

Charity number: 1170596

THE RELAY TRUST

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2023

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

THE RELAY TRUST

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 9
Independent Auditors' Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 30

THE RELAY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Trustees	Neil Smith Rogeria Mulrine
Charity registered number	1170596
Principal office	52 St Giles Oxford OX1 3LU
Independent auditors	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Santander Bridle Road Bootle Merseyside L30 4GB

THE RELAY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees present their report together with the financial statements of The Relay Trust (the Charity) for the period from 1 October 2022 to 30 September 2023. 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.

Organisational structure

The Trustees are responsible for making operational, funding and strategic decisions in line with charity objectives.

The staff responsible for carrying out the day-to-day activities of the Trust are supervised and supported by the Trustees.

The training of Trustees is determined by the governance needs of the Trust to meet its charitable objectives. On initial appointment, new Trustees are given access to the governing document, financial information, meeting materials and essential trustee guidance from the Charity Commission.

Public Benefit

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

Pay setting

Trustees are not remunerated for their work. Trustee expenses are reimbursed in line with the Trust's policies. Key management remuneration is reviewed regularly and reflects market rates.

TRUSTEES

The Trustees who served during the year were:

Neil Smith
Rogeria Mulrine

OBJECTIVES AND ACTIVITIES

Whilst the Trust has broad charitable objectives, in August 2021 it was decided to develop a tighter definition of the focus of the operations. This was to assist the prioritising of the allocation of financial and human resources. The following Statement of Purpose was developed:

Statement of Purpose

The purpose of the Relay Trust is to facilitate leadership training for the Christian church through the provision of training content, strategic advice and financial support for students, teachers, administration, and capital development.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The goal of this training will be to enable leaders to teach Christians how to live as disciples of Jesus through the daily challenges of life - birth, sickness, marriage, family, work, community, ageing and death.

The core skill in which these leaders will be trained is to explain discipleship through reading the Bible narratives, discerning their central meaning, and communicating this to those in their care.

The Relay Trust will focus training at the 'grassroots' level, delivered within the community, using language and concepts appropriate to the context.

The geographic focus of the Relay Trust will be the regions covered by the 200 poorest Dioceses within the Anglican Church. The denominational focus of the Charity will be the Provinces of the Anglican Communion. The Charity will aim to focus 70% of expenditure on these areas and this denomination over the medium term.

This report outlines how the Trust has delivered on these goals during the reporting period.

There have been six principal activities:

1. The construction and refurbishment of educational facilities, including colleges and training centres for the training of church leaders
2. The funding of operating costs for educational facilities, including staff salaries, teaching materials and transport, for the training of church leaders
3. The provision of student bursaries for disadvantaged students studying theology in the United Kingdom
4. The provision of financial support for the operating and capital expenses of the church in the areas where training is delivered, to ensure that teachers and administrators are working in a functioning environment, and that employment will be available for graduating students
5. The construction and refurbishment of schools
6. The development of technology to assist with the delivery of educational programs in remote areas and the development of teaching material that can be utilised by this technology

These activities have been conducted in five geographic areas:

- West Africa, incorporating The Gambia, Guinea-Bissau, Guinea, Sierra Leone, Liberia, Togo and Cameroon
- North Africa, incorporating Egypt, Sudan, Ethiopia, and South Sudan
- Francophone Africa, incorporating the Democratic Republic of Congo, Republic of Congo, Burundi and Madagascar
- Lusophone Africa, Angola, and Mozambique
- UK and Europe

Assistance is focussed on the work of the Anglican Communion, a loose association of churches that trace their origins to the Church of England. Within the Communion, work is focussed on the 200 poorest administrative areas (known as Dioceses).

ACHIEVEMENTS AND PERFORMANCE

The charity's grant making policy is to provide funds to institutions focussed on supporting operational and capital projects that support the delivery of the 6 principal activities.

The Trust distributed £8.01m in the reported period to activities 1-6 set out above.

1. Construction and Refurbishment of Educational Facilities

£0.79m was allocated to 7 projects:

- Mt Zion Training Centre in Sierra Leone. This is a major residential training centre under construction in Mortem, a suburb of Freetown. The centre will serve the training needs of the church across West Africa. The centre was opened in November 2023 and teaching commenced in January 2024.
- Guji and Borana Training Centre in Ethiopia. This major centre will serve the training needs of the Full Gospel Church southern and western Ethiopia. Construction of stage 1 was completed in early 2024 and teaching has commenced.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

- Work continued on four training centres in Madagascar. Funds were provided for the completion of the centre in Fianarantsoa and the provision of equipment for the centre in Antananarivo. The purchase of land for a future centres in Mahajanga and Antsiranana.
- The training centre at Mocuba in the Diocese of Zambesia, Mozambique was completed. The existing training centre in Maciene, Mozambique, was refurbished.
- An existing building in Uige Angola was refurbished for use as a training centre.
- A building was purchased and refurbished in Lubango, Diocese of Centro e Sul in Angola, for use as a training centre and Diocesan office.
- A multi media conference room was completed at Alexandria School of Theology, Egypt.

2. Operating Costs for Educational Facilities

£2.70m was allocated to 15 projects:

- Mt Zion Training Centre in Sierra Leone. In preparation for the opening of the Centre in November 2023, administrative and academic staff were employed, systems developed, and curriculum development commenced.
- The Timothy Leadership Training course for church pastors and leaders was delivered at multiple sites in Guinea, Sierra Leone, Liberia, Togo and Cameroon.
- The Diocese of Cameroon was supported in the delivery of an outreach program to new areas for the church.
- The Trust supported the OPEX of a small college based in Lome, Togo ("La Phare", the Lighthouse)
- The Trust supported the delivery of "Rooted in Jesus" training programs for church members in the Dioceses of Bukavu and Tanganyika in the Democratic Republic of Congo, as well as in Madagascar.
- The Trust is supporting the construction of the Guji and Borana Training Centre on behalf of the Full Gospel Church in Ethiopia. The Trust has supported the Project Director for Training in this area through the provision of a salary and supporting his doctoral studies at Stellenbosch University in South Africa. The Trust supported the training of an additional staff member at the Africa International University in Nairobi.
- A large Anglican church exists in Gambela Province, western Ethiopia. This area has a high population of refugees from the violence in South Sudan. This has spilled over into Ethiopia and been exacerbated by tribal conflict with the groups resident there before the arrival of the refugees. The church struggles to function in this environment as it has many members within each of the feuding groups. The Trust funded the establishment of the Boys' Brigade in Gambela and the delivery of BUILD training for church pastors and leaders.
- The Trust continued to fund a decentralised training program for church leaders, 'Theological Education by Extension' (TEE), which now operates through small groups in each of the Episcopal Church of Sudan dioceses. The Trust funded a national Strategic Planning Conference to assist the church in planning future training. Support was provided to support church growth initiatives in the Diocese of Wad Medani and southern Blue Nile Province. However, the outbreak of civil war in April 2023 between the Sudanese Armed Forces and the Rapid Support Forces caused immense destruction across the country, with millions of people displaced and widespread destruction of property. The work of the churches has focused on humanitarian aid and most of the training programs were suspended.
- Discussions commenced in August 2022 with Archbishop Paul Yugusuk of the Episcopal Church of South Sudan with the aim of developing a national training program for grass-roots church leaders. This developed into the Anglican Discipleship Program which, utilizing a 'train-the-trainer' methodology has implemented training across the whole country. Training commenced in January 2023. This program, the largest supported by the Trust, enabled over 5,000 leaders to commence training.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

- The central training institution for the Episcopal Church in South Sudan is The Episcopal University (TEU), based in Juba. From March 2023 the Trust has provided operational support for TEU to fund administrative and academic staff for the Theology and Law facilities.
- The Trust provided support for operational support for Chaima Theological College in eastern South Sudan and for a training program in the Diocese of Nzara, on the border with the Democratic Republic of Congo.
- The Trust supported the delivery of pastor training in the Diocese of Newala, Tanzania.
- The Trust supported training programs for junior church leaders (catechists) in the Diocese of Toliara (Madagascar).
- The Trust supported training programs for junior church leaders (catechists) in the Diocese of Toliara (Madagascar).
- The Trust supported a training program for junior church leaders in the Diocese of Zambesia, Mozambique.

3. Student Bursaries

£1.25m was provided to support bursaries for students to study theology.

- Bursary programs were developed at three colleges - Oak Hill College in London UK, Wycliffe Hall at the University of Oxford and Cranmer Hall within St Johns College at Durham University. The bursaries were limited to students of limited economic means and targeted at diversifying the gender, cultural, ethnic and denominational balance at these colleges.

4. Diocesan Support

£1.18m was provided to maintain the viability of Dioceses in areas where training programs are being implemented.

- The Trust focusses support on the 200 poorest dioceses in the Anglican Communion. These churches operate in countries where political stability, economic development, effective health services and functioning education systems are often absent. National poverty is reflected in church poverty. For training programs to be successful, these churches need support across a broad range of areas. Many lack the capacity to pay salaries, provide housing, offices, communications, transport, organise regional meetings and develop income generating projects.
- 30 projects were funded across Africa and 2 relating to church growth in UK and Europe.

These projects were focused in four areas:

- The provision of operating support, principally salaries and travel
- The provision of motor vehicles for regional leaders (bishops)
- The funding of buildings and
- The development of income-generating projects.

Operational support was provided to:

- Three Dioceses in West Africa and to the Provincial administration
- One Diocese in DR Congo
- The Province of IAMA (Angola and Mozambique)
- The Province of Indian Ocean (Madagascar) and the Diocese of Toliara
- The Province of Sudan and the Dioceses of Wad Menani and Kadguli & El Obeid
- The province of South Sudan
- The Global South Fellowship of Anglicans based in Cairo
- Youthworks, an organization supporting church outreach to young people in the UK
- Europe Collaboration, and organization supporting the establishment of contemporary church in central city locations in Europe

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

- In West Africa, three dioceses (Guinea, Sierra Leone, and Bo) received a regular monthly Block Grant to enable salaries to be paid. A further grant was provided to assist the church administration across West Africa (Internal Province of West Africa) to function.
- For the Episcopal Church of Sudan, funding supported the national administration and growth initiatives in the inaccessible area of Blue Nile. Support was provided to the Mothers' Union and a National Strategy Conference.
- The IAMA Province in Mozambique and Angola received wage support for the Provincial Administration and an educational grant for the Bishop of Zambesia
- The Province of Indian Ocean (incorporating Madagascar) received grants to support administration, staff training, and the National Strategy Conference.
- The organization representing the Anglican churches of the Global South was provided funding to establish an office in Cairo and support operations
- Funding was provided to enable Youthworks to support church ministry amongst young people in the United Kingdom.
- In Europe, funds were provided to the Europe Collaboration, to support administrative costs and new churches in Strasbourg and outer Paris
- Motor vehicles play an essential role in the administration of each Diocese, as they enable the bishop to provide oversight to the churches supervised. Vehicles were purchased for the Dioceses of Guinea (West Africa); Cristo Rei (Uige), Divina Esperanca (Luanda) and Centro e Sul (Lubango) in Angola; Tete, Rio Pungue and Nampula in Mozambique; and Mahajanga, Antsiranana and Toliara in Madagascar.
- In addition to Colleges, the Trust funds the purchase, rehabilitation and construction of buildings used for church administration or staff housing. Grants for these purposes were made to the Dioceses of Ethiopia, El Obeid (Sudan), Wad Medani (Sudan) and internet services were funded for the Episcopal Church of South Sudan.
- The Anglican Churches in Africa have a stated goal of financial self-sufficiency. Extensive studies were conducted in Madagascar to explore the opportunity to deliver solar power and an office building was funded in Kinshasa (DR Congo), the rents from which would support the wages of the Provincial staff.

5. Support for Schools

£0.36m was provided to support schools.

- The Trust collaborates with Openwell Ltd and the Diocese of Kindu in "Project Springboard". This project assists the Diocese with the refurbishment and equipping of schools and resourcing the Diocesan Department of Education. Student outcomes are measured, and evidence developed to establish the value of this support, with the medium term goal of securing funding from other agencies.

6. Development of Technology (Systems department)

£2.06m expenditure.

- The areas where The Relay Trust promotes training are characterised by a high proportion of the population living in rural areas, poorly maintained and often insecure roads and internet connections that are slow and expensive. The trainees often have a poor basic education (Primary school or junior High school) and limited use of a major language (English, French, Portuguese, or Arabic). The textbooks required are written in these languages and are prohibitively expensive. The students are oral learners, whose understanding of abstract concepts is assisted using local language and video. Learning is often more effective in an environment of community discussion.
- To address these challenges, the Trust funded the development of a remote teaching tool, "The Well". The Well is a portable WiFi transmitter, designed for two-way communication with a basic smartphone. These phones, retailing for USD100, are in common use across the communities the Trust serves, and form the basis of communication, banking, receipt of information and record keeping. Most communities have access to solar power.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

- This teaching methodology is to equip itinerant facilitators with a Well, into which has been downloaded the courses required. These facilitators establish learning groups at village level. Material is downloaded to the group members' phones, and the student group engages with this together. The Well can communicate written, audio and video material. Assessments can be downloaded to the students' phone, completed on that phone then uploaded back to the Well.
- A student management system is used to enroll the student and follow their progress, including assessments. This facilitator communicates with 'student managers' when they are in an area with adequate internet coverage. These managers can be based anywhere with internet access.
- Whilst steady progress was made on the project, the Trust decided in May 2022 to separate the 'Systems' and 'Content' departments from the 'Grant-making' department to provide improved focus. In October it was agreed that these departments would move to become part of the UK registered charity Hulbert Enterprises Ltd. A full transfer of staff and relevant assets and intellectual property was finalized on 31st March 2023. The Trust will provide ongoing financial assistance to Hulbert Enterprises as it pursues further development of The Well and the associated teaching content.

Administration

£0.56m

The Administration costs (direct & support) for the Trust were £0.56m, or 5.9% of total turnover of £9.5m. Administration costs include bank charges, accounting charges, office rent and equipment and employee costs. The focus of the Trust on complex areas in Africa adds to the costs of fund transfers, travel, and oversight. The staff costs include salaries of UK based staff who provide oversight of each project.

Distribution

The Statement of Purpose adopted in August set out the goal to distribute 70% of Grant Expenditure to projects in the poorest 200 Dioceses of the Anglican Communion. Of the total grants of £8.01m, £4.70m or 58.7% went to these areas.

The Statement of Purpose also set out a goal to distribute 70% of Grant Expenditure to churches affiliated with the Anglican Communion. Of the total grants of £8.01m, £5.90m or 73.7% went to these churches.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Criteria used to measure success

The Trustees meet annually to assess the progress of the Trust against its objectives. Trustees agree goals and objectives for the following twelve months.

FINANCIAL REVIEW

During the year, income totalled £9.53m, consisting of £9.53m of donations and gift aid. As at 30 September 2023 the Charity had £1.63m of unrestricted reserves. The Charity does not have a reserves policy as sufficient funding is received from Trustees and related parties to cover expenditure for each year.

Primary funding source

The charity's primary funding source is that of donations received from Trustees during the current and prior year.

Fundraising

The charity does not carry out significant fundraising activities and no funds were received from the public during the current or prior year.

KEY RISKS

The Trustees are committed to a regular review of the major strategic, business and operational risks which the Charity faces with a view to ensuring that appropriate systems and procedures are in place to minimise these risks.

FUTURE PLANS

It is anticipated that the current operations of the Trust will be incorporated into a newly set up charitable company limited by guarantee during 2024, in order to facilitate the growth of the charity's operations. As part of this process an expanded Board of Trustees will be established. As a result of this, these accounts have been prepared on a basis other than going concern. See Note 1.2 for further details.

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

THE RELAY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware and;
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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

Neil Smith

Neil Smith
Trustee

Date: 19 September 2024

THE RELAY TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RELAY TRUST

FOR THE YEAR ENDED 30 SEPTEMBER 2023

OPINION

We have audited the financial statements of The Relay Trust (the 'charity') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

EMPHASIS OF MATTER - FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN GOING CONCERN

We draw attention to Note 1.2 to the financial statements which explains that the Trustees intend to transfer the trade, assets and liabilities of the charity to a newly set up charitable company limited by guarantee and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1.2.

Our opinion is not modified in respect of this matter.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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.

THE RELAY TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RELAY TRUST (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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 Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RELAY TRUST (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor 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 an Auditors' Report 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. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of the cost of living crisis on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act, Charities SORP 2019 and FRS 102.

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

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities including fraud were in respect of unrecorded grant commitments, and validity of grant expenditure. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance.

THE RELAY TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RELAY TRUST (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations;
- Reviewing grant documentation on a sample basis and evidence supporting stage of completion in respect of grant milestones to verify completeness of grant commitments;
- Vouching, on a sample basis, grant documentation including agreements and progress reports to check validity of grant expenditure.
- Reviewing the Trustees assessment of going concern, including future plans and post year end information regarding status of newly set up charity as well as disclosures on the basis of preparation of the accounts.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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. Our audit work has been undertaken so that we might state to the charity'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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Hayra Patel

Lubbock Fine LLP

Chartered Accountants & Statutory Auditors
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 20 September 2024

Lubbock Fine LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE RELAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and gift aid	2	9,528,976	9,528,976	6,356,039
Total income		<u>9,528,976</u>	<u>9,528,976</u>	<u>6,356,039</u>
Expenditure on:				
Charitable activities	3	8,574,263	8,574,263	6,415,130
Total expenditure		<u>8,574,263</u>	<u>8,574,263</u>	<u>6,415,130</u>
Net movement in funds		<u>954,713</u>	<u>954,713</u>	<u>(59,091)</u>
Reconciliation of funds:				
Total funds brought forward		675,528	675,528	734,619
Net movement in funds		954,713	954,713	(59,091)
Total funds carried forward		<u>1,630,241</u>	<u>1,630,241</u>	<u>675,528</u>

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

The notes on pages 17 to 30 form part of these financial statements.

THE RELAY TRUST

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Note		2023 £	2022 £
Fixed assets				
Tangible assets	6		-	5,027
Intangible asset	7		-	-
			<hr/>	<hr/>
			-	5,027
Current assets				
Tangible assets	6	12,216	2,124	
Intangible asset	7	-	1,344,701	
Debtors	8	7,131,022	2,535,439	
Cash at bank and in hand		14,417	201,502	
		<hr/>	<hr/>	
		7,157,655	4,083,766	
Creditors: amounts falling due within one year	9	(5,527,414)	(3,413,265)	
		<hr/>	<hr/>	
Net current assets			1,630,241	670,501
			<hr/>	<hr/>
Total net assets			1,630,241	675,528
			<hr/>	<hr/>
Charity funds				
Unrestricted funds	10		1,630,241	675,528
			<hr/>	<hr/>
Total funds			1,630,241	675,528
			<hr/>	<hr/>

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

Neil Smith

Neil Smith

Trustee

Date: 19 September 2024

The notes on pages 17 to 30 form part of these financial statements.

THE RELAY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	12	69,945	946,250
		<hr/>	<hr/>
Cash flows from investing activities			
App development costs		(246,835)	(791,854)
Purchase of tangible assets		(10,195)	(9,532)
		<hr/>	<hr/>
Net cash used in investing activities		(257,030)	(801,386)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(187,085)	144,864
Cash and cash equivalents at the beginning of the year		201,502	56,638
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	13	14,417	201,502
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 30 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

The previous accounting period represents 18 months from 1 April 2021 to 30 September 2022, as such the comparative period is not entirely comparable.

1.2 Going concern

The Trustees intend to transfer the trade, assets and liabilities of the charity to a newly set up charitable company limited by guarantee (company registration number 15897166) in 2024. As required by UK accounting standards, the Trustees have prepared the financial statements on the basis that the Charity is no longer a going concern. Other than the reclassification of tangible assets from fixed assets to current assets, no other material adjustments arose as a result of ceasing to apply the going concern basis.

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.

Donation income is generally recognised when received or at point of pledge.

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 30 SEPTEMBER 2023

1. Accounting policies (CONTINUED)

1.6 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

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

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

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 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.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. Accounting policies (CONTINUED)

1.9 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25%
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1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

2. Income from donations and gift aid

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and gift aid	9,528,976	9,528,976	6,356,039
Total 2022	6,356,039	6,356,039	

3. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activity costs	397,334	8,014,217	162,712	8,574,263	6,415,131
Total 2022	262,211	5,787,662	365,258	6,415,131	

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Wages and Salaries	261,812	167,447
Staff travel expenses	109,924	77,661
Other staff expenses	25,598	17,103
	<u>397,334</u>	<u>262,211</u>

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Wages and Salaries	1,400	78,392
Bank charges	1,282	8,529
Audit Fees	35,988	18,930
Legal and professional fees	55,976	1,284
Administrative fees	82,444	136,337
Insurance	11,421	1,905
Other support costs	-	95,098
Depreciation	3,006	2,383
Foreign exchange (gain) / loss	(34,248)	-
Recruitment fees	-	22,400
Training costs	5,443	-
	<u>162,712</u>	<u>365,258</u>

Support costs are allocated to the grant making activity of the charity.

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

4. ANALYSIS OF GRANTS

	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Total funds 2023 £	Total funds 2022 £
Grants split by location				
Alexandria	171,103	37,869	208,972	415,110
USA	2,676	-	2,676	-
Congo	171,688	4,296	175,984	147,578
UK & Europe	3,321,696	-	3,321,696	2,581,622
East Africa	5,226	-	5,226	-
Central Africa	-	-	-	1,534
West Africa	1,095,854	-	1,095,854	1,030,791
South Africa	434,412	-	434,412	842,380
Indian Ocean	344,471	-	344,471	227,537
North Africa	2,424,926	-	2,424,926	541,110
Total 2023	7,972,052	42,165	8,014,217	5,787,662
Total 2022	5,777,255	10,407	5,787,662	

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The charity has made the following material grants to institutions during the year:

	2023 £	2022 £
Guji and Borena Full Gospel Church Bible College	-	309,546
Europe Collaboration	-	199,729
Oak Hill College	318,505	312,191
Wycliffe Hall	-	126,863
St John's College	449,468	220,100
Diocese of IAMA	-	120,164
Mount Zion Training and Retreat Center	-	635,682
Kadguli Grace Secondary School	-	208,561
George Whitfield College Explore	-	444,961
Hulbert Enterprises Ltd	2,030,307	1,587,073
Episcopal Church of South Sudan	1,220,548	-
The Episcopal University	897,450	-
	<u>4,916,278</u>	<u>4,164,870</u>

The grants were made to institutions in respect of both operational and capital projects that support the delivery of leadership training by partner churches.

Further details of the grant awarded to Hulbert Enterprises Ltd can be found in note 7.

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

5. STAFF COSTS

	2023 £	2022 £
Wages and salaries	235,449	214,552
Social security costs	17,581	25,369
Contribution to defined contribution pension schemes	10,182	5,917
	<u>263,212</u>	<u>245,838</u>

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

	2023 No.	2022 No.
Average number of employees	<u>8</u>	<u>7</u>

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

	2023 No.	2022 No.
In the band £80,001 - £90,000	2	2
In the band £110,001 - £120,000	-	1

During the current and prior year none of the Trustees, who are also considered to be the charity's key management personnel, received remuneration, benefits in kind or reimbursed expenses.

Total remuneration paid to key management personnel was £189,188 (2022 - £385,660). This amount exceeded the wage costs noted above in the prior year as salary and contractor costs totalling £303,897 had been capitalised as intangible assets during the prior period.

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

6. TANGIBLE FIXED ASSETS

	Office equipment £
At 1 October 2022	7,410
Additions	10,195
Transfer to current assets	(17,605)
	<hr/>
At 30 September 2023	-
	<hr/>
At 1 October 2022	2,383
Charge for the year	3,006
Transfer to current assets	(5,389)
	<hr/>
At 30 September 2023	-
	<hr/>
Net book value	
At 30 September 2023	-
	<hr/> <hr/>
At 30 September 2022	5,027
	<hr/> <hr/>

Tangible assets with a net book value of £12,216 were transferred from fixed assets to current assets as a result of the charity's financial statements being prepared on a basis which is no longer the going concern basis. Further details regarding the charity's going concern basis can be found in note 1.2.

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

7. INTANGIBLE ASSETS

	App under develop ment £
At 1 October 2022	1,344,701
Additions	246,835
Disposals	(1,591,536)
At 30 September 2023	-
Net book value	
At 30 September 2023	-
At 30 September 2022	1,344,701

The additions in the period relate to the development of an online learning application (The Online Well) during the year.

The intangible fixed asset was donated to Hulbert Enterprises (Registered Charity No. 1182215) on 29th March 2023, thus a disposal has been recognised at the assets net book value at the date of transfer. This decision was taken by the Trustees on the basis that Hulbert Enterprises Ltd has the relevant expertise and capability to bring the asset into working order.

8. DEBTORS

	2023 £	2022 £
Due after more than one year		
Other debtors	-	16,691
	-	16,691
Due within one year		
Other debtors	1,811,532	719,794
Prepayments and accrued income	5,319,490	1,798,954
	7,131,022	2,535,439

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	159	-
Other taxation and social security	6,046	13,099
Accruals and deferred income	29,480	22,784
Grants payable	5,491,729	3,377,382
	<u>5,527,414</u>	<u>3,413,265</u>

10. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
Unrestricted funds				
General Funds	<u>675,528</u>	<u>9,528,976</u>	<u>(8,574,263)</u>	<u>1,630,241</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 30 September 2022 £
Unrestricted funds				
General Funds	<u>734,619</u>	<u>6,356,039</u>	<u>(6,415,130)</u>	<u>675,528</u>

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	7,157,655	7,157,655
Creditors due within one year	(5,527,414)	(5,527,414)
Total	1,630,241	1,630,241

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	5,027	5,027
Intangible fixed assets	1,344,701	1,344,701
Debtors due after more than one year	16,691	16,691
Current assets	2,722,374	2,722,374
Creditors due within one year	(3,413,265)	(3,413,265)
Total	675,528	675,528

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	954,713	(59,091)
Adjustments for:		
Depreciation charges	3,006	2,383
Loss on the disposal of fixed assets	1,593,659	-
Increase in debtors	(4,595,582)	(1,014,062)
Increase in creditors	2,114,149	2,017,020
Net cash provided by operating activities	69,945	946,250

THE RELAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

13. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand	14,417	201,502
Total cash and cash equivalents	14,417	201,502

14. ANALYSIS OF CHANGES IN NET DEBT

	At 1 October 2022 £	Cash flows £	At 30 September 2023 £
Cash at bank and in hand	201,502	(187,085)	14,417
	201,502	(187,085)	14,417

15. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £10,182 (2022 - £5,917). Contributions totalling £2,155 (2022 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

16. OPERATING LEASE COMMITMENTS

At 30 September 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	35,400	74,110
Later than 1 year and not later than 5 years	106,200	141,600
	141,600	215,710

Operating lease rental payments totalling £57,347 (2022 - £98,253) have been recognised in the Statement of Financial Activities.

17. RELATED PARTY TRANSACTIONS

During the year, unrestricted donations totalling £7,623,180 (2022 - £4,852,568) were received from Trustees and other related parties.

18. POST BALANCE SHEET EVENTS

On 18th August 2024, The Trustees incorporated a new charitable company limited by guarantee (company registration number 15897166). The Trustees intend to transfer the trade, assets and liabilities of the charity to this newly set up charitable company limited by guarantee in 2024.