

Stewards Company Limited

Charity Registration No. 234558
Company Registration No. 00058569

Annual Accounts

**For the year ended
31 December 2020**

STEWARDS COMPANY LIMITED

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STEWARDS COMPANY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also directors for the purposes of the Companies Act, present their report for Stewards Company Limited (the "company") for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the company's governing document, the Charities Act 2011, the Companies Act 2006 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletins 1 and 2.

Throughout the year the COVID-19 coronavirus pandemic has been rampant in the UK and beyond with hundreds of thousands of lives lost and countless more impacted with poor health, financial and social challenges and great personal instability and fear. During this time the trustees and staff have been greatly dependant of God for necessary wisdom to protect and further the ministry of the company and those they seek to serve.

For many months the J W Laing Committee met fortnightly by zoom to review the affairs of the company and consider how best to assist the many ministries it supports and also other ministries known to it. Emergency applications were received and supported; annual grants were released early to assist with cash flow difficulties; priority support was considered for others.

As reported elsewhere in this Report:

- the company's investments remained strong and the company is financially viable;
- staff were enabled to work to their usual full capacity in their homes;
- the work of the Board and various committees continued as before by means of remote meetings;
- many ministries were financially supported as in other years;
- research was made into those ministries considered by the trustees to be strategic in nature to enhance the understanding and priorities of the trustees.

The trustees and staff of the company still join with many others in the UK and across the world, to pray for all those affected and potentially affected by this pandemic, and for those who are involved in providing essential services and supplies at this time.

OBJECTIVES AND ACTIVITIES

The objects for which the company is established are:

- the advancement of the Christian religion in any manner which shall be charitable and in particular (but without in any way limiting the generality of the foregoing) by the furtherance of the Gospel of God and education in the Holy Scriptures; and
- the relief of the poor.

The principal activities of the company are:

- to act as administrative trustee of a number of Christian charitable trusts, the main ones being the J W Laing Trust and the J W Laing Biblical Scholarship Trust; and
- to act as owner or as custodian trustee of various charitable properties, mainly used as places of Christian worship and situated either in the United Kingdom or overseas (see note 12).

A full record of all such trusts is listed in note 20 in the Accounts. All the trusts are administered as far as possible in accordance with the known wishes of the donors or the requirements of the relative trust deeds. Following the deaths of the settlors and their wives, one trust administered by the company was closed and the proceeds paid to two Christian charities as directed by the settlors.

A number of the smaller trusts are concerned with church properties where the company acts as property trustee, with the elders of the churches concerned taking the day-to-day decisions on the use and maintenance of the property. Annual contact is maintained with those who occupy these properties to ensure they are kept in good order, are insured and continue to be used for the purposes for which they were intended. For a little while the trustees have been conscious of their lack of expertise in property related matters and so, during the year, inquiries were made with certain UK Christian trusts dedicated to

STEWARDS COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

the ownership and maintenance of churches as to whether they would be willing to accept the ownership of such properties. At the same time discussions have been undertaken with the members of the churches involved to agree a mutual decision in such matters.

The Chairman, Vice-Chairman and Secretary of the company are authorised by the Board to act in the disbursement of funds where necessary.

For the two major trusts, the J W Laing Trust and the J W Laing Biblical Scholarship Trust, the J W Laing Committee (the "Committee") was formed to administer them. Trustees are appointed by the Board to the Committee which meets monthly. The Chairman and Vice-Chairman are ex-officio members of the Committee and the other members, other than the Secretary, can serve for a maximum of two terms of five years with a one year break. The Committee is responsible for approving all expenditure and monitoring the income, investments and administration of the trusts and detailed reports are provided to the Board at every meeting or earlier when necessary.

The J W Laing Trust has adopted as its principal objective "to help the church of Jesus Christ to fulfil the great commission". This is the instruction given by Jesus Christ to His disciples as recorded in Matthew's Gospel chapter 28, verses 16-20. As well as supporting individual churches, help is given to a range of evangelistic and mission organisations, movements publishing Bible resources, teaching of Scripture to school children and related enterprises. Further substantial financial support is given to strategic Christian organisations in certain parts of the developing world, literature production, other evangelistic and church development programmes together with the relief of poverty in a variety of countries overseas.

The objective of the J W Laing Biblical Scholarship Trust is to encourage the study of the Holy Bible. With this as its main objective, support is given to a variety of organisations furthering this cause including a number of evangelical Christian Bible Colleges; organisations which promote Christian work among university students both in the UK and overseas; an independent Biblical studies library with a Christian foundation.

In addition to the J W Laing Trust Committee there are also the following other committees in place:

1. the Executive Committee.
2. the Investment Committee.
3. the Research Committee.
4. the Barnabas Trust Committee.

For each committee there are Terms of Reference & Objectives. All of these were updated, reviewed and agreed by the Board on 14 November 2018 and are reviewed as necessary

All committee members are appointed by the Board, with all except one of the members being trustees of the company. All committees report initially to the Committee but ultimately to the Board with full reports being provided at each Board meeting.

Grant-making Policy

Numerous funding requests are received, many unsolicited, and all are considered. An online application process was introduced this year and this with the CRM helps inform the trustees more fully as such applications are reviewed and discussed. Grants made by the two major trusts are decided by the Committee which takes into account:

- the financial resources of the charities making application;
- the efforts made by members of such charities to maximise their own funding, including where appropriate sacrificial giving by themselves and their supporters;
- the governance and policies of all applicants and
- the Christian aims and objectives of such charities consistent with those of the main grant-making trusts.

STEWARDS COMPANY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Public Benefit

The trustees acknowledge the guidance of the Charity Commission in respect of Public Benefit and the Advancement of Religion and have paid due regard to it in the affairs of the company. The wide-ranging and varied financial support provided by all of the trusts administered by the company has resulted in very evident public benefit to numerous charitable organisations and individuals throughout the world (see note 7). Reports and letters of thanks from the recipients detail very clearly and appreciatively how the financial support helps meet religious, spiritual and educational needs as well as relieving poverty of individuals irrespective of background, status and faith.

Related Parties

As expressed in the wishes of the settlor of the J W Laing Trust, a proportion of the trust's income is made available to the trustees of the Beatrice Laing Trust. None of the trustees of Stewards Company Limited is a trustee of that trust. With that one exception, the company has no formal links with any other organisation, although some trustees may have involvement with other charitable bodies to which support by way of grant may be directed. In such instances the trustees concerned absent themselves from the decision-making process where grants are discussed and agreed.

ACHIEVEMENTS AND PERFORMANCE

The trustees generally and those on the Committee particularly are always anxious to help fund Christian ministries in sympathy with the objects for which the company was established and meeting the company's other criteria.

The total charitable grants made in the year amounted to £5,787,836 (2019: £6,364,904) and these were paid to 374 (2019: 458) recipients. Of these grants, £2,489,522 (2019: £2,569,806) were for overseas causes and £3,298,314 (2019: £3,795,098) were for UK causes (note 7).

All charities are required to acknowledge all gifts received. Whilst appreciative of the financial benefits received, the charities also record the public and spiritual benefits that result from the financial support even though these cannot be fully known and quantified.

For many years the trustees have monitored the organisations it supports in a variety of ways including:

- receiving accounts and reports;
- visiting and meeting trustees and senior members of staff;
- inviting trustees and senior members of staff to report at the company's six-monthly Board meetings; and
- disseminating all such information to the trustees.

Such visits and reports enable the trustees to fulfil their legal duties. In addition, they also assist them in understanding in greater measure the nature and impact of the different charities who are supported, sometimes resulting in further interest and support.

In view of the importance and usefulness of monitoring, the whole procedure of visiting and reporting was reviewed in 2018 with all trustees, wherever possible, now fully engaged in the process. In 2020, 29 such monitoring visits were carried out by the trustees and staff, mainly by zoom due to the COVID -19 pandemic, with reports submitted to the Committee and the Board.

FINANCIAL REVIEW

For the past financial year there was an operating deficit of £3,434,260 (2019: operating deficit £3,098,793) which together with the gains on investments of £10,011,703 (2019: gains £11,013,873) produced net incoming movement in funds for the year of £6,577,443 (2019: net incoming movement £7,915,080).

The financial results include the profit of £250,000 arising from the sale of the investment property in Wickford (note 14) which is included in gains on investments.

The accounts include a year-end provision of £86,234 (2019: £34,809) for all conditional promises of grants that have not yet been paid; this reflects the requirements of SORP FRS102 to provide for liabilities which

STEWARDS COMPANY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

arise from a valid expectation in third parties that the company will make these grants. Allowing for this the operating results are considered reasonable bearing in mind the level of distributions made and the trustees confirm that the company's assets are adequate to fulfil its obligations.

Reserves Policy

The company holds investment funds for distribution to a wide range of Christian causes. The company seeks to respond flexibly to the ministry opportunities of the charities it supports and is not committed to maintaining the company in perpetuity. In view of this, the company accepts that the value of its reserves, after adjusting for general price inflation and after withdrawals to finance operating and donation requirements, is likely to fall over time. This is as a result of the deficits that arise each year and are detailed in an earlier paragraph.

During the course of the year, the Board considered in detail the likely path of the company's reserves under a variety of long-term scenarios of investment performance and aggregate levels of donations. In the light of these considerations, the Board decided to limit the aggregate level of donations to a fixed amount each year until 2024 when a further review will be undertaken. The aggregate limit will help to preserve the company's ability to support charities in the longer term while still allowing the company to have significant flexibility to respond to the opportunities of individual charities in the near future. This is not expected to result in a reduction in the absolute aggregate level of giving compared to that which applied in recent years.

At 31 December 2020 the company's reserves totalled £153,212,315 (2019: £146,634,872) represented by:

| | |
|----------------------|---------------------|
| Expendable Endowment | £150,156,758 |
| Unrestricted Funds | £3,055,557 |
| | <u>£153,212,315</u> |

Investment Policy

The main objective of the investment policy is to produce a good and stable return, exceeding general price inflation by at least 3% per annum over three to five year periods. This will enable the company to maintain support for charities with which we have a longstanding relationship whilst having a relatively low risk of needing to reduce giving in any one year due to very poor investment returns.

The Investment Committee implements investment policy on behalf of the Board and has agreed terms of reference from the Board setting out its responsibilities and powers. The Investment Committee works closely with its investment adviser, Mercer Ltd, in deciding the structure of its investment portfolio, selecting investment managers and assessing their performance against agreed benchmarks. In implementing the investment policy, the Investment Committee considers a range of factors in deciding the structure of its investment portfolio and selecting investment managers. These factors include: economic outlook, expected total return, prospective volatility, investment strategy, diversification of risk, liquidity and ethical, sustainability and governance issues.

The various investment managers and other professional advisers to the company are listed on pages 8 and 9 of the Accounts.

Principal Risks and Uncertainties

The risks to which the company is exposed have been reviewed during the year by the Committee and reported to the Board on 13 May and 11 November 2020. The trustees confirm that systems have been established and are in place to mitigate these risks. The Director of Operations carries responsibility as Risk Assessment Manager and steps are under way for others to assist him in the ongoing review of the company's risks.

The principal risks are:

1. potential declines in investment values and investment income,
2. the loss of key staff and
3. donations not achieving the impact expected.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Investment Committee regularly reviews all investment matters, maintains a diversified portfolio and liaises with Mercer Ltd, thus helping to minimise any known investment risks.

The sharing of duties by staff and the involvement of trustees helps to reduce the risks associated with potential loss of key staff. The company's mechanisms for assessment, reporting and monitoring of donations, contains the risk of shortfall of charitable impact.

The trustees are very cognisant of the risks arising from the economic impact of the Coronavirus pandemic. Investment markets were volatile for much of 2020 in response to this factor. However, the company's investment portfolio performed robustly overall in the midst of this volatility. The Investment Committee is mindful of the prospective long-term effects of the Coronavirus pandemic and the UK's new relationship with Europe, post Brexit, in considering the economic environment for its investment portfolio.

Key Staff Salaries

The trustees consider the Committee and the Director of Operations comprise the key management personnel of the company in charge of directing, controlling, running and operating the company on a day-to-day basis. All trustees give of their time freely and the remuneration information for the Director of Operations is disclosed in note 10 to the accounts. Details of trustees' expenses and related party transactions are given in notes 11 and 23.

The Chairman and the Committee formally review the staff salaries annually, the last review being on 16 December 2020.

PLANS FOR THE FUTURE

With the continual demands and applications they receive, the trustees are always conscious of the many needs and causes the company can support both in the UK and overseas. In addition, the necessary compliance with Charity Commission regulations, company law and best practice all demands time and attention be given to ensure the company is structured and administered in the most efficient manner.

To enable the Committee to adequately reflect and prayerfully consider these matters in greater detail than time affords at the usual monthly Committee meetings, a Strategy Day was held in 2018. Three key questions were asked and considered in detail:

- Whom should we help?
- How should we help them?
- How should we organise ourselves to provide this help?

The results of these discussions were reported in detail by the Chairman to the Board at its meeting and discussed in detail. The trustees encouraged the Committee to pursue these matters further which the Committee continues to do. A further Strategy Day is planned once the lockdown restrictions are lifted in 2021.

The work of the Research Committee is to assist in identifying new projects and initiatives that may be supported in the future, thus enabling proactive funding. In 2020 the Research Committee explored a number of issues including: the training of exceptional individuals; meeting the needs of children and young people in the UK; resourcing organisations to support and value older people; and identifying areas of the world that typically attract lower levels of funding in relation to the objects of the Company despite having higher levels of need. The Research Director also conducted a number of investigations into organisations seeking funding and engaged in other activities in service of the Company.

The digitisation project was completed and fully implemented in January 2020. The benefits of the new CRM, its integration with SAGE and an online application process have greatly benefited the work of the company and the trusts. Following the national lockdown in March 2020, all staff have been working from home and have been greatly assisted by the new CRM system.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

During the year discussions continued with a local firm of design and build specialists in respect of the refurbishment of 122 Wells Road, Bath, the company's new offices. A chartered surveyor was appointed in the year and this greatly facilitated negotiations with the final program and costs being agreed in early January 2021. It is hoped that the refurbishments will commence this spring and be complete by early summer. Steps are being taken to find suitable tenants for the remainder of the building not required by the company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company (registration number 00058569) is a charitable company limited by guarantee and was set up on 15 August 1898. It is governed by its Articles of Association, the latest version of which were adopted by Special Resolution on 31 October 2012.

The company, which is a registered charity (registration number 234558), also has the status of a trust corporation.

The company does not have share capital and is limited by guarantee of the members. All trustees are also members of the company and, under the terms of the company's articles, all the trustees remain in office.

Following the approval of the Board at its meeting on 13 May 2020, the name of the company was changed at Companies House from Steward's Company Limited to Stewards Company Limited.

One new trustee was appointed in the year, increasing the total number to 18 (within a permitted maximum number of 25). A full list of all the trustees (the "Board") is shown on page 8.

The Board meets twice yearly, usually in May and November, when the affairs of the company are discussed and detailed reports are presented on its various activities.

Mr A B Griffiths acts as the Secretary to the company and also as Director of Operations. The day-to-day management of the company is in the hands of the Director of Operations and Miss R C Daws, the Financial Administrator. In addition, the staff include Dr J J Loose, Research Director and Mrs F M Gardner, PA to the Director of Operations.

Recruitment and Appointment of Trustees

During the year the Board discussed the qualities and qualifications it deemed necessary to be found in future trustees to ensure continuity and the right balance of professional skills, qualifications, experience and geographical representation. The nomination, interview and appointment process of future trustees was also considered.

Trustees are appointed for a period of ten years after which they can offer themselves for re-election. All trustees retire on their 75th birthday. A detailed portfolio of papers is provided for all new trustees with the history and progress of the company, basic guideline documents and relevant Charity Commission publications. After their appointments, all new trustees are invited to attend one of the Committee's meetings and gain an insight into the day to day matters of the company and its trusts.

Statement of Trustees' Responsibilities

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;

STEWARDS COMPANY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to the Auditor

So far as the trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Mazars LLP are eligible for re-appointment as auditors to Stewards Company Limited and a resolution proposing their re-appointment will be submitted to the Board at their Annual General Meeting.

The trustees have prepared this report in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees consider it an honour and privilege to be involved in the support of God's work and they believe that the company fulfils a significant support role in the maintenance and growth of Christian life and witness both in the United Kingdom and overseas.

By order of the Board on 5th May 2021



G J Davies
Chairman

STEWARDS COMPANY LIMITED

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

Trustees

| | |
|-----------------|------------------------------------|
| G J Davies | Bridgend, Chairman |
| K A D Bintley | Bishops Stortford, Vice-Chairman |
| J Aitken | Bristol |
| D C Bingham | Ballymartin |
| Dr J H Burness | Bristol |
| I S Childs | Enniskerry |
| Dr J M Fitzhugh | Belfast |
| J Gamble | Law |
| A B Griffiths | Bath |
| H N Iley | Brampton |
| M Leto | St Albans |
| A I Mayo | Caterham |
| A L McIlhinney | Chew Magna |
| Mrs J M Michael | Maidenhead (appointed 15 May 2020) |
| D N Roberts | Carshalton |
| P J Symons | Exeter |
| S Tomlinson | Lancaster |
| P J Young | Maesteg |

Secretary & Director of Operations

A B Griffiths

Financial Administrator

Miss R C Daws

Registered Office & Principal Office

124 Wells Road, Bath, BA2 3AH

Charity Number

234558

Company Number

00058569

Auditors

Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP

Bankers

National Westminster Bank Plc, Stuckeys Branch,
24 – 25 Stall Street, Bath, BA1 1QF

Investment Adviser

Mercer Ltd, The Paragon, Counterslip, Bristol, BS1 6BX

Investment Managers

Cordea Savills, Lansdowne House, 33 Market Street, London, W1G 0JD

CQS Investment Management Ltd, 5th Floor, 33 Grosvenor Place, London,
SW1X 7HY

STEWARDS COMPANY LIMITED

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

Investment Managers

Legal & General (Unit Trust Managers) Limited, 1 Coleman Street, London, EC2R 5AA (ceased 1 October 2020)

J P Morgan, 60 Victoria Embankment, London, EC4Y 0JP

Ruffer LLP, 80 Victoria Street, London, SW1E 5JL

Mercer Global Investment Europe, 78 Sir John Rogerson's Quay, Dublin 2, Ireland

Solicitors

Anthony Collins, 134 Edmund Street, Birmingham B3 2ES

Loosemoors, Alliance House, 18/19 High Street, Cardiff, CF1 2BP

Burges Salmon, 1 Glass Wharf, Bristol, BS2 0ZX

STEWARDS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEWARDS COMPANY LIMITED

Opinion

We have audited the financial statements of Stewards Company Limited (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If,

STEWARDS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEWARDS COMPANY LIMITED

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report included within the Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report included within the Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 6 and 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

STEWARDS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEWARDS COMPANY LIMITED

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

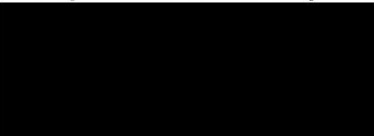
Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest

STEWARDS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEWARDS COMPANY LIMITED

extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.



Richard Bott (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street,

Bristol,

BS1 6DP

Date: 10 May 2021

STEWARDS COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | Unrestricted Funds £ | Endowment Funds £ | 2020 Total £ | 2019 Total £ |
|--|-------|----------------------------|-------------------------|--------------------|--------------------|
| Income and Endowments from: | | | | | |
| Investments | 4 | 3,002,943 | - | 3,002,943 | 3,966,075 |
| Charitable activities | 5 | 15,314 | - | 15,314 | 25,819 |
| Other income | 6 | 13,931 | - | 13,931 | 529 |
| Total income | | 3,032,188 | - | 3,032,188 | 3,992,423 |
| Expenditure | | | | | |
| Raising funds | | | | | |
| - Investment management costs | | 313,332 | - | 313,332 | 305,051 |
| Charitable activities | | | | | |
| - Advancement of religion | 7 | 6,153,116 | - | 6,153,116 | 6,786,165 |
| Total expenditure | | 6,466,448 | - | 6,466,448 | 7,091,216 |
| Net (expenditure) and net movement in funds before gains and losses on investments | | (3,434,260) | - | (3,434,260) | (3,098,793) |
| Net gains on investments | | 378,388 | 9,633,315 | 10,011,703 | 11,013,873 |
| Net (expenditure)/income | | (3,055,872) | 9,633,315 | 6,577,443 | 7,915,080 |
| Gross transfers between funds | 18,19 | 3,351,565 | (3,351,565) | - | - |
| Net movement in funds | | 295,693 | 6,281,750 | 6,577,443 | 7,915,080 |
| Total funds brought forward at 1 January 2020 | | 2,759,864 | 143,875,008 | 146,634,872 | 138,719,792 |
| Total funds carried forward at 31 December 2020 | | 3,055,557 | 150,156,758 | 153,212,315 | 146,634,872 |

All amounts relate to continuing activities.

The prior year Statement of Financial Activities is provided in note 24

The notes on pages 18 to 33 form part of these financial statements

STEWARDS COMPANY LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|--------------------|--------------------|
| Income | | | |
| Investment income | 4 | 3,002,943 | 3,966,075 |
| Rental income | 5 | 15,314 | 25,819 |
| Other income | 6 | 13,931 | 529 |
| | | <u>3,032,188</u> | <u>3,992,423</u> |
| Charitable Expenditure | | | |
| Home | | 3,298,314 | 3,795,098 |
| Overseas | | 2,489,522 | 2,569,806 |
| Support costs | | 365,280 | 421,261 |
| | 7 | <u>6,153,116</u> | <u>6,786,165</u> |
| Indirect Expenditure | | | |
| Investment management costs | | 313,332 | 305,051 |
| | | <u>6,466,448</u> | <u>7,091,216</u> |
| Operating deficit for the year | | <u>(3,434,260)</u> | <u>(3,098,793)</u> |
| Realised gains on investments | | <u>14,920,841</u> | <u>3,042,351</u> |
| Surplus/(Deficit) for the year | | <u>11,486,581</u> | <u>(56,442)</u> |

STATEMENT OF CHANGES IN EQUITY

| | £ | £ |
|--|--------------------|--------------------|
| Total funds brought forward | 146,634,872 | 138,719,792 |
| Deficit for the year | 11,486,581 | (56,442) |
| Unrealised gains/(losses) on investments | <u>(4,909,138)</u> | <u>7,971,522</u> |
| Total funds carried forward | <u>153,212,315</u> | <u>146,634,872</u> |

STEWARDS COMPANY LIMITED

BALANCE SHEET (company number 58569) AS AT 31 DECEMBER 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|--------------------|--------------------|
| Fixed Assets | | | |
| Tangible assets | 12 | 739,140 | 739,515 |
| Investments | 13 | 148,511,550 | 142,189,240 |
| Investment properties | 14 | <u>255,000</u> | <u>455,000</u> |
| | | <u>149,505,690</u> | <u>143,363,755</u> |
| Current Assets | | | |
| Debtors | 15 | 1,064,979 | 1,110,262 |
| Cash at bank | 16 | <u>2,915,049</u> | <u>2,281,415</u> |
| | | 3,980,028 | 3,391,677 |
| Creditors | | | |
| Amounts falling due within one year | 17 | <u>(273,403)</u> | <u>(120,560)</u> |
| Net Current Assets | | <u>3,706,625</u> | <u>3,271,117</u> |
| Total Assets less Current Liabilities | | 153,212,315 | 146,634,872 |
| Net Assets | | <u>153,212,315</u> | <u>146,634,872</u> |
| Funds | | | |
| Expendable Endowment Funds | 21 | 150,156,758 | 143,875,008 |
| Unrestricted Funds | 21 | <u>3,055,557</u> | <u>2,759,864</u> |
| Total Funds | 21 | <u>153,212,315</u> | <u>146,634,872</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the financial statements.

Approved and authorised for issue by the Board on 5th May 2021 and signed on its behalf by:



G J Davies, Chairman



A B Griffiths, Secretary

STEWARDS COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

| | 2020 £ | 2019 £ |
|--|--------------------|--------------------|
| Cash flows from operating activities | | |
| Net cash used in operations | (6,223,748) | (7,100,477) |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 3,018,257 | 3,991,894 |
| Movement in cash held for investment | (167,531) | (903,962) |
| Sale of investments | 48,653,751 | 51,437,766 |
| Sale of investment properties | 450,000 | - |
| Purchase of investments | (45,097,095) | (47,118,718) |
| Purchase of fixed assets | - | (659,966) |
| Net cash provided by investing activities | 6,857,382 | 6,747,014 |
| Change in cash and cash equivalents in the reporting year | 633,634 | (353,463) |
| Cash and cash equivalents at the beginning of the reporting year | 2,281,415 | 2,634,878 |
| Cash and cash equivalents at the end of the reporting year | 2,915,049 | 2,281,415 |
| Reconciliation of net income to net cash flow from operating activities | | |
| Net (expenditure)/income for the reporting year | 6,577,443 | 7,915,080 |
| (Gains)/losses on investments and investment properties | (10,011,703) | (11,013,873) |
| Loss on disposal of custodian property | 375 | - |
| Investment managers fees deducted | 30,268 | 84,580 |
| Dividends, interest and rents from investments | (3,018,257) | (3,991,894) |
| Decrease/(increase) in debtors | 45,283 | (93,519) |
| Increase/(decrease) in creditors | 152,843 | (851) |
| | (6,223,748) | (7,100,477) |

Analysis of net debt

| | At 1 January 2020 | Cash-flows | At 31 December 2020 |
|-------|----------------------|----------------|------------------------|
| Cash | 2,281,415 | 633,634 | 2,915,049 |
| Total | <u>2,281,415</u> | <u>633,634</u> | <u>2,915,049</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General Information

The charity is a charitable company limited by guarantee (registered number 234558 and company number 58569) registered in England. The charity's registered office is 124 Wells Road, Bath, BA2 3AH.

2. Accounting Policies

A summary of the more important accounting policies, which have been applied consistently, is set out below:-

a) Statement of compliance

The charity's financial statements have been prepared in compliance 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 (FRS 102) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £. Comparative information relates to the year ended 31 December 2019.

The trustees are confident that the secure level of unrestricted reserves mean the charity has a secure future. There are no material uncertainties about the charity's ability to continue. The accounts have been prepared on a going concern basis.

c) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 8. In the event of the charity being wound up the liability in respect of the guarantee is limited to £5 per member of the charity.

d) Fund accounting

Expendable endowment funds are those endowment funds where the trust deed has specified that the initial capital could be converted to income.

Unrestricted funds are funds where the distribution of income is at the discretion of the trustees.

Investment income and gains are allocated to the appropriate fund.

Where a trust comprises both an expendable endowment fund and an unrestricted fund it is the policy to transfer sufficient funds from the expendable endowment fund to cover any deficit in the other fund.

e) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

STEWARDS COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting Policies (continued)

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Costs of activities in furtherance of the charity's objects are grants made by the charity to support Christian charitable projects, both overseas and at home and the support costs relating to this activity.

Support costs comprise staff and other costs incurred directly as a result of the charity making grants.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All resources expended are inclusive of irrecoverable VAT. The company de-registered for VAT at 31 December 2020.

Conditional grants are recognised as commitments and are accounted for as expenditure when those conditions are fulfilled.

g) Tangible fixed assets and depreciation

Properties vested in the charity as custodian trustee or on similar terms are included in the Balance Sheet at a nominal value of £1, together with the cost of vesting the property and any subsequent expenditure incurred on alterations and improvements if not otherwise charged to revenue.

All other assets over £5,000 are capitalised.

In the opinion of the trustees it is inappropriate to depreciate the sundry custodian or similar properties vested in the charity as they are held at a nominal value.

h) Investment properties

Investment properties are included in the Balance Sheet at their open market value in accordance with FRS102 and are not depreciated.

i) Investments

Quoted investments are usually stated at mid-market value. The Statement of Financial Activities includes the net gains and losses on revaluation and disposals throughout the year. Unquoted investments are stated at cost. Cash held for investment purposes is included within fixed asset investments.

j) Programme related investments

Programme related investments are included at cost as adjusted for exchange gains and losses.

k) 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.

l) Debtors

Debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount at which the charity is expected to benefit in a future period.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting Policies (continued)

m) 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.

n) 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.

o) Taxation

The charity has no liability to corporation tax as it does not engage in any taxable activities.

p) Pension costs

The charity operates a Group Personal Pension Plan and the pension charge in the financial statements represents amounts payable by the charity to the fund for the year in accordance with FRS 102.

3. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make some judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates.

No significant judgements have had to be made by management in preparing these financial statements.

4. Investment Income

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Dividends and interest receivable from listed investments | 2,998,507 | 3,957,665 |
| Interest on cash, bank and corporation deposits | 4,436 | 8,410 |
| | <u>3,002,943</u> | <u>3,966,075</u> |

5. Income from charitable activities

| | £ | £ |
|---------------|---------------|---------------|
| Rental income | <u>15,314</u> | <u>25,819</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Other income

| | 2020 | 2019 |
|--------------|---------------|------------|
| | £ | £ |
| Other income | <u>13,931</u> | <u>529</u> |

7. Charitable expenditure

| | £ | £ |
|-------------------------------|------------------|------------------|
| Home grants | 3,298,314 | 3,795,098 |
| Overseas grants | <u>2,489,522</u> | <u>2,569,806</u> |
| | 5,787,836 | 6,364,904 |
| Support costs (see note 8) | 304,066 | 353,860 |
| Governance costs (see note 9) | <u>61,214</u> | <u>67,401</u> |
| | <u>6,153,116</u> | <u>6,786,165</u> |

| | £ | £ |
|---|------------------|------------------|
| During the year 334 (2019 - 414) grants were awarded to institutions. | 5,745,636 | 6,317,704 |
| During the year 40 (2019 - 44) grants were awarded to individuals. | 42,200 | 47,200 |
| | <u>5,787,836</u> | <u>6,364,904</u> |

Grants of £100,000 or more were made during the year to the following institutions:

| | £ | £ |
|--|----------------|-----------|
| Australian Missionary Tidings | 128,627 | |
| Beatrice Laing Trust | 171,500 | |
| Christian Workers Relief Fund | 190,000 | |
| Counties | 397,933 | |
| Echoes International | 128,627 | |
| Gospel Literature Outreach | 115,000 | |
| International Fellowship of Evangelical Students | 160,000 | |
| Retired Missionary Aid Fund | 240,000 | |
| Strategic Resource Group | 409,527 | |
| Tyndale House | 200,000 | |
| UCCF | <u>260,000</u> | |
| | | 2,401,214 |

Other grants made:

| | |
|---------------------------------------|------------------|
| 36 grants between £25,000 and £99,000 | 1,463,607 |
| 327 grants under £25,000 | <u>1,923,015</u> |
| Total | <u>5,787,836</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Support costs

| | 2020 | 2019 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Rent | 6,500 | 6,100 |
| Property costs | 21,889 | 10,339 |
| Printing, stationery and telephone | 5,365 | 7,119 |
| Travel and sundries | 4,954 | 39,973 |
| General insurance | 1,705 | 1,644 |
| Overseas property insurance | 8,603 | 2,435 |
| Consultancy | 1,836 | 6,588 |
| Legal and professional | 43,442 | 56,276 |
| Computer and IT implementation | 14,095 | 40,212 |
| Bank charges | 1,748 | 2,114 |
| Salaries | 189,349 | 180,766 |
| Agency staff | 768 | - |
| Accountancy | 1,249 | 240 |
| Disposal of custodian property | 375 | - |
| Miscellaneous | 2,188 | 54 |
| | <u>304,066</u> | <u>353,860</u> |

9. Governance costs

| | £ | £ |
|-------------------------------|---------------|---------------|
| Trustees' meetings | 4,400 | 22,362 |
| Auditors – audit services | 11,700 | 10,980 |
| Auditors – non audit services | 3,303 | 3,144 |
| Salaries | 41,811 | 30,915 |
| | <u>61,214</u> | <u>67,401</u> |

10. Staff Costs

| | £ | £ |
|--------------------------------------|----------------|----------------|
| Wages and salaries | 191,083 | 179,285 |
| Social security costs | 21,577 | 19,593 |
| Social security employer's allowance | (4,000) | (3,000) |
| Other pension costs | 22,500 | 15,803 |
| | <u>231,160</u> | <u>211,681</u> |

The Board considers that the Committee and the Director of Operations are the key management personnel of the charity. The employee benefits of key management personnel included in staff costs above is a salary of £79,415 (2019 - £76,200) and pension costs of £14,073 (2019 - £9,033). The Director of Operations was reimbursed expenses, mainly for travel, of £380 (2019 - £1,911).

There was an average of 4 employees during the year (2019 - 3), of whom there was one employee (2019 - 1) whose emoluments as defined for taxation purposes amounted to over £60,000 in the year.

At the year end no pension contributions were outstanding.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11. Trustees' Reimbursement of Expenses

During the year 12 (2019 - 16) trustees were reimbursed expenses, in accordance with the charity's Memorandum and Articles of Association, as follows:

| | 2020 £ | 2019 £ |
|--------------------|-----------|-----------|
| Travel to meetings | 4,371 | 21,647 |

General insurance expenditure includes trustee indemnity insurance with cover of £250,000.

During the year a grant of £1,000 (2019 - £1,000) was awarded to Mr P J Young from the Miss Edwards Trust.

12. Tangible Assets

| | Property £ | Custodian property £ | Total £ |
|------------------------|---------------|----------------------------|------------|
| Cost | | | |
| As at 1 January 2020 | 736,370 | 3,145 | 739,515 |
| Additions | - | - | - |
| Disposals | - | (375) | - |
| At 31 December 2020 | 736,370 | 2,770 | 739,140 |
| Depreciation | | | |
| As at 1 January 2020 | - | - | - |
| Charge for year | - | - | - |
| As at 31 December 2020 | - | - | - |
| Net book value | | | |
| At 31 December 2020 | 736,370 | 2,770 | 739,140 |
| At 31 December 2019 | 736,370 | 3,145 | 739,515 |

In the opinion of the trustees the market value of the custodian and similar properties is in excess of the amount at which they appear in the financial statements but this value cannot be ascertained with any certainty due to the nature of their use.

As at the year end, the property was not in use as the property was still being refurbished.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Fixed Asset Investments

| | Quoted | Programme related investments | As at 31 December 2020 £ | As at 31 December 2019 £ |
|-------------------------------------|--------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| Market value at 1 January 2020 | 139,774,783 | 1,131,218 | 140,906,001 | 134,295,756 |
| Acquisitions at cost | 45,037,095 | - | 45,097,095 | 47,118,718 |
| Disposals | (46,653,751) | - | (48,653,751) | (51,437,766) |
| Investment managers fees | (30,268) | - | (30,268) | (84,580) |
| Net gains/(losses) on revaluation | 9,776,435 | (14,732) | 9,761,703 | 11,013,873 |
| Market value at 31 December 2020 | 145,964,294 | 1,116,486 | 147,080,780 | 140,906,001 |
| Cash at bank awaiting investment | 1,430,770 | - | 1,430,770 | 1,263,239 |
| | <u>147,395,064</u> | <u>1,116,486</u> | <u>148,511,550</u> | <u>142,169,240</u> |
| Historical cost at 31 December 2020 | 150,586,676 | 1,153,300 | 151,739,976 | 144,686,876 |

Represented by:

| | 2020 | | 2019 | |
|------------------|-------------------|-------------------|-------------------|-------------------|
| | U.K. £ | Overseas £ | U.K. £ | Overseas £ |
| Government Bonds | 3,297,624 | 6,877,990 | 3,300,939 | 5,994,365 |
| Equities | 5,044,114 | 68,787,027 | 4,827,000 | 35,947,855 |
| Property | 22,939,327 | - | 23,526,507 | - |
| Unit Trusts | 37,452,089 | - | 33,148,535 | 31,397,076 |
| Cash | 1,430,770 | - | 1,263,239 | - |
| Other | 2,682,609 | - | 2,763,724 | - |
| | <u>72,846,533</u> | <u>75,665,017</u> | <u>68,829,944</u> | <u>73,339,296</u> |

The Trust had the following investments representing more than 5% of the investment portfolio by value:

| | 2020 | | 2019 | |
|---|------------|------|------------|------|
| | £ | % | £ | % |
| MGI Global Equity Fund | 31,973,561 | 21.7 | 28,325,627 | 19.9 |
| Mercer Passive Sustainable Global Equity | 29,693,579 | 20.0 | - | - |
| CQS Credit Multi Asset Fund | 22,673,674 | 15.3 | 23,135,148 | 16.3 |
| Cordea Savills – Charities Property Fund | 22,189,327 | 15.0 | 22,776,507 | 16.0 |
| J P Morgan IIF UK 1 Hedged LP | 12,038,693 | 8.1 | 8,294,651 | 5.8 |
| Legal & General – International Index Trust | - | - | 31,397,076 | 22.1 |

The programme related investments include redeemable loan stock held which it is not intended to redeem in the immediate future.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Investment properties

| | Total £ |
|---|------------------|
| Cost | |
| As at 1 January 2020 | 455,000 |
| Disposal | <u>(200,000)</u> |
| At 31 December 2020 | <u>255,000</u> |
| Depreciation | |
| As at 1 January 2020 and 31 December 2020 | <u>-</u> |
| Net book value | |
| At 31 December 2020 | <u>255,000</u> |
| At 31 December 2019 | <u>455,000</u> |

The property in Hailsham was valued by Stevens and Carter and the property in Wickford was sold in the year.

15. Debtors

| | 2020 £ | 2019 £ |
|---------------|------------------|------------------|
| Prepayments | 12,915 | 9,780 |
| Other debtors | <u>1,052,064</u> | <u>1,100,482</u> |
| | <u>1,064,979</u> | <u>1,110,262</u> |

16. Cash at Bank

| | £ | £ |
|----------------------|------------------|------------------|
| Bank deposits | 2,906,841 | 2,266,554 |
| Bank current account | <u>8,208</u> | <u>14,861</u> |
| | <u>2,915,049</u> | <u>2,281,415</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Creditors – amounts falling due within one year

| | 2020 | 2019 |
|-------------------------------------|----------------|----------------|
| | £ | £ |
| Investment management charges | 80,643 | 63,381 |
| Grants payable | 86,234 | 34,809 |
| Other tax and social security costs | 88,451 | - |
| Other creditors | 1,580 | 1,580 |
| Accruals | 16,495 | 20,790 |
| | <u>273,403</u> | <u>120,560</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Endowment Funds

| | At 1 January 2020 | Incoming Endowments | Amounts Expended | Gains and losses on investments | Transfers | At 31 December 2020 |
|--|----------------------|------------------------|---------------------|---------------------------------------|--------------------|---------------------------|
| | £ | £ | £ | £ | £ | £ |
| Expendable endowments: | | | | | | |
| The J W Laing Trust | 115,677,972 | - | - | 7,752,959 | (2,127,864) | 121,303,067 |
| The J W Laing Biblical Scholarship Trust | 27,877,155 | - | - | 1,880,356 | (955,061) | 28,802,450 |
| Estate of Miss M Edwards deceased | 70,715 | - | - | - | (19,474) | 51,241 |
| Longlands Road Trust | 249,166 | - | - | - | (249,166) | - |
| | <u>143,875,008</u> | <u>-</u> | <u>-</u> | <u>9,633,315</u> | <u>(3,351,565)</u> | <u>150,156,758</u> |

The transfers to the Unrestricted Funds of The J W Laing Trust, The J W Laing Biblical Scholarship Trust and the Estate of Miss M Edwards deceased are the net amounts expended of the unrestricted aspect of those funds. The transfer to the Unrestricted Funds of Longlands Road Trust is the amount to cover the funds distributed when the fund was closed in December 2020.

Endowment Funds – previous year

| | At 1 January 2019 | Incoming Endowments | Amounts Expended | Gains and losses on investments | Transfers | At 31 December 2019 |
|--|----------------------|------------------------|---------------------|---------------------------------------|--------------------|---------------------------|
| | £ | £ | £ | £ | £ | £ |
| Expendable endowments: | | | | | | |
| The J W Laing Trust | 108,956,327 | - | - | 8,715,531 | (1,993,886) | 115,677,972 |
| The J W Laing Biblical Scholarship Trust | 26,663,358 | - | - | 2,140,004 | (926,207) | 27,877,155 |
| Estate of Miss M Edwards deceased | 91,112 | - | - | - | (20,397) | 70,715 |
| Longlands Road Trust | 249,166 | - | - | - | - | 249,166 |
| | <u>135,959,963</u> | <u>-</u> | <u>-</u> | <u>10,855,535</u> | <u>(2,940,490)</u> | <u>143,875,008</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Unrestricted Funds

| | At 1 January 2020 £ | Incoming Resources £ | Amounts Expended £ | Gains and losses on investments £ | Transfers £ | At 31 December 2020 £ |
|--|------------------------------|----------------------------|--------------------------|--|----------------|--------------------------------|
| Guarantee Fund | 85 | 5 | - | - | - | 90 |
| Accumulated Fund | 3,145 | - | (375) | - | (2,770) | - |
| Special Fund | 38,631 | - | - | - | (38,631) | - |
| Revenue Account | 173,616 | 10,567 | (114,880) | 250,000 | 141,401 | 460,704 |
| | 215,477 | 10,572 | (115,255) | 250,000 | 100,000 | 460,794 |
| The J W Laing Trust | - | 2,380,507 | (4,408,371) | - | 2,027,864 | - |
| The J W Laing Biblical Scholarship Trust | - | 582,148 | (1,537,209) | - | 955,061 | - |
| The Barnabas Trust | 2,538,120 | 56,614 | (128,359) | 128,388 | - | 2,594,763 |
| Estate of Miss M Edwards dec'd | - | 526 | (20,000) | - | 19,474 | - |
| Longlands Road Trust | 6,267 | 1,821 | (257,254) | - | 249,166 | - |
| | 2,759,864 | 3,032,188 | (6,466,448) | 378,388 | 3,351,565 | 3,055,557 |

The transfers from the Expendable Endowment Funds of The J W Laing Trust, The J W Laing Biblical Scholarship Trust and the Estate of Miss M Edwards deceased are the net amounts expended of those unrestricted funds. The transfer from the Expendable Endowment Funds of Longlands Road Trust is the amount to cover the funds distributed when the fund was closed in December 2020.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Unrestricted Funds – previous year

| | At 1 January 2019 £ | Incoming Resources £ | Amounts Expended £ | Gains and losses on investments £ | Transfers £ | At 31 December 2019 £ |
|--|------------------------------|----------------------------|--------------------------|--|----------------|--------------------------------|
| Guarantee Fund | 95 | - | - | - | (10) | 85 |
| Accumulated Fund | 3,145 | - | - | - | - | 3,145 |
| Special Fund | 38,631 | - | - | - | - | 38,631 |
| Revenue Account | 246,859 | 21,113 | (102,962) | - | 8,606 | 173,616 |
| | 288,730 | 21,113 | (102,962) | - | 8,596 | 215,477 |
| The J W Laing Trust | - | 3,116,587 | (5,101,877) | - | 1,985,290 | - |
| The J W Laing Biblical Scholarship Trust | - | 783,461 | (1,709,668) | - | 926,207 | - |
| The Barnabas Trust | 2,466,831 | 68,660 | (155,709) | 158,338 | - | 2,538,120 |
| Estate of Miss M Edwards dec'd | - | 603 | (21,000) | - | 20,397 | - |
| Longlands Road Trust | 4,268 | 1,999 | - | - | - | 6,267 |
| | 2,759,829 | 3,992,423 | (7,091,216) | 158,338 | 2,940,490 | 2,759,864 |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Funds

Endowment Funds – Expendable endowment funds are those capital funds where the trust deed has specified that the initial capital could be converted to income.

Guarantee Fund – The guarantee fund represents a contribution of £5 for each of the present members in accordance with the charity's Memorandum of Association. In the financial year in which a person ceases to be a member of the charity his contribution is transferred to the revenue account.

Accumulated Fund – The accumulated fund represents the sundry custodian properties vested in the charity. These funds were transferred to the Revenue Account at 31 December 2020.

Special Fund – The special fund represents the exceptional sums received by the charity to be applied at the discretion of the trustees and held to meet any special needs which may arise. These funds were transferred to the Revenue Account at 31 December 2020.

Revenue Account – The revenue account represents the assets of the Stewards Company Limited for which a use has, as yet, not been determined. All income is allocated to the revenue account unless otherwise restricted by the donor or specifically designated by the trustees.

The J W Laing Trust – This trust is for the benefit of Christian work in the UK and overseas with particular reference to the Christian brethren assemblies. The object of this trust is defined as "To help the Church of Jesus Christ to fulfil the great commission" (Matthew 28 vv 16-20).

The J W Laing Biblical Scholarship Trust – This trust is concerned with matters covering Bible Studies generally and also benefits certain work connected with students and undergraduates which was specifically mentioned by the original donor.

The Barnabas Trust – The Barnabas Trust is for charitable purposes.

Estate of Miss M Edwards deceased – The income is distributed among full time Christian workers connected with Wales.

Longlands Road Trust – This trust is for Christian work. The Trust was wound up at the 31 December 2020 and the funds transferred to Australian Missionary Tiding and Echoes International.

STEWARDS COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****21. Analysis of Net Assets between Funds**

| | Tangible fixed assets £ | Investments (including programme related investments) £ | Net current assets £ | Total net assets £ |
|--|--|--|---|-----------------------------------|
| Expendable Endowment funds | | | | |
| The J W Laing Trust | 736,370 | 117,872,952 | 2,693,745 | 121,303,067 |
| The J W Laing Biblical Scholarship Trust | - | 28,351,228 | 451,222 | 28,802,450 |
| Estate of Miss M Edwards deceased | - | - | 51,241 | 51,241 |
| Longlands Road Trust | - | - | - | - |
| | <u>736,370</u> | <u>146,224,180</u> | <u>3,196,208</u> | <u>150,156,758</u> |
| Unrestricted Funds | | | | |
| Guarantee Fund | - | - | 90 | 90 |
| Revenue Fund | <u>2,770</u> | <u>-</u> | <u>457,934</u> | <u>460,704</u> |
| | 2,770 | - | 458,024 | 460,794 |
| Barnabas Trust | - | 2,542,370 | 52,393 | 2,594,763 |
| Estate of Miss M Edwards deceased | - | - | - | - |
| Longlands Road Trust | - | - | - | - |
| | <u>2,770</u> | <u>2,542,370</u> | <u>510,417</u> | <u>3,055,557</u> |
| Total Funds | <u>739,140</u> | <u>148,766,550</u> | <u>3,706,625</u> | <u>153,212,315</u> |

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Analysis of Net Assets between Funds – previous year

| | Tangible fixed assets £ | Investments (including programme related investments) £ | Net current assets £ | Total net assets £ |
|--|----------------------------------|--|-------------------------------|--------------------------|
| Expendable Endowment funds | | | | |
| The J W Laing Trust | 736,370 | 112,750,992 | 2,190,610 | 115,677,972 |
| The J W Laing Biblical Scholarship Trust | - | 27,256,284 | 620,871 | 27,877,155 |
| Estate of Miss M Edwards deceased | - | - | 70,715 | 70,715 |
| Longlands Road Trust | - | - | 249,166 | 249,166 |
| | <u>736,370</u> | <u>140,007,276</u> | <u>3,131,362</u> | <u>143,875,008</u> |
| Unrestricted Funds | | | | |
| Guarantee Fund | - | - | 85 | 85 |
| Accumulated Fund | 3,145 | - | - | 3,145 |
| Special Fund | - | - | 38,631 | 38,631 |
| Revenue Fund | - | 200,000 | (26,384) | 173,616 |
| | <u>3,145</u> | <u>200,000</u> | <u>12,332</u> | <u>215,477</u> |
| Barnabas Trust | - | 2,416,964 | 121,156 | 2,538,120 |
| Estate of Miss M Edwards deceased | - | - | - | - |
| Longlands Road Trust | - | - | 6,267 | 6,267 |
| | <u>3,145</u> | <u>2,616,964</u> | <u>139,755</u> | <u>2,759,864</u> |
| Total Funds | <u>739,515</u> | <u>142,624,240</u> | <u>3,271,117</u> | <u>146,634,872</u> |

22. Grant Commitments

The company is committed to paying the following grants, subject to the appropriate conditions being met:

| | 2020 £ | 2019 £ |
|---------------------|----------------|------------------|
| Within 1 year | 588,682 | 1,257,201 |
| Within 2 to 5 years | 214,477 | 283,275 |
| | <u>803,159</u> | <u>1,540,476</u> |

23. Related Party Transactions

During the year the company paid grants to charitable institutions that have trustees in common with Stewards Company Limited. In such cases the trustees concerned absented themselves from the decision-making process when grants were discussed.

STEWARDS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

24. Prior year Statement of Financial Activities

| | Notes | Unrestricted Funds £ | Endowment Funds £ | 2019 Total £ |
|---|-------|----------------------------|-------------------------|--------------------|
| Income and Endowments from: | | | | |
| Investments | 4 | 3,966,075 | - | 3,966,075 |
| Charitable activities | 5 | 25,819 | - | 25,819 |
| Other income | 6 | 529 | - | 529 |
| Total income | | 3,992,423 | - | 3,992,423 |
| Expenditure | | | | |
| Raising funds | | | | |
| - Investment management costs | | 305,051 | - | 305,051 |
| Charitable activities | | | | |
| - Advancement of religion | 7 | 6,786,165 | - | 6,786,165 |
| Total expenditure | | 7,091,216 | - | 7,091,216 |
| Net gains/(losses) on investments | | 158,338 | 10,855,535 | 11,013,873 |
| Net (expenditure)/income | | (2,940,455) | 10,855,535 | 7,915,080 |
| Gross transfers between funds | 18,19 | 2,940,490 | (2,940,490) | - |
| Net movement in funds | | 35 | 7,915,045 | 7,915,080 |
| Total funds brought forward at 1 January 2019 | | 2,759,829 | 135,959,963 | 138,719,792 |
| Total funds carried forward at 31 December 2019 | | 2,759,864 | 143,875,008 | 146,634,872 |