

Charity number: 1170596

THE RELAY TRUST

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

**LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB**

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THE RELAY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2020

Trustees	Neil Smith Rogeria Mulrine
Charity registered number	1170596
Principal office	54 Upper Montagu Street London W1H 1SL
Accountants	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB

THE RELAY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report together with the financial statements of The Relay Trust (the Charity) for the year from 1 April 2019 to 31 March 2020. The Trustees confirm that the financial statements of the Charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Relay Trust is governed by a Trust Deed dated 19 March 2016.

The Deed names the initial two Trustees and sets out the means by which further Trustees will be appointed (clause 7). This sets out that the power of appointing new trustees is vested in the Settlor, and in the case of his death, in such person as is nominated in his will or by the remaining Trustees.

The only limitation on the choice of Trustees is that the total number cannot exceed eight.

OBJECTIVES AND ACTIVITIES

In setting the objectives and planning the activity of the charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The objectives of the Charity include to promote the education, including social and physical training, in leadership, ministry, agriculture, enterprise and governance of people, all in accordance with Christian principles of people in such ways as the Charity Trustees think fit, including (but not limited to) by:

- (i) awarding to such persons scholarships, maintenance allowances or grants tenable at any university, college or institution by higher or further education;
- (ii) providing in their education (including the study of music or other arts), to undertake travel in furtherance of that education or to prepare for entry to any occupation, trade or profession on leaving any education establishment;
- (iii) supporting the construction, maintenance and operating costs of any university, college or institution of higher or further education;
- (iv) supporting the further training of the staff of such institutions including further study, in service training and attending conferences; and
- (v) providing grants to and co operating with others to assist with the above objects.

The charity aims to provide facilities, supplies and services to advance health and to save lives, this includes the prevention or relief of sickness, disease or human suffering.

To advance citizenship and community development, to include providing support for social and community infrastructure in such ways as the charity trustees think fit, including (but not limited to):

- (i) the promotion of civic responsibility and good citizenship;
- (ii) the promotion of urban and rural regeneration;
- (iii) the promotion of volunteering
- (iv) the promotion of the voluntary sector
- (v) promoting the efficiency and effectiveness of charities and the effective use of charitable resources; and
- (vi) the promotion of community capacity building.

To advance the religion in such ways as the charity trustees think fit, including (but not limited to):

- (i) the provision of places of worship;
- (ii) raising awareness and understanding of religious beliefs and practices;
- (iii) carrying out religious devotional acts; and
- (iv) carrying out missionary and outreach work.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

To prevent and relieve poverty, in such ways as the charity trustees think fit, including (but not limited to):

- (i) grants of money;
- (ii) the provision of items (either outright or on loan) such as furniture, bedding, clothing, food, fuel, heating appliances, washing machines and fridges;
- (iii) payment for services such as essential house decorating, insulation and repairs, laundering, meals on wheels, outings and entertainment and utilities;
- (iv) the provision of facilities such as the supply of tools or books, payments of fees for instruction, examination or other expenses connected with vocational training, language, literacy, numerical or technical skills, travelling expenses to help the recipients to earn their living, equipment and funds for recreational pursuits or training intended to bring the quality of life of the beneficiaries to a reasonable standard; and
- (v) the provision of money management and debt counselling advice.

ACHIEVEMENTS AND PERFORMANCE

During the year to 31 March 2020 The Relay Trust structured the delivery of the Objectives and Activities around four key pillars:

1. Developing training methods appropriate for the African context;
2. Providing structural support for churches with limited income operating in challenging environments;
3. Implementing a long-term strategy to support the development of training material in French;
4. Supporting the operating and capital costs of training colleges.

Developing Training Methods

Led by Rev Mette Klausen, Relay Trust is developing a syllabus to train leaders in African churches. This syllabus focuses on the use of appropriate language (both European and tribal), supported by examples and illustrations that are relevant to the learning context, and adapted to the (often) poor prior learning experience of the trainees. This syllabus is designed to be delivered through multiple channels (electronic and written) and teaching environments (village groups, colleges and on-line). Mette is supported by Issa Maguey (media applications) and Fidele Etjeke (English/French translation). They are both based in Cameroon.

In parallel, Rev Alex Klausen leads the development on the On-Line Well, a small, portable WiFi transmitter that will deliver training materials directly to mobile phones in the village context. These areas lack reliable and affordable internet connections. The prototype device was successfully tested in Sierra Leone and Guinea during 2019/2020, and development is now focussed on manufacturing and utilising production models. Alex is supported in software development by Lars Gunnarsson (based in Switzerland) and Brian Ward, an e-learning specialist with experience in Papua New Guinea and now based in the United States.

Relay Trust is supporting the construction of the Mount Zion Training Centre at Mortem, Sierra Leone. Mount Zion will become the centre for the distribution of training materials through the On-Line Well in West Africa, providing a location for training trainers and developing training resources.

Relay Trust continues to develop a network of organisations who have a similar focus, and five team members attended an international conference in The Netherlands in 2019.

Structural Support

Relay Trust has developed strong partnerships with leaders of the Anglican Church in Sierra Leone, Guinea and the Democratic Republic of the Congo. These countries all suffer from poor national governance; political and economic instability; weak education systems; long-term health challenges; a history of political violence and banditry; and great poverty. Relay Trust works with the church leaders in these countries to enable them to maintain organisational integrity, including the payment of wages, and to train and support the next generation of leaders. During 2019/2020 specific support was provided as follows:

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

- In the Diocese of Freetown, Sierra Leone, to provide salary support whilst a building that was the main source of income is reconstructed. Payment has also enabled the Bishop to employ a PA, the Diocese to purchase a reliable FWD vehicle, and set up a library to support training initiatives;
- In the Diocese of Bo, Sierra Leone, to provide salary support during a period of significant internal division, and the development of a process to assist in the election of a new bishop. A reliable vehicle was also purchased for the Bishop;
- In the Diocese of Guinea, Guinea, to provide salary and administrative support to enable the Diocese to maintain income generating activities, including a medical clinic and a school;
- In the Anglican Province of the Congo and Brazzaville, to provide salary and administrative support for the national leader, Archbishop Masimango Katanda.

Relay Trust also supports the training of church leadership through GAFCON (the Global Anglican Futures Conference). GAFCON provided training opportunities for church leaders in Jerusalem, Dubai and Rio de Janeiro, and oversaw the Bishops Training Institute, which provided two conferences during 2019-2020 attended principally by African bishops.

The delivery and oversight of this support has been led by Rev Alex Klausen, supported in project management by Anders Nielsen and Maria Silkjaer (both based in Denmark).

French Language Support

The development of training material in French is limited by the resources of the Protestant churches in France. Relay Trust supports European Collaboration, through which new churches are supported in France.

Supporting Colleges (operations and capital)

Relay Trust supported the construction of the Guji and Borana Training Centre in Adolla, Ethiopia. The Trust also provided for the salary of Rev Mesfin Birhanu, a national training co-ordinator for the Four Square Gospel Church.

The Relay Trust believes that the most effective way for churches in difficult locations to become sustainable organisations that can continue to deliver spiritual and community leadership is to develop a well-educated cadre of local leaders. Training will enable these leaders to have a clear understanding of the message of the Christian faith, the context in which their congregations live, and the capacity to apply this teaching to the challenges of their communities.

FINANCIAL REVIEW

As at 31 March 2020 the Trust had £1,272 in the bank.

During the year, income totalled £676,173, consisting of £676,169 in donations and gift aid and £4 in interest. Expenditure was £1,342,253, consisting of £1,076,886 in direct grants to partners in Africa, £246,974 in staff contracts and travel, £5,814 in legal and accounting fees, £2,237 in bank charges and £9,160 in administrative costs. This resulted in carried forward net liabilities of £573,595 arising from the unpaid committed donations totalling £702,909 as at 31 March 2020 which will be funded by donations from Trustees and other related parties. The Charity does not have a reserves policy as sufficient funding is received from Trustees and related parties to cover expenditure for each year.

This report was approved by the Trustees and signed on their behalf by:

Neil Smith

Neil Smith

Trustee

Date: 28 January 2021

THE RELAY TRUST

INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Independent Examiner's Report to the Trustees of The Relay Trust ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2020.

Responsibilities and Basis of Report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the charity'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 Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.



Lee Facey
Independent examiner

Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB
Date: 28 January 2021

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations	2	676,169	676,169	541,556
Investment income		4	4	8
Total income		<u>676,173</u>	<u>676,173</u>	<u>541,564</u>
Expenditure on:				
Charitable activities	3	1,342,253	1,342,253	504,533
Total expenditure		<u>1,342,253</u>	<u>1,342,253</u>	<u>504,533</u>
Net movement in funds		<u>(666,080)</u>	<u>(666,080)</u>	<u>37,031</u>
Reconciliation of funds:				
Total funds brought forward		92,484	92,484	55,453
Net movement in funds		(666,080)	(666,080)	37,031
Total funds carried forward		<u><u>(573,596)</u></u>	<u><u>(573,596)</u></u>	<u><u>92,484</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 9 to 16 form part of these financial statements.

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BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	20,785	-
Current assets			
Debtors	6	110,617	84,699
Cash at bank and in hand		1,272	9,585
		<u>111,889</u>	<u>94,284</u>
Creditors: amounts falling due within one year	7	(706,269)	(1,800)
		<u>(594,380)</u>	<u>92,484</u>
Net current liabilities / assets			
		<u>(573,595)</u>	<u>92,484</u>
Total net assets		<u><u>(573,595)</u></u>	<u><u>92,484</u></u>
Charity funds			
Unrestricted funds	8	(573,595)	92,484
Total funds		<u><u>(573,595)</u></u>	<u><u>92,484</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Neil Smith

Neil Smith

Trustee

Date: 28 January 2021

The notes on pages 9 to 16 form part of these financial statements.

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	10	12,467	8,876
Cash flows from investing activities			
Interest income		4	8
App development costs		(20,784)	-
Net cash (used in)/provided by investing activities		(20,780)	8
Change in cash and cash equivalents in the year		(8,313)	8,884
Cash and cash equivalents at the beginning of the year		9,585	701
Cash and cash equivalents at the end of the year	11	1,272	9,585

The notes on pages 9 to 16 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

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

The Relay Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The accounts have been prepared under the going concern basis, which assumes that current and future sources of funding will be adequate for the charity's needs.

The charity meets its running costs from donations received. The Trustees continuously review the funding prospects and expenditure levels and take action should funding expectations and reserves appear inadequate. On the basis of this policy, the Trustees consider that the charity will continue in operational existence for the foreseeable future. In forming this assessment the trustees have taken into consideration the impact of COVID-19.

1.3 Fund accounting

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

1.4 Income

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

Donations received with imposed restrictions are classified as restricted funds.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.6 Expenditure

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

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs are allocated to the applicable expenditure headings and activities of the charity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include governance costs.

1.7 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life, which must be reviewed at each reporting date. If a reliable estimate of the useful life cannot be made, it is presumed to be no more than ten years.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Taxation

The Relay Trust is a registered charity and based on the activities undertaken is not liable for UK corporation tax.

The charity was not VAT registered during the year and therefore all expenses are inclusive of any VAT which cannot be recovered.

2. Income from donations

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and gift aid	676,169	676,169	541,556
	<u> </u>	<u> </u>	<u> </u>
Total 2019	<u>541,556</u>	<u>541,556</u>	

3. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activity costs	1,295,343	46,909	1,342,252	504,533
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2019	<u>486,876</u>	<u>17,657</u>	<u>504,533</u>	

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

3. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Wages and Salaries	203,983	164,305
Donations payable	1,076,886	288,889
Staff travel expenses	13,293	32,593
Other staff expenses	1,181	1,089
	<u>1,295,343</u>	<u>486,876</u>

Donations payable is made up of donations to institutions of £749,559 (2019 - £146,231). This includes a donation to the Mount Zion Project totalling £466,461 (2019 - £nil), Bishops' Training Institute totalling £145,197 (2019 - £119,280), a donation to The Europe Collaboration of £42,000 (2019 - £12,500), a donation to The Relay Trust DK of £22,871 (2019 - £nil), a donation to Youthscape of £50,000 (2019 - £nil) and a donation to Kolo Group of £22,729 (2019 - £nil). All of these donations were in line with the Charity's objectives as set out in the Trustees' report.

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Wages and Salaries	29,698	-
Bank charges	2,237	2,122
Independent examiner fees (governance)	4,920	3,900
Legal and professional fees	894	432
Administrative fees	9,160	11,203
	<u>46,909</u>	<u>17,657</u>

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

4. Staff costs

	2020 £	2019 £
Wages and salaries	233,681	164,305

The average number of persons employed by the charity during the year was as follows:

	2020 No.	2019 No.
Average number of employees	6	3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	2	-

Total remuneration paid to key management personnel was £124,758 (2019 - £nil).

5. Intangible assets

	App under develop ment £
Cost	
Additions	20,785
At 31 March 2020	20,785
Net book value	
At 31 March 2020	20,785
At 31 March 2019	-

The additions in the year relate to the development of an online learning application which was not operational by 31 March 2020 and therefore has not been amortised.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

6. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	110,617	84,699

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	3,360	1,800
Donations payable	702,909	-
	706,269	1,800

8. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
Unrestricted funds				
General Funds	92,484	676,174	(1,342,253)	(573,595)

Statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Unrestricted funds				
General Funds	55,453	541,564	(504,533)	92,484

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

9. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Intangible fixed assets	20,785	20,785
Current assets	111,889	111,889
Creditors due within one year	(706,269)	(706,269)
Total	(573,595)	(573,595)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Current assets	94,284	94,284
Creditors due within one year	(1,800)	(1,800)
Total	92,484	92,484

10. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(666,080)	37,031
Adjustments for:		
Interest income	(4)	(8)
Increase in debtors	(25,918)	(28,147)
Increase in creditors	704,469	-
Net cash provided by operating activities	12,467	8,876

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

11. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,272	9,585
Total cash and cash equivalents	1,272	9,585

12. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	9,585	(8,313)	1,272
	9,585	(8,313)	1,272

13. Related party transactions

During the year, unrestricted donations totalling £565,429 (2019 - £472,231) were recieved from Trustees and other related parties.