



IBCM NETWORK

A Charitable Incorporated Organisation
Charity Registration Number: 1182514

Report and Financial Statements

For the period 18 March 2019 - 31 August 2020

IBCM NETWORK

Report and Financial Statements 2020 Contents

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IBCM NETWORK

Legal & Administrative Information

For the year ended 31 August 2020

Charity name	IBCM Network
Governing Document	IBCM Network was registered as a charitable incorporated organisation (CIO) by the Charity Commission for England and Wales on 18 March 2019, and came into being by that act. Its governing document is based on the Charity Commission model constitution for a so-called 'Foundation' CIO, with a limited number of modifications to suit the CIO's position as a charity which advances Christianity according to the object specified in its constitution. The CIO was formed to take over the work of the International Brethren Conferences on Mission (IBCM), which between 1993 and 2019 operated on an informal and ad hoc basis to arrange conferences from time to time.
Charity Registration No.	1182514
Principal Address	Abbey Court, Cove, Tiverton EX16 7RT, UK
Trustees	<p>The Trustees who served during the financial year of report and/or up to the date of this report were (with details of their country of residence and nationality):</p> <p>Philip Barnes (appointed 8 September 2020) (Canada) John Henry Burness (Chairman) (UK) Joel Andrew Hernandez (USA) Hadyn Marshall (appointed 3 August 2020) (St Vincent & the Grenadines) Fares Marzone (resigned 7 July 2020) (Italy) Andrew Philip Kenneth Miles (Treasurer) (UK) Neil William Summerton (UK) David Andrew Smith (resigned 15 June 2020) (Australia) Abraham Thomas (appointed 3 August 2020) (India)</p>
Key Management Personnel	Those persons having responsibility for controlling, directing and planning the activities of the charity, and/or having significant responsibility for the day-to-day running of the charity, are the Trustees for the time being and in addition David Smith in his executive capacity as International Director of the charity.
Bankers	Barclays Bank plc 93-97 Queensway London W2 4QG

IBCM NETWORK

Report of the Trustees

For the year ended 31 August 2020

The Trustees submit their report and financial statements for IBCM Network (“the charity”) for the period 18 March 2019 to 31 August 2020, and this is the first report of the charity.

The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out in page 2 of this document forms part of this report.

I. Structure, Governance & Management

I.1 The Governing Document

The governing document is a CIO ‘foundation’ constitution which came into force with the registration of the CIO by the Charity Commission for England and Wales on 18 March 2019. The charity was formed to take legal and managerial responsibility for the work of what had until then been an informal international group initially formed in 1993 to arrange global conferences for national leaders in the Christian Brethren movement, a network of, now, some 40,000 independent evangelical congregations to be found in some 155 countries in the world.

I.2 Trustees

While the charity was formed within the charity jurisdiction of England and Wales, the charitable work for which it is responsible is inevitably global in reach, and the trustee body must necessarily be representative of the work worldwide, so far as is possible within a small board of trustees, but taking account too of the need for one or two trustees to be familiar with the charity system in England and Wales. The existing trustees are in the process of increasing their number by making suitable appointments, to achieve the necessary geographic representation; this accounts for recent changes in the composition of the board of trustees. The trustees do not rule out making one or two additional appointments in the near future.

The number of trustees must be not less than three, and there is no upper limit. The Trustees envisage that normally the charity will operate with a number in the range 7 to 10. The first charity trustees were appointed for varying periods of years as specified in the constitution, so as to provide satisfactory rotation of new appointments. Further charity trustees are appointed for a term of three years by resolution passed by a majority of the trustees.

None of the trustees receives remuneration.

In the period covered by this report, David Smith of Australia stood down as a trustee in order to take up the paid position of International Director with the charity. The necessary consent of the Charity Commission for the appointment of a former trustee to a paid position was applied for and given.

As permitted by the constitution, meetings of the trustees are necessarily conducted by electronic means, except to the extent that they can occasionally meet at events organised by the charity.

The **induction process** for any newly appointed trustee comprises an initial meeting with the existing trustees, to give the latter the opportunity to explain the background and evolution of the activities of the charity and expected future developments. Those appointed normally have prior familiarity with the activities of the charity. Information provided to joining trustees includes:

- copies of the most recent reports and financial statements
- a copy of the constitution
- direction to the Charity Commission’s guidance, ‘The Essential Trustee’ (CC3) on the Commission’s website

- direction to relevant guidance from the Charity Commission on public benefit, particularly that relating to public benefit and the advancement of religion (also available on the Commission's website).

1.3 Risk Management

The main heads of risk arising from or in the course of the activities of the charity are

- **financial:** the charity is dependent for solvency on income from fees charged for major events, grants from other charities across the world which are interested in the success of IBCM Network's activities and work, and donations from individuals and personal foundations (again from those with an interest in the activities). As is usual in the connection of congregations which are served, the trustees have the expectation and confidence that the Lord will provide the financial needs of the charity to the extent that he intends. The trustees are nevertheless prudent not to incur financial obligations that they do not have reasonable expectation of having the means to meet; they make applications to foundations in good time for forward funding and temper the programme of activities and work to the resources expected to be available.
- **personal:** staff particularly, and trustees as necessary, frequently travel to a range of countries to accomplish the purposes of the charity. They are required to ensure that vaccinations and inoculations for the particular country to be visited are up to date and are enjoined to take reasonable care at all times, especially about road transport which is a frequent source of risk in many countries, though they cannot always with diplomacy regulate risks of this kind.

The trustees intend to prepare a formal risk assessment with respect to travel and to draw up a safeguarding policy for all with whom the charity comes into contact through its work.

2. Object, Strategy, Activities, and Public Benefit

2.1 Object

The object of the charity is 'to advance the Christian faith for the public benefit in accordance with the statement of beliefs ... with particular regard to the life and mission of the churches of the Open or Christian Brethren movement in the United Kingdom and worldwide as the charity trustees may from time to time think fit.'

2.3 Strategy and Activities

At present, the charity seeks to prosecute its object by seeking to strengthen the network of Brethren congregations worldwide, summary details of which have been given in section 1.1 above. As with the work of International Brethren Conferences on Mission (IBCM) since 1993, which the charity has taken over, it therefore aims to strengthen connection across the global network of churches, to encourage local congregations through encouraging national leaders and other key workers, to strengthen leaders and encourage training for them, and to facilitate outreach (including cross-cultural mission) from the network of churches both within particular countries and between countries. It does this principally through a quadrennial global conference (that in 2019 was attended by nearly 900 people from 122 countries); by encouraging similar regional conferences across the world at three- or four-yearly intervals; through encouraging the establishment, development and work of training operations in a wide range of countries; and improving communication across the movement of churches and between countries (since early 2020 there has been a particular focus on the impact of coronavirus in the different countries, by disseminating news to stimulate prayer and the provision of financial support).

The main activities are conferences, consultations, and webinars, and communication via collection of information for wider distribution, issuing newsletters, and providing a comprehensive and up-to-date website which is publicly available. This entails a considerable amount of essential backroom work: to collect information, prepare accurate and accessible newsletters, maintain databases which guard the privacy of personal information, and build user-friendly booking and accounting systems which can be used not only for the global conference but by regional conferences and webinars.

2.4 Public benefit

The charity gives public benefit by advancing Christianity through the strengthening of a worldwide network of local congregations, in particular through encouraging and improving the quality of national and local leaderships. Not only is public benefit given where more effective Christian experience and practice is encouraged, thus raising the overall quality of life for many people and those they interact with, but, as has been the case throughout Christian history, local congregations and wider Christian networks are key civil institutions in relief and development in many countries across the world and in others make often unseen and unvalued contributions to quality of life in local communities. The charity's work with key leaders and activists encourages their effectiveness in their roles in these congregations and networks. In the year of report, the charity has in particular promoted donations to provide relief in countries where the effect of COVID-19 has been immediate poverty for those in insecure employment.

The trustees recognize their duty under English and Welsh law to have regard to the Charity Commission's guidance on the public benefit which charities must give if their activities are to be charitable. They are satisfied that, in the ways explained above, their activities provide substantial public benefit and do not give rise to counter-balancing harm. The attention of trustees has been called to the Commission's revised guidance of 2019 on public benefit.

2.5 Effects of the COVID-19 pandemic on the charity, and its response

The Charity Commission has requested that special report be made on the effects of the pandemic on the work of the charity.

The risks from the virus, local restrictions, and disruption to international travel have all affected planning for international conferences, whether the global conference or regional conferences referred to above. Visits by trustees and staff to the possible location of the next global conference in 2023 have been prevented, and most regional conferences have had to be deferred from 2020 and 2021 to 2022 at the earliest. In some regions, online webinars have been substituted or are being planned, and it is expected that all regions will follow suit, except perhaps in Africa where internet arrangements in many places affect this option.

It remains to be seen for how long these effects will be sustained. So far as the charity's income is concerned, it is not possible to disentangle any effects of the pandemic from other factors which may have been affecting the level of grants and donations towards the work of the charity.

3. Financial Review

3.1 Financial Activity and Financial Position

As noted, the charity came into being on its registration on 18 March 2019. That was just three months before the major IBCM global conference that the charity's predecessors were in the midst of organising. It was agreed therefore that the new charity should not take formal responsibility for existing IBCM activities until after the conference. For practical purposes therefore accounting began on 1 July 2019 and, even then, did not include residual financial activities with respect to the conference, which were in any case partly the responsibility of a not-for-profit committee set up under Italian jurisdiction specifically for the conference and partly of another English and Welsh charity (Partnership (UK) Ltd – charity no. 02442321) which assisted with financial administration and sterling transactions for the conference.

The Statement of Financial Activities and Balance Sheet of the charity for the first period to 31 August 2020 are at pages 10 and 11 respectively below. Total income for the period of operation was £42,176 and expenditure £30,151, yielding a surplus of £12,025. The balance carried forward on 31 August 2020 was £20,587, including £8,562 transferred from the predecessor operation which IBCM Network took over.

IBCM Network's income during the first year of operations came mainly from donations from different funding bodies and trusts in the UK and throughout the world. The expenditure, in addition to settling residual conference costs, was mainly in support of seconded staff and development of our systems and office.

3.2 Reserves policy

On basis of their several experiences in Christian service over many years, the trustees believe that in the grace of God the financial needs of the charity will be provided as they arise. In principle, the trustees believe that monies received by the charity should be used in furtherance of the charity's objects as soon as is practical and is consistent with the orderly and responsible stewardship of the funds available and with its strategic plans.

At this stage in the life of the charity, the trustees are monitoring budgets and cash flows carefully, and adjusting activity from period to period, to fit the total funds available or promised. The trustees' aim is to build up an accrued operating reserve equivalent to six months budgeted expenditure.

3.3 Grant Making Policy

The IBCM activities which the charity has taken over consisted principally of a global quadrennial conference. Key to the success of this conference has been having the resources to make grants to individuals to cover some of the substantial costs which they incur in attending the global conference. Funds granted to IBCM by a small number of bodies in a limited range of countries have been allocated to them, so as to cover conference fees and make a partial contribution to the varying travel costs which it was known they would incur. Without such contributions, leaders from in particular Africa, South and South East Asia, Latin America, and Oceania would be unable to attend the conference. With respect to future global conferences, the charity expects that it will be necessary to continue to make grants for similar purposes on a similar basis. The charity will also consider whether, if funds are available, grants should be made for other purposes facilitating achievement of its object. Policy on grant making will therefore be kept under review as the work of the charity, and available funds, develop.

3.4 Value of input by volunteers

Consistent with the tradition of the Brethren movement which the charity serves, much of the work of the charity is carried out by volunteers. While the trustees consider that, if the work is to develop effectively, it is essential that some of it should be carried out by permanent paid employees, nevertheless it will remain important that there should be considerable input to the work of the charity by volunteers, both trustees and others. That has been the case over the reporting period. This work has significant money's worth to the charity, but it would be of questionable accuracy, and invidious as between volunteers, to seek to establish any precise monetary figure with respect to it.

4. Responsibilities of Trustees for the Financial Statements

The trustees are responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its financial activities for that period.

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the charity will continue.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees 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.

5. Approval

The report of the trustees was approved by the trustees on 14th June 2021 and signed on its behalf by:

A P Miles
Trustee

IBCM Network

Independent Examiner's report to the Trustees of IBCM Network ('the charity') for the period ending 31st August 2020

Charity No 1182514

I report on the accounts of the charity for the period ended 31st August 2020, which are set out on pages 12 to 20.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

As independent examiner, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 the seeking of 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.

IBCM Network

Independent Examiner's report to the Trustees of IBCM Network for the period ending 31st August 2020

Independent examiner's statement

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

1. which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and 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)

have not been met;

or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Glyn J Davies BSc FCA CTA (Independent Examiner)
58 Bowham Avenue
Bridgend CF31 3PA

15 June 2021

IBCM Network

STATEMENT OF FINANCIAL ACTIVITIES Including income and expenditure

FOR THE PERIOD ENDING 31 AUGUST 2020

	Unrestricted funds	Restricted funds	Total Funds
			£
INCOME FROM: (Note 3)			
Donations and legacies	41,834	-	41,834
Charitable activities	314	-	314
Investment income	28	-	28
Total income	42,176	-	42,176
EXPENDITURE ON: (Note 4)			
Raising funds	-	-	-
Charitable activities	30,071	80	30,151
Total expenditure	30,071	80	30,151
Net Income (Expenditure)	12,105	(80)	12,025
Transfers	-	-	-
Net movement in Funds	12,105	(80)	12,025
Reconciliation of funds			
Funds brought forward	6,539	2,023	8,562
Balance carried forward	18,644	1,943	20,587

All of the activities of the charity are classed as continuing.

IBCM Network

BALANCE SHEET

As at 31st August 2020

31 August 2020

£

CURRENT ASSETS

Debtors	-
Cash at bank and in hand	<u>22,043</u>
	22,043

CREDITORS

Amounts falling due within one year	(1,456)
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NET ASSETS	<u>20,587</u>
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RESERVES

Unrestricted funds	18,644
Restricted funds	<u>1,943</u>
	<u>20,587</u>

All of the activities of the charity are classed as continuing.

The charity has no recognised gains or losses other than the results for the year as set out above.

There are no material differences between the surplus on ordinary activities and the surplus for the financial year stated above, and their historical cost equivalents.

The notes on pages 12 to 15 form part of these financial statements

IBCM Network

Notes to the Financial Statements for the period ending 31st August 2020

1 STATUTORY INFORMATION

IBCM Network is a charity, established as a Charitable Incorporated Organisation, registered in England and Wales. The charity's registered number and registered office address can be found in the Report of the Trustees.

2 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

The charity is a public benefit entity.

There are no material uncertainties affecting the ability of the charity to continue as a going concern. In adopting FRS102 for the first time no prior year numbers have been affected.

Income

Income is recognised in the Statement of Financial Activities when

- the charity becomes entitled to the resources
- the trustees believe the receipt of the resources is probable and
- the monetary value can be measured with sufficient reliability.

Expenditure

Expenditure is recognised on an accruals basis as and when a legal or constructive obligation arises.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include and costs linked to the strategic management of the charity.

Governance costs are included within Support costs.

Fixed assets

Fixed assets are stated at cost and new items costing more than £1,000 are capitalised.

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over their estimated useful lives.

Taxation

The charity is not liable to tax on its charitable income as long as it is applied for charitable purposes. It is not considered there are any activities giving rise to a tax liability.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

A full description of each of the funds is included under Note 10

1 INCOME

Analysis of Income	Unrestricted funds	Brethren Training Network	Total funds
<u>Donations and legacies</u>			
Donations and gifts	587	-	587
Grants provided by other charities	41,245	-	41,245
		-	
Total	41,834	-	41,834

<u>Charitable activities</u>			
Sale of publications	314	-	314
Conference fees	-	-	-
Total	314	-	314

4 EXPENDITURE

Analysis of Expenditure	Unrestricted funds	Brethren Training Network	Total funds
<u>Charitable Activities</u>			
Cost of Publications	329	-	329
Staff and contractors' costs	18,158	-	18,158
Conference Costs	7,784	-	7,784
Other admin	3,800	80	3,880
Total	30,071	80	30,151

IBCM Network

Notes to the Financial Statements for the period ending 31st August 2020

5 PEOPLE RESOURCES

There were no employees for the period covered by this report, however the services of an international director and an administrator were seconded to the charity.

6 CREDITORS

Accruals	1,456
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7 MOVEMENT IN FUNDS

The movements in Funds in the period to 31st August 2020 were as follows:-

	At 1 July 2019	Income	Expenses	Transfers between funds	At 31 August 2020
Unrestricted	6,539	42,176	(30,071)	-	18,644
Restricted					
Brethren Training Network	2,023	-	(80)	-	1,943
Total Funds	8,562	42,176	(30,151)	-	20,587

Note: the funds totalling £8,562 at 1 July 2019 were amounts transferred from the predecessor organisation referred to in paragraph 3.1 of the Report of the Trustees.

Description and purpose of funds and transfers

Unrestricted Funds

These are funds that may be used for any purpose that lies within the aims and objects of the charity as the trustees decide.

Restricted Funds

Brethren Training Network

This is a fund to support training initiatives on an international basis, a key part of which is a regular conference attended by delegates from many countries.

8 TRANSACTIONS WITH TRUSTEES

Expenditure

There were no payments to trustees in the period for their services to the charity

Two trustees were reimbursed for expenses incurred on behalf of the charity

Type of expenses reimbursed	2020
	£
Postage	125
Admin expenses	<u>1,000</u>
	<u>1,125</u>