catherine Williams ACA DChA
Thomas Westcott Chartered Accountants
Independent Examiner
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

23rd September 2021

The Melanesian Mission

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	5	21,725	50,922	—	72,647
Investment income	6	104,213	—	1,598	105,811
Total income		<u>125,938</u>	<u>50,922</u>	<u>1,598</u>	<u>178,458</u>
Expenditure					
Expenditure on charitable activities	7,8	98,290	53,924	—	152,214
Total expenditure		<u>98,290</u>	<u>53,924</u>	<u>—</u>	<u>152,214</u>
Net income/(expenditure) before investment (losses)/gains		27,648	(3,002)	1,598	26,244
Net gains/(losses) on investments	11	451,046	—	6,903	457,949
Net income/(expenditure) and net movement in funds		<u>478,694</u>	<u>(3,002)</u>	<u>8,501</u>	<u>484,193</u>
Reconciliation of funds					
Total funds brought forward		2,893,071	8,012	44,364	2,945,447
Total funds carried forward		<u>3,371,765</u>	<u>5,010</u>	<u>52,865</u>	<u>2,945,447</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 25 form part of these financial statements.

The Melanesian Mission
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Investments	15		3,325,387		2,867,438
Current assets					
Debtors	16	3,156		4,963	
Cash at bank and in hand		104,276		77,822	
		107,432		82,785	
Creditors: amounts falling due within one year	17		3,179		4,776
			104,253		78,009
Net assets			3,429,640		2,945,447
Funds of the charity					
Endowment funds			52,865		44,364
Restricted funds			5,010		8,012
Unrestricted funds			3,371,765		2,893,071
Total charity funds	19		3,429,640		2,945,447

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 18/09/2021, and are signed on behalf of the board by:



Rt Revd M J Rylands
Chair of Trustees

The notes on pages 12 to 25 form part of these financial statements.

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 21 The Burlands, Feniton, Honiton, Devon, EX14 3UN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a small entity as defined in FRS 102 and as a result has taken the exemption from preparing a cashflow statement.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Fund accounting *(continued)*

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Expendable endowment funds are invested to produce income which is restricted to the purposes declared by the donor.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Melanesian Mission is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Appeals and donations	20,235	47,059	67,294
Gift Aid	1,490	3,863	5,353
	<u>21,725</u>	<u>50,922</u>	<u>72,647</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Appeals and donations	18,765	19,718	38,483
Gift Aid	1,274	1,109	2,383
	<u>20,039</u>	<u>20,827</u>	<u>40,866</u>

6. Investment income

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Bank interest receivable	155	—	155
Other income from fixed asset investments	104,058	1,598	105,656
	<u>104,213</u>	<u>1,598</u>	<u>105,811</u>
	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Bank interest receivable	361	—	361
Other income from fixed asset investments	107,775	1,559	109,334
	<u>108,136</u>	<u>1,559</u>	<u>109,695</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	57,212	53,905	111,117
Support costs	41,078	19	41,097
	<u>98,290</u>	<u>53,924</u>	<u>152,214</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	65,980	20,925	86,905
Support costs	53,252	208	53,460
	<u>119,232</u>	<u>21,133</u>	<u>140,365</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable activities	<u>6,875</u>	<u>104,242</u>	<u>41,097</u>	<u>152,214</u>	<u>140,365</u>

9. Analysis of support costs

	Charitable activities £	Total 2021 £	Total 2020 £
Staff costs	36,515	36,515	36,694
Other employment costs	56	56	309
Office expenses	1,830	1,830	5,039
Travel and subsistence	267	267	4,091
Independent Examiners fees	1,610	1,610	2,948
Trustee expenses	39	39	3,418
Trustee training and conferences	—	—	225
Insurance	780	780	736
	<u>41,097</u>	<u>41,097</u>	<u>53,460</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Grants to institutions	104,242	71,168
Grants to individuals		
Grants to individuals	—	4,276
Total grants	<u>104,242</u>	<u>75,444</u>

The Trustees make an annual grant of £39,000 to the Anglican Church of Melanesia (ACoM). Applications for further grants are considered by the Trustees as appropriate.

11. Net gains/(losses) on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Gains/(losses) on listed investments	<u>451,046</u>	<u>6,903</u>	<u>457,949</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Gains/(losses) on listed investments	<u>(54,287)</u>	<u>(839)</u>	<u>(55,126)</u>

12. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,610</u>	<u>2,948</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	33,738	33,512
Social security costs	—	442
Employer contributions to pension plans	<u>2,777</u>	<u>2,740</u>
	<u>36,515</u>	<u>36,694</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

13. Staff costs *(continued)*

The average head count of employees during the year was 1 (2020: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Charitable activities	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

14. Trustee remuneration and expenses

During the year, no remuneration or other benefits were paid to Trustees.

During the year 1 Trustee was reimbursed travel expenses totalling £39 (2020: 10 Trustees: £3,165)

15. Investments

	Listed investments £
Cost or valuation	
At 1 April 2020	2,867,438
Additions	—
Fair value movements	<u>457,949</u>
At 31 March 2021	<u>3,325,387</u>
Impairment	
At 1 April 2020 and 31 March 2021	—
Carrying amount	
At 31 March 2021	<u>3,325,387</u>
At 31 March 2020	<u>2,867,438</u>

All investments shown above are held at valuation.

Financial assets held at fair value

The market value of the listed investments at 31 March 2021 was £3,325,387 (2020: £2,867,438). The historical cost of the investments was £1,781,678 (2020: £1,781,678).

16. Debtors

	2021 £	2020 £
Other debtors	<u>3,156</u>	<u>4,963</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,611	3,931
Social security and other taxes	568	845
	<u>3,179</u>	<u>4,776</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,777 (2020: £2,740).

19. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
General funds	69,997	125,938	(98,290)	(25,735)	–	71,910
Investment reserve	2,823,074	–	–	5,735	451,046	3,279,855
Lambeth 2022	–	–	–	20,000	–	20,000
	<u>2,893,071</u>	<u>125,938</u>	<u>(98,290)</u>	<u>–</u>	<u>451,046</u>	<u>3,371,765</u>

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
General funds	59,538	128,175	(119,232)	1,516	–	69,997
Investment reserve	2,878,920	–	–	(1,559)	(54,287)	2,823,074
Lambeth 2022	–	–	–	–	–	–
	<u>2,938,458</u>	<u>128,175</u>	<u>(119,232)</u>	<u>(43)</u>	<u>(54,287)</u>	<u>2,893,071</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

Investment Reserve - Unrestricted Investments are held to provide income to fund the activities of the charity. Investment income forms the principal funding source. The Trustees have designated a reserve equal to the valuation of its investments which cannot be used to fund expenditure without being sold.

The investment reserve and the endowment funds include unrealised gains on investments.

Lambeth 2022- The Trustees have designated £20,000 towards the costs of supporting ACoM attendance at Lambeth 2022.

Restricted funds

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
JCPU	633	—	(633)	—	—	—
Melanesian Brotherhood	37	5,635	(5,672)	—	—	—
CSM - Lunch project	1,282	2,263	(1,800)	—	—	1,745
CSM - General	637	688	(1,137)	—	—	188
CSM - Chapel	3,922	16,640	(19,397)	—	—	1,165
CSC - TNK Kindy	282	—	(270)	—	—	12
Community of the Sisters of the Church General	—	4,740	(4,740)	—	—	—
Emergency Appeal - Cyclone Harold	—	19,710	(19,660)	—	—	50
Society of St Francis	—	157	—	—	—	157
Exeter Diocese links	893	1,000	(250)	—	—	1,643
Human Rights BHC	305	—	(286)	—	—	19
Mothers' Union	21	—	—	—	—	21
Other restricted funds	—	90	(80)	—	—	10
	<u>8,012</u>	<u>50,922</u>	<u>(53,924)</u>	<u>—</u>	<u>—</u>	<u>5,010</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
JCPU	633	—	—	—	—	633
Melanesian Brotherhood	37	38	(38)	—	—	37
CSM - Lunch project	1,107	1,975	(1,800)	—	—	1,282
CSM - General	—	637	—	—	—	637
CSM - Chapel	—	3,922	—	—	—	3,922
CSC - TNK Kindy	—	332	(50)	—	—	282
Community of the Sisters of the Church General	1	4,452	(4,453)	—	—	—
Emergency Appeal - Cyclone Harold	—	—	—	—	—	—
Society of St Francis	—	—	—	—	—	—
Exeter Diocese links	810	500	(417)	—	—	893
Human Rights BHC	285	247	(227)	—	—	305
Mothers' Union	2	735	(716)	—	—	21
Other restricted funds	27	2,470	(2,540)	43	—	—
Richard Lumley Education Projects grant	4,689	—	(4,689)	—	—	—
Joseph Banks Society	557	—	(557)	—	—	—
Christian Distinctiveness Project - Vanuatu Resources	—	1,005	(1,005)	—	—	—
Melanesian Brotherhood Ambae relocation	92	1,000	(1,092)	—	—	—
St Patricks Ambae relocation	35	3,514	(3,549)	—	—	—
	<u>8,275</u>	<u>20,827</u>	<u>(21,133)</u>	<u>43</u>	<u>—</u>	<u>8,012</u>

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

John Coleridge Patterson University (JCPU)- Funds received for the establishment and support of the John Coleridge Patterson University with in the Anglican Church of Melanesia.

Melanesian Brotherhood- Monies received to assist in the funding of the Melanesian Brotherhood

CSM Lunch Project- Monies received through donations for the purpose of providing lunches for a community of approximately 30 people.

CSM General Funds- Relating to other donations received for other specific projects of the Community of the Sisters of Melanesia CSM

Chapel- Funds received for the building of a new chapel for the Community of the Sisters of Melanesia.

CSC TNK Kindy- funds received to assist the funding of the Community of the Sisters of the Church Kindy School at TNK in the Solomon Islands

Community of the Sisters of the Church General- Relating to other donations received for other specific projects of the Community of the Sisters of the Church.

Emergency Appeal - Cyclone Harold- Funds received to support cyclone relief following storms.

Society of St Francis- Relating to other donations received for other specific projects of the Society of St Francis.

Exeter Diocese links-Exeter Diocese donates £500 per year to fund the dioceses link activities with Melanesia, including events and two visits. Supporters of MMUK also donate to this fund Human Rights

BHC- Funds received from the British High Commission for the purposes of providing resources for the education of human rights in Melanesia.

Mothers' Union- Relating to other donations received for other specific projects of the Mothers' Union.

The Melanesian Mission

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
Patteson Moss Fund	3,667	101	—	—	582	4,350
Amy Rawson	13,565	499	—	—	2,107	16,171
Elenor Rawson	13,565	499	—	—	2,107	16,171
Cyril Rawson	13,567	499	—	—	2,107	16,173
	<u>44,364</u>	<u>1,598</u>	<u>—</u>	<u>—</u>	<u>6,903</u>	<u>52,865</u>

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
Patteson Moss Fund	3,685	74	—	—	(92)	3,667
Amy Rawson	13,319	495	—	—	(249)	13,565
Elenor Rawson	13,319	495	—	—	(249)	13,565
Cyril Rawson	13,321	495	—	—	(249)	13,567
	<u>43,644</u>	<u>1,559</u>	<u>—</u>	<u>—</u>	<u>(839)</u>	<u>44,364</u>

Patteson-Moss Memorial Fund – Donated by Mrs John Patteson-Moss of Toronto, to form a trust in England in memory of her son. Any income generated from the capital is to be used to purchase books for Melanesian theological students

Amy Rawson Trust Fund – Bequest received in January 1975, the income for the benefit of the Diocese of Vanuatu (which was later split into two dioceses, Vanuatu and Banks & Torres)

Eleanor Rawson Trust Fund – Bequest received in January 1975, the income for the benefit of the Diocese of Vanuatu (which was later split into two dioceses, Vanuatu and Banks & Torres)

Rev. Cyril Rawson Trust Fund – Bequest received in January 1975, the income for the benefit of the Diocese of Vanuatu (which was later split into two dioceses, Vanuatu and Banks & Torres)

The Melanesian Mission

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Investments	3,279,855	–	45,532	3,325,387
Current assets	95,089	5,010	7,333	107,432
Creditors less than 1 year	(3,179)	–	–	(3,179)
Net assets	3,371,765	5,010	52,865	3,429,640

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Investments	2,823,074	–	44,364	2,867,438
Current assets	74,773	8,012	–	82,785
Creditors less than 1 year	(4,776)	–	–	(4,776)
Net assets	2,893,071	8,012	44,364	2,945,447

21. Post balance sheet events

After the closure of the 2021 financial year, there were no events that could have significant effects on the charity's financial statements. However, it should be noted that, at the date of preparation of the financial statements, the instability factor relating to the health emergency due to Coronavirus should not be underestimated.

Throughout the year the charity has reviewed the scenario and evaluated the management actions to mitigate the impact to their operations. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. The repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market, these will be reflected in the 2022 results.

22. Related parties

There were no related party transactions during the year.