

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

RELATIONAL MISSION

(A company limited by guarantee)

Charity registration number: 1150583

Company registration number: 8321315

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
Chichester
West Sussex
PO18 8NF

RELATIONAL MISSION
FOR THE YEAR ENDED 31 DECEMBER 2020

COMPANY INFORMATION

Directors/Trustees	Jonathan Beardon Stuart Jones Julia Miller (resigned 6 March 2020) Michael Frisby Robert Williams
Key Management	James Taylor Mike Betts Stefan Liston Maurice Nightingale
Company secretary	James Taylor
Governing Document	Memorandum and Articles of Association Incorporated 6th December 2012
Company Registration Number	8321315
Charity Registration Number	1150583
Registered Office	Jubilee Family Centre Norwich Road, Aylsham Norfolk NR11 6JG
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham Chichester EC1Y 8AB PO18 8NF
Bankers	CAF Bank 25 King's Hill Avenue West Mallory ME19 4JQ

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Trustee's Report

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives & Activities

Relational Mission is an incorporated charity controlled by its governing document dated 6 December 2012. It was registered as a Charity on 24 January 2013.

As detailed in this documentation the charity has three core charitable objectives:

3.1 to advance the Christian faith in accordance with the Statement of Beliefs in such parts of the United Kingdom and the world as the Trustees may from time to time think fit;

3.2 to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of counselling and support in such parts of the United Kingdom and the world as the Trustees may from time to time think fit; and

3.3 to advance education in such ways and in such parts of the United Kingdom and the world as the Trustees may from time to time think fit.

In order to achieve its stated charitable objectives, Relational Mission works with and through a family of churches to:

- support churches and their elders
- establish new churches
- work directly with or support projects helping the poor or those in hardship
- organise conferences to encourage and envision church leaders and individuals
- train and educate individuals for Christian service in the church and community
- write, publish and distribute various Christian materials in various forms.

In planning and undertaking activity the Trustees have had due regard to the guidance on public benefit issued by the Charity Commission.

Grant Making Policy

Relational Mission works with churches worldwide and where these contacts are able to fulfil the objectives of the charity more ably, or maintain closer working links with activities or projects, grants are sometimes provided. These are made in line with the charity's grant framework and financial policy.

Staffing and volunteers

During the year, Relational Mission directly employed 9 staff (7 full time equivalent).

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Trustee's Report

These staff, alongside retained consultancy support and volunteers, delivered the activities of the charity.

A review of the significant activities undertaken by the charity in the year is given in the next section of this report.

Achievements and Performance

Relational Mission continues to partner with Newfrontiers (newfrontierstogether.org) in terms of apostolic leadership and is responsible for a family of approximately 75+ churches, church plants and pioneering situations in 18+ nations across the world, helping in excess of 5,000 individuals.

The period up to 31 December 2020 has seen some activity that continues to fortify relationships amongst churches and their leadership teams. At the same time, the Trustees and management teams have been refining the model of operation and structure for Relational Mission to ensure momentum and financial sustainability are in place for the long term.

Following on from the Relational Mission Leadership and SENT 'Courage' conference in 2018, and the 'Gathering' meetings held over 2018 to early 2020, we were well advanced in planning and organising the June 2020 Relational Mission Leadership and SENT Conference ('The Call') when the COVID-19 pandemic hit.

As a result of the pandemic, we made the difficult decision to cancel The Call, meaning there would not be the same opportunity to take up our newly launched 'Call to Give' offering when we gathered together. We felt that it was right to continue with our Call to Give offering, albeit in a predominately online form, and we were thrilled to raise over £100,000 (€110,000).

Alongside helping us to 'steady the ship' financially and navigating the cancellation of The Call, this fund has been and will continue to be critical in helping us in our next stages of mission together. It will be used to release gifted people to serve amongst us; encouraging us to run the races to which we are each called, whilst embodying the values we hold dear. It will give rise to pioneering men and women breaking ground in new nations and communities globally, as well as provide the ongoing support they need. It will be used to shape tools and initiatives to help empower and motivate us to give witness of the gospel in our broken world, and above all will help our communities of churches thrive and multiply across the nations.

In 2019 we launched Relational Mission's expansive vision to be globally fruitful, crossing all boundaries to reach the nations, make disciples and plant locally led churches. We believe God has said that we can expect to achieve more in 20 years than many have in 50 and we asked our family of churches to **imagine** with us...

- establishing 5 multiplying churches in each continent of the world by 2030 [GLOBAL 5:30]

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- stimulating a fresh wave of church planting into UK cities, towns and villages: 100 by 2040 [UK 100:40]
- planting 20 churches in each of the other 50 European nations by 2050 [EUROPE 20:50]

In pursuit of our UK 100:40 vision we hosted our online 'Plant UK' event in November 2020, letting loose the most inspirational planters in our family to help and encourage anyone who wanted to consider what planting in the UK might look like.

Post year end, and relating to our EUROPE 20:50 vision we hosted an online 'Plant Europe' event in March 2021, aimed at helping and encouraging anyone who'd like to consider what planting in Europe might look like. The event was for anyone interested in the pioneering work of Relational Mission on the mainland of Europe; those who feel called to church planting (however slightly!); those churches who are sending out pioneers; those who want to support the mission through investment or prayer.

The global element of our vision is definitely the most embryonic. But we feel inspired rather than daunted by the prospect of reaching into parts of the world that, up until now, we have hardly touched. We currently have just a fistful of pioneering situations beyond Europe, and yet our hope is to see five multiplying churches on each of those continents by 2030 - we call this vision 'GLOBAL 5:30'. Post year end we hosted an online 'Plant Global' conference where we started to unpack our GLOBAL 5:30 vision, and where we aimed to enlarge our faith and connect people with one another on the global mission.

In addition to this Relational Mission (in partnership with its churches) has:

- continued to support local churches and eldership teams through direct ministry support in areas such as pastoral care, prophetic development, working with the poor (relationalmission.org/empower) and evangelism (relationalmission.org/witness).
- continued to support those facilitating ministries amongst the family of churches, in areas including worship, children & youth, prophetic ministry, the workplace, evangelism and ministry to the poor.
- continued to promote Relational Mission Sunday (relationalmission.org/rmsunday) and the Grassroots Giving (relationalmission.org/give) initiatives to help local churches communicate about the wider Relational Mission family and to encourage them to partner with us financially.
- continued and expanded our ENOUGH nights of prayer (relationalmission.org/pray) across the Relational Mission family and through other partnerships. We partnered with Lausanne Europe, Commission Churches, 3DM (South America), Kerith Churches (Kenya), Christcentral Churches and Confluence (NF USA) in a series of three 'For Such a Time as This' events, which were held online in March, April and June 2020 to pray for various situations including the global pandemic. An additional ENOUGH event

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was held online in November 2020. This continues to be a hugely significant initiative for the charity.

- helped establish new church/gospel plants in the UK.
- attended and supported Newfrontiers UK and Global gatherings online.
- supported and partnered with a number of charities including Newfrontiers and Sanctuary Church San Francisco, to further our charitable objectives and help support them in their mission fields to help the poor and share the gospel.
- held a 'Call to Pray and Fast' event in March 2020 to lay some further foundations in prayer for what we believed to be the season ahead at the time.
- further developed its partnership with EDFRI International and the Newfrontiers Churches in Kenya, through initiatives including:
 - partnering in the ENOUGH prayer evenings online;
 - sending funds raised during the Christmas 2019 Pathways from Poverty appeal to pay for the 'Water for Lucy' project which has seen the drilling of two boreholes and the building of two water pumps for communities and agricultural requirements in Meru, Kenya.
- launched our Pathways from Poverty Christmas 2020 appeal, aiming to help rebuild broken communities by raising funds to launch and support local businesses around the world; businesses that will have both a community and a gospel impact.
- continued to partner with City Church, Canterbury in delivering the 'year out' Intentional Discipleship (ID) training programme (relationalmission.org/idyear), albeit with some of the training undertaken online.
- continued to partner with Revelation Church in Camden to run the leadership training programme – LEAD (relationalmission.org/lead), albeit with all of the training undertaken online in the year due to the restrictions of the global pandemic and lockdown.
- hosted and ran both the Foundation and Advanced networks of this year's online European Leadership Forum. We also delivered a plenary talk entitled 'Healthy church life' and ran a workshop entitled 'How fresh moves of God start' as part of the online forum.

The charity has delivered the above activity to achieve its objectives during the restrictions of the global pandemic and lockdown and has laid foundations for future growth.

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Financial Review

Relational Mission is financially dependent upon the donations made by supporting churches, individuals (via its grassroots giving scheme), grants from charitable trusts and income generated via events.

Relational Mission Trustees and team would like to thank all the churches, individuals and organisations that have supported the charity throughout the year.

During the year Relational Mission had income of £643,696 (2019: £487,422) of which £140,078 (2019: £68,620) was for restricted purposes - for example, Christmas appeal monies, and grants received to help specific church planting and pioneering situations.

Expended resources for the period were £528,582 (2019: £567,914) in total of which £104,496 (2019: £61,450) were restricted.

Given the global impact of COVID-19 at the outset of 2020, the Relational Mission Apostolic team, Trustees, and management team reviewed planned activity and set about re-working this in light of the potential for reduced income.

The difficult decision was taken to cancel The Call (Leadership and SENT conference), meaning there was not the same opportunity to take up our newly launched 'Call to Give' offering than if we had been able to gather. We felt that it was right to continue with our Call to Give offering, albeit in a predominately online form, and we were thrilled to raise over £100,000 (£110,000). This was the most significant portion of income for the charity during the year. As discussed in the 'Achievements and Performance' section above, alongside helping us to 'steady the ship' financially and navigating the cancellation of The Call Leadership Conference, this fund has been and will continue to be critical in helping us in our next stages of mission together. It will be used to release gifted people to serve amongst us; encouraging us to run the races to which we are each called, whilst embodying the values we hold dear. It will give rise to pioneering men and women breaking ground in new nations and communities globally, as well as provide the ongoing support they need. It will be used to shape tools and initiatives to help empower and motivate us to give witness of the gospel in our broken world, and above all will help our communities of churches thrive and multiply across the nations.

All other planned event activity occurred online, and event income was not significant in the year.

Our Christmas Appeal in 2019 saw just over £56,000 being raised during the early part of 2020 (of a total raised of just over £75,000). These funds have been used to relieve water poverty in Meru, Kenya, through the drilling of two boreholes and the building of two water pumps, which are successfully working to bring water to communities and for agricultural requirements.

Our Christmas Appeal in 2019 saw just over £56,000 being raised during the early part of 2020 (of a total raised of just over £75,000). These funds have been used to relieve water

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poverty in Meru, Kenya, through the drilling of two boreholes and the building of two water pumps, which are successfully working to bring water to communities and for agricultural requirements.

Our Christmas Appeal at the end of 2020 saw just over £46,000 being raised before the year end, with donations now totaling just over £100,000. This appeal was titled 'Hope for Broken Communities' with the focus of raising funds to launch and support local businesses around the world; businesses that will have both a community and a gospel impact. Our Relational Mission Business Link partners are now beginning to allocate funds to projects and businesses around the world.

For the year ended 31 December 2020 Relational Mission had an overall net surplus of £115,114 (2019: £80,493 deficit), being a net surplus of £79,532 on unrestricted funds and a net surplus on restricted funds of £35,582.

Designated and restricted funds are shown in note 10 to the accounts. Note 10 gives details on all designated and restricted funds held, showing the opening and closing balances plus movements on the funds in the year, together with notes about the intended purpose of each fund.

Investment Policy

Relational Mission has no investment policy as it currently does not intend to make any investments. This is reviewed annually.

Principle Risks and Uncertainties and Risk Management Policy

The Trustees have reviewed and continue to review the major strategic, business, and operational risks, which a small charity with few employees is likely to be exposed to. A framework has been established and procedures are in place to identify, monitor and review these risks on a regular basis.

All major insurable risks have been covered by the charity's insurance coverage. Contracts and associated risks are reviewed before being finalised to ensure they do not significantly impact negatively upon the charity's ability to fulfil its objectives.

The Charity has all required policies in place (as per Charity Commission guidelines) and no significant material issues arose during the year in relation to these policies.

Plans for Future Periods

On an ongoing basis the Trustees consider the level of reserves they wish to retain, appropriate to the Charity's needs and circumstances. This is based on the charity's size and level of commitments held. The Trustees endeavour not to set aside funds unnecessarily.

The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. In doing this the Trustees aim to make sure that the current budget forecast and reserves levels allow the charity to continue in operation for a rolling 12-month period. This is reviewed at a minimum at two points within the financial year. At the year end the reserve policy indicated a free

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reserve level of between £40,000 and £60,000. The actual reserves, when associated with the designated funds held, are in line with the policy at the year end.

During 2020 the apostles of Relational Mission have been prayerfully evaluating what is required to drive us towards the fulfilment of the vision that God has laid on our hearts, including how our operation might change now that the team of apostles has grown from one to three. Through careful consideration of New Testament practice and insightful prophetic wisdom, we have become convinced that the operational vehicle that has served Relational Mission so well in its formation is not the only vehicle that will help us deliver this cross-cultural world-wide vision in the future. We believe that these ongoing discussions are moving us towards different vehicles that will allow for the ready multiplication of five-fold ministry in the nations, and for the multiplication of apostolic mission to the UK, Europe, and each of the Continents of the world. At 31 December 2020 and post year end to date, no changes have been made to the existing charity.

Structure, Governance and Management

Four trustees have run Relational Mission over this period (five Trustees until March 2020), each with differing backgrounds and expertise that can contribute to the delivery of the charity's objectives. Every Trustee that is appointed is inducted in line with guidance laid down by the Charity Commission.

The policy and key operating decisions are the responsibility of the Trustees, who meet regularly to monitor the activities of the charity, having regard to advice from the Apostolic Team. The Apostolic Team (Mike Betts, Stefan Liston & Maurice Nightingale), as well as providing spiritual oversight and direction, oversee day to day operations, together with the Head of Operations (James Taylor).

As outlined earlier in our achievement and performance section, 2020 saw the charity begin adjusting its shape of operation to embrace its new vision. This will be worked through further in 2021.

Relational Mission has a defined pay scale and bandings based on level of responsibility and experience. This forms the basis for Trustee decisions over the pay for key management personnel.

The apostles and by extension the Relational Mission Charity are affiliated to Newfrontiers. While this affiliation is important from a historical, relational, and maintaining values perspective it has limited impact on day-to-day operations.

Reference and Administrative Details

All reference and administrative details are shown within 'Company Information' on page 1 of these accounts.

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Trustee's Report

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Relational Mission for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.


Company Law requires the Trustees / Directors 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 of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing the financial statements, the trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 22 July 2021 and signed on its behalf by:



.....

Jon Beardon – Chairman of Trustees

RELATIONAL MISSION

Independent Examiner's Report

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 11 to 22.

Respective responsibilities of Trustees and examiner

As the charity's Trustees of Relational Mission (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Relational Mission 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 your 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

Since Relational Mission's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Chartered Institute of Management Accountants, which is one of the listed bodies.

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 Practice Charity (Incorporated) Master as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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.



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GW Schulz ACMA
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2 Broadbridge Business Centre
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Bosham, Chichester
West Sussex, PO18 8NF

22 July 2021

RELATIONAL MISSION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

Summary Income and Expenditure Account

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME AND ENDOWMENTS FROM					
Donations and Legacies	3a	443,819	140,078	583,897	422,859
Charitable activities	3b	59,798	-	59,798	64,563
Total Income and endowments		503,618	140,078	643,696	487,422
EXPENDITURE ON					
Charitable activities	4	424,086	104,496	528,582	567,915
Total Expenditure		424,086	104,496	528,582	567,915
Net income/(expenditure)		79,532	35,582	115,114	(80,493)
Transfers between funds		-	-	-	-
Total funds brought forward		93,337	79,048	172,385	252,878
Total funds carried forward		172,869	114,630	287,499	172,385

Movements on reserves and all recognised gains and losses are shown above.

The notes on pages 14-21 form part of these accounts.

RELATIONAL MISSION
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	Unrestricted Funds	Restricted Funds	2020 £	2019 £
CURRENT ASSETS					
Debtors	7	8,883	-	8,883	35,078
Cash at bank	8	180,933	114,630	295,562	165,878
		<u>189,815</u>	<u>114,630</u>	<u>304,445</u>	<u>200,955</u>
CURRENT LIABILITIES					
Liabilities falling due within one year	9	(16,946)	-	(16,946)	(28,571)
Net Current Assets		<u>172,869</u>	<u>114,630</u>	<u>287,499</u>	<u>172,385</u>
NET ASSETS					
		<u>172,869</u>	<u>114,630</u>	<u>287,499</u>	<u>172,385</u>
FUND BALANCES					
Unrestricted funds	10				
General Funds		94,557	-	94,557	44,551
Designated funds		78,312	-	78,312	48,785
Restricted Funds	10	-	114,630	114,630	79,048
		<u>172,869</u>	<u>114,630</u>	<u>287,499</u>	<u>172,385</u>

For the year ended 31 December 2020, the company was entitled to the exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of Trustees/Directors

- a. The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act - however, in accordance with Section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report forms part of this document.
- b. The Trustees / Directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

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

Approved by the Trustees and signed on their behalf on 22 July 2021 by:

J Beardon

Company number: 8321315

Charity number: 1150583

The notes on pages 14-21 form part of these accounts.

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
<i>Net cash provided by (used in) operating activities</i>	a	<u>129,685</u>	<u>(123,474)</u>
<i>Change in cash and equivalents in the reporting period</i>		129,685	(123,474)
Cash and equivalents at the beginning of the year	b	165,878	289,352
<i>Cash and cash equivalents at the end of the year</i>	b	<u>295,563</u>	<u>165,878</u>

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

	2020 £	2019 £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	115,114	(80,493)
Adjustments for:		
(Increase)/decrease in debtors	26,195	(18,487)
Increase/(decrease) in creditors	(11,624)	(24,495)
<i>Net cash provided by (used in) operating activities</i>	<u>129,685</u>	<u>(123,474)</u>

Note b: Analysis of cash and cash equivalents

	2019 £	2019 £
Cash at bank with immediate access	295,562	165,878
Petty cash	-	-
Total cash and cash equivalents	<u>295,562</u>	<u>165,878</u>

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income:

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). [Goods donated for resale are recognised as income at the point of sale (as the sale proceeds cannot be estimated reliably before the goods are sold)]. Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from conferences and other events.

Investment income represents income generated by the charity's assets and includes income from bank interest.

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

c) Expenditure:

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) 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. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Pension scheme arrangements:

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

f) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

g) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

3a Donations and legacies	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Gifts and donations	430,816	140,078	570,894	421,800
Tax recoverable	8,206	-	8,206	1,058
Other income	4,798	-	4,798	-
	<u>443,819</u>	<u>140,078</u>	<u>583,897</u>	<u>422,859</u>
3b Charitable activities				
Events	23,688	-	23,688	43,168
Training and other activities	36,110	-	36,110	21,395
	<u>59,798</u>	<u>-</u>	<u>59,798</u>	<u>64,563</u>

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Analysis of expenditure

	Events	Church Planting	Church Support	Pathways from Poverty Appeals	Total Charitable Expenditure 2020
Incurring directly on activities					
Staff and contractor costs	45,202	100,118	160,401	3,360	309,081
Grants payable	1,750	28,673	61,591	69,354	161,368
Meetings and administration	19,497	1,710	17,408	-	38,614
Support costs					
Administration	-	4,149	13,363	-	17,512
Governance					
Independent examination	-	-	1,560	-	1,560
Other	-	-	447	-	447
	<u>66,448</u>	<u>134,650</u>	<u>254,769</u>	<u>72,714</u>	<u>528,582</u>
	Events	Church Planting	Church Support	Pathways from Poverty Appeals	Total Charitable Expenditure 2019
Incurring directly on activities					
Staff and contractor costs	33,655	106,783	200,556	10,060	351,054
Grants payable	2,933	37,918	18,360	48,815	108,026
Meetings and administration	36,099	2,517	37,814	-	76,429
Support costs					
Administration	-	15,400.0	13,607	-	29,007
Governance					3,398
Independent examination	-	-	3,398	-	3,398
	<u>72,686</u>	<u>162,618</u>	<u>273,735</u>	<u>58,875</u>	<u>567,915</u>

5 Grants payable

	Institutions £	Individuals £	2020 £
Grants for UK and overseas mission	90,264	1,750	92,014
Grants for the relief of poverty	69,354	-	69,354
	<u>159,618</u>	<u>1,750</u>	<u>161,368</u>
	Institutions £	Individuals £	2019 £
Grants for UK and overseas mission	53,345	2,933	56,278
Grants for the relief of poverty	48,815	-	48,815
	<u>102,159</u>	<u>2,933</u>	<u>105,093</u>

The comparatives for the previous year are as follows:

The charity's principal grants to institutions comprised:

	2020 £	2019 £
Light House Community	28,554	11,889
Commission	-	9,600
Sanctuary Church San Francisco	28,673	20,060
New Frontiers	15,000	16,525
Care for Children	349	8,765
Chafford Hundred Community Church	-	10,000
EDFRI International (Kenya)	57,000	3,000
King's Money Advice Centre	-	4,000
Life Church Peterborough	-	9,225
Radosna Vest Nis (Serbia)	3,606	4,225
Revelation Church	-	5,000
Hope Church	5,000	-
Lowestoft Community Church	3,400	-
Newday	10,000	-

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

6 Staff & Trustees

	2020	2019
	£	£
Gross wages, salaries & benefits in kind	227,388	219,272
Employer's National Insurance costs	17,406	16,919
Pension costs	10,955	10,877
Total staff costs	<u>255,750</u>	<u>247,067</u>

The charity has 9 employed staff (7 full time equivalent) (2019: 9 employed staff, 7 full time equivalent). Its activities are generally carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum (2019: none).

Remuneration payable, including Employers National Insurance contributions, in respect of key management (excluding trustees) amounted to £171,226 in the year (2019: £165,656). Key management is considered to cover senior management directly employed by the charity together with those employed by a church with whom the charity has a working partnership.

Julia Miller, a Trustee, received £1,380 (2019: £10,060) for consultancy work and not in her role as a Trustee; as authorised by the Trustee board and in accordance with the governing document.

No other payments were made to trustees or anyone related to them.

The total amount of donations funded by trustees and key management was £1,600 (2019: £395).

No other transactions have taken place with related parties during the year.

	2020	2019
	£	£
7 Debtors and Prepayments		
Accrued income	8,883	7,225
Prepayments	-	27,853
Other debtors	-	-
	<u>8,883</u>	<u>35,078</u>

	2020	2019
	£	£
8 Cash at Bank and in Hand		
Bank operating accounts	268,894	129,307
Bank savings accounts	20,366	20,339
Paypal	6,302	16,232
	<u>295,562</u>	<u>165,878</u>

	2020	2019
	£	£
9 Creditors: liabilities falling due within one year		
Other trade creditors and accruals	12,191	14,700
Deferred Income	-	11,018
Other creditors	4,755	2,852
	<u>16,946</u>	<u>28,571</u>

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Funds

Designated funds

The designated funds are unrestricted funds designated by the Trustees to allow for future expenditure on different projects of the charity and the movements in the year are as follows:

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Church Planting/Pioneer General	525	3			528
ENOUGH prayer initiative	-	518	(15,139)	14,621	-
RM Book Publishing	1,372	2,485	(921)	-	2,936
Courage 2018 offering	29,548	9	-	(29,557)	-
Lighthouse Community Project	7,174	-	(12,928)	5,754	-
Somali Pioneer Project	4,413	6,977	(11,390)	-	-
Pioneer Conference 2019 Offering	-	349	(349)	-	-
Pioneer Mission Charity	-	1,797	(1,797)	-	-
SENT 2019 Offering	5,754	-	-	(5,754)	0
The Call (LShip Conf)/Call 2 Give 2020 Offering	-	106,333	(31,051)	(434)	74,848
	48,785	118,471	(73,575)	(15,370)	78,312

Church planting fund

This fund was designated to help church planting & pioneering in our family. It incorporated the offering taken at the SENT 18-30s Conference and the Pioneer Conference during 2017 and focused on raising up the next generation of leaders and pioneers. The remaining small balance will be used to open the Pioneer Mission charity bank account during 2021.

ENOUGH Prayer initiative

Prayer initiative that aims to unite people in prayer; praying at the same time, across different locations and nations, calling out to God corporately for breakthrough in specific areas. The fund was fully utilised in the year.

RM Book Publishing

This fund facilitates the publishing of existing and future RM books including Relational Mission - A Way of Life / Reaching the Nations, Faith at Work, Prayers of Many.

Courage 2018 Offering

This was the offering taken at our 2018 Leadership conference (which combined SENT 2018). This fund will be used over 2018-2020 to: stimulate pioneering activity on mainland Europe; support specific pioneering projects looking to reach unreached people groups and new nations; strengthen our family presence in London and develop our family of churches in the UK; step up our investment in our next generation of leaders and Ephesians 4 ministries through intentional development; and continue to stimulate activity on the ground in terms of social action and empowering the poor.

Lighthouse Community Project

Part of our vision as Relational Mission is to imagine what it would be like to see 20 churches in every nation of Europe by 2050. To achieve this we aim to plant a seed, a model church, in each nation of Europe and then multiply that model in order to see whole families of locally-led churches emerge. This task is particularly challenging in the post-Communist nations of Europe, and one of our strategies is to create a community of post-Communist pioneers, who can serve and support one-another in this mission. We call this the Lighthouse Community, and this fund is designated to help the Lighthouse Community in this mission. During the year the SENT 2019 offering was transferred into this fund (SENT offering was specifically for this purpose), and was transferred with the other monies in this fund to finance the Lighthouse Community Project activity over 2020 - 2021.

Somali Pioneer Project

This fund facilitated Gospel work amongst the Somali people in Sweden. The aims of the project were to disciple, strengthen & encourage the faith of Somali followers of Jesus and to develop a Somali house church network in Stockholm. The project also aimed to develop evangelistic efforts among the Somali community in Stockholm particularly in the north-west areas of Rinkeby, Tensta, Hjulsta, Kista, Husby & Akalla. During the year, all funds have been transferred to this project.

Pioneer Conference 2019 Offering

The offering taken up at the Pioneer Conference 2019 was paid out in full to Care for the Children during the same year. This was the chosen charity of Relational Mission and New Ground, who ran the Pioneer conference jointly in Malaga. During 2020 we received an additional amount of Gift aid which was transferred to Care for the Children.

Pioneer Mission Charity

This related to monies specifically given to run a mission course, which was completed in the year.

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

SENT 2019 Offering

The offering taken up at the SENT conference 2019 was to further the work of the Lighthouse Community Project (see above). The funds were transferred into the Lighthouse Community Project designated fund in 2020 and transferred out the project in the same year (see above).

The Call (Leadership/SENT Conference 2020) / The Call 2 Give Offering

We launched our Call to Give campaign prior to the COVID-19 pandemic, in the lead up to our leadership and Sent conference, The Call, which was due to be held in June 2020. As a result of the pandemic, we made the difficult decision to cancel The Call, meaning there would not be the same opportunity to take up the offering when we gathered together. We felt that it was right to continue with our Call to Give offering, albeit in a predominately online form and we raised over £100,000 (£110,000).

Alongside helping us to 'steady the ship' financially and navigating the cancellation of the Call, these funds will be critical in helping us in our next stages of mission together. It will be used to release gifted people to serve amongst us; encouraging us to run the races to which we are each called, whilst embodying the values we hold dear. It will give rise to pioneering men and women breaking ground in new nations and communities globally, as well as provide the ongoing support they need. It will be used to shape tools and initiatives to help empower and motivate us to give witness of the gospel in our broken world above all will help our communities of churches thrive and multiply across the nations.

In the previous year the movements in the charity's designated funds were as follows:

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Church Planting Fund	343	286	(194)	90	525
ENOUGH prayer initiative	2,379	235	(24,213)	21,599	0
RM Book Publishing	1,671	5,496	(5,795)	-	1,372
Courage 2018 offering	84,890.0	0	(33,743)	(21,599)	29,548
Lighthouse Community Project	20,000.0	0	(12,826)	-	7,174
Somali Pioneer Project	11,724.0	8,653	(15,964)	-	4,413
Pioneer Conference 2019 Offering	-	8,765	(8,765)	-	0
Pioneer Mission Charity	-	4,959	- 4,959.0	-	0
SENT 2019 Offering	-	5,754	-	-	5,754
	121,007	34,147	(106,459)	90	48,785

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

Restricted funds

The restricted funds represent amounts received for specific purposes and the movements in the year are as follows:

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
Latvia Church Development	1,650	-	(1,650)	-	-
Lille Church Plant	9,064	1,423	(5,536)	-	4,951
Malaga Church Plant	13,605	150	(1,196)	-	12,559
Liverpool Church Plant	7,819	2,000	(2,145)	-	7,674
Sanctuary Church San Francisco	1,596	12,281	(13,733)	-	144
Pioneer Europe	525	12,175	(3,410)	-	9,290
Pathways from Poverty (PfP)	736	1	(737)	-	-
PfP Appeal (Christmas) 2018	12,050	475	(12,525)	-	-
PfP Appeal (Christmas) 2019	17,631	56,105	(51,783)	-	21,953
PfP Isiome Hope centre	7,000	0	(7,000)	-	-
PfP Kenya & India	7,372	50	-	-	7,422
PfP Appeal (Christmas) 2020	-	46,168	(156)	-	46,012
Malmo Church Plant	-	4,625	-	-	4,625
Tottenham Church Plant	-	4,625	(4,625)	-	-
	79,047	140,078	(104,496)	-	114,630

Church Plant Funds

Various funds have been received from different organisations to help Relational Mission plant churches in the UK, Europe and America. Restricted funds exist for Church planting initiatives in Latvia, Lille (France), Liverpool (UK), Malaga (Spain), San Francisco (America), Malmo (Sweden) and Tottenham (London, UK).

Pathways from poverty (PfP)

Pathways from Poverty is an initiative of Relational Mission that seeks to empower people from across the world by offering them choices and creating pathways to enable them to escape from poverty. A key part of this activity is that a Christmas appeal is held most years to support an initiative in line with the PfP ethos.

PfP Kenya & India

This fund has been used to create Sand-dams in Kenya to protect vital water supplies and help small business creation to transform communities in rural Kenya and India. The final monies were paid out in early 2021 to further the work in India.

PfP Isiome Hope centre

Appeal involves the renovation of the Isiome Hope Centre into workshops and training facilities so that it will be able to offer one-year apprenticeship-style courses in IT, electronics, masonry, media and community development. The completed facility will help young people transition to the workplace by equipping them with the skills they need for employment. The final tranche of the grant payment of £7,000 was paid out during the year.

PfP Appeal 2018

The focus of the PfP Appeal (Christmas) 2018 was to enable four organisations to transform lives. The programmes run by these four organisations include helping to restore broken families, working to release people from debt, supporting those experiencing mental ill health and isolation, and helping to overcome prejudice so marginalised communities can be reached. All of the monies have been paid out under grants to these organisations during the year.

PfP Appeal 2019

The focus of the PfP Appeal (Christmas) 2019 was to raise funds to build boreholes and pumps for water in Meru, Kenya. At the end of 2020, two tranche payments had been made to enable the boreholes to be drilled and tested and we are excited to report that these are fully functional and being used daily. The remainder of the funds will be paid out during 2020 to finalise the contractor payments.

PfP Appeal 2020

The PfP Appeal (Christmas) 2020 was titled 'Hope for Broken Communities' with the focus of raising funds to launch and support local businesses around the world; businesses that will have both a community and a gospel impact. The appeal has raised over £100,000 in total (more funds came in during the first part of 2021 after the 2020 Christmas launch), and our Relational Mission Business Link partners are now beginning to allocate funds to projects and businesses around the world.

Pioneer Europe

A specific fund to hold monies given towards pioneering opportunities on mainland Europe. This links in with the part of Relational Mission's vision to plant 20 churches in each of the other 50 European nations by 2050 [EUROPE]

RELATIONAL MISSION
Notes to the Accounts
FOR THE YEAR ENDED 31 DECEMBER 2020

In the previous year the movements in the charity's restricted funds were as follows:

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
China Church Planting	719	-	(629)	(90)	-
Latvia Church Development	1,650	-	-	-	1,650
Lille Church Plant	9,602	-	(538)	-	9,064
Malaga Church Plant	14,847	-	(1,242)	-	13,605
Liverpool Church Plant	8,247	-	(428)	-	7,819
Sanctuary Church San Francisco	-	6,696	(5,100)	-	1,596
Pioneer Europe	4,104	300	(3,880)	-	525
Pathways from Poverty (PfP)	4,141	339	(3,744)	-	736
PfP Appeal (Christmas) 2018	(1,057)	42,325	(29,217)	-	12,050
PfP Appeal (Christmas) 2019	-	18,943	(1,312)	-	17,631
PfP Isiome Hope centre	10,020	-	(3,020)	-	7,000
PfP Kenya & India	19,694	18	(12,339)	-	7,372
	<u>71,967</u>	<u>68,621</u>	<u>(61,449)</u>	<u>(90)</u>	<u>79,048</u>

The assets and liabilities represented by the various funds are as follows:

	Bank& cash balances £	Other net assets £	Total £
Restricted funds	114,630	-	114,630
Unrestricted funds			
<i>Designated funds</i>	78,312	-	78,312
<i>General funds</i>	102,621	(8,064)	94,558
	<u>295,562</u>	<u>(8,064)</u>	<u>287,499</u>

11 Pension commitments

During the year employer's pension contributions totalling £10,955 (2019: £10,877) were payable to defined contribution personal pension schemes. Pension contributions of £nil were owing at the balance sheet date (2019: £240).

12 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

RELATIONAL MISSION
Detailed Statement of Financial Activities with Comparatives
FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted Funds - General		Unrestricted Funds - Designated		Restricted Funds		Total Funds	
	Note	2020	2019	2020	2019	2020	2019	2020	2019
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	3a	325,348	320,091	118,471	34,147	140,078	68,620	583,897	422,859
<i>Charitable activities</i>	3b	59,798	64,563	-	-	-	-	59,798	64,563
Total income and endowments		385,147	384,654	118,471	34,147	140,078	68,620	643,696	487,422
EXPENDITURE ON									
Charitable activities	4	350,511	400,006	73,575	106,459	104,496	61,450	528,582	567,915
Total expenditure		350,511	400,006	73,575	106,459	104,496	61,450	528,582	567,915
Net income/(expenditure)		34,636	(15,351)	44,896	(72,312)	35,582	7,170	115,114	(80,493)
Transfers between funds		15,370	-	(15,370)	90	-	(90)	-	-
		50,006	(15,351)	29,526	(72,222)	35,582	7,080	115,114	(80,493)
Net movement in funds		50,006	(15,351)	29,526	(72,222)	35,582	7,080	115,114	(80,493)
Reconciliation of funds:									
Total funds brought forward		44,552	59,904	48,785	121,007	79,048	71,968	172,385	252,878
Total funds carried forward		94,558	44,552	78,312	48,785	114,630	79,048	287,499	172,385

Movements on reserves and all recognised gains and losses are shown above.