

THE ANABAPTIST MENNONITE NETWORK
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE ANABAPTIST MENNONITE NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Tim Foley
Linda Wilson
Andrew Potter
Helen Roe
Joshua Searle
Dumisani Ncube
Chris Horton

Charity number

1175973

Principal address

Unit 13929
PO Box 7169
Poole
BH15 9EL

Independent Examiners

Linda Noel FCA
Noel and Co Chartered Accountants 4, Parliament Close,
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Buckinghamshire HP16 9DT

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TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and accounts for the year ended 31 December 2020.

On the 31 January 2020 all the assets and liabilities of the London Mennonite Trust (registered charity 227410) were transferred to the Anabaptist Mennonite Network. All operations continued and there were no changes in staff, trustees, or beneficiaries. Prior to the transfer there were no assets, liabilities, or financial transactions of any kind, in the Anabaptist Mennonite Network.

The nature of the transfer allows for merger accounting, and therefore the comparatives used are those of the London Mennonite Trust's thirteen-month period to 31 January 2020. These represent the assets and liabilities at the date of the merger and therefore no further analysis is needed.

Although the Anabaptist Mennonite Network is reporting for the year ended 31 December 2020, it should be noted that, due to the date of the merger, this represents only eleven months of financial activity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and the SORP (FRS 102) 2015, Accounting and Reporting by Charities.

Objectives and Activities

We believe that the Anabaptist-Mennonite story offers a fresh and inspiring perspective to our contemporary society and has potential to inspire people to make new connections with the life of Jesus and his followers. The Anabaptist Mennonite Network exists to energise people in their search for truth and wholeness and equip them to live distinctively through the core Mennonite commitments to justice, peace-making, reconciliation and non-violence.

The main purpose of the network is to promote and embody an understanding of the Christian faith from a Mennonite or Anabaptist perspective in the UK and Ireland, and to resource people and organisations who are pursuing similar goals. It does so primarily by:

- providing a welcome to enquirers through the offering of hospitality and support, and enabling access to Christian resources, either through informal study or assistance with formal qualifications.
- offering logistical and financial support to other like-minded projects and organisations.
- maintaining traditional relationships with international Mennonite and Anabaptist networks, and seeking relationships with new partners working for similar objectives.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in deciding what activities the charity should undertake. A summary of these activities follows.

A portfolio of residential properties is managed and maintained, either being used directly to house people embarking upon local support projects or let out at commercial rates to generate funds to be used for the objectives of the charity.

A network of volunteer regional representatives is facilitated in order to ensure personal contact can always be offered to individuals connecting with the organisation, and those already exploring the Anabaptist tradition.

The AMN continues to support the development of the Centre for Anabaptist Studies at Bristol Baptist College, and the maintenance of an Anabaptist library there. This is open for anyone who wishes to participate in relevant study and reading, either through personal use of library, or participation in formal learning, for which the charity provides some bursary support.

Grants and funding are provided, where possible, to individuals and organisations who apply for them. As trustees, we consider each application on its own merits.

Achievements and Performance

The circumstances in 2020 have been particularly challenging, but nevertheless the trustees have continued to focus on the priorities we have identified for the AMN in pursuit of our main purposes.

The Centre for Anabaptist Studies has continued to offer MA modules in block weeks at Bristol Baptist College,

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using online teaching. Several students are studying under the auspices of the Centre and the AMN has provided bursaries for a number of these students during the period.

The AMN employs a part-time worker to develop Peaceful Borders, an initiative responding to the needs of refugees in France and the UK, including a new project, Hopetowns, in London. When it was not possible to gather during the lockdown, support was given to families through Hopetowns. During the summer, when it was possible, some events were held, where, with appropriate social distancing, refugees could gather and socialise. A new project, Project Pause, concerned with recording the experiences of refugees and asylum seekers, was launched together with Humans for Rights Network.

Financial support was provided to Urban Expression, a pioneering mission agency, and to two community projects - Soulspace in Belfast and Simply in Exeter.

The AMN has also developed its connection with the Anabaptist Theology Forum, which has been meeting online, providing some administrative support for the Forum and advertising events on the AMN website.

During 2020, the AMN began to develop a new initiative, aimed at resourcing churches which want to develop more explicitly Anabaptist characteristics. A residential weekend was held early in the year to explore this. Following the weekend two strands have developed: firstly, ongoing discussions with existing churches and secondly, facilitating the development of new churches with an Anabaptist identity.

Regarding our property portfolio, during the period one property was made available to a family who are working with their local community in various support capacities. The AMN's remaining properties were rented out at market rates for the full period, (with the exception of one property which was vacant for a few months at the start of 2020), maximising income for the fulfilment of the organisation's objectives.

Financial Review

The fund balance on 31 December 2020 is £2,922,898. This represents an increase of £58,726 on the position at 31 January 2020. After the prior year one-off profit on property disposal of £39,838 is accounted for, the movement is a actually £98,564. This is largely down to significant grants received in the period (see Note 2).

Despite the challenging context, void periods within the property portfolio were minimal and this led to an increase in investment income (when adjusted for accounting period length). Property repairs and renewals were slightly higher as more work become possible over the summer months, but general spend remains on the low side due to property access restrictions.

The current policy of the AMN is to retain £100,000 as reserves to fund a year of running costs should income decline for any reason. The trustees are aware that the current cash reserves remain in excess of this level. It had been the intention to invest this surplus capital in another property during 2020 but, despite several attempts, a suitable property was not found. The number of prospects coming to market has been reduced by the pandemic, and the trustees are optimistic that investment will occur during 2021.

Towards the end of 2020, the trustees began a detailed review of the property portfolio and decided to sell some of the poorer performing houses and replace them with more modern houses with a higher rate of return. This will also improve the environmental performance of the portfolio and better prepare it for the future. It is expected that these sales and purchases will occur during 2021.

Structure, Governance and Management

The charity was established by the trustees of the London Mennonite Trust (registered charity 227410) on 28th November 2017 as a Charitable Incorporated Organisation and constituted on the Foundation Model. Its purpose was to allow the unincorporated charity to continue its operations within an incorporated legal entity. Originally named 'The Mennonite Trust', the name of the CIO was subsequently changed to 'The Anabaptist Mennonite Network'.

After a longer than expected delay, all operations and assets from the London Mennonite Trust were merged into this CIO on 31 January 2020 and the trust closed.

On 30 June 2020 the Anabaptist Mennonite Network received the assets and liabilities of the Anabaptist Network

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FOR THE YEAR ENDED 31 DECEMBER 2020

Trust (registered charity 1021760). Both parties agreed that the activity of the two organisations had been increasingly complementary and that the objectives of each would be best served by merging. The financial effect was a cash transfer of £9,266 to the Anabaptist Mennonite Network, classified as other income (see Note 2). There were no changes to trustees or staff.

Trustees are recruited from members of organisations or churches sympathetic to Anabaptist understandings of the Christian faith. New trustees are appointed by the existing trustees. The trustees have reviewed, and will continue to review, the range of skills they bring to the charity to ensure it is appropriate in accordance with good corporate governance.

The trustees met formally four times during 2020, as well as communicating extensively by email between meetings. Other working groups of trustees and staff, which meet as required, have been established to advise the trustees or to work on specific activities as directed by the trustees.

The trustees have assessed the major risks to which the organisation is exposed, and are satisfied that systems appropriate to the scale and type of organization are in place to mitigate exposure to the major risks. The trustees have given continued close attention to the long term and short term strategy for the operations.

Reference and Administrative details

Charity name: The Anabaptist Mennonite Network

Charity Registration No: 1175973

Charity's principal address: Unit 13929, PO Box 7169, Poole, BH15 9EL

The trustees who served during the year were:

Tim Foley	
Diane Stitt Melchert	(resigned 21 Nov 2020)
Stuart Murray Williams	(resigned 21 Nov 2020)
Linda Wilson	
Andrew Potter	
Helen Roe	
Joshua Searle	
Dumisani Ncube	(appointed 9 Sep 2020)
Chris Horton	(appointed 20 Nov 2020)

No funds are held as custodian trustees on behalf of others.

The organisation has not claimed any exemptions from disclosure requirements.



On behalf of the board of trustees

9 July 2021

Linda Wilson

Trustee

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INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ANABAPTIST MENNONITE NETWORK

I report on the accounts of the network for the year ended 31 December 2020, which are set out on pages 4 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) state whether particular matters have come to my attention.

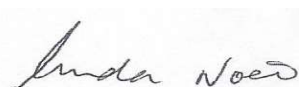
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Linda Noel
Noel and Co Chartered Accountants

9 July 2021

4, Parliament Close, Prestwood
Great Missenden
Buckinghamshire
HP16 9DT

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total Jan 2020 £
Incoming resources					
Donations and legacies	2	11,119	84,965	96,084	45,174
Charitable activities	3	-	-	-	460
Investments	4	122,632	-	122,632	130,907
Profit on disposal of fixed asset		-	-	-	39,838
Total incoming resources		133,751	84,965	218,716	216,379
Resources expended					
Raising Funds	5	49,016	-	49,016	46,907
Charitable activities	6	65,900	45,074	110,974	143,847
Total resources expended		114,916	45,074	159,990	190,754
Net movement in funds		18,835	39,891	58,726	25,625
Fund balances at 31 January 2020		2,836,271	27,901	2,864,172	2,838,547
Fund balances at 31 December 2020		2,855,106	67,792	2,922,898	2,864,172


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BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		Jan 2020	
	Notes	£	£	£	£
Fixed assets					
Investments	9		2,241,442		2,241,442
Current assets					
Debtors	10	9,191		225,516	
Cash at bank and in hand		677,085		399,866	
		<u>686,276</u>		<u>625,382</u>	
Creditors: amounts falling due within one year	11	<u>4,820</u>		<u>2,652</u>	
Net current assets			<u>681,456</u>		<u>622,730</u>
Total assets less current liabilities			<u>2,922,898</u>		<u>2,864,172</u>
Income funds					
Restricted funds	12		67,792		27,901
Unrestricted funds			<u>2,855,106</u>		<u>2,836,171</u>
			<u>2,922,898</u>		<u>2,864,172</u>

The accounts were approved by the trustees on 9 July 2021.



Linda Wilson
Trustee

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 (as updated through Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical convention (modified to include certain items at fair value). The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

1.3 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Certain overhead costs are allocated to particular activities in proportion to the activity's estimated usage of those costs.

Governance costs of the charity relate to the costs of running the charity such as the costs of Independent Examination of the accounts, trustee meetings and statutory compliance.

1.4 Investments

Fixed assets investment properties are stated at cost. The trustees are confident that the market value of all properties exceeds their stated cost, and therefore depreciation is not necessary.

1.5 Pensions

The organisation pays into a defined contribution pension scheme on behalf of three employees. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.6 Accumulated funds

Unrestricted funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total Jan 2020 £
Donations and gifts	1,617	19,096	20,713	15,347
Gift Aid	235	-	235	65
Grants received	-	65,869	65,869	29,762
Other	9,267	-	9,267	-
	<u>11,119</u>	<u>84,965</u>	<u>96,084</u>	<u>45,174</u>

Material items of unrestricted income included a £50,000 grant received from SHED (SUSTAINABILITY. HEALTH. ENVIRONMENT. DEVELOPMENT. - registered charity 1185591) to begin a new initiative, Project Pause, to be run by Network staff. SHED also provided a £10,000 grant for the continuing work of Peaceful Borders.

The Wood Green Mennonite Church Trust (registered charity 1058376) provided a grant of £9,375 for the Alan Kreider Legacy Fund.

A full analysis of restricted income is given in note 12.

Other income was a one-off cash transfer received from the Anabaptist Network Trust on its merger with the Anabaptist Mennonite Network.

No government grants were received.

3 Charitable activities

Event income	<u>-</u>	<u>-</u>	<u>-</u>	<u>460</u>
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4 Investments

Interest income	44	-	44	-
Rental income	122,588	-	122,588	130,907
	<u>122,632</u>	<u>-</u>	<u>122,632</u>	<u>130,907</u>

5 Expenditure on raising funds

Property Professional Fees	28,573	-	28,573	25,950
Property Repairs/renewals	16,928	-	16,928	13,802
Property Tax & Insurance	3,001	-	3,001	4,301
Property Utilities	514	-	514	2,854
	<u>49,016</u>	<u>-</u>	<u>49,016</u>	<u>46,907</u>

THE ANABAPTIST MENNONITE NETWORK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total Jan 2020 £
Staff costs (note 7)	42,329	12,792	55,121	85,974
Grant making (note 8)	12,275	6,167	18,442	26,474
Staff travel & subsistence	1,550	2,434	3,984	9,212
Additional staff & support	1,044	17,269	18,313	1,298
Trustee travel & subsistence	652	-	652	4,011
General admin & subscriptions	1,573	43	1,616	1,986
Event costs	1,970	1,849	3,819	9,678
Bank interest & charges	55	-	55	145
Legal & professional fees	3,108	3,900	7,008	3,152
Stationary & office costs	692	620	1,312	1,150
Insurance	652	-	652	767
	65,900	45,074	110,974	143,847

£1,500 was paid for the examination of the Accounts (Prior year: £1,700).

7 Staff costs

Salaries & wages	40,277	12,375	52,652	81,207
Social security costs	-	-	-	1,177
Pension costs	2,052	417	2,469	3,590
	42,329	12,792	55,121	85,974

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

Pension costs are paid to an externally run Defined Contribution scheme (NEST).

Average head count in the period	Full time	Part time	Total 2020	Total Jan 2020
Charitable activities	-	3	3	4
Governance	-	1	1	1

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Grantmaking

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total Jan 2020 £
Soulspace	10,000	-	10,000	10,000
Urban Expression	-	-	-	6,000
Simply	-	-	-	7,500
Mennonite Library	450	-	450	150
Study Bursaries	825	3,967	4,792	2,824
Others	600	1,200	1,800	-
	12,275	6,167	18,442	26,474

Material Grants to institutions

- Soulspace - to support a cross-community peacemaking and church planting initiative in Belfast which has Anabaptist values.
- Urban Expression - to support that agency's work in marginalised communities in recognition of the Anabaptist values shared between Urban Expression and the AMN.
- Simply - to support the development of a regional expression of Anabaptist church and community in the south-west of England.

9 Investment assets - Properties

	Land and Buildings £
Cost	
At 1 February 2020	2,241,442
Additions	-
Disposals	-
At 31 December 2020	2,241,442
Depreciation	
At 1 February 2020 and 31 December 2020	-
Net Book Value	
At 31 December 2020	2,241,442
At 31 January 2020	2,241,442

These investments consist of 8 (Prior year: 8) residential properties which are rented to provide income or used to provide short-term housing for charity projects.

There are no restrictions on realising the investments or receiving income and disposal proceeds.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Debtors and Prepayments

	2020 £	Jan 2020 £
Trade Debtors	7,541	65
Mortgages & loans	-	225,326
Prepayments & accrued income	1,650	125
	9,191	225,516

Prior period: Included in Mortgages and Loans is £224,212 due from Anthony Collins solicitors in relation to proceeds from a property sale.

11 Creditors: amounts falling due within one year

	2020 £	Jan 2020 £
Accruals	4,820	2,652

12 Restricted Funds

	Balance at 1 Feb 2020 £	Incoming Resources £	Resources Expended £	Balance at 31 Dec 2020 £
CPT UK	7,665	110	(1)	7,774
CAS Bursary Fund	534		(534)	-
Alan Kreider Legacy Fund	5,496	9,375	(3,432)	11,439
Project Pause	-	50,000	(18,401)	31,599
Peaceful Borders	167	19,927	(9,499)	10,595
Hopetowns	13,952	5,553	(13,120)	6,385
Anabaptist Theological Forum	87		(87)	-
	27,901	84,965	(45,074)	67,792

Fund Notes

CPT UK – Christian Peacemaker Teams is an international organisation, with the work in this country organised as a project of the AMN.

Alan Kreider Legacy Fund – following the death of Alan Kreider in 2017, a fund bearing his name was established to support study in specified fields and international exchange visits.

Project Pause – a project, launched with Humans for Rights Network, with the aim of collecting stories and evidence from refugees and asylum seekers in the UK.

Peaceful Borders – a project that supports refugees and asylum seekers on entry into the UK.

Hopetowns – a project, linked to Peaceful Borders, that hosts regular social and learning gatherings in London for refugees and asylum seekers.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Transactions with trustees and related parties

None of the trustees have been paid any remuneration or received any other benefits from an employment with this charity or a related entity.

During the period, two trustees made donations to the charity. One trustee made donations of £1,564.40, and another trustee donations of £110.

The charity engaged the services of Atkinson Roe Architects to provide consultancy and management services in relation to the property portfolio. Helen Roe, a trustee, undertook this work and received a total of £17,065 (Prior period: £9,789) in fees. This arrangement is governed by a service agreement that stipulates normal commercial terms and was agreed by all trustees prior to the engagement. Payment is based on detailed itemised invoices which the trustees must approve before submission. There were no amounts outstanding at the period end.

Trustee expenses are included in note 6. The number of trustees reimbursed for expenses was 4 (Prior period: 7).