

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 30th June 2021**  
**for**  
**The Jerusalem and the Middle East Church**  
**Association**  
**(a company limited by guarantee**  
**administered by the Jerusalem and the**  
**East Mission Trust Limited)**

**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Contents of the Financial Statements  
for the Year Ended 30th June 2021**

---

	<b>Page</b>
<b>Report of the Trustees</b>	<b>1 to 7</b>
<b>Report of the Independent Auditors</b>	<b>8 to 10</b>
<b>Statement of Financial Activities</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12 to 13</b>
<b>Notes to the Financial Statements</b>	<b>14 to 26</b>
<b>Detailed Statement of Financial Activities</b>	<b>27</b>



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

The trustees who are also the directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 30th June 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 1st January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Charitable Company was formed with the objective of taking over the activities of The Jerusalem and the Middle East Church Association (JMECA) (registered charity 248799).

The object of the Charitable Company, as defined in the Articles of Association (as amended by special resolution dated 25th November 2020), is to benefit the public by encouraging support in prayer, money and personal service for the religious and other charitable work of the Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria in communion with the See of Canterbury.

In pursuance of the object the Charitable Company may maintain the Cathedral Church and the Close of Saint George the Martyr in Jerusalem and its ancillary buildings and may promote theological study in the Middle East and by the churches' ministers in any country.

On 21st May 2020 the Diocese of Egypt with North Africa and the Horn of Africa was formally inaugurated as the autonomous Province of Alexandria. The dioceses of Jerusalem, Cyprus and the Gulf and Iran continue to make up the Province of Jerusalem and the Middle East.

One of the main criteria used by the trustees in measuring the success of the charity in a year against the objectives set is whether the charity has maintained or increased the level of grants paid to the three dioceses that make up the Episcopal Church of Jerusalem and the Middle East and the four dioceses that make up the Episcopal/Anglican Province of Alexandria. Although the overall level of grant has increased significantly there are special factors affecting this which are explained further in the Financial Review section of this report.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity in planning future activities and in setting the grant making policy for the year. In particular the trustees consider how planned activities will contribute to the aims and objectives that have been set.



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

**ACHIEVEMENT AND PERFORMANCE**

The Charity has endeavoured to maintain the awareness of the Charity's supporters through the issue of their publication 'Bible Lands', other specifically designed publicity materials and a website.

The Charity supports the three dioceses that make up the Episcopal Church of Jerusalem and the Middle East and the four dioceses that make up the Episcopal/Anglican Province of Alexandria by the making of grants from donations received and investment income.

The Charity also acts as a way for interested organisations and individuals to make donations to specific organisations and projects within the province.

In accordance with a request from the provinces, the trustees have determined that unrestricted donations and the income from unrestricted investment funds have been allocated equally between the three dioceses that make up the Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria.

**FINANCIAL REVIEW**

**Investment**

**Investment Powers**

The trustees' power is governed by the Trustee Act 2000. This confers a general power of investment and requires the trustees to invest in a diversified range of suitable instruments.

**Investment Objectives**

The investment objectives are :

- a) to generate a sustainable income stream year on year which maintains its current purchasing power.
- b) to at least maintain the capital value of the investments over the long-term.

**Risk Tolerance**

The trustees place a high priority on maintaining the real value both of the investments and the income returns over the long-term while recognizing that at times achieving this will mean accepting short or medium term declines in capital value and/or income available for distribution.

**Ethical and Socially Responsible Investment**

The trustees have reviewed their investment policy with regard to the Charity Commission's guidance on ethical and responsible investment.

The trustees recognize and approve the CBF funds manager's policy of investing only in investments that conform to the Church of England's 'Ethical Investment Advisory Group' (EIAG) guidelines with particular attention to investments in the occupied Palestinian territories.

**Performance**

Investment income, including deposit account interest, has decreased by 10.3% compared to the previous year. The value of the investments has increased by 3.8% over the year. This is after taking into account sales of investments which realised £365,566 to finance additional grants made in the year.



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

**FINANCIAL REVIEW**

**Financial review**

Income from all donations decreased by 9.3% compared to the previous year. Unrestricted donations decreased by 6.52%. The Charity received one legacy of £31,255 in the year ended 30th June 2021 which was restricted for relief among the blind within the provinces (2020: no legacies were received). A need to preserve and enhance the capital base of invested funds in order to maintain the level of support provided each year throughout the Provinces of Jerusalem and the Middle East and Alexandria continues. This need determines the amount of grant expenditure authorised by the trustees, which for the current year totalled £592,158 an increase of 28.8% compared with the previous year. Total grants in 2020, however, included £303,084 to the Diocese of Egypt from the compensation received in respect of Holy Trinity Church, Algiers compared to £66,468 in 2021. In 2021 it was decided that in view of the difficulties being experienced by the region that an annual grant of £50,000 would be allocated to each of the Diocese of Jerusalem, the Diocese of Cyprus and the Gulf and the Province of Alexandria over the next three years from the Legacy Reserve Fund. Owing to the continuing situation caused by Covid-19 payments of both the amounts due for the year ended 30th June 2021 and payments on account of a proportion of the grants due in subsequent years were requested by the provinces and paid in July 2021. These payments are included as creditors in these accounts. The management service charge totalled £38,033 (2020: £40,185). The cost of raising funds increased to £12,759 (2020: £12,699). Net outgoing resources for the year totalled £423,873 (2020: £316,500).

Further details of grants payable are shown in the financial statements.

**Reserves**

The trustees take the view that the aim should be to fulfil the Charity's objects over the long-term. The experience of the trustees is that the Province of Jerusalem and The Middle East and the Province of Alexandria expect both to receive a regular annual grant at a sustained level and from time to time to call upon the Charity for additional and urgent funding, and it is the policy of the trustees, within the terms of the Charity, to maintain reserves at an adequate level to support these two needs. While keeping the level of resources under constant review, the trustees consider the current level to be prudent for this purpose.

In the opinion of the trustees the finances of the Charity are adequate to enable it, with prudent management, to continue to carry out their charitable objectives.

The unrestricted reserves of the charity as at 30th June 2021 were £2,528,202 (2020: £2,588,024), restricted reserves were £2,741,226 (2020: £2,585,625).

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks facing the charity are a loss of investment income and in the long term a significant reduction in the capital value of the investments.

These risks are managed by investing the charity's funds in the CBF Church of England Investment Fund, the CBF Church of England Property Fund and the CBF Church of England Deposit Fund.

The CBF Church of England Investment Fund is an actively managed, diversified international portfolio of assets designed to help protect both present and future beneficiaries from the effects of excessive market volatility and inflation.

The CBF Church of England Property Fund is an actively managed, diversified portfolio of principally UK commercial property.

The CBF Church of England Deposit Fund offers a high level of capital security and a competitive rate of interest.



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

**FUTURE PLANS**

The Charity aims to continue to support the three dioceses which made up the Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria both financially and by raising awareness of the wider needs of the Christian community within the Middle East. This will be achieved by continuing to maintain the level of grant to the dioceses and province and by raising issues in Bible Lands and directly with relevant parties.

Following the transition of the Diocese of Egypt with North Africa and the Horn of Africa into the autonomous Province of Alexandria which was formally inaugurated on 21st May 2020, the charity expects to continue to support the new province as it has the diocese in the past.

The trustees are currently reviewing the objectives of the charity and the methods used to fulfil those objectives.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charitable Company is governed by its amended Memorandum and Articles of Association adopted on 25th November 2020.

The trustees of the Charity and the directors of the Charitable Company are the directors for the time being of The Jerusalem and the East Mission Trust Limited.

To assist the trustees in the performance of their duties the council of the Charity is comprised of the trustees together with the patron, presidents, vice-presidents together with up to twelve additional co-opted members. The council acts solely in an advisory capacity and any decisions taken at meetings of the council shall not be binding on the trustees.

The directors met four times during the year to consider the overall policy of the Charity and the level of grants to be paid.

The Jerusalem and the Middle East Church Association is one of five charities administered by this trust company which was formed to administer charities and their funds whose objects are to support and advance the work of the Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria. The other four charities administered by this trust company are St Mary's Waqf, Trust Property held in connection with the Episcopal Church in Egypt, The Arthur Jones Travel Bursary Trust and The Jerusalem Bishopric Fund.

**Recruitment, appointment, induction and training of new trustees**

New trustees and members of the council are appointed or invited to serve in accordance with the constitution when vacancies arise. New members are provided with information on the work of the Charity. The secretary of the council and the existing trustees of the Charity ensure that all relevant aspects of charity law are drawn to the attention of trustees.

The policy for recruitment and training for directors of The Jerusalem and the East Mission Trust Limited is as follows:

New directors are recommended to fill vacancies by existing directors, bishops of the provinces or others closely associated with the Charity's activities. Prospective directors are interviewed by the chairman and other directors as appropriate and details including full CVs are submitted to the board for approval. Prospective directors are given an introduction to the work of the Charity and information on the role of trustees and charity law. Charity Commission publications are regularly distributed to the directors.

**Risk management**

As required by the Charity Commission, the trustees regularly undertake reviews of any significant risks to the charitable company to ensure that appropriate mitigation policies exist.



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

09067852 (England and Wales)

**Registered Charity number**

1158476

**Registered office**

1 Hart House  
The Hart  
Farnham  
Surrey  
GU9 7HJ

**Trustees**

Rev Canon A J Ball (Chair)  
Rev Canon H M Wybrew  
J M Clark  
Rev Canon Dr W H Taylor  
D A Wright  
J G Pringle  
Dr C Amos  
Rev Canon Dr M I Rhodes  
J M Banfield (resigned 25.11.20)  
Z Z Boulos (resigned 25.11.20)  
P Southby (resigned 25.11.20)  
Rev H Thomas (resigned 25.11.20)  
Sir Harold Walker (resigned 25.11.20)  
Rev K J Hedderly (resigned 25.11.20)

**Company Secretary**

Mrs S A Eason

**Auditors**

Sheen Stickland  
Chartered Accountants  
Statutory Auditors  
4 High Street  
Alton  
Hampshire  
GU34 1BU

**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Legal Advisers**

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

**Investment Managers**

CCLA Investment Management Limited  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Jerusalem and the Middle East Church Association 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- 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 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 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, Sheen Stickland, will be proposed for re-appointment at the forthcoming Annual General Meeting.



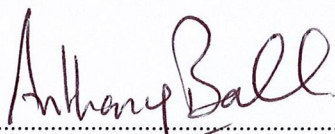
**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Report of the Trustees  
for the Year Ended 30th June 2021**

---

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

Approved by order of the board of trustees on 24<sup>th</sup> November, 2021 and signed on its behalf by:

  
.....  
Rev Canon A J Ball - Trustee

## **Report of the Independent Auditors to the Trustees of The Jerusalem and the Middle East Church Association**

---

### **Opinion**

We have audited the financial statements of The Jerusalem and the Middle East Church Association (the 'charitable company') for the year ended 30th June 2021 which comprise the Statement of Financial Activities, the Balance Sheet and 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 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 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.



## **Report of the Independent Auditors to the Trustees of The Jerusalem and the Middle East Church Association**

---

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
The Jerusalem and the Middle East Church  
Association**

---

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sheen Stickland

Chartered Accountants

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

4 High Street

Alton

Hampshire

GU34 1BU

Date: .....

24 December 2021



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 30th June 2021**

		Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	20,514	54,578	75,092	48,284
Investment income	3	<u>74,687</u>	<u>60,323</u>	<u>135,010</u>	<u>150,595</u>
<b>Total</b>		95,201	114,901	210,102	198,879
 <b>EXPENDITURE ON</b>					
Raising funds	4	9,234	3,525	12,759	12,699
<b>Charitable activities</b>	5				
Support for the work of the Episcopal Church in Jerusalem and the Middle East Diocese of Jerusalem		124,135	93,924	218,059	82,483
Diocese of Cyprus and the Gulf		174,046	18,473	192,519	41,502
Province of Alexandria		132,756	86,857	219,613	350,529
Diocese of Iran		-	-	-	28,166
<b>Total</b>		440,171	202,779	642,950	515,379
Net gains on investments		<u>285,174</u>	<u>243,478</u>	<u>528,652</u>	<u>98,530</u>
<b>NET INCOME/(EXPENDITURE)</b>		(59,796)	155,600	95,804	(217,970)
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		2,588,024	2,585,625	5,173,649	5,391,619
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,528,228</u>	<u>2,741,225</u>	<u>5,269,453</u>	<u>5,173,649</u>

The notes form part of these financial statements

**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Balance Sheet**  
**30th June 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	-	578	578	3,768
Investments	12	<u>2,433,501</u>	<u>2,034,662</u>	<u>4,468,163</u>	<u>4,305,076</u>
		2,433,501	2,035,240	4,468,741	4,308,844
<b>CURRENT ASSETS</b>					
Debtors	13	300,017	118,515	418,532	160,930
Cash at bank		<u>28,759</u>	<u>691,008</u>	<u>719,767</u>	<u>793,184</u>
		328,776	809,523	1,138,299	954,114
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>(234,049)</u>	<u>(103,538)</u>	<u>(337,587)</u>	<u>(89,309)</u>
<b>NET CURRENT ASSETS</b>		<u>94,727</u>	<u>705,985</u>	<u>800,712</u>	<u>864,805</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,528,228</u>	<u>2,741,225</u>	<u>5,269,453</u>	<u>5,173,649</u>
<b>NET ASSETS</b>		<u>2,528,228</u>	<u>2,741,225</u>	<u>5,269,453</u>	<u>5,173,649</u>
<b>FUNDS</b>	15				
Unrestricted funds				2,528,228	2,588,024
Restricted funds				<u>2,741,225</u>	<u>2,585,625</u>
<b>TOTAL FUNDS</b>				<u>5,269,453</u>	<u>5,173,649</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th June 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Balance Sheet - continued  
30th June 2021**

---

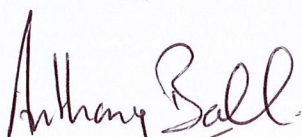
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

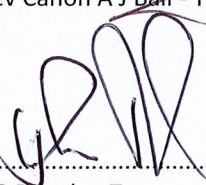
These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24<sup>th</sup> November 2021 and were signed on its behalf by:



.....  
Rev Canon A J Ball - Trustee



.....  
J G Pringle - Trustee

The notes form part of these financial statements

**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Notes to the Financial Statements  
for the Year Ended 30th June 2021**

---

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the Charitable Company, which is a public benefit entity, have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP)', 'The Financial Reporting Standard applicable in the UK and Republic of Ireland - (FRS102)', the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Charitable Company had net current assets of unrestricted funds of £94,702 as at 30th June 2021 (2020: £89,697). The trustees consider, on the basis of the information available to them, that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future and for this reason the board of trustees continues to adopt the going concern basis in preparing the financial statements.

The financial statements have been prepared on the going concern basis as in the opinion of the trustees the effects of Covid-19 will not significantly impact on either the value of the charity's investments or its investment income in the long term.

**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.

**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.

**Grants payable**

Grants payable are taken to the Statement of Financial Activities in the year they are approved. Grants from restricted income and funds are paid in accordance with the donors' wishes. Those paid from designated and unrestricted income and funds are distributed at the discretion of the trustees, sometimes in consultation with the archbishops and synods of the provinces.

**Management service charge**

The management service charge is a support cost allocated to the activities of the Charity on a basis consistent with the use of resources, calculated by reference to the value of the funds as at 31st December of each year and is used to run the offices of The Jerusalem and the East Mission Trust Limited. The management service charge is allocated entirely to charitable expenditure. Audit fees are recognised within the service charge payable to The Jerusalem and the East Mission Trust Limited.



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**1. ACCOUNTING POLICIES - continued**

**Raising funds**

Fundraising and publicity/Charity administration costs continue to be charged solely to The Jerusalem and the Middle East Church Association as it is the main beneficiary of funds raised.

**Tangible fixed assets**

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

Website - 33% on cost

**Taxation**

As a registered charity no liability to direct taxation arises on the charitable activities.

**Investments**

Investments are stated at mid-market value at the balance sheet date. All movements in value arising from investment changes are shown in the Statement of Financial Activities.

Unrealised gains/losses are the difference in market value of investments held at the beginning of the year, or their cost if purchased in the year, and at the end of the year.

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	43,837	48,284
Legacies	<u>31,255</u>	<u>-</u>
	<u>75,092</u>	<u>48,284</u>

**3. INVESTMENT INCOME**

	2021	2020
	£	£
Income from listed investments	133,326	143,581
Deposit account interest	<u>1,684</u>	<u>7,014</u>
	<u>135,010</u>	<u>150,595</u>

**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**4. RAISING FUNDS**

**Raising donations and legacies**

	2021	2020
	£	£
Website expenses	555	1,859
Magazine costs	8,622	7,628
Fundraising expenses	392	22
Depreciation	<u>3,190</u>	<u>3,190</u>
	<u>12,759</u>	<u>12,699</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Support for the work of the Episcopal Church in Jerusalem and the Middle East Diocese of Jerusalem	199,894	18,165	218,059
Diocese of Cyprus and the Gulf	181,714	10,805	192,519
Province of Alexandria	<u>210,550</u>	<u>9,063</u>	<u>219,613</u>
	<u>592,158</u>	<u>38,033</u>	<u>630,191</u>

**6. GRANTS PAYABLE**

	2021	2020
	£	£
Support for the work of the Episcopal Church in Jerusalem and the Middle East Diocese of Jerusalem	199,894	66,930
Diocese of Cyprus and the Gulf	181,714	33,463
Province of Alexandria	210,550	339,396
Diocese of Iran	<u>-</u>	<u>22,706</u>
	<u>592,158</u>	<u>462,495</u>



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**6. GRANTS PAYABLE - continued**

An analysis of grants payable between the three dioceses and the province and the source of those grants is shown in the following table. The allocation of certain grants is at the discretion of the bishops of the dioceses whereas other grants are allocated to specific projects or organisations within a diocese.

	From general donations & legacies £	From earmarked donations & legacies £	From investment income £	Total costs 2021 £	2021 %
Diocese of Jerusalem	5,000	29,237	165,657	199,894	33.75
Diocese of Cyprus and the Gulf	5,000	11,648	165,066	181,714	30.69
Province of Alexandria	5,000	78,826	126,724	210,550	35.56
Diocese of Iran	-	-	-	-	0.00
	<u>15,000</u>	<u>119,711</u>	<u>457,447</u>	<u>592,158</u>	<u>100.00</u>

Thirty one grants totalling £590,500 were made to organisations and two grants totalling £1,658 were made to an individual.

Owing to difficulties in transferring funds to Iran, the grants for the diocese for the year ended 30th June 2019 totalling £26,826 from a number of funds have been reallocated between the Diocese of Jerusalem, the Diocese of Cyprus and the Gulf and the Province of Alexandria. On the same basis the trustees decided that for the year ended 30th June 2021 no allocation would be made to the Diocese of Iran and the additional funds available were allocated equally to the other three organisations.

The grant for the Diocese of Iran for the year ended 30th June 2020 of £22,706 will be retained until such time as either payment can be made to Iran or alternative arrangements can be made. This amount is included as a creditor on the balance sheet and will be held in a designated bank account together with grants allocated to Iran by The Jerusalem Bishopric Fund.

**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**7. SUPPORT COSTS**

Support costs comprise the management service charge which has been taken entirely to charitable expenditure.

**8. NET INCOME/(EXPENDITURE)**

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

	2021	2020
	£	£
Depreciation - owned assets	<u>3,190</u>	<u>3,190</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

The Jerusalem and the East Mission Trust Limited when acting as trustee received remuneration in the form of a management service charge of £38,033 (2020: £40,185).

The directors of the company did not receive any remuneration or expenses from the Charity.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30th June 2021 nor for the year ended 30th June 2020.

**Grants to trustees**

During the year ended 30th June 2021 one grant of £658 was made to one trustee. (2020 - no grants were made to trustees).

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	21,922	26,362	48,284
Investment income	<u>85,666</u>	<u>64,929</u>	<u>150,595</u>
<b>Total</b>	107,588	91,291	198,879
<b>EXPENDITURE ON</b>			
Raising funds	9,177	3,522	12,699



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>Charitable activities</b>			
Support for the work of the Episcopal Church in Jerusalem and the Middle East Diocese of Jerusalem	28,688	53,795	82,483
Diocese of Cyprus and the Gulf	33,973	7,529	41,502
Province of Alexandria	26,513	324,016	350,529
Diocese of Iran	23,405	4,761	28,166
<b>Total</b>	<b>121,756</b>	<b>393,623</b>	<b>515,379</b>
Net gains on investments	49,229	49,301	98,530
<b>NET INCOME/(EXPENDITURE)</b>	<b>35,061</b>	<b>(253,031)</b>	<b>(217,970)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>2,552,964</b>	<b>2,838,655</b>	<b>5,391,619</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>2,588,025</u></b>	<b><u>2,585,624</u></b>	<b><u>5,173,649</u></b>

**11. TANGIBLE FIXED ASSETS**

<b>COST</b>	Website £
At 1st July 2020 and 30th June 2021	<u>9,670</u>
<b>DEPRECIATION</b>	
At 1st July 2020	5,902
Charge for year	<u>3,190</u>
At 30th June 2021	<u>9,092</u>
<b>NET BOOK VALUE</b>	
At 30th June 2021	<u>578</u>
At 30th June 2020	<u>3,768</u>

**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**12. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1st July 2020	4,305,076
Disposals	(365,566)
Revaluations	517,072
Gains on disposal	<u>11,581</u>
At 30th June 2021	<u>4,468,163</u>
<b>NET BOOK VALUE</b>	
At 30th June 2021	<u>4,468,163</u>
At 30th June 2020	<u>4,305,076</u>

There were no investment assets outside the UK.

Cost or valuation at 30th June 2021 is represented by:

	Listed investments £
Valuation in 2021	<u>4,468,163</u>

The historical cost of fixed asset investments was £3,002,132 (2020: £3,252,454).

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Other debtors	1,777	3,223
The Jerusalem and the East Mission Trust Limited	383,361	123,091
Prepayments and accrued income	<u>33,394</u>	<u>34,616</u>
	<u>418,532</u>	<u>160,930</u>



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Grants payable	280,348	50,909
Accruals and deferred income	<u>57,239</u>	<u>38,400</u>
	<u>337,587</u>	<u>89,309</u>

**15. MOVEMENT IN FUNDS**

	At 1.7.20	Net movement in funds	At 30.6.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	(847)	(3,720)	(4,567)
General Ministry	1,069,749	138,117	1,207,866
Legacy reserve	860,096	(284,377)	575,719
Phillips & Cane	267,193	40,225	307,418
A B Jones discretionary fund	234,246	29,078	263,324
Small funds not detailed	<u>157,587</u>	<u>20,881</u>	<u>178,468</u>
	2,588,024	(59,796)	2,528,228
<b>Restricted funds</b>			
Jerusalem Girls College/Worsley fund	792,564	107,490	900,054
Moore-Steele	569,199	78,631	647,830
Graham Brown/Phillips	236,094	30,459	266,553
Holy Trinity Church, Algiers	739,795	(65,222)	674,573
Small funds not detailed	<u>247,973</u>	<u>4,242</u>	<u>252,215</u>
	<u>2,585,625</u>	<u>155,600</u>	<u>2,741,225</u>
<b>TOTAL FUNDS</b>	<u>5,173,649</u>	<u>95,804</u>	<u>5,269,453</u>

**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	20,515	(24,235)	-	(3,720)
General Ministry	35,941	(35,474)	137,650	138,117
Legacy reserve	16,549	(368,119)	67,193	(284,377)
Phillips & Cane	9,021	(2,487)	33,691	40,225
A B Jones discretionary fund	8,119	(7,775)	28,734	29,078
Small funds not detailed	<u>5,056</u>	<u>(2,081)</u>	<u>17,906</u>	<u>20,881</u>
	95,201	(440,171)	285,174	(59,796)
<b>Restricted funds</b>				
Jerusalem Girls College/Worsley fund	25,716	(25,724)	107,498	107,490
Moore-Steele	18,104	(18,140)	78,667	78,631
Graham Brown/Phillips	7,999	(7,197)	29,657	30,459
Holy Trinity Church, Algiers	1,346	(66,568)	-	(65,222)
Small funds not detailed	<u>61,736</u>	<u>(85,150)</u>	<u>27,656</u>	<u>4,242</u>
	<u>114,901</u>	<u>(202,779)</u>	<u>243,478</u>	<u>155,600</u>
<b>TOTAL FUNDS</b>	<u><u>210,102</u></u>	<u><u>(642,950)</u></u>	<u><u>528,652</u></u>	<u><u>95,804</u></u>



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**15. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.20 £
<b>Unrestricted funds</b>				
General fund	(590)	(10,257)	10,000	(847)
General Ministry	1,049,004	20,745	-	1,069,749
Legacy reserve	852,589	17,507	(10,000)	860,096
Phillips & Cane	263,122	4,071	-	267,193
A B Jones discretionary fund	231,319	2,927	-	234,246
Small funds not detailed	157,520	67	-	157,587
	2,552,964	35,060	-	2,588,024
<b>Restricted funds</b>				
Jerusalem Girls College/Worsley fund	770,428	22,136	-	792,564
Moore-Steele	551,508	17,691	-	569,199
Graham Brown/Phillips	232,182	3,912	-	236,094
Holy Trinity Church, Algiers	1,039,481	(299,686)	-	739,795
Small funds not detailed	245,056	2,917	-	247,973
	2,838,655	(253,030)	-	2,585,625
<b>TOTAL FUNDS</b>	<u>5,391,619</u>	<u>(217,970)</u>	<u>-</u>	<u>5,173,649</u>

**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	21,920	(32,177)	-	(10,257)
General Ministry	36,006	(36,807)	21,546	20,745
Legacy reserve	27,155	(27,504)	17,856	17,507
Phillips & Cane	9,084	(9,781)	4,768	4,071
A B Jones discretionary fund	8,240	(8,401)	3,088	2,927
Small funds not detailed	<u>5,183</u>	<u>(7,087)</u>	<u>1,971</u>	<u>67</u>
	107,588	(121,757)	49,229	35,060
<b>Restricted funds</b>				
Jerusalem Girls College/Worsley fund	25,489	(25,817)	22,464	22,136
Moore-Steele	17,724	(17,915)	17,882	17,691
Graham Brown/Phillips	8,062	(8,212)	4,062	3,912
Holy Trinity Church, Algiers	5,946	(305,632)	-	(299,686)
Small funds not detailed	<u>34,070</u>	<u>(36,046)</u>	<u>4,893</u>	<u>2,917</u>
	<u>91,291</u>	<u>(393,622)</u>	<u>49,301</u>	<u>(253,030)</u>
<b>TOTAL FUNDS</b>	<u>198,879</u>	<u>(515,379)</u>	<u>98,530</u>	<u>(217,970)</u>

The general fund is in deficit as unrestricted donations are paid over in full but the costs of generating voluntary income are charged to this fund. A transfer will be made from the Legacy Reserve Fund to cover this deficit. Deficits are expected to continue to arise in future years when further transfers will be made from the Legacy Reserve Fund or other unrestricted funds as required.

The General Ministry Fund is an amalgamation of former funds as follows: Endowment and Augmentation of Episcopal Stipends Fund, Jerusalem Chapter Endowment Fund, The Blair Fund and St Margaret's Fund. The fund is for the support of the Ministry in the JMECA area.

The Legacy Reserve Fund arises from the trustees' established policy of capitalising unrestricted legacies, the income from which enables support to be given each year where a particular need is perceived for which other funds are not available.

The A B Jones' Discretionary Fund was established from a substantial legacy which the testator stated could be used for general purposes, but she expressed the wish that, if necessary, it could supplement a small fund which assists Welsh ordinands in visiting Jerusalem.



**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

---

**15. MOVEMENT IN FUNDS - continued**

The Jerusalem Girls College and Worsley Fund, formed by the amalgamation of two smaller funds, is for the education of children anywhere within the Province of Jerusalem and the Middle East and the Province of Alexandria, in consultation with the provinces.

The Moore-Steele Fund is for the provision of educational work in Israel and Jordan in consultation with the Archbishop in Jerusalem.

The Phillips and Cane Fund was originally established to assist with the training of Palestinian clergy and also to enable theological students from England to visit Palestine. The fund was re-designated in November 2013 to fund training of clergy and lay leadership in the Province of the Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria.

The Graham Brown and Phillips Fund was established for the training of clergy and religious workers and the furtherance of Christian Studies.

By an agreement dated 21st March 2019, the Diocese of Egypt with North Africa and the Horn of Africa received the sum of £1,100,000 as compensation for the loss of income in respect of a building owned by Holy Trinity Church, Algiers. By an agreement between JMECA and the diocese, this amount will be held on deposit by JMECA in a UK bank account. Sums will be disbursed from this account at the request of the diocese.

**16. RELATED PARTY DISCLOSURES**

As at 30th June 2021 funds of the Charitable Company totalling £383,361 (2020: £123,091) were held by the Jerusalem and the East Mission Trust Limited. £1,242 had been overpaid (2020: £3,083) by the Charity to the Jerusalem and the East Mission Trust Limited in respect of management service charges as at 30th June 2021 and is included as a debtor on the balance sheet.

There were no other related party transactions for the year ended 30th June 2021.

**17. POST BALANCE SHEET EVENTS**

In July 2021, the Charity agreed that it would hold funds that had been collected by the Episcopal Church (USA) for the benefit of the Diocese of Iran. These funds amounting to \$133,009 will be held with the other funds which the Charity is holding on behalf of the Diocese of Iran.

**The Jerusalem and the Middle East Church  
Association  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)**

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

---

**18. COMPANY STATUS**

The Charitable Company is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**19. LEGACIES**

The Jerusalem and the Middle East Church Association is one of the beneficiaries of a legacy in relation to a property trust. The timing of the receipt of this legacy and its value cannot be ascertained with any accuracy or reasonable certainty at present, therefore no amounts have been included in these accounts.

**20. ASSETS HELD ON TRUST**

The Charitable Company holds the deeds of title to a number of properties on behalf of various bodies within the area of The Episcopal Church of Jerusalem and the Middle East and the Episcopal/Anglican Province of Alexandria.

The custodian ownership of these properties is vested in the Charitable Company as trustee in perpetuity for the benefit of the members of those bodies. By reason of the nature of the Charitable Company's interest in these properties, the trustees consider that no value should be specified in respect thereof.



**The Jerusalem and the Middle East Church  
Association**  
(a company limited by guarantee  
administered by the Jerusalem and the  
East Mission Trust Limited)

**Detailed Statement of Financial Activities  
for the Year Ended 30th June 2021**

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	43,837	48,284
Legacies	<u>31,255</u>	<u>-</u>
	75,092	48,284
<b>Investment income</b>		
Income from listed investments	133,326	143,581
Deposit account interest	<u>1,684</u>	<u>7,014</u>
	<u>135,010</u>	<u>150,595</u>
<b>Total incoming resources</b>	210,102	198,879
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Website expenses	555	1,859
Magazine costs	8,622	7,628
Fundraising expenses	392	22
Depreciation of computer equipment	<u>3,190</u>	<u>3,190</u>
	12,759	12,699
<b>Charitable activities</b>		
Grants	592,158	462,495
<b>Support costs</b>		
<b>Management</b>		
Service charge	<u>38,033</u>	<u>40,185</u>
<b>Total resources expended</b>	<u>642,950</u>	<u>515,379</u>
<b>Net expenditure</b>	<u>(432,848)</u>	<u>(316,500)</u>

This page does not form part of the statutory financial statements