

REGISTERED COMPANY NUMBER: 07496944 (England and Wales)
REGISTERED CHARITY NUMBER: 1139922

THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006 present their annual report, together with the audited consolidated financial statements of the charitable company and its subsidiary for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity resources and supports a number of London churches, helps to facilitate further church planting and gospel growth, and supports other individuals and organisations with similar gospel objectives both in the U.K. and around the world.

a. History

Originally the Charity was formed after a small group of people from an Anglican church in Wimbledon "planted" a new church called "Dundonald Church" into a local primary school, meeting each Sunday in the school hall. Over a number of years, that small church grew and became effective at sharing the Christian faith with the local community and given its success, Dundonald Church then replicated its church meetings in a variety of other local venues around Wimbledon and Raynes Park in South-West London.

Subsequently, the Charity then set up new church plants in Kingston and in Balham to enable the Charity to advance its objectives in those new local communities and those new churches also grew and thrived. Over the last ten years, the Charity then planted further new churches into areas including Earlsfield, Worcester Park, Walton, Sutton and Putney. Over the past year, Christ Church Earlsfield moved its activities to Wandsworth.

Whilst each of these churches have their own staff and local leadership teams, the churches are all resourced through, and are the responsibility of, the Charity. The trustees praise God for His kindness in growing the Charity in this way and for each of the local churches which serve their local communities and advance the Charity's objectives.

b. Our churches

The Charity currently has legal responsibility for the following London churches:

- Boathouse Church, Putney
- Christ Church Balham
- Christ Church at All Saints Wandsworth
- Cornerstone Church Kingston
- Dundonald Church
- Grace Church Worcester Park
- Hope Church Sutton
- Kings Church Walton

As well as being united together by being part of the Charity, these churches are also all members of the Co-Mission network of churches. Historically, the Co-Mission network was also resourced through the Charity, but since September 2017, the resourcing of the Co-Mission network and responsibility for Co-Mission's staff, media, events and church planting was transferred to The Co-Mission Initiative Trust.

c. The spiritual challenge in London

London is a city with few peers in terms of global influence, one of the most cosmopolitan and powerful cities, and is the political, economic and cultural centre of Britain, with 51 universities and 10 million residents.

However, London is also an emerging human tragedy: over 90% of the population claim no saving faith in Christ and many of the major people groups in London are almost entirely unreached by the good news of our Lord Jesus Christ! London is therefore a significant mission field.

We can only imagine how Jesus must feel about London: "When Jesus saw the crowds, he had compassion on them, because they were harassed and helpless, like sheep without a shepherd." (Matthew 9:36)

So, what is London's greatest need? The gospel of Jesus Christ!

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d. We are seeking to meet that need

All of the Charity's churches are reaching out to their communities with the gospel of Jesus Christ and are united in their desire to advance his Kingdom. In addition, they work together and with other London churches as part of the Co-Mission network of churches. The priority of Co-Mission is reaching London for Christ, by planting and establishing evangelistic gospel churches. This city is urgently in need of hundreds of diverse evangelistic churches proclaiming the gospel to all people! We are living in a mission field with an incredible ability to influence and reach societies around the world for Christ, starting right here in London.

e. The financial challenges

As these financial statements show, gospel ministry in London is increasingly expensive, and so all of the Charity's churches are only able to continue their ministries because of the generous, sacrificial and joyful giving of the individuals and families who together make up those churches.

Review of activities

The Charity was established to advance the Christian faith in London and overseas. Initially, the Charity achieved its objectives through the ministry of Dundonald Church in South-West London, but the Charity's operations have grown significantly over the past 20 years and the Charity now advances the Christian faith in eight different areas of London through the eight churches referred to above.

There have been no changes in the Charity's objectives since the last annual report. The Charity has pursued its objects over the past year in the following ways:

1. Its churches have continued to organise and run a weekly programme of Sunday and mid-week meetings for the proclamation of the Christian faith, the study of the Bible and the mutual encouragement of those attending throughout London. Its churches held regular meetings in Raynes Park, Balham, Kingston, Earlsfield, Worcester Park, Putney, Walton, Sutton and, since September 2020, in Wandsworth. As a result of the COVID-19 pandemic and the resulting restrictions on public gatherings which were in force for much of this period, many of these church services and meetings took place online (utilising YouTube, Zoom, Microsoft Teams and other online platforms).
2. By supplying financial and other practical resources to the Co-Mission network of churches (including making grants to The Co-Mission Initiative Trust) to support our shared mission to London;
3. By providing financial support, training and ministry experience to individuals considering a future career as a church pastor or other church ministry worker.
4. By supplying financial and other practical resources to carefully selected partners carrying on gospel ministry in other parts of the United Kingdom and overseas;
5. By organising events and meetings to share the Christian faith with unbelievers and to promote gospel ministry in the United Kingdom and overseas; and
6. By providing practical and financial help to those in physical or emotional need.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives.

**THE CO-MISSION CHURCHES TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

OBJECTIVES AND ACTIVITIES

Public benefit

How our activities deliver public benefit

Through its eight local churches, the Charity runs regular Sunday and mid-week meetings throughout London, at the locations listed above. These meetings provide instruction in the Christian faith for those who are already believers but are also aimed at serving those who would not necessarily call themselves Christians but are willing to investigate the Christian faith. Our churches also seek to show Jesus' love to their communities and offer pastoral support and care for all who attend. In addition, we seek to provide material assistance to those who are part our churches or who may be connected to them and who are facing exceptional hardship.

The Charity's churches also serve their local communities by running regular Kid's holiday clubs (usually in either the February or May school half-term week) which are open to children from the surrounding areas whether their parents go to church or not. As well as providing biblical and moral teaching, these holiday clubs provide the children with considerable fun, exercise and educational benefits through a range of activities and are of great help to their parents.

The Charity's staff and wonderful volunteers have continued to run a number of toddler groups and "Junior Jiver" groups at a number of London locations and, even during COVID-19 restrictions, many of these have continued online. These community supporting groups take place throughout the week so that local parents and carers bring their toddler children and enjoy coffee, cake and chat whilst their children play in our great venues with an extensive range of toys and play equipment and within a fun and safe environment. The Charity's churches also run monthly "Men Behaving Dadly" groups where fathers are encouraged to come with their children to enjoy a fun time of play together, to give the mums a break and to start their weekends in great company and with coffee and bacon sandwiches. These toddler groups have continued to be greatly loved and appreciated by our local communities and have helped our churches gain excellent reputations amongst local families.

Through several of our churches, we also run youth clubs for local young people (aged 8 - 18 years) which are attended by a mixture of children, some of whom are involved in our churches, but also many of whom simply come along from local schools. We consider these events to be an important involvement in the local area and a very worthwhile use of our facilities and resources. We also support a number of relief and missionary projects overseas and partner with a nationally approved debt relief organisation, Christians Against Poverty, to run money management courses which are open to local people to help them better look after their money and avoid unmanageable debt. Through our churches and care teams, we also provide advice and counselling to those who are already struggling because of the burden of debt.

As part of our regular calendar of church events, we also run seminars and courses designed to strengthen marriages and to support parents in the challenges of bringing up and caring for their children. These events are open to the public at large and are often free of charge.

The Charity has also been increasing its work with senior citizens and the elderly and over the past year, this has meant visiting local residential care homes to provide informal church services for those with limited mobility; running regular afternoon teas which include entertainment, a short talk on the Christian faith, delicious food and much fun; and also running a hugely successful week of activities in July called "Holiday at home". Through all of these activities, and others, the Charity has been able to provide loving care, friendship, companionship and community for many elderly people and has been able to demonstrate that they are precious to God and valued by our churches. Regrettably, some of these activities had to be paused because of the COVID-19 pandemic, and special care has had to be taken in respect of the elderly people we have sought to serve. We look forward to being able to resume our full activities when it is safe to do so and to continuing to serve those in our communities who have suffered so greatly in these difficult times of isolation.

We have also devoted time and resources to serving people in London who have joined us from overseas. London is such a wonderfully diverse city and we know that heaven will be too! Therefore, the Charity has run a variety of bible study groups, Christianity Explored courses and welcome meals for internationals and has helped to resource "International cafés" which offer conversation in simple English, friendship, community, fun and great food on a weekly basis to anybody who wishes to attend.

When the redevelopment of our Dundonald Church building is completed, we very much look forward to making this great new facility available again for community use. It is our hope and intent that, once again, we will be able to use the building to host NHS blood donor sessions, local planning consultations, an unplanned pregnancy advice and support centre and that the premises may also be used by the local community as a polling station.

**THE CO-MISSION CHURCHES TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

OBJECTIVES AND ACTIVITIES

Grantmaking

The Charity participates in the Co-Mission ministry training programme and helps to provide church ministry training, church ministry experience, mentoring and other support (either on a full or part-time basis) to a number of people each year with the hope that after graduation, many will choose to undergo further training and/or pursue a career as a church minister or other ministry worker and that some will even go on to lead churches either in this country or around the world. To enable them to participate in this training and properly experience church life, the Charity sometimes makes limited means-tested grants to qualifying participants in need of financial support.

The Charity also makes grants each year to The Co-Mission Initiative Trust to support the work of the Co-Mission network throughout London. Co-Mission seeks to evangelise London through the planting and strengthening of local churches and the Charity is delighted to be able to make funds available to the network to benefit the wider Christian church throughout London.

In addition, the Charity recognises the relative affluence of its London churches (compared our brothers and sisters in Christ in many other parts of the world) and delights in being generous with its resources by making grants to carefully selected mission partners pursuing similar charitable objectives overseas and in the UK.

Volunteers

The trustees are enormously grateful to the multitude of volunteers within our churches who expend very significant amounts of time on the Charity's activities, time which is donated free of charge because of their love for the Lord Jesus and their commitment to the Charity's objectives. None of our churches could function effectively in their local communities without such support from volunteers and so we thank God for each one of them.

It is not possible to quantify the amount of time given or ascribe a value to it and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

**THE CO-MISSION CHURCHES TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance

Charitable activities

Review of the year:

1. The Trustees continued to be greatly encouraged to see God at work through the various programmes run by the Charity and by the level of financial support for and active participation in the Charity's activities over the past year. The impact of COVID-19 is discussed later in this report.
2. Many of the Charity's churches have grown in size and more people than ever have benefitted from our extensive programme of activities and have become involved in funding the Charity's work. In a period in which many English churches are shrinking and closing, the trustees have been thrilled to see the Charity's churches growing and increasingly covering their own costs. In particular, at a time when many Church of England churches are struggling to retain young people, many of the Charity's churches have thriving children's and youth groups with increasing numbers attending and enjoying the bible teaching, friendship and support.
3. The Charity's churches have welcomed many visitors and guests over the past year and some have become Christians. Regular courses explaining the basics of the Christian faith were held throughout the year; and, in the lead up to Easter and to Christmas, the Charity arranged a number of outreach events in many parts of London.
4. The Charity's full and part-time staff have worked immensely hard to further the Charity's objectives and the Trustees are grateful to each of them. They are supported by hundreds of volunteers who work sacrificially and tirelessly alongside the staff to further the Charity's objectives.
5. The Charity's churches (often through trained care teams and co-ordinators of Personal Care) have continued to provide loving Christian care to those individuals who, for whatever reason, have been in particular need.
6. The trustees are greatly aware of the importance of Safeguarding and have worked closely with the Charity's part-time Safeguarding Coordinator to continue to implement & strengthen Safeguarding across the Charity and to meet best practice as per the advice of the Charity's advisers, Christian Safeguarding Services. The Charity's Safeguarding Coordinator together with other experienced professionals continued to provide regular training courses throughout the year on the Charity's Safeguarding (children, young people & adults at risk) policy and procedures; and
7. The Charity has made grants totalling £337k to ministry trainees, to the Co-Mission network and to other mission partners in the UK and overseas. The Trustees are delighted that the Charity has been able to provide such a high level of financial assistance to individuals and organisations involved in similar gospel work around the world.
8. In recent years, the Charity's building in Raynes Park (Dundonald Church) was extensively used for Sunday and mid-week activities and continued to be a wonderful resource for the local community. Various public meetings were held at Dundonald Church and it was also used for local residents' meetings, by the NHS Blood Donor Service and was made available to the local council for use as an Electoral Polling station. In addition, the building was used extensively to host thriving parent-and-toddler groups, internationals living in London, and elderly people living in the local community. However, due to the continued growth at Dundonald Church, we have spent the past few years planning a building redevelopment to expand the capacity of the building and to better serve the community, especially the children and young people in the Raynes Park area. In God's kindness, significant funds were gifted by the Dundonald Church family towards this building redevelopment, planning permission was granted, contracts with our development partner were signed, and in January 2020, construction of the Charity's new church building began. Great progress has been made with the construction, and the building is almost finished, but regrettably, due to supply problems caused by COVID-19 and some recent flooding, the project has been delayed and the fantastic new building is unlikely to be available to the Charity until January 2022. The trustees together with the staff and elders of Dundonald Church are greatly excited at the prospect of this new church building, at the gospel ministry that the building will enable and facilitate and at all the ways it can be used to advance the Charity's objects over the coming years.
9. To facilitate the development of Dundonald Church, the Charity has borrowed from both Reliance Bank and Kingdom Bank and we are enormously grateful for the support of these lenders.
10. In June 2021, the Charity also purchased a new residential property in Balham with the help of additional borrowing from Reliance Bank. This great family home will help the assistant pastor of Christ Church Balham to better serve his church family and, in time, will save significant amounts of money as compared to renting an alternative property.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Achievement and performance

Fundraising activities

The Charity raises the majority of its funding to support its day-to-day activities from those who consider themselves to be members of one of the Charity's churches. "Giving presentations" are arranged on a regular basis throughout the year at each of our churches so that church members can be helped to get involved. As part of those presentations, church members are taught the Biblical principles of giving and are encouraged to recognise that supporting gospel work is part of the spiritual response to the salvation which Jesus provides and should be a normal part of the Christian life. Rather than sporadic giving to a collection plate, the Charity's churches encourage prayerful, planned, cheerful and sacrificial giving and therefore most of the Charity's income comes from monthly standing orders from its church members.

From time to time, the Co-Mission network and some external supporters also generously provide funds specifically to help our churches to provide training opportunities and experience to ministry trainees and we are very grateful to God for this external support.

Fundraising activities are monitored by the trustees and the Charity does not employ professional fundraisers or other commercial participators to raise funds. The Charity is not bound by any voluntary scheme or standard for fundraising but seeks to ensure this is carried out in an ethical manner and in accordance with Charity Commission guidance. In particular the Charity seeks to protect vulnerable people and other members of the public from the following: unreasonable intrusion on privacy, unreasonably persistent approaches or placing undue pressure on a person to give money or other property. No complaints about its fundraising activities were received in the year.

Internal and external factors

The trustees recognise that the Charity is largely dependent on those who consider themselves to be members of its various churches for the funds it needs to sustain its activities. However, in God's kindness, the Charity's ministries have continued to grow and God has provided all the funding required to sustain and develop its work.

The Charity also depends on a large number of volunteers to run its regular activities under the direction of employed staff. The trustees are delighted to report a significant willingness to volunteer among those who attend regularly.

Externally the wider economy has the potential to impact the resources the Charity receives.

Financial review

Principal funding sources

The trustees are mindful that the majority of the Charity's income comes from donations from those who regularly participate in its activities and are content that this income is relatively stable and predictable.

Investment policy and objectives

Subject to its reserves policy the Charity aims to disburse its income each year and does not make investments.

**THE CO-MISSION CHURCHES TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRATEGIC REPORT

Financial review

Reserves policy

The trustees of The Co-Mission Churches Trust have noted the Charity Commission's guidance document entitled "Charity reserves: building resilience" (January 2016) and have formulated the following reserves policy which is regularly monitored and reviewed. The trustees believe that the Charity needs reserves because:

- a. Most of its income comes from the sacrificial giving of the members of its churches. Many of these donors will be significantly impacted by any serious economic downturn or recession and reserves may be needed to cover any resulting loss of donation income.
- b. It employs a large number of staff, has significant mortgage commitments and, in addition, has a number of lease commitments (offices and housing).
- c. Of the risk of unforeseen emergency or other unexpected need for funds.
- d. Of the potential need to fund short-term deficits in cash budgets.

In setting this reserves policy, the trustees have expressly considered the impact of the unplanned shutdown of the Charity, its spending commitments, potential liabilities and financial forecasts.

After careful analysis, the trustees have concluded that given the relative stability and continuity of the Charity's regular income (received through long-term monthly standing orders), it would be reasonable to expect at least 65% of that income to continue even if the charity faced a financial emergency. As a result, the trustees have decided to set a desired reserves level based on three months' of average monthly expenditure, but discounted by 65% of the Charity's forecast regular income for that period.

However, for the time being, the trustees will maintain a higher level of cash reserves because of the commitments the Charity has made to its lenders, Reliance Bank and Kingdom Bank.

The past year

The trustees have again been greatly encouraged by the high level of annual income received. That the Charity received such wonderful financial support from church members throughout a time of global pandemic and economic uncertainty is testimony both to God's kindness and protection and also to the godliness of so many church members who give sacrificially, generously and joyfully. Financially speaking, it was another extremely encouraging year for the Charity.

Future plans

The Charity is always on the lookout for new opportunities to pursue its objects and will continue to invest in growing and strengthening its existing churches and support Co-Mission's church planting strategy, hoping to facilitate the establishment of other new churches in London over the coming years. The coming year will see the Charity pursuing its objects by a means of a programme substantially similar to its activities in the year under review. In addition, the Charity will complete the redevelopment of its building in Raynes Park and put it to extensive use for the further advancement of the Charity's objects.

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Co-Mission Churches Trust (the Charity) is controlled by its governing document, the memorandum and articles of association, and is constituted as a private company, limited by guarantee, as defined by the Companies Act 2006.

Originally, the Charity was unincorporated and was named The Dundonald Church Charitable Trust, being controlled by its governing document, a Trust Deed dated 8th June 2001 (and revised on 21st November 2002) and being registered with the Charity Commission under charity number 1089323. On 1st April 2011, the unincorporated charity's assets and undertakings were transferred to The Dundonald Church Charitable Trust, a company limited by guarantee, registered in England and Wales under number 07496944 and registered with the Charity Commission under charity number 1139922. The name of the incorporated charity was subsequently changed on 30th October 2014 to The Co-Mission Churches Trust.

At the date of the transfer, the unincorporated charity had loans secured against the freehold properties held by it. As it had not been possible to renegotiate these on comparable terms to allow the transfer of properties and loans to the limited company, the trustees had resolved to retain these within the unincorporated charity until such time as this could be resolved. Costs incurred in relation to the continued operation of the unincorporated charity were recharged to the limited company. In October 2019, the Charity entered into a new Borrowing Facility with Reliance Bank and this enabled the pre-existing loans to be repaid in full, for the security to be released and for the transfer of the freehold assets to be finally completed. As a result, the unincorporated charity was closed by its trustees and has been removed from the Charity Commission's register of charities.

The charitable company has set up a wholly owned trading subsidiary, BFTF Management Limited, to manage the development and sale of residential flats and other matters connected with the redevelopment of Dundonald Church described above.

Organisational structure

The Charity's activities are planned and run on a day-to-day basis by the full-time staff employed by the Charity whose work is overseen by senior members of the Charity's local congregations.

These senior members and staff meet regularly with the trustees to review and monitor the different activities and ministries.

Induction and training of new trustees

New trustees are appointed as and when required and on appointment are given a basic introduction to trustee responsibilities, a copy of the Charity Commission leaflet "The Essential Trustee" and are encouraged to attend an external training course so that they get a basic grounding in charity law and a more detailed understanding of trustee responsibilities.

Risk management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to these major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07496944 (England and Wales)

Registered Charity number

1139922

Registered office

The Church Hall
St Andrew's Church
Herbert Road
Wimbledon
London
SW19 3SH

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

Mr P D Cooper
Mr G W Reid
Mr J C Marland
Mr R Turner
Mr G J Ferguson

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Mr S A Hatherall

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

IMPACT OF THE COVID-19 PANDEMIC

From April 2020 - July 2020, the UK government imposed major restrictions upon public meetings and normal church services were not permitted. During this period, the Charity's staff acted swiftly and found innovative ways to continue their ministries and to pursue the Charity's purposes despite the restrictions. In God's kindness, whilst some ministries had to be "paused", the churches were able to move most of their ministries online and the work of the Charity continued through significant use of online platforms such as YouTube, Zoom and Microsoft Teams. Since July 2020, there have been a number of restrictions placed upon church services and gatherings of groups, and most of the Charity's churches have been forced to provide a mix of "in person" gatherings and online meetings. Inevitably, certain ministries had to be paused or curtailed and only now, in September 2021, are our churches starting to feel able to offer their full programme of ministries and events.

In the summer of 2020, as soon as the scale of the lockdown restrictions and the severity of the likely global recession became clearer, the trustees carried out a detailed financial review and took other steps to prudently prepare for harder times. In particular, the following actions were taken:

1. We modelled various potential scenarios for reduced church giving and circulated these to each church leadership team to make them aware that a global recession could have a serious impact on the Charity's income.
2. We took advantage of the government's job retention scheme and several staff were furloughed for varying periods in order to make cost-savings.
3. We committed to monitoring monthly church giving extra closely and to ensure that trustees are warned immediately of any significant reductions in total church giving.
4. We encouraged church leadership teams to reduce spending where possible to minimise any impact of the foreseen reductions in church giving.
5. We revisited our reserves policy and encouraged all churches to aim to increase their own respective cash funds over the coming few years.

However, in God's kindness, the Charity has not yet suffered any significant reductions in income because of COVID-19 and the trustees remain confident of the Charity's budgeting for this year.

**THE CO-MISSION CHURCHES TRUST
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Co-mission Churches Trust (a company limited by guarantee) 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

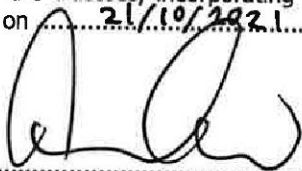
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21/10/2021 and signed on the board's behalf by:



.....
Mr G W Reid - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of The Co-mission Churches Trust (the 'parent charitable company') and its subsidiary (the group) for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated statement of financial position, the charity statement of financial position, the consolidated statement of cash flows and notes to the consolidated statement of cashflows and the notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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 its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.
- The trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the report of the trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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 Report of the Independent Auditors.

Use of our report

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



Jonathan Askew (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Date: 2/11/21

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,690,018	196,911	2,886,929	2,845,299
Charitable activities	4				
Direct Charitable		22,138	-	22,138	-
Events and ministry		881	-	881	119,181
Transfer from old charity		-	-	-	2,321,849
Investment income	3	4,746	-	4,746	1,408
Other income		-	-	-	72,331
Total		2,717,783	196,911	2,914,694	5,360,068
EXPENDITURE ON					
Charitable activities	5				
Direct Charitable		1,724,463	133,687	1,858,150	1,620,689
Grants Payable		326,482	10,640	337,122	346,254
Events and ministry		144,690	11,973	156,663	392,622
Redevelopment		6,106	-	6,106	-
Total		2,201,741	156,300	2,358,041	2,359,565
NET INCOME		516,042	40,611	556,653	3,000,503
Transfers between funds	19	<u>1,231,989</u>	<u>(1,231,989)</u>	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		<u>15,000</u>	-	<u>15,000</u>	-
Net movement in funds		1,763,031	(1,191,378)	571,653	3,000,503
RECONCILIATION OF FUNDS					
Total funds brought forward		5,938,483	1,277,474	7,215,957	4,215,454
TOTAL FUNDS CARRIED FORWARD		<u>7,701,514</u>	<u>86,096</u>	<u>7,787,610</u>	<u>7,215,957</u>

The notes form part of these financial statements

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	997,772	-	997,772	888,649
Social investments	13	<u>6,699,913</u>	<u>-</u>	<u>6,699,913</u>	<u>3,979,891</u>
		7,697,685	-	7,697,685	4,868,540
CURRENT ASSETS					
Debtors	14	263,552	-	263,552	218,247
Cash at bank		<u>1,286,927</u>	<u>86,096</u>	<u>1,373,023</u>	<u>3,634,316</u>
		1,550,479	86,096	1,636,575	3,852,563
CREDITORS					
Amounts falling due within one year	15	(351,174)	-	(351,174)	(216,146)
NET CURRENT ASSETS		<u>1,199,305</u>	<u>86,096</u>	<u>1,285,401</u>	<u>3,636,417</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,896,990	86,096	8,983,086	8,504,957
CREDITORS					
Amounts falling due after more than one year	16	(1,191,476)	-	(1,191,476)	(1,270,000)
PENSION LIABILITY	20	(4,000)	-	(4,000)	(19,000)
NET ASSETS		<u>7,701,514</u>	<u>86,096</u>	<u>7,787,610</u>	<u>7,215,957</u>
FUNDS	19				
Unrestricted funds				7,701,514	5,938,483
Restricted funds				<u>86,096</u>	<u>1,277,474</u>
TOTAL FUNDS				<u>7,787,610</u>	<u>7,215,957</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21/10/2021 and were signed on its behalf by:


Mr G W Reid - Trustee

The notes form part of these financial statements

THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CHARITY STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	873,117	-	873,117	888,649
Social investments	13	<u>6,699,913</u>	<u>-</u>	<u>6,699,913</u>	<u>3,979,891</u>
		7,573,030	-	7,573,030	4,868,540
CURRENT ASSETS					
Debtors	14	391,207	-	391,207	218,247
Cash at bank		<u>1,280,613</u>	<u>86,096</u>	<u>1,366,709</u>	<u>3,634,316</u>
		1,671,820	86,096	1,757,916	3,852,563
CREDITORS					
Amounts falling due within one year	15	<u>(341,754)</u>	<u>-</u>	<u>(341,754)</u>	<u>(216,146)</u>
NET CURRENT ASSETS		<u>1,330,066</u>	<u>86,096</u>	<u>1,416,162</u>	<u>3,636,417</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,903,096	86,096	8,989,192	8,504,957
CREDITORS					
Amounts falling due after more than one year	16	<u>(1,191,476)</u>	<u>-</u>	<u>(1,191,476)</u>	<u>(1,270,000)</u>
PENSION LIABILITY	20	<u>(4,000)</u>	<u>-</u>	<u>(4,000)</u>	<u>(19,000)</u>
NET ASSETS		<u>7,707,620</u>	<u>86,096</u>	<u>7,793,716</u>	<u>7,215,957</u>
FUNDS	19				
Unrestricted funds				7,707,620	5,938,483
Restricted funds				<u>86,096</u>	<u>1,277,474</u>
TOTAL FUNDS				<u>7,793,716</u>	<u>7,215,957</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21/10/2021 and were signed on its behalf by:

.....
Mr P D Cooper - Trustee

Mr G W Reid

The notes form part of these financial statements

THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>648,968</u>	<u>2,602,551</u>
Net cash provided by operating activities		<u>648,968</u>	<u>2,602,551</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(133,706)	(2,697,489)
Purchase of social investments		(2,720,022)	(3,654,891)
Sale of tangible fixed assets		-	2,000,000
Interest received		<u>4,746</u>	<u>1,408</u>
Net cash used in investing activities		<u>(2,848,982)</u>	<u>(4,350,972)</u>
Cash flows from financing activities			
New loans in year		-	1,060,000
Loan repayments in year		<u>(61,279)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(61,279)</u>	<u>1,060,000</u>
Change in cash and cash equivalents in the reporting period		<u>(2,261,293)</u>	<u>(688,421)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>3,634,316</u>	<u>4,322,737</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,373,023</u></u>	<u><u>3,634,316</u></u>

The notes form part of these financial statements

THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	556,653	3,000,503
Adjustments for:		
Depreciation charges	24,583	23,917
Profit on disposal of fixed assets	-	(72,331)
Interest received	(4,746)	(1,408)
Increase in debtors	(45,305)	(52,106)
Increase/(decrease) in creditors	117,783	(296,024)
Net cash provided by operations	<u>648,968</u>	<u>2,602,551</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank	<u>3,634,316</u>	<u>(2,261,293)</u>	<u>1,373,023</u>
	<u>3,634,316</u>	<u>(2,261,293)</u>	<u>1,373,023</u>
Debt			
Debts falling due within 1 year	(165,000)	(23,245)	(188,245)
Debts falling due after 1 year	<u>(1,270,000)</u>	<u>78,524</u>	<u>(1,191,476)</u>
	<u>(1,435,000)</u>	<u>55,279</u>	<u>(1,379,721)</u>
Total	<u>2,199,316</u>	<u>(2,206,014)</u>	<u>(6,698)</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently

a) Preparation of the financial statements on a going concern basis

The financial statements have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

b) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where judgements and estimates have been made include:

- actuarial assumptions used in the calculation of the defined benefit pension liability.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants and donations are accounted for when received, or when awarded, if an award creates a binding obligation.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both direct costs and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Fixtures and fittings	- 25% on reducing balance

All capital items over £1,000 cost are capitalised and a full year's depreciation is charged on a monthly basis from the date of purchase.

A review for impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Social investments - concessionary loans

Concessionary loans are those loans made or received by the charitable company that are made to:

- to further its public benefit objectives
- at a rate of interest which is below the prevailing market rate of interest
- not to be repayable on demand

Concessionary loans to advance the charity's charitable purposes are held within fixed assets. They are stated at original cost and subsequently adjusted for any repayments or impairment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Taxation

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

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

The Pension reserve represents the FRS 102 pension scheme deficit liability.

Pension costs and other post-retirement benefits

(i) Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme in relation to the majority of its employees. Contributions are included in the statement of financial activities in the year in which they are incurred as set out in note 20.

(ii) Defined benefit pension scheme

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charity has one employee who is a participating member in the Church of England Funded Pension Scheme (CEFPS) for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the scheme were a defined contribution scheme. The pension costs charged to the statement of financial activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions. Refer to note 20 to the financial statements on the accounting of the employee benefit obligations.

Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the lifetime of the lease.

2. DONATIONS AND LEGACIES – CONSOLIDATED AND CHARITY

	2021 £	2020 £
Donations and grants	2,886,929	2,748,594
Church planting donations	-	96,705
	<u>2,886,929</u>	<u>2,845,299</u>

3. INVESTMENT INCOME - CONSOLIDATED AND CHARITY

	2021 £	2020 £
Deposit account interest	588	1,408
Other interest receivable	4,158	-
	<u>4,746</u>	<u>1,408</u>

4. INCOME FROM CHARITABLE ACTIVITIES - CONSOLIDATED AND CHARITY

	Activity	2021 £	2020 £
Other charitable income	Direct Charitable	22,138	-
Events income	Events and ministry	881	39,925
Ministry income	Events and ministry	-	18,259
Other charitable income	Events and ministry	-	60,997
Transfer of funds from unincorporated charity	Transfer from old charity	-	2,321,849
		<u>23,019</u>	<u>2,441,030</u>

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. CHARITABLE ACTIVITIES COSTS

Consolidated

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Direct Charitable	1,846,402	-	11,748	1,858,150
Grants Payable	133,421	203,701	-	337,122
Events and ministry	156,663	-	-	156,663
Redevelopment	<u>1,186</u>	<u>-</u>	<u>4,920</u>	<u>6,106</u>
	<u>2,137,672</u>	<u>203,701</u>	<u>16,668</u>	<u>2,358,041</u>

Charity

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Direct Charitable	1,846,402	-	11,748	1,858,150
Grants Payable	133,421	203,701	-	337,122
Events and ministry	<u>156,663</u>	<u>-</u>	<u>-</u>	<u>156,663</u>
	<u>2,136,486</u>	<u>203,701</u>	<u>11,748</u>	<u>2,351,935</u>

6. GRANTS PAYABLE - CONSOLIDATED AND CHARITY

	2021 £	2020 £
Grants Payable	<u>203,701</u>	<u>233,405</u>

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. SUPPORT COSTS

Consolidated

	Management £	Governance costs £	Totals £
Direct Charitable	1,488	10,260	11,748
Redevelopment	-	4,920	4,920
	<u>1,488</u>	<u>15,180</u>	<u>16,668</u>

Support costs, included in the above, are as follows:

Management

	2021 Direct Charitable £	2020 Total activities £
Legal and professional fees	<u>1,488</u>	<u>1,152</u>

Governance costs

	Direct Charitable £	Redevelopment £	2021 Total activities £	2020 Total activities £
Auditors' remuneration	3,060	3,300	6,360	3,060
Auditors' remuneration for non audit work	<u>7,200</u>	<u>1,620</u>	<u>8,820</u>	<u>3,030</u>
	<u>10,260</u>	<u>4,920</u>	<u>15,180</u>	<u>6,090</u>

Charity

	Management £	Governance costs £	Totals £
Direct Charitable	<u>1,488</u>	<u>10,260</u>	<u>11,748</u>

Support costs, included in the above, are as follows:

Management

	2021 Direct Charitable £	2020 Total activities £
Legal and professional fees	<u>1,488</u>	<u>1,152</u>

**THE CO-MISSION CHURCHES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. SUPPORT COSTS - continued

Governance costs - charity

	2021 Direct Charitable £	2020 Total activities £
Auditors' remuneration	3,060	3,060
Auditors' remuneration for non audit work	<u>7,200</u>	<u>3,030</u>
	<u>10,260</u>	<u>6,090</u>

8. NET INCOME/(EXPENDITURE)

Consolidated

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	6,360	3,060
Auditors' remuneration for non audit work	8,820	3,030
Depreciation - owned assets	24,583	23,917
Surplus on disposal of fixed assets	<u>-</u>	<u>(72,331)</u>

Charity

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	3,060	3,060
Auditors' remuneration for non audit work	7,200	3,030
Depreciation - owned assets	24,583	23,917
Surplus on disposal of fixed assets	<u>-</u>	<u>(72,331)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**THE CO-MISSION CHURCHES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS - continued
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10. STAFF COSTS

Consolidated and charity

	2021	2020
	£	£
Wages and salaries	969,382	801,408
Social security costs	121,486	107,073
Other pension costs	175,082	198,641
	<u>1,265,950</u>	<u>1,107,122</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Administration	14	13
Ministry	<u>32</u>	<u>33</u>
	<u>46</u>	<u>46</u>

No employees received emoluments in excess of £60,000.

The total amount of employee benefits received by key management personnel during the year was £131,099 (2020 - £131,141).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Consolidated and charity

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,534,562	310,737	2,845,299
Charitable activities			
Events and ministry	119,181	-	119,181
Transfer from old charity	2,321,849	-	2,321,849
Investment income	1,408	-	1,408
Other income	<u>72,331</u>	<u>-</u>	<u>72,331</u>
Total	5,049,331	310,737	5,360,068

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11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Direct Charitable	1,703,493	-	1,703,493
Grants Payable	304,308	41,946	346,254
Events and ministry	392,622	-	392,622
Other income	(82,804)	-	(82,804)
Total	2,317,619	41,946	2,359,565
NET INCOME	2,731,712	268,791	3,000,503
Transfers between funds	1,775,388	(1,775,388)	-
Net movement in funds	4,507,100	(1,506,597)	3,000,503
RECONCILIATION OF FUNDS			
Total funds brought forward	1,431,383	2,784,071	4,215,454
TOTAL FUNDS CARRIED FORWARD	5,938,483	1,277,474	7,215,957

12. TANGIBLE FIXED ASSETS

Consolidated

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	769,820	163,240	32,363	965,423
Additions	-	-	133,706	133,706
At 31 March 2021	<u>769,820</u>	<u>163,240</u>	<u>166,069</u>	<u>1,099,129</u>
DEPRECIATION				
At 1 April 2020	19,246	29,383	28,145	76,774
Charge for year	<u>19,246</u>	<u>3,265</u>	<u>2,072</u>	<u>24,583</u>
At 31 March 2021	<u>38,492</u>	<u>32,648</u>	<u>30,217</u>	<u>101,357</u>
NET BOOK VALUE				
At 31 March 2021	<u>731,328</u>	<u>130,592</u>	<u>135,852</u>	<u>997,772</u>
At 31 March 2020	<u>750,574</u>	<u>133,857</u>	<u>4,218</u>	<u>888,649</u>

**THE CO-MISSION CHURCHES TRUST
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12. TANGIBLE FIXED ASSETS - continued

Charity

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	769,820	163,240	32,363	965,423
Additions	-	-	9,051	9,051
At 31 March 2021	<u>769,820</u>	<u>163,240</u>	<u>41,414</u>	<u>974,474</u>
DEPRECIATION				
At 1 April 2020	19,246	29,383	28,145	76,774
Charge for year	<u>19,246</u>	<u>3,265</u>	<u>2,072</u>	<u>24,583</u>
At 31 March 2021	<u>38,492</u>	<u>32,648</u>	<u>30,217</u>	<u>101,357</u>
NET BOOK VALUE				
At 31 March 2021	<u>731,328</u>	<u>130,592</u>	<u>11,197</u>	<u>873,117</u>
At 31 March 2020	<u>750,574</u>	<u>133,857</u>	<u>4,218</u>	<u>888,649</u>

13. SOCIAL INVESTMENTS

Consolidated and charity
Programme related investments

	Loans £	Other investments £	Totals £
MARKET VALUE			
At 1 April 2020	325,000	3,654,891	3,979,891
New in year	-	<u>2,720,022</u>	<u>2,720,022</u>
At 31 March 2021	<u>325,000</u>	<u>6,374,913</u>	<u>6,699,913</u>
NET BOOK VALUE			
At 31 March 2021	<u>325,000</u>	<u>6,374,913</u>	<u>6,699,913</u>
At 31 March 2020	<u>325,000</u>	<u>3,654,891</u>	<u>3,979,891</u>

During the financial year to 31 March 2015 a concessionary loan of £325,000 was granted by the charity to the Mission Housing Association Limited (MHA) to part fund the acquisition of a freehold property to house christian workers employed by the charity.

The loan will be repaid on the earlier of:

- (i) the sale or disposal of the property, or
- (ii) a change of use by the charity, or
- (iii) the expiration of twelve months notice in writing given by the charity, or
- (iv) a date no later than 31 December 2029 as agreed both parties, or
- (v) in the event of the dissolution of the charity.

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13. SOCIAL INVESTMENTS - continued

At the time of repayment the charity will receive a share of the proceeds or market value (in proportion to the share of the cost of the property represented by the investment). The charity will therefore share in any uplift or fall in value of the property on disposal. The concessionary loan is interest free and is unsecured.

At the year end date the trustees were of the opinion that the value of the property was not significantly more nor less than the original cost of the investment.

Other investments

Other investments comprise costs incurred in relation to the redevelopment of the existing church premises at 577 Kingston Road, Raynes Park together with the value ascribed to the lease granted to the wholly owned subsidiary company (BFTF Management Limited) which was set up for the purpose of the redevelopment and based on a professional valuation of the property carried out prior to granting the lease.

The redeveloped property will comprise the new church building with a number of flats on the upper floors which are to be sold on long leases to provide part of the funding needed for the redevelopment.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Consolidated

	2021 £	2020 £
Other debtors	31,142	150,449
Gift aid debtor	117,668	35,069
Prepayments	<u>114,742</u>	<u>32,729</u>
	<u>263,552</u>	<u>218,247</u>

Charity

	2021 £	2020 £
Other debtors	158,797	150,449
Gift aid debtor	117,668	35,069
Prepayments	<u>114,742</u>	<u>32,729</u>
	<u>391,207</u>	<u>218,247</u>

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15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Consolidated

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	36,578	25,000
Other loans (see note 17)	151,667	140,000
Social security and other taxes	35,730	30,890
Accrued expenses	<u>127,199</u>	<u>20,256</u>
	<u>351,174</u>	<u>216,146</u>

Charity

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	36,578	25,000
Other loans (see note 17)	151,667	140,000
Social security and other taxes	35,730	30,890
Accrued expenses	<u>117,779</u>	<u>20,256</u>
	<u>341,754</u>	<u>216,146</u>

Concessionary loan

Other loans above include £151,667 (2020 £140,000) relating to concessionary loans. The concessionary loans were provided interest free and are unsecured. The concessionary loans were provided so the charity could further its public benefit objectives.

Bank loan

Bank loan above includes £36,578 (2020 £25,000) relating to a loan from Reliance Bank. The loan is secured against properties and had an interest rate of 2.75% plus base rate.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Consolidated and charity

	2021	2020
	£	£
Bank loans (see note 17)	1,008,143	1,025,000
Other loans (see note 17)	<u>183,333</u>	<u>245,000</u>
	<u>1,191,476</u>	<u>1,270,000</u>

The bank loan is secured against 264 Worple Road, interest is charged at 2% plus base rate.

The other loans are unsecured and have various fixed repayment dates. The other loans are interest free.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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17. LOANS

Consolidated and charity

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	36,578	25,000
Other loans	<u>151,667</u>	<u>140,000</u>
	<u>188,245</u>	<u>165,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	44,525	50,000
Other loans - 1-2 years	<u>21,667</u>	<u>21,667</u>
	<u>66,192</u>	<u>71,667</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	114,666	150,000
Other loans - 2-5 years	<u>75,000</u>	<u>65,000</u>
	189,666	215,000
	2021 £	2020 £
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	848,952	825,000
Other loans more 5yrs	86,666	158,333
	<u>935,618</u>	<u>983,333</u>

The bank loan is secured against properties and, interest is charged at varying rates plus base rate.

The other loans are unsecured and have various fixed repayment dates between three and five years and are interest free.

18. LEASING AGREEMENTS

Consolidated and charity

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	151,650	102,475
Between one and five years	128,469	126,594
In more than five years	-	5,000
	<u>280,119</u>	<u>234,069</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
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19. MOVEMENT IN FUNDS

Consolidated

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	5,938,483	531,042	1,231,989	7,701,514
Restricted funds				
Giving Fund - Specific Gifts	271,166	(30,138)	(173,628)	67,400
Building For The Future	1,001,318	57,043	(1,058,361)	-
Reach Global	4,990	(142)	-	4,848
Redeemer QP	-	2,364	-	2,364
The Boathouse Aus	-	11,484	-	11,484
	<u>1,277,474</u>	<u>40,611</u>	<u>(1,231,989)</u>	<u>86,096</u>
TOTAL FUNDS	<u>7,215,957</u>	<u>571,653</u>	<u>-</u>	<u>7,787,610</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,717,783	(2,201,741)	15,000	531,042
Restricted funds				
Giving Fund - Specific Gifts	10,262	(40,400)	-	(30,138)
Building For The Future	69,016	(11,973)	-	57,043
Reach Global	47,136	(47,278)	-	(142)
Redeemer QP	45,693	(43,329)	-	2,364
The Boathouse Aus	24,804	(13,320)	-	11,484
	<u>196,911</u>	<u>(156,300)</u>	<u>-</u>	<u>40,611</u>
TOTAL FUNDS	<u>2,914,694</u>	<u>(2,358,041)</u>	<u>15,000</u>	<u>571,653</u>

**THE CO-MISSION CHURCHES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

19. MOVEMENT IN FUNDS - continued

Charity

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	5,938,483	537,148	1,231,989	7,707,620
Restricted funds				
Giving Fund - Specific Gifts	271,166	(30,138)	(173,628)	67,400
Building For The Future	1,001,318	57,043	(1,058,361)	-
Reach Global	4,990	(142)	-	4,848
Redeemer QP	-	2,364	-	2,364
The Boathouse Aus	-	11,484	-	11,484
	<u>1,277,474</u>	<u>40,611</u>	<u>(1,231,989)</u>	<u>86,096</u>
TOTAL FUNDS	7,215,957	577,759	-	7,793,716

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,717,783	(2,195,635)	15,000	537,148
Restricted funds				
Giving Fund - Specific Gifts	10,262	(40,400)	-	(30,138)
Building For The Future	69,016	(11,973)	-	57,043
Reach Global	47,136	(47,278)	-	(142)
Redeemer QP	45,693	(43,329)	-	2,364
The Boathouse Aus	24,804	(13,320)	-	11,484
	<u>196,911</u>	<u>(156,300)</u>	<u>-</u>	<u>40,611</u>
TOTAL FUNDS	<u>2,914,694</u>	<u>(2,351,935)</u>	<u>15,000</u>	<u>577,759</u>

THE CO-MISSION CHURCHES TRUST
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

Comparatives for movement in funds - consolidated and charity

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General fund	1,431,383	2,731,712	1,775,388	5,938,483
Restricted funds				
Giving Fund - Specific Gifts	2,375	268,791	-	271,166
Building For The Future	2,776,706	-	(1,775,388)	1,001,318
Reach Global	4,990	-	-	4,990
	<u>2,784,071</u>	<u>268,791</u>	<u>(1,775,388)</u>	<u>1,277,474</u>
TOTAL FUNDS	<u>4,215,454</u>	<u>3,000,503</u>	<u>-</u>	<u>7,215,957</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,049,331	(2,317,619)	2,731,712
Restricted funds			
Giving Fund - Specific Gifts	310,737	(41,946)	268,791
TOTAL FUNDS	<u>5,360,068</u>	<u>(2,359,565)</u>	<u>3,000,503</u>

Designated Funds

The Pension reserve is a designated reserve set aside to cover the liability for the obligation on the defined benefit scheme.

Restricted Funds

Giving Fund - Specific Funds. To be used towards buying and improving a residential property in Balham to serve as a family home initially for the assistant pastor of Christ Church Balham to better serve his church family. The charity also has received a number of small restricted gifts for the purpose of providing specific gifts to individuals.

The Building for the Future Restricted Fund is being used to build, furnish and equip fantastic new church premises for Dundonald Church.

Reach Global. In partnership with Reach Global (a Christian mission organisation based in the United States), the charity has been employing two members of staff to support the charity and its churches by providing important worship and youth ministry. These staff have been funded through the generous support of Reach Global.

Redeemer QP. In partnership with some churches in the United States, the charity has been employing two members of staff to engage in church planting in Queens Park, London.

The Boathouse Fund. During the year the Boathouse Church raised funds to support their pastor, who sadly was diagnosed with a terminal illness, and his family to support them with their financial needs

Fund transfers have been made due to a reclassification of certain transactions.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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20. EMPLOYEE BENEFIT OBLIGATIONS

The Co Mission Churches Trust participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating employer in the scheme pays contributions at a common contribution rate applied to pensionable stipends. Only one of the Charity's employees is a member of this scheme as at 31 December 2020 (2019 - 1).

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions.

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

An investment strategy of:

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI 2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit repair contributions payable (as a percentage of pensionable stipends) are as set out in the table below.

	January 2018 to December 2020	January 2021 to December 2022
% of pensionable stipends		
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below:

	2020 £	2019 £
Balance sheet liability at 1 January	6,000	19,000
Deficit contribution paid	(3,000)	(3,000)
Interest cost (recognised in SoFA)	-	-
Remaining charge to the balance sheet liability (*)	1,000	(10,000)
Balance sheet liability at 31 December	4,000	6,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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20. EMPLOYEE BENEFIT OBLIGATIONS - continued

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	Dec 2020	Dec 2019	Dec 2018
Discount rate	0.2%	1.1%	2.1%
Price inflation	3.1%	2.8%	3.1%
Increase to total pensionable payroll	1.6%	1.3%	1.6%

The legal structure of the scheme is such that if another Responsible Body fails, the Co Mission Churches Trust could become responsible for paying a share of that Responsible Body's pension liabilities.

Defined contribution scheme

Eager to take care of the Charity's staff, the Charity, through its financial advisers, established the Co-Mission Workplace Pension Scheme with Royal London and the trustees encourage all staff to participate in this scheme. The Charity pays employer contributions at an average of 10% of basic salary for participating employees and employees are also able to make voluntary employee contributions if they wish.

The pension cost charge includes contributions by the Charity payable to the schemes amounting to £149,610 (2020 - £198,641).

21. RELATED PARTY DISCLOSURES

The wife of P D Cooper, a trustee, is employed by the Charity as a church administrator and her remuneration for the year was £15,000 (2020 - £14,725).

The Charity paid £4,740 (2020 - £10,122) for services provided by Moore Barlow LLP Solicitors during the year, an LLP in which G W Reid (a trustee) is a partner.

During the year, the Charity paid £100,000 to a trust of which Phoebe Reid, wife of Gordon Reid (a trustee) is a beneficiary. The sum concerned represented payment in advance of rent for the period commencing on 1 April 2020 and ending on 31 March 2024 of a property at 30 Kirkstall Gardens which is owned by the trust. The property is being used by the Charity to accommodate persons working for or on behalf of the Charity. The payment has been approved by the other trustees and is considered to represent less than the open market rental value of the property and thus provides good value for the Charity.

During the year ended 31 March 2020, the Charity established a trading subsidiary (BFTF Management Limited) as part of the Charity's arrangements to redevelop one of its freehold properties. In doing so, the Charity granted a lease to BFTF Management Limited for 999 years for the consideration of a peppercorn rent. Furthermore a costs recovery agreement has been entered into, so that any costs for development paid by the parent company (the Charity) can be recharged when development is completed.

During the year, the Charity made loans of £3,000 (2020 - £120,497) to BFTF Management Limited. At the balance sheet date the balance owing to the Charity is £127,655 (2020 - £120,497). The loans, including interest at 2% per annum, are repayable once the development has completed and the flats included within the development are sold.

On setting up the incorporated charity it was the original intention to transfer all of the assets and liabilities of the unincorporated charity to the new company. In prior years it proved impossible to renegotiate the existing loan secured on the freehold properties owned by the charity on equivalent terms and it was decided that rather than accept substantially increased interest charges that the unincorporated charity should remain in existence with the freehold properties and associated loans being retained by it. However, during the prior year, a new loan was taken out which enabled the Charity to fully repay the old loan, and therefore all freehold properties and debts associated were transferred to the incorporated charity, and the unincorporated charity ceased and was closed down.

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22. SUBSIDIARY COMPANY

The charitable company is taking advantage of the disclosure exemption conferred by Paragraph 33.1A of FRS 102 in relation to its subsidiary company, BFTF Management Limited, on the grounds that the parent controls 100% of the voting shares.

**Unquoted investments – non
charity trading company**

BFTF Management Limited	2021	2020
	£	£
Income statement		
Income	-	-
Administrative expenses	6,106	-
Loss for the financial period	6,106	-
Aggregate retained loss	6,106	-
Balance sheet		
The assets and liabilities of the subsidiary were		
Fixed assets	36	-
Current assets	130,970	-
Current liabilities	(137,111)	-
Aggregate capital and reserves	(6,105)	-

The charity has one trading subsidiary, BFTF Management Limited which carries out non charitable trading activities on behalf of the charity.

