

**COUNCIL FOR WORLD MISSION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Legal and Administrative Details

Name	Council for World Mission (CWM)
Registered Charity Number	1097842
Company Number	4758640
Principal and Registered Office	Ipalo House 32-34 Great Peter Street London SW1P 2DB
Governing Instrument	The Council for World Mission Charity was registered as a Company limited by Guarantee on 9 May 2003, Company number 4758640 and registered as a charity on 5 June 2003, Charity no 1097842. The governing documents are the Memorandum and Articles of Association as amended by a Special Resolution dated 25 July 2003.
Trustees and Directors	Details of those who acted as Trustees during the period are set out on page 2. All Trustees are directors of the company.
Secretariat	Details of those who served in the roles of the Secretariat during the period are set out on page 3.
Auditors	Baker Tilly UK Audit LLP Statutory Auditor and Chartered Accountants 1st Floor, 46 Clarendon Road Watford Herts WD17 1JJ
Bankers	Royal Bank of Scotland, Victoria, London SW1E 6RA HSBC plc, Westminster, London, SW1H 0NJ
Investment Advisers	Cambridge Associates Limited 80 Victoria Street, Cardinal Place London SW1E 5JL
Fund Managers	Sarasin & Partners LLP Schroder Investment Management Limited UBS Global Asset Management (UK) Ltd ILF Ltd (subsidiary of Blackrock Financial Management Inc) Carr Sheppards Crosthwaite Limited Cazenove Fund Management Limited GMO UK Limited Payden & Rygel Global Ltd JPMorgan Asset Management Royal London Capital Management Natixis Global Associates JM Finn & Co (Japan ETF's)
Solicitors	Bates Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH

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Legal and Administrative Details (continued)

Member Churches and Trustees

CWM has 31 member churches which are organised into six geographical regions. Member churches and their nominated CWM Trustees are set out below

Region/Country	Trustee
Africa Region	
Church of Jesus Christ in Madagascar	Mrs Iveline Ramahefarvo
Churches of Christ in Malawi	Mrs Nellie Bulla
United Church of Zambia	Mrs Enah Nsofu
Uniting Presbyterian Church in Southern Africa	Rev Dr Jerry Pillay
United Congregational Church of Southern Africa	Rev Dr Moiserale Dibeela*
Caribbean Region	
Guyana Congregational Union	Miss Jennifer McCalman*
United Church in Jamaica and the Cayman Islands	Rev Dr Collin Cowan
East Asia Region	
Gereja Presbyterian Malaysia	Rev Joo Yee Sim
Presbyterian Church in Taiwan	Rev Dr Hau-Sheng Chng
Presbyterian Church in Singapore	Rev Henry Hong
Hong Kong Council of the Church of Christ in China	Rev Shing Yit So*
Presbyterian Church of Korea	Rev Kyung-In Kim
Presbyterian Church of Myanmar	Rev Dr Lal Engzau
Europe Region	
Congregational Federation	Rev Sandra Turner
Presbyterian Church of Wales	Mrs Carol Clay
Protestant Church in the Netherlands	Rev Evert Overeem*
Union of Welsh Independents	Mrs Gwyneth Jones
United Reformed Church	Rev Dr John Parry
Pacific Region	
Congregational Christian Church in Samoa	Rev Dr Iutisone Salevao
Congregational Christian Church in American Samoa	Rev Samuel T Tialavea
Ekalesia Kelisiano Tuvalu	Mr Tuafafa Latasi
Nauru Congregational Church	Mrs Winnie Tsitsi
Presbyterian Church of Aotearoa New Zealand	Mrs Olinda Woodroffe
United Church in Papua New Guinea	Mr Biango Buia
Congregational Union of New Zealand	Ms Teresa Ngai*
Kiribati Protestant Church	Rev Bureieta Karaiti
United Church in Solomon Islands	Mr Bobai Amon
South Asia Region	
Church of Bangladesh	Mrs Janet Sarker
Church of South India	Rev Moses Jayakumar
Church of North India	Rev Enos Das Pradhan*
Presbyterian Church of India	Rev Lalramliana Pachuau

* These Trustees are current members of the smaller 'Officers' group' of Trustees

The Trustees were appointed for a three year term during the triennial Assembly of 2009 in Chennai, India. The first Trustee meeting for these Trustees was held near London in November 2009. The next Trustee meeting will be held in July 2010 in Hong Kong, hosted by the Hong Kong Council of the Church of Christ in China.

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The Officers' Group

Moderator	Rev Dr Moiseralele Dibeela - Africa
Treasurer	Rev Shing Yit So – East Asia
Deputy Moderator	Rev Dr Enos Das Pradhan – South Asia
Deputy Moderator	Miss Jennifer McCalman - Caribbean
Deputy Moderator	Ms Teresa Ngai - Pacific
Deputy Moderator	Rev Evert Overeem - Europe

The Officers chair meetings and Committees of CWM and undertake other activities as required of them by the Trustees of CWM. In addition, they act as a Staffing Committee

Additional Women and Youth representatives

The following additional Women and Youth representatives attend Trustee Body meetings to ensure that Women and Youth perspectives are considered in Trustee decision making. These appointments do not carry voting rights

Women's Representatives	
United Church in Solomon Islands	Mrs Joy Jino
Church of North India	Mrs Meenakshi Das
Youth Representatives	
Congregational Christian Church in American Samoa	Miss Menorah Sopoaga
Gereja Presbyterian Malaysia	Mr Yoshua Chua

The Secretariat

The day to day running of the charity is in the hands of the Secretariat, headed by the General Secretary (who is the Chief Executive Officer). They are responsible for implementing the policy decisions of the Trustees

Rev Dr D van der Water	General Secretary
Rev P Woods	Secretary for Mission Programme
Rev R Turner	Secretary for Personnel and Training
Mrs E Joy	Secretary for Mission Education
Ms G Palmer	Secretary for Finance (until October 2009)
Mr T Trimble	Director of Finance (from November 2009)
Mr S Cox	Director of Communications
Ms M Dallamora	Director of Operations

Audit and Investment Committees

In addition, the Trustees annually appoint specialist members of an Audit Committee and an Investment Committee to assist the Trustees in discharging their oversight and governance responsibilities

The Trustees are pleased to present their report for the year ended 31 December 2009

1. Objectives of the Charitable Company

The Council for World Mission (CWM) is a community of 31 protestant churches worldwide

The objective of the charitable company is "to spread the knowledge of Christ throughout the world" To this end the charitable company has the power to

- carry on, strengthen and extend the missionary work of CWM and its members,
- help churches to proclaim the Gospel by sharing resources, faith and understanding in this work and witness,
- co-operate in missionary services with other churches and with those ecumenical enterprises in which the churches share, and
- do anything which furthers its objective

Thus the member churches share in world mission, both local and universal by sharing people, ideas and other resources, recognising that every church has gifts to offer and all need to receive

At the June 2009 Trustee meeting, the objects of the charity were further clarified by new vision and mission statements,

- Vision "fullness of life through Christ for all creation"
- Mission "called to partnership in Christ to mutually challenge, encourage and equip churches to share in God's mission"

2. Historical Background

CWM was launched in 1977 as a new, innovative kind of missionary organisation. No longer were mission and the resources for it to come just from the west. Instead, CWM was set up as a worldwide community of Christian denominations working as equal partners with a common commitment to the Gospel of the Lord Jesus Christ. Most of the current 31 member churches have backgrounds in the Reformed tradition. Many are united churches, combining several church traditions.

CWM grew out of the London Missionary Society (founded 1795), the Commonwealth (Colonial) Missionary Society (founded 1832) and the (English) Presbyterian Board of Missions (founded 1847).

CWM's philosophy is based upon the principle that the local church has the primary responsibility for carrying forward God's mission. As a global body, CWM exists to help resource-sharing for mission by the CWM community. Amongst other things, it facilitates the exchange of missionaries between churches, shares ideas and best practice for mission strategies of member churches, strengthens leadership of churches through theological and mission training, and builds up communication networks. Particular emphasis is placed upon helping men, women and youth to make their full contribution to Church life, and upon helping regional Member Churches to act in a united way, looking at issues they have in common in their parts of the World (Regional Empowerment). The impact of these activities is wide ranging across the world. Many examples are shown in section 5.

3. Membership of CWM

CWM is founded upon constituent bodies, or member churches, being the churches (or associations of churches) which participate in its work. Each member church must declare by resolution its willingness to

- Share in the world mission of Jesus Christ,
- Share its understanding and experience of the Gospel with other members and to learn from them, and
- Send and receive people as partners in mission and to make an appropriate contribution to the charity

New member churches who have a connection with CWM may be admitted by the Trustees. Members may withdraw from membership upon giving eighteen months' written notice.

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Member churches are all independent organisations who do not have any formal links to CWM in their own constitutional documents. Their financial records are not therefore subject to consolidation within CWM. However, through the submission of their audited accounts they must demonstrate their ability to receive and evaluate the use of shared resources distributed through the CWM community for stated and agreed objectives.

4. Governance of CWM

In June 2003, the CWM became an incorporated charity. At the same time, after extensive consultation with its constituent bodies, CWM also changed its Trustee governance structure so that all 31 member churches could appoint one of their number as a Trustee of CWM. One of the benefits of wider participation is that of greater ownership and shared responsibility.

The principal guiding forum is the triennial Assembly gathering. The second Assembly gathering was held in June 2006 and the third was hosted by the Church of South India in 2009. Four people from every member church attend the triennial Assembly gathering (participants include men, women and youth representation). These Assembly gatherings give tremendous opportunities to promote unity amongst the CWM global family, giving a wide cross-section of the constituencies an opportunity to contribute to strategic direction. The Assembly creates a melting pot of ideas, inspiration and experiences which assist in discerning God's will for the global family of the CWM.

During Assemblies, elections take place for the CWM Trustee Body for the following three year period. One representative of each member church is elected to represent his/her own church on the Trustee Body of CWM. Special attention is paid to ensure as far as possible that women and youth are put forward for election so that these elements of constituencies of the member churches are definitely represented.

The 31 Trustees then meet at least once a year, translating the previous Assembly's vision into achievable aims, designating those who are responsible and deciding upon the desired timeframe. In addition it monitors and evaluates achievement and determines future programmes for action. There is also an 'Officers Group' of 6 Trustees which has some delegated authority to act in between Trustee Body Meetings where necessary. The inclusive structure of a Trustee Body allows each member church to be represented in the business meetings of CWM, where financial decisions are taken, where policy is shaped, and where practice is monitored. Theologically the Trustee Body structure and style enhances the sense of the importance of all members of the Body of Christ, and emphasises the part that each member must play.

In acknowledgement of the origin of CWM as the London Missionary Society, the office and Secretariat Staff of CWM remain in London. There are no offices in other parts of the world. The activities of CWM are carried out by the member churches both separately and in partnership with each other. Some activities are initiated and/or facilitated by the Secretariat in London.

Trustee training At every Trustee Body meeting, time is set aside for Trustee training of current significance.

In accordance with good governance and best practice, the Trustees absent themselves from discussions relating to donations that are proposed for their respective churches and projects.

5. Policies and Activities

CWM has a policy that each member church be actively involved in mission partnership with others. CWM assists this process by helping to identify priorities for mission, emphasising the practice of partnership, particularly to empower women and youth for mission, and encouraging the principle that every church be both a receiver of help and a giver of its talents.

To do this, opportunities are provided for

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- Training
- Leadership development and gender/youth empowerment
- Sharing financial resources
- Networking and communication
- Meeting and exchanging of experience and ideas
- Regional empowerment
- Encouraging churches to live out CWM family ideals
- CWM to demonstrate its belonging within the world church

Some of the applications of these principles are described below, identifying specific highlights of the year and impact evaluation principles in each case

5.1 Global mission in a local context

Each member church is involved in setting out its strategic mission plan, appropriate to its local context, and CWM resources are shared upon the basis of a specific strategic plan for each church. The situation in each of the countries in which the member churches are based is very different, and so the mission plans are specific to each local context. To assist churches in formulating, monitoring and evaluating their plans, CWM provides specific expertise (Mission Programme team) and also facilitates regional gatherings of its members to constructively challenge and encourage each member church to share and develop their ideas using input from both nearby and distant contexts.

During 2009 Regional Roundtables were held in all six CWM regions enabling member churches to come together and learn from each other as they shared the achievements, challenges and difficulties that they had experienced in their mission programmes. In every meeting each church made a presentation based on its monitoring and evaluation reports enabling a rich process of sharing. When a church is ready to move on to a new phase in its mission programme it makes a presentation drawing on its learning from past experience and an appreciation of its present context, and what these suggest should be its new mission priorities and how they plan to implement them. During 2009 three member churches embarked on new phases of their mission programmes.

These activities are incorporated within the headings of 'grants' and 'Mission Programme' in note 2.2 to the financial statements.

In 2010 the Mission Support Programme will continue with the regional roundtable meetings continuing to encourage and challenge member churches in the development of their mission programmes.

5.1.1 Covenanting for Justice

A specific important alliance was formed with major ecumenical organisations in May 2006. This alliance had its roots in an earlier ecumenical confession. In 2004, the World Alliance of Reformed Churches called upon churches to covenant together for justice in the economy and the earth (the Accra confession), which emphasised that working to create a more just and sustainable world economy is essential to the integrity of Christian faith. Building on this, representatives from CWM, the World Council of Churches (WCC) and the World Alliance of Reformed Churches (WARC) formed an alliance to explore how the confession should be put into practice in mission. This resulted in the start of a major and wide-ranging 'Covenanting for Justice' movement that will equip churches to address economic and ecological justice issues more effectively.

Oikotree is the fruit of this alliance, an ecumenical space in which a movement of those seeking to live faithfully in the midst of economic injustice and ecological destruction can take shape. Sponsored by CWM, WARC and the WCC it is open to individuals, local churches, people's movements and all who share a concern for justice and the healing of the nations. Over the next five years it will be promoted and developed as a key mission response to the critical issues of our time. Launched in December 2008, it works through a user-generated, networking website – www.oikotree.org – and events to equip advocates and develop resources, steered by a Facilitating Group appointed by the three sponsoring bodies.

CWM's contribution to costs for these activities is incorporated within the heading of 'Mission Programme' in note 2.2 to the Financial Statements.

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In 2010 this work will continue with a CWM Oikotree strategy meeting in March, developing CWM's approach and advocacy resources, the Facilitating Group meeting in April, bringing together the three sponsoring bodies to review the work, and an Oikotree global forum in October, which will bring together a range of partners to deepen and extend their networking and effectiveness as they promote justice in their different contexts

Partnership within the World Church is one of CWM's major tenets. CWM engages in partnership and participation with other international ecumenical mission organisations, by sharing people, ideas and resources. Many CWM programmes specifically include ecumenical participation as a matter of principle, and CWM participants also take part in the programmes of other ecumenical mission organisations. These activities are incorporated in the headings within which they arise, in note 2.2 to the financial statements.

5.2 Mission Education Programmes

There is a specific focus on youth, children and building a Community of Women and Men in mission in order to promote Mission Education among CWM member Churches and beyond. Mission with Children, HIV and AIDS and gender issues are on a high priority within the CWM programmes. The activities are incorporated within the heading of 'Mission Education' in note 2.2 to the financial statements.

5.2.1 Training in Mission (TIM)

TIM is a key CWM programme that has been running since 1981 to train young adults, aged between 20 and 30 for a life-time service to Christ and his Church. It takes place annually and lasts for 10 months. Currently the first five months of the training is located in Johannesburg, South Africa and the second half in Madurai, India. The programme works through an action-reflection model of learning and the participants are engaged both in classroom based theological studies and practical mission placements. A detailed evaluation is undertaken at the end of every year. Following the programme the participants return home to share their experiences and learning with their churches and local communities. Many go on to work or volunteer with Church and community projects. Since 1981 more than 290 young people have been part of this dynamic programme. From time to time, contact is made with former participants, and this research has established that many of them are now holding responsible leadership positions within the Church at national and international levels. In 2009, 10 participants representing all CWM regions and one young person from our ecumenical partner UEM completed the programme successfully.

5.2.2 Youth Workcamps

Two youth workcamps were held in 2009, within the CWM family. In August the Caribbean regional youth workcamp was organised by the Caribbean and North America Council for Mission (CANACOM). Four young people from Africa, Europe, Pacific and South Asia participated in a two-week workcamp in Jamaica. At the same time the European workcamp was organised by the Congregational Federation. The need to provide opportunities for spiritual formation and cross-cultural exchanges among Christian youth in a global community was at the heart of the workcamp. The participants were made aware of the significant contributions that the Congregational Church has made in the life of the country through the life and work of those who came before. Three young people from Africa, East Asia and the Pacific participated in a two-week Work camp in Hungary and a follow-up programme in the UK with participation at CWM Europe's Window-on-the-World. The programme provided a wonderful forum for the participants to give expression to their God-given talents such as music, dance, drama and poetry. Issues such as community development were examined in great depth.

5.2.3 Mission with Children

An annual regional training workshop on Mission with Children was organised in Apia, Samoa in September 2009 on the theme, 'Welcome children, welcome Jesus'. The overarching theme for Mission with Children programme is 'Faith seeking justice'. The main areas of focus were building families for life, kids friendly church, combating child trafficking and child abuse. This programme comes from recommendations by the Trustees to take Mission with Children forward. As a result member Churches are working on launching programmes such as Kids Friendly Churches, Building Families for Life, combating Child abuse etc. The next regional training of trainers programme will take place in Malaysia in October 2010.

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5.2.4 Combating Human Trafficking

In March 2009 a Global Consultation on combating Human Trafficking took place in Delhi, looking into the current levels of knowledge and action in addressing this issue and mapped out a viable action plan for the future. The Global Consultation on combating Human Trafficking went into depth to equip participants from member churches to be engaged in Mission in their own contexts in relation to combating Human Trafficking. The Consultation gathered a wide array of participants from both CWM member churches and also from outside with participants coming from e.g. Cambodia, Australia, Philippines, Indonesia, Sri Lanka and Nepal.

The Consultation was a very informative and a fruitful one with excellent interaction between the participants and very good presentations from a variety of resource persons. The main outcome was a statement entitled 'From Nowhere to Nowhere – Act to Combat Human Trafficking' focusing on proclamation, prevention, protection and restoration and giving practical suggestions for combating human trafficking on the global, national and local levels.

5.2.5 Justice for Dalits

A South Asia Regional Consultation on 'Engendering Theology from Dalit-Tribal Perspectives' was held in March 2009 in Vishakhapatnam, South India. The theme of the Consultation was "Translating Faith into action: Addressing Gender Issues from Dalit-Tribal Perspectives" with its main aim being "To engender theology and address gender issues from Dalit-Tribal Perspectives in order to promote empowerment of the excluded in general and Dalit-Tribal women in particular." The 36 participants from all SARC member churches and Sri Lanka were able to identify the commonalities and differences between the situation of the Dalits and the Tribals (Adivasi) and were not only inspired and motivated to continue working for the liberation of both groups but could also exchange valuable experiences on how to deal specifically with gender issues in both cases. The objectives were greatly met as e.g. the participants became aware of the relationship between theology and its impact on people's lifestyles and vice versa, identified major issues to address in engendering theology and finally, explored possible ways of networking as churches and organisations and to explore working models to enhance capacity building to uproot and destroy discrimination based on caste hierarchy and marginalisation based on Tribal ethnicities. A Final Statement on this was drafted during the Consultation, discussed in a panel session and finally approved by all participants.

CWM is also working with a few organisations like Dalit Solidarity and Churches in UK to form a strong network in solidarity with the Dalits especially in India. This network hopes to work through the churches and other organisations in India for the liberation of Dalits, their emancipation and liberation. Justice for Dalits is indeed a question of human rights and CWM is proud that the present UN secretary for Human Rights, Mrs. Pillay has put it on a high priority considering injustice to Dalits for ages as a clear Human Rights issue.

5.2.6 Youth in Mission Fund (YIM) & Women in Mission (WIM) Fund

The Youth in Mission and Women in Mission funds support minor training programmes and educational events in the CWM family. In 2009, three Youth in Mission grants were given to CWM churches for programmes, which have been very helpful in empowering youth and women and enabling them with leadership and training skills. Firstly a grant was given to the Africa region, to UPCSA for a 'Training in Mission: Interdenominational Youth Day Celebration'. Another was given to the Pacific region to PCANZ for the participation of a Youth Pastor at the 'National Youth Workers Conference' in the USA and the third to the South Asia region to CSI for an Ecumenical Study Programme for young people on 'Re-definition of Mission and Reformulation of Agenda in a Globalised World'.

5.3 Mission Personnel, Sharing and Training Programmes

The Personnel and Training Unit continues to offer varied opportunities for learning about mission and culture, focussing on specific regional concerns and supporting human resource development and capacity building. Programmes are tailored for a particular region's needs as well as facilitating participation from a wide variety of member churches. Additionally the unit supports the movement of people "everywhere to everywhere" primarily through the work of those who serve as missionaries. These activities are incorporated within the heading of 'Mission Personnel' in note 2.2 to the financial statements.

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5.3.1 Missionary Sharing

There are approximately 69 missionaries serving through CWM at this time, most have long-term appointments. Some CWM appointments are shared with other mission agencies and others are ecumenical appointments. All regions of CWM were involved in sending and receiving missionaries in 2009, and within those regions, approximately 80% of all CWM member churches are involved in sharing people. Missionary movements continue to be 'everywhere to everywhere'. The percentage of South – South missionary movements remains high over 85% with the potential for an increase in numbers of persons serving.

Currently CWM missionaries are involved in a wide variety of different kinds of service. These service opportunities include theological education, pastoral ministry, programmes involved with the counselling and care of HIV/AIDS victims, project administrators and community workers. The emphasis in missionary sharing through CWM is on mission, which is 'person oriented' and each missionary is expected to share 'themselves' and not just their 'skills'. CWM intentionally enables opportunities for the missionaries serving in regions to meet and share together in a residential setting. These gatherings also afford an opportunity for rest and reflection. One such gathering was held for those missionaries serving in the Africa region in 2009.

5.3.2 Experience enlargement

Experience Enlargement is a programme that encourages exchange visits of persons or groups between churches, providing encouragement at difficult times for a church and/or exchanging practical ideas for the development and enrichment of each church's life. All six regions were involved (either senders or receivers) in 2009, approximately 60 persons travelling for exchanges and visits. Such visits provide an important opportunity within the church both for those who receive and those who visit as the encounters at the local level provides a unique opportunity for interaction and learning. Experience enlargement visits offer opportunities for encounters to a wide cross section of the churches constituents i.e. groups, individuals, church leaders, ministers some of whom possibly would not have had opportunities of first hand experience of the world church.

5.3.3 Scholarship and leadership development programmes

Currently there are approximately 65 scholarship/bursary holders drawn from many member churches, undertaking their studies at different institutions around the world. The scholarships are normally offered for postgraduate studies. Member churches may apply for these scholarships as a means of capacity building for their member church. Scholarships are also used to develop the next generation of theological tutors within church related schools, colleges and seminaries. Studies are often undertaken in cross-cultural environments and wide ranges of different courses are undertaken. In addition, there are three special scholarship programmes associated with specific institutions namely – Tainan Theological College & Seminary, Taiwan 3 students, The Protestant Theological University of the Netherlands in Kampen, 3 students and The Presbyterian College and Theological Seminary, Korea 1 student. Additionally 8 churches benefited from 10 Leadership Development Grants. The grants are intended to enable short-term capacity building opportunities for individuals or groups.

5.3.4 Face to Face

The aim of this programme is to expose students who are training for the ministry (ordinands) to a context other than their own. The intent is to stimulate theological reflection, encourage sensitivity to people of other cultures and motivate people to become involved in mission. Approximately 10 students are brought together over a period of 7 weeks. In 2009 three Face-to-Face programmes took place in the locations listed, The Fiji Islands hosted by Pacific Theological College, India hosted by UTC Bangalore and Zambia hosted by the United Church of Zambia Theological College. A total of 29 ordinands took part. The program continues to be popular, provides a variety of encounters and personal reflections from participants clearly speak to the eye-opening experience that their encounters bring. The local coordinators have also made reference to the impact on the communities visited by participants.

5.3.5 A New Face

The 'A New Face' (A New Faith And Culture Exposure) programme is a six-week programme of cross-cultural exposure for those already in ministry, offering an opportunity for 10 clergy to participate each year. In 2009 we had a complement of 9 participants. The aim is to introduce clergy to a ministry context other than their own, to stimulate theological reflection and to gain new insights through their cross-cultural encounters. The program was hosted by the Guyana Congregational Union. Orientation over the first week included insights into Guyanese culture, history and the role of the church in a multi ethnic and

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religious context. The participant is then linked with a local minister to share in the varied experiences of ministry within the context.

5.3.6 Mission Education School IV

During the year the Personnel and Training unit took the lead on a cross unit programme mission education school. MES is a focussed period of intensive learning on a specific matter relevant to the mission of the church. The focus of MES 4 was climate change and sustainable living under the theme *All creation groans: the eco-crisis and sustainable living - understanding the implications for mission*. Participants from 17 member churches shared in a time of focussed learning and reflection. The end result was a covenant amongst the participants and recommendations for action at the local and global levels of the CWM family. Out of this event CWM is working towards devising an environmental policy.

5.3.7 2010 programmes

The 2010 calendar involves cyclical programmes such as Face to Face and A New Face. Additionally the Personnel Working Group will meet to review current programmes, identify solutions to challenges encountered in policy implementation and address weaknesses in current policies. The Biennial gathering for the missionaries serving in the Pacific and East Asia region is scheduled for 2010. The last major event is a consultation between churches that are receiving and sending missionaries. The intent is to provide space for shared learning of best practice in the process of receiving and sending and to look at the benefits and challenges encountered in sharing personnel. The consultation will also use time to reflect on the role of the missionaries in the 21st century against the background of CWM'S new focus.

5.4 Communication

The role of communications is vital to the delivery, and implementation, of a potentially new CWM strategy. CWM's communications strategy is not simply about sharing information or broadcasting news, it is about stakeholder engagement, supporting the organisation's strategic goals and managing change. In 2009, CWM continued to strengthen its communication infrastructure, especially exploring new technologies and paying close attention to the management of its existing channels of communication, while also seeking to empower churches and CWM staff to be more effective in both their mission programme communication strategies and unit work. The message is, put Communications at the heart of all planning.

These activities are incorporated within the heading of 'Communications' in note 2.2 to the financial statements.

Website and newsletters

CWM's website, cwmission.org, continues to be a place for everybody connected with the organisation to participate, learn and share. The site, redesigned in 2008, creates opportunities for people to keep up to date with CWM's activities, to explore God's work around the world, and to contribute with comments, personal stories and with prayer requests.

In early 2009, CWM launched the prayer post section of the website, which uses some of the ideas behind social media sites such as Facebook to create a network of people sharing news, prayer requests, and support for each other. The prayer-post has 200 participants, and the intention is for people who have had contact with CWM through training programmes, conferences and events to be able to maintain a connection with CWM.

Regular firsthand accounts of daily life in Zimbabwe, of missionaries' work and of the experiences of the 2009 Training in Mission Group have been among the highlights.

The CWM News email newsletter continues to bring the top stories of each week to 1200 subscribers in all CWM member churches. The Training in Mission Alumni newsletter is distributed only to former participants in the Training in Mission programme to keep up to date with the ways that former participants continue to apply their Training in Mission learning today.

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Inside Out Magazine

CWM's quarterly magazine, *Inside Out*, aims to show how churches and individuals throughout the world are working out CWM's principles and values in practice. In 2009 *Inside Out* explored themes that have fresh relevance to mission today, such as the value of prayer, Churches' response to the spread of HIV and AIDS, and the place of hospitality in mission.

One issue of the magazine centred itself on the Assembly theme, live the good news, looking at some of the outcomes of the Assembly in Mamallapuram.

CWM Advocates

Advocates represent CWM throughout the six regions. They visit local churches, attend events and exhibitions, distribute CWM materials and give talks to promote the work of CWM.

Local Languages

English continues to be the main language of communication, CWM is sensitive to the needs of a community that embraces many, many languages. CWM supports local churches that wish to translate existing publications into their own local language, and is always exploring how to provide a service to all its member churches.

5.5 Partnership within the World Church

Partnership within the World Church is one of CWM's major tenets. CWM engages in partnership and participation with other international ecumenical mission organisations, by sharing people, ideas and resources. Many CWM programmes specifically include ecumenical participation as a matter of principle, and CWM participants also take part in the programmes of other ecumenical mission organisations. These activities are incorporated in the headings within which they arise, in note 2.2 to the financial statements.

5.6 Regional Empowerment Programme

When CWM was established in 1977, it identified that the key principle in advancing its mission was that of partnership. At that time, while the six regions into which member churches were grouped existed, no clear role for the regions was identified. In 1999 CWM adopted a 'Strategy for Action'. The document acknowledged three instruments for carrying out the strategy: staff, regions and member churches.

While assigning this role to the regions, it was recognised that in the past they had been under-utilised as an agent of mission. In 2001 further impetus was given to the principle of Regional Empowerment through the establishment of the Regional Empowerment Fund grant.

The Trustees receive feedback on this programme annually from the different regions, and much progress has been made in regions tackling issues in common together and learning from each other. A major review consultation for this important programme took place in May 2007 which affirmed the value of the Regional model and drew up principles for the future and appropriate allocation of resources. Since the consultation this activity has gained new momentum and major co-operative mission ventures are developing within regions. The shared learning outcomes are enthusiastically promoted at regional round tables (see S5.1) and globally at Trustee Body meetings.

This activity is incorporated within the heading of "grants" in note 2.2 to the financial statements.

5.7 Grants Policy

CWM funds represent the resources of the whole global family. It is tempting to focus primarily on money in an organisation with large financial resources, but as the above activities demonstrate, CWM views the

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sharing of people, ideas and skills as equally, if not more important in meeting the organisation's objectives

- Some activities can be most effective if all Churches share in joint activities – such as some of the training programmes where cross-cultural exposure is one of the unique experiences that CWM can provide. These resources are co-ordinated globally
- Other activities are best undertaken and co-ordinated locally in home countries, or as regions and therefore resources are sent to the churches or regions to be managed locally (defined as large grants in this context)

There are also some smaller local needs and churches can apply for small grants e.g. for youth groups or women's empowerment initiatives

The main categories of grants are as follows

Mission Support Programme (formerly called Mission Programme Support Fund) See section 5.1 Regional Empowerment Programme Solidarity and Action Grants	CWM helps Churches to develop their priorities for mission, based on a three to five year strategic plan and allocates resources to the member church to assist with implementation of that mission plan. This is the main Fund grant. Helping regions to tackle issues that churches within that region share in common. To offer practical help to local churches in countries affected by natural and other major disasters so that they are able to reach out to their communities at these times.
Ecumenical Involvement/Global Partnership Programmes	Offers one-off grants to encourage CWM churches/global ecumenical and mission partners to carry out projects, programmes and events in the areas of evangelism, new ways of being church in mission, ministerial formation and theological education for mission, interfaith dialogue and crossing new frontiers in mission.
Small grants - examples	Youth in Mission programme, Women in Mission Programme, leadership development programme, experience enlargement programme. These grants are intended to support and empower individuals and small groups in these activities.

Details of grants given during the period are set out in note 3 of the accounts, and information about designated funds is given in note 13.1 of the accounts. The major grant programme fund distributions of CWM at this time are from the Mission Support Programme and its predecessor grant, Mission Programme Support Fund. These grant allocations to member churches are budgeted and committed on a three to five year planning basis but the level of cash flow draw down on those grants in any one year is circumstantial, based on a member church's readiness to receive and their evaluation of previous grants rather than on availability of funds. Budgets and commitments are planned so as to ensure that the CWM Spending Policy is adhered to (see section 7.2).

6. Financial Review

6.1 Unrestricted Funds

The Charity's main source of income is investment income, which represents over 85% of total unrestricted income. Other important sources of income are financial contributions from Churches and individuals, and legacy income.

The stability of the income and capital value base of the invested portfolio are paramount in supporting ongoing sustainable levels of expenditure. The Charity has a strong capital base, low fixed costs, and the majority of expenditure is planned discretionary expenditure. This makes the Charity's immediate activities less vulnerable to large variations in 'total return' from investments than other Charities.

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The Investment Committee monitors the invested funds (which largely originated from the sale of the Hong Kong hospital site ('gift of grace') in 1996) on a quarterly basis. In almost 6 years since the inception of a new diversified investment structure of these funds, the portfolio has earned an annualised return of 6.2% gross (ie 3.3% net of inflation (UK RPI of 2.9%)). CWM needs to generate a minimum annualised return target of 5% (net of RPI) in order to maintain its spending policy and so the average value generated over this period falls short of the target at this stage. At the end of 2007, the situation was rather different. At that time, in an almost 4 year period since the inception of the new diversified structure, the portfolio had earned an annualised return of 10.8% gross (ie 7.3% net of inflation (UK RPI of 3.5%)) and was therefore comfortably exceeding the minimum annualised return target of 5%. In unrealised terms the portfolio sterling value reduced by 25% in 2008 in common with similar investment portfolios. However the portfolio performed in line with the sum of its managers' benchmarks in 2009 with a 19.6% positive performance. Due to uncertainty in the markets it was decided during 2009 to reduce planned operational expenditure to anticipate the effects of the downturn on future spending levels and a similarly appropriate level of budgeted expenditure for 2010 has been set.

As an organisation with global grant commitments, CWM is affected when exchange rates fluctuate widely. Therefore, the diversified investment portfolio is composed of investments denominated in a range of main currencies. CWM maintains a balanced and conservative diversified investment portfolio over time, and the Investment Committee monitors the performance of all investment managers on a quarterly basis, and changes asset allocations or managers when appropriate to do so.

Whilst being aware of the total level of fees for this large investment portfolio, CWM monitors the ratio of investment fees as a percentage of the funds invested as a more helpful measure than absolute values. The expense ratio for 2009 was 0.58% (2008 0.63%). CWM evaluates and discloses investment fees on a total expense basis rather than on a pure management fee basis. This ensures that additional expenses charged by investment managers such as custody arrangements are included. The portfolio includes geographically spread equities, property funds, hedge fund of funds, bonds and cash. Because the portfolio does not contain private equity, the overall expense ratio will be lower than other organisations. Total expense ratios for CWM's managers range between 0.21% and 1.98% depending upon the type of investment instrument and fee basis.

6.2 Restricted Funds

CWM and its predecessor entities (listed in section 2 of the Trustees' report) have been given custody of a large number of legacies or gifts for a range of specific world wide mission purposes over the last two centuries. These legacies and gifts are treated as restricted funds or endowment funds in the financial statements and they are summarised in Note 12 to the financial statements. Ongoing distribution and consolidation is taking place in order to release these funds for the purposes for which they were given, in accordance with Charity Commission guidelines.

7. Investment, Spending Policy and Reserves

The charity's principal source of income is from its investment portfolio. It does not undertake major forms of public fund-raising activity. The unrestricted reserves of the charity were increased substantially in 1996 when CWM benefited from the sale of land in Hong Kong. Net proceeds of £87m were invested and have since grown in value. Since 1997, large amounts of the combined 'total return' on the invested capital have been disbursed for mission activities in accordance with CWM's aims and objectives, leaving a current balance of funds of £129.8m made up of £123.2m of Unrestricted Funds, £1.1m of Restricted Funds and £5.5m of Endowment Funds.

7.1 Investment Policy

There are no restrictions on the Trustees' powers of investment and the charity has adopted a total return policy for the portfolio.

A major review of the investment asset allocation and manager structure took place during 2004. Following specialised investment advice from Cambridge Associates, CWM restructured its investment portfolio, moving away from a balanced mandate (of 2 investment managers with equal asset value to

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invest in a range of equities and bonds), towards a multi manager strategy, with a wider range of diversified investments which are now held by individual specialised managers

The performance of each managed fund is measured against appropriate benchmarks on a quarterly basis. Rebalancing of the portfolio is considered at least annually to ensure that the capital value of each portion of the portfolio remains within pre-determined percentage ranges

7.2 Spending Policy

The Spending Policy is to spend an annual maximum of 5% of the 12-quarter moving average market value of the unrestricted investment portfolio, in addition to other income sources

7.3 Reserves Policy

The General Funds of CWM make up its invested 'capital base' from which the mission activities of CWM are funded. It is the intention of the Trustees to use this invested 'capital base' to secure the long-term future of the joint activities of the member churches around the world. The Reserves Policy is, therefore, to maintain at least the base level of uncommitted General Funds (£87m in 1996) as a capital base in perpetuity, in a way that preserves the purchasing power into the future, when combined with the Investment Policy and Spending Policy

The fact that the unrestricted fund balance in the financial statements has grown this year may give an impression that CWM is increasing the reserves of the charity. This is not the case. Whilst CWM plans to spend or distribute the full spending policy allocation (see section 7.2) on an annual basis, there is a time lag in the distribution of substantial grants, as described in section 5.7, depending upon member churches' stage in planning, monitoring and evaluating the grants they already have. Note 13.1 to the financial statements shows £8.4m of grants designated for distribution to member churches when they are ready. These funds remain in the investments total in the meantime

7.4 Ethical Investments Policy

The Investment Policy is to invest, balancing risk and return using socially responsible criteria where possible. The balance of investments chosen is intended to preserve the purchasing power of CWM's General Funds in the long term, allowing for a sustainable and consistent spending rate on an annual basis

The CWM seeks to generate income and capital growth from its investments to finance its missionary activities, mindful of the need and desire to invest ethically and with regard for Socially Responsible Criteria

CWM prohibits investments in all UK companies with more than 5% of turnover in tobacco, alcohol, armaments, pornography or gambling. Overseas investments are, due to smaller individual capital values, held in pooled instruments alongside other investors and currently, only partial application of this fundamental ethical principle is possible in these pooled funds. The information available and the opportunities for investing according to these considerations are evolving constantly and therefore the investment managers and the chosen products are subject to regular review

Because of the difficulty of applying the ethical policy to hedge funds, the CWM policy is that not more than 10% of CWM's investments are to be invested in hedge funds. Hedge funds are included in the portfolio as a means of reducing the overall volatility of returns (and hence reducing the risk) of the balanced portfolio

With regard to Socially Responsible Criteria, the CWM takes an active interest in the impact of its shareholdings upon Society by ensuring that its votes are cast on important issues at UK company Annual General Meetings and by constructing its investment portfolio to include a high proportion of

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geographically diverse equity and bond investments as a means of investing in the regional economies of its diverse constituent bodies. In addition to the market investments, CWM has proactive engagement in organisations and activities which are beneficial to wider constituencies, such as microcredit institutions (see note 6.2 to the accounts)

8. Risk Review

The Trustees have a formal risk management process to assess the risks facing the charity and to implement appropriate risk management strategies. The process involves the identification of the types of risk, prioritising these risks in terms of their potential impact and likelihood of occurrence, and identifying ways in which the risks can be mitigated. The costs of operating particular controls relative to the benefit obtained are also considered.

As part of the risk management process the Trustees have established policies on internal controls. An internal audit strategy has been established to monitor the adequacy of operational, compliance and business internal controls. The Audit Committee met quarterly during the period to consider and evaluate the internal audit reports and to assess the adequacy of the charity's controls.

One of the major risks for the Charity is its dependence upon invested financial resources. Trustees believe that complying with the charity's reserves, investment and spending policies as stated will provide sufficient resources to secure the long-term future of the charity and its member churches' joint activities. An Investment Committee reviews the charity's investment portfolios with the Fund Managers on a quarterly basis. Policies of diversification are actively pursued to minimise the risks inherent in holding investments.

As a Charity which distributes its financial resources to member churches in six geographical regions on a regular basis, the principles of accountability, integrity and transparency in the use of resources are very important to the constituencies, and are addressed in open communication in the context of the CWM family.

9. Future Developments

CWM's programmes are re-evaluated regularly, and new developments have been described throughout this Trustees' Report. The 31 Trustees take a proactive interest in the range of programmes of CWM and have divided themselves into 'advisory groups' so that each group can focus upon evaluation and development of specific areas of mission activity.

A wide ranging strategic review began in 2006 and after extensive global consultation the review was completed with a report presented to the Trustees in July 2009. Following this, the Trustees approved a new Vision and Mission statement for the organisation and created a Strategic Planning Group to propose to the Trustees in July 2010 the strategy for the next nine years and objectives for the next three years.

10. Public benefit statement

The Trustees confirmed that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

CWM's charitable purpose is enshrined in its objects "to spread the knowledge of Christ throughout the world" (see section 1). The Trustees ensure this is carried out for the benefit of those living in the parts of the world where the member bodies of CWM are located guided by the CWM vision "fullness of life through Christ for all creation".

11. Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they 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 it has been communicated to the auditor.

12. Auditors

The auditors Baker Tilly UK Audit LLP, Chartered Accountants, have indicated their willingness to continue in office.

13. Statement of Trustees' Responsibilities

The trustees (who are also directors of Council for World Mission for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

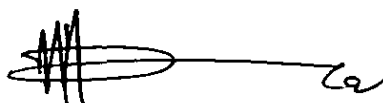
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 22 July 2010 and signed as authorised on their behalf by



Rev Dr Moiserale Dibeela

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COUNCIL FOR WORLD MISSION

We have audited the group and parent charity financial statements of Council for World Mission for the year ended 31 December 2009 on pages 18 to 45

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements.

Baker Tilly UK Audit LLP

SARAH MASON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants 1st Floor, 46 Clarendon Road

Watford, Herts, WD17 1JJ

3 August 2010

COUNCIL FOR WORLD MISSION
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 Funds £	Total 2008 Funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income						
Church contributions legacies & donations	2 5	661,664	-	-	661,664	383,120
Investment income	2 4	4,040,421	136,412	39,145	4,215,978	4,915,715
Total Incoming Resources		4,702,085	136,412	39,145	4,877,642	5,298,835
Resources expended						
Costs of generating funds						
Voluntary income costs	2 2/2 5	54,031	-	-	54,031	45,785
Investment management costs	2 2/2 4	778,274	21,728	6,475	806,477	775,190
Charitable Activities						
Grants payable	2 2	1,832,603	54,284	-	1,886,887	2,661,525
Functional programme costs	2 2	3,516,576	173,697	191,745	3,882,018	3,671,635
Governance costs	2 2	330,758	-	-	330,758	242,307
Total Resources Expended		6,512,242	249,709	198,220	6,960,171	7,396,442
NET OUTGOING RESOURCES		(1,810,157)	(113,297)	(159,075)	(2,082,529)	(2,097,607)
Realised (Losses) and Gains on Managed Investments						
		(7,330)	7,849	56,672	57,191	(690,949)
Unrealised Gains and (Losses) on Managed Investments						
(Losses)/gains on Unquoted investments		16,048,535	126,025	909,919	17,084,479	(27,476,760)
Actuanaal (Deficit) on Defined Benefit Pension Scheme		(180,079)	-	-	(180,079)	748,844
		(596,000)	-	-	(596,000)	(332,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		13,454,969	20,577	807,516	14,283,062	(29,848,472)
Transfer between funds		-	(44,843)	44,843	-	-
TOTAL FUNDS AT 1 JANUARY		109,752,824	1,125,300	4,647,714	115,525,838	145,374,310
TOTAL FUNDS AT 31 DECEMBER		123,207,793	1,101,034	5,500,073	129,808,900	115,525,838

All incoming resources and resources expended derive from continuing activities
The statement of financial activities includes all gains or losses recognised in the year
The notes on pages 22 to 45 form part of these financial statements

COUNCIL FOR WORLD MISSION**BALANCE SHEET****AS AT 31 DECEMBER 2009**

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets for own use	5	5,536,520	5,516,543
Investments	6	119,706,544	102,599,449
		125,243,064	108,115,992
Current assets			
Stocks	7	-	5,650
Current asset investments	8	6,630,623	9,257,437
Debtors	9	2,406,039	819,007
Cash at bank and in hand		464,987	1,515,816
		9,501,649	11,597,910
Creditors.			
Amounts falling due within one year	10	(3,615,535)	(3,136,859)
Net current assets		5,886,114	8,461,051
Total assets less current liabilities		131,129,178	116,577,043
Creditors. amounts falling due after more than one year	11	(494,278)	(803,205)
Net assets excluding pension (liability)		130,634,900	115,773,838
Defined benefit pension (liability)	15	(826,000)	(248,000)
Total net assets including pension (liability)		129,808,900	115,525,838
Funds			
Endowed funds	12	5,500,073	4,647,714
Restricted funds	12	1,101,034	1,125,300
Unrestricted funds:-			
- Designated funds	13	8,396,677	9,819,803
- Other charitable funds	13	114,811,116	99,933,021
Total unrestricted funds	13	123,207,793	109,752,824
Total funds	14	129,808,900	115,525,838

The notes on pages 22 to 45 form part of these financial statements

The financial statements were approved and authorised for issue by the Trustees on 22 July 2010 and signed on their behalf by


 Moderator
 Rev Dr Moiserale Dibeela

COUNCIL FOR WORLD MISSION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH OUTFLOW FROM CHARITABLE ACTIVITIES	31 December 2009 £	31 December 2008 restated £
Net outgoing resources for the year excluding Investment Income	(6,298,507)	(7,013,322)
Depreciation	48,023	54,580
Increase in creditors	(169,749)	(703,614)
Increase in debtors	(1,587,032)	(323,257)
Decrease in stocks	5,650	12,380
Profit on disposal of fixed assets	(40,072)	(401,267)
Additional pension contribution paid	18,000	58,000
Net cash outflow from charitable activities	(8,023,687)	(8,316,500)
 CASH FLOW STATEMENT	 31 December 2009 £	 31 December 2008 £
Net cash outflow from Charitable Activities	(8,023,687)	(8,316,500)
Returns on investments and servicing of finance		
Investment income	4,215,978	4,915,715
Net cash inflow from returns on investments	4,215,978	4,915,715
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(86,754)	(667,570)
Proceeds from sale of property	58,826	401,270
Purchase of investments	(21,142,126)	(29,309,384)
Proceeds from sale of investments	21,300,120	37,240,774
Net cash inflow from capital expenditure activities	130,066	7,665,090
Management of liquid resources		
Decrease/(Increase) in current asset investments	2,626,814	(3,134,098)
(Decrease)/Increase in cash in the year	(1,050,829)	1,130,207

The notes on pages 22 to 45 form part of these financial statements

COUNCIL FOR WORLD MISSION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

ANALYSIS OF NET FUNDS

	At 1 January 2009 £	Cash Flow £	At 31 December 2009 £
Cash at bank	1,515,816	(1,050,829)	464,987
	<u>1,515,816</u>	<u>(1,050,829)</u>	<u>830,591</u>
Current asset investments	9,257,437	(2,626,814)	6,630,623
	<u>9,257,437</u>	<u>(2,626,814)</u>	<u>6,630,623</u>
Change in net funds	<u>10,773,253</u>	<u>(3,677,643)</u>	<u>7,095,610</u>

The notes on pages 22 to 45 form part of these financial statements

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1. PRINCIPAL ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the inclusion of investments at market value in accordance with the Companies Act 2006 and the Statement of Recommended Practice, Accounting and Reporting by Charities (2005) and applicable accounting standards

b) Member Churches

The 31 member churches affiliated to the CWM are wholly autonomous bodies individually constituted within their country of origin. On this basis the member churches are not considered to be branches of this company and their transactions are not consolidated in these financial statements. CWM makes direct allocations to its member churches (see note 3)

c) Recognition of incoming resources

Income is recognised in the year in which the company is entitled to receipt and the amount can be quantified with reasonable certainty. Direct contributions represent amounts actually received in the accounting year. Legacies are treated as income when it is reasonably certain that the amount will be received in due course. Investment income is recognised on an accruals basis. Grants received for specific purposes are treated as restricted funds.

d) Property income

Property income represents rent receivable in respect of properties owned during the year and is accounted for on an accruals basis. It is then allocated to the appropriate fund.

e) Recognition of resources expended

Costs of generating funds comprise investment management costs and expenditure in relation to the administering of donations and legacy income received.

Charitable activities include grants payable in furtherance of the charitable objects.

Expenditure is recognised in the year in which it is incurred under the accruals basis. Grants and allocations payable to partner organisations are included in the SOFA when approved by the Trustees and agreed with the other organisation. The value of such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as Designated Reserves. The Council is not registered for Value Added Tax and any irrecoverable VAT is charged to the appropriate heading.

Governance costs are the expenses incurred by the Charity in meeting their statutory and constitutional requirements and include Trustees' expenses, external audit fees and a proportion of management time.

f) Allocation of costs

Costs are allocated within charitable expenditure according to the nature of the cost. Wherever possible costs are attributed directly to specific activities. Certain shared costs including support costs are apportioned to activities in furtherance of the Charity's objects using a variety of bases including estimated time spent and number of employees.

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1 PRINCIPAL ACCOUNTING POLICIES (continued)

g) Tangible fixed assets and depreciation

Fixed assets for Charity use are capitalised at cost, where acquired, or market value as determined by the Trustees where donated. They are stated in the financial statements at cost or original value less depreciation. Where cost or original value was unknown or could not be quantified, fixed assets have been stated at their net book value at 1 January 1995 instead of cost, and depreciated thereafter.

Individual fixed assets costing £500 or more are capitalised at cost and depreciated over their estimated useful lives.

Depreciation is calculated to write off the cost of tangible fixed assets at the following annual rates -

Administrative Freehold building	- 50 years
Other Freehold land and Buildings	- Nil
Leasehold property	- over the life of the lease
Fixtures and fittings	- between 20% and 33 1/3% per annum on cost

No depreciation charge is made on Other Freehold Land and Buildings on the grounds that it would be immaterial because the estimated residual value is not materially different from the carrying value. Other Freehold Land and Buildings are subject to an annual impairment review.

h) Investment properties

Investment properties are not depreciated. These are valued at the Trustees' estimate of open market value for existing use at each year end with any gain or loss taken to the SOFA. When market value falls permanently below original cost, a provision for such loss is made. Land acquired historically overseas has been written off on the basis that CWM's normal policy is to transfer such land to the local member Church. Donated assets are included at a fair valuation at the time of receipt.

i) Fixed asset investments

CWM holds shares in COIF Charities Fixed Interest Fund and in unquoted companies directly. COIF and unquoted shares are stated at market value. All other funds for investment held by nominees are managed by investment managers and are stated at market value as determined by investment managers as at 31 December 2009. Any gain or loss on revaluation is calculated by reference to the previously stated market value and is taken to the SOFA.

j) Current asset investments

Current asset investments represent those investments held as cash balances to enable the company to meet its commitments in respect of grants approved not yet paid. These constitute the liquid resources.

k) Funds accounting

Funds held by the company are -

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside by the Trustees out of unrestricted funds for specific future purposes or projects.

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

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1

PRINCIPAL ACCOUNTING POLICIES (continued)

or when funds have been raised for a particular restricted purpose within the objects of the clients

k) Funds accounting (Continued)

Permanent Endowment funds – these are a type of restricted fund where the capital must be held permanently by the charity. Income arising from such endowed funds is applied in accordance with the terms of the fund.

Further explanation of certain funds is included in the notes to the accounts

l) Valuation of investments

Investments are stated at mid-market value

Realised gains or losses on investments are calculated as the difference between the disposal proceeds and the historic cost. Unrealised gains or losses are derived from the movement in market values during the year.

m) Operating lease commitments

Operating lease rentals, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the SOFA on a straight line basis over the lease term.

n) Stocks

Stationery stocks are valued at the lower of cost and net realisable value.

o) Pensions

- i) CWM operates one defined benefit scheme for its office staff, which requires contributions to be made to a separately administered fund (The Pensions Trust). Annual contributions to this Fund are charged against incoming resources in accordance with a rate determined by the actuary.

Full actuarial valuations of the defined benefit scheme have been undertaken by an independent qualified actuary as in accordance with FRS17 principles and this is reflected in the charity's balance sheet. The surplus or deficit in the defined benefit scheme normally gives rise to an asset or liability within the unrestricted funds of the charity. If a liability arises, this is recognised to the extent that it reflects its legal obligation of the charity.

- ii) In addition CWM pays discretionary pensions to retired missionaries who served prior to the inception of a pension scheme or where service prior to July 1977 is not otherwise pensionable. This scheme is funded from an endowment fund entitled CWM Fund for Retired Missionaries.

p) Foreign currencies

Assets, liabilities, and results of overseas investments are translated at the rate ruling at the balance sheet date. Exchange differences arising are taken to the SOFA.

q) Trustees

Representatives of the member churches are elected to stand as Trustees for CWM on a triennial basis. The current Trustees are listed on page 2 of the Trustees' report.

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

2 ANALYSIS OF RESOURCES EXPENDED

2 1 Charitable Expenditure

Charitable expenditure has been allocated as detailed on the Statement of Financial Activities Grants (allocations) payable are detailed in Note 3

2 2 Analysis of allocation of support costs (see note 1f)
2009

	Generate voluntary income	Investment management fees	Grants	Functional Programme Costs					Total Functional programme costs	Governance costs	Total
	£	£	£	Mission Programme £	Commun- ications £	Mission Education £	Mission Theology £	Mission Personnel £	£	£	£
Programme costs				334,549	442,137	464,854	100,085	1,489,730	2,831,355	-	4,812,537
Administration		671,936	1,309,246								
and finance	16,726	100,358	100,358	51,961	51,961	51,961	104,764	51,961	312,608	183,222	713,272
Office overheads	-	-	-	21,577	36,761	21,577	43,155	36,761	159,831	-	159,831
Thematic											
engagement with											
constituencies	-	-	11,043	-	-	-	146	-	146	-	11,189
Meeting of											
Trustees	-	-	-	77,277	49,775	49,775	175,576	49,775	402,178	108,383	510,561
Investment and											
Audit Committees	-	5,980	-	-	-	-	-	-	-	6,351	12,331
Audit fees	-	-	-	-	-	-	-	-	-	32,802	32,802
(internal and											
external)											
Servicing of all	37,305	-	-	29,581	50,397	29,725	61,417	51,294	222,414	-	259,719
CWM's properties				(411,956)	-	-	-	-	(411,956)	-	-
Final allocation	-	-	411,956	-	-	-	-	-	173,697	-	249,709
Restricted funds	-	21,728	54,284	-	-	-	-	-	191,745	-	198,220
Endowment funds	-	6,475	-	-	-	-	-	-	-	-	-
	54,031	806,477	1,886,887						3,882,018	330,758	6,960,171

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

2 2 Analysis of allocation of support costs (continued)
2008

	Generate voluntary income	Investment management fees	Grants	Functional Programme Costs					Total Functional programme costs	Governance costs	Total
	£	£	£	Mission Programme £	Commun- ications £	Mission Education £	Mission Theology £	Mission Personnel £	£	£	£
Programme costs	-	655,859	2,142,017	396,476	315,709	542,843	112,626	1,626,384	2,994,038	-	5,791,914
Administration											
and finance	12,718	76,306	76,123	39,257	39,257	39,257	90,449	39,257	247,477	132,536	545,160
Office overheads	-	-	-	21,980	29,306	21,980	29,306	29,306	131,878	-	131,878
Thematic											
engagement with											
constituencies	-	-	40,331	-	-	-	33,142	-	33,142	-	73,473
Meetings of											
Trustees	-	-	-	7,870	7,870	7,870	62,960	7,870	94,440	72,466	166,906
Investment and											
Audit Committees	-	4,502	-	-	-	-	-	-	-	3,780	8,282
Audit fees	-	-	-	-	-	-	-	-	-	33,525	33,525
(Internal and											
external)											
Servicing of all	33,067	-	-	32,475	43,268	33,018	43,447	57,135	209,343	-	242,140
CWM's properties				(398,446)	-	-	-	-	(398,446)	-	-
Final allocation	-	-	398,446	-	-	-	-	-	197,725	-	240,856
Restricted funds	-	38,523	4,608	-	-	-	-	-	162,038	-	162,038
Endowment funds	-	-	-	-	-	-	-	-	-	-	-
	45,785	775,190	2,661,525						3,671,635	242,307	7,396,442

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

2 3 Analysis of staff costs

	2009	2008
	£	£
Total staff costs are as follows		
Salaries and wages	1,019,809	887,047
National insurance	115,961	100,420
Pension costs	104,215	103,948
	<u>1,239,985</u>	<u>1,091,415</u>

Staff numbers

	2009	2008
	Number	Number
The number of higher paid employees was		
£60,000 - £70,000	-	1
£80,000 - £90,000	2	1
£90,000 - £100,000	1	2
£100,000 - £110,000	1	-
	<u> </u>	<u> </u>

CWM provides four Executive Secretary Staff (including the General Secretary) with residential housing for occupation during their tenure in the United Kingdom. The taxation benefits in kind incurred on this provision form a substantial part of their remuneration package disclosed above. There have been no substantial changes in underlying salaries during the year.

The emoluments include benefits in kind, but do not include retirement benefits which are accruing to the above four higher paid employees under a defined benefit scheme.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was 25.

	2009	2008
	Number	Number
Furthering of the objects of the charity	20	20
Managing and administering the charity	5	4
	<u>25</u>	<u>24</u>

2 4 INVESTMENT INCOME

	2009	2008
	£	£
Investment Properties	230,937	571,001
Investment listed on a recognised stock exchange	3,885,104	4,163,992
Other unlisted securities	67,086	59,075
Cash and settlements pending, held as part of the investment portfolio	4,898	58,621
Any other investments (cash investments)	11,047	46,409
Miscellaneous Income	16,906	16,617
	<u>4,215,978</u>	<u>4,915,715</u>
Less: Investment Managers' fees	(806,477)	(775,190)
TOTAL	<u>3,409,501</u>	<u>4,140,525</u>

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

2.5	Voluntary Income	2009	2008
		£	£
	Direct Contributions	261,148	324,846
	Legacies	400,516	58,274
		<hr/>	<hr/>
		661,664	383,120
	Less Costs of generating voluntary income	(54,031)	(45,785)
		<hr/>	<hr/>
	TOTAL	607,633	337,335
		<hr/>	<hr/>
2.6	NET OUTGOING RESOURCES FOR THE YEAR	2009	2008
		£	£
	This is stated after charging		
	Depreciation	48,023	54,580
	Auditors' remuneration – external audit services	23,804	24,000
	Operating leases payable	11,247	11,247
		<hr/>	<hr/>

Trustee Remuneration

Neither the Trustees, nor any persons connected with them, have received remuneration

Trustee Expenses

Expenses for flights, subsistence, and office expenses of £168,366 (2008 £105,998) have been reimbursed to 31 (2008 31) Trustees. There were two Trustee meetings in 2009 and similarly one Trustee meeting in 2008. The 2009 meetings were held in Chennai, India and London, UK.

3	GRANTS PAYABLE	2009	2008
		£	£
	During the year the company made the following grants or allocations -		
	Mission Support Programme	732,955	1,262,583
	Mission Programme Support Funds	315,751	568,281
	Partnership in Mission	7,044	-
	Regional Empowerment Funds	-	9,202
	Solidarity and Action Grants	25,005	40,000
	Allocations to Ecumenical Organisations	228,491	261,951
		<hr/>	<hr/>
		1,309,246	2,142,017
		<hr/>	<hr/>

**COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

3 GRANTS PAYABLE (continued)

**2009
£**

The primary grant programme of CWM is the Mission Programme Support Fund. Grant allocations to member churches are budgeted and committed on a five year planning basis and so the level of draw down on those grants in any one year is based on a member church's readiness to receive and their evaluation of previous grants, rather than on availability of grants.

Mission Support Programme (MSP)

Europe Region

Union of Welsh Independents

Building for the future

220,788

Protestant Church in the Netherlands

Church Pioneering

220,010

South Asia Region

Church of North India

Empowering local congregations

292,157

732,955

Mission Programme Support Fund 2 (MPSF2)

Europe Region

United Reformed Church

God is still speaking

315,751

315,751

**COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

3. GRANTS PAYABLE (continued)

Ecumenical Projects

Individual Programmes endorsed by CWM Member Churches (see analysis below)	20,000
World Alliance of Reformed Churches - Mission Projects 2006-2010	20,000
World Alliance of Reformed Churches - Global Institute Theology	20,000
World Alliance of Reformed Churches - Edinburgh 2010	40,000
World Alliance of Reformed Churches - Ecumenical Peace convocations 2010 & 2011	40,000
Caribbean Conference of Churches – Ecumenical Involvement Programme	10,000
World Council of Churches-CWM Grant for specific programmes relevant to CWM priorities	80,000
Zimbabwe Relief Grant	(1,509)
	<hr/> 228,491 <hr/>

Ecumenical Projects

Individual Programmes endorsed by CWM Member Churches	
<u>Europe Region</u>	
<u>Presbyterian Church of Wales</u> Trobwyt	10,000
<u>East Asia Region</u>	
<u>Presbyterian Church in Taiwan</u> School for Ecumenical Leadership Formation (SELF 2000)	10,000
	<hr/> 20,000 <hr/>

4 TAXATION

The charitable company is exempt from corporation tax on its charitable activities

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

5 TANGIBLE FIXED ASSETS

	Land and Buildings £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2009	5,817,528	433,243	6,250,771
Additions	80,841	5,913	86,754
Disposals	(18,729)	(25,109)	(43,838)
At 31 December 2009	5,879,640	414,047	6,293,687
Depreciation			
At 1 January 2009	323,812	410,416	734,228
Charge for year	35,022	13,001	48,023
Disposals	-	(25,084)	(25,084)
At 31 December 2009	358,834	398,333	757,167
Net book value 31 December 2009	5,520,806	15,714	5,536,520
Net book value 31 December 2008	5,493,716	22,827	5,516,543

Land and buildings are categorised as follows

	2009 £	2008 £
Freehold	5,403,398	5,382,989
Long leasehold	117,408	110,727
	5,520,806	5,493,716

6. FIXED ASSET INVESTMENTS

	2009 £	2008 £
Summary		
Managed investments (note 6 1)	116,951,064	99,699,212
Unquoted investments (note 6 2)	2,755,480	2,900,237
Investment in subsidiary company (note 6 3)	-	-
	119,706,544	102,599,449

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

6.1 Managed Investments	2009	2008
	£	£
Market Value as at 1 January	99,699,212	134,484,535
Additions at cost	21,095,845	29,271,336
Disposals	(20,985,662)	(35,888,950)
	<hr/>	<hr/>
Gains and (Losses) on managed investments	99,809,395	127,866,921
	17,141,669	(28,167,709)
	<hr/>	<hr/>
Market Value at 31 December	116,951,064	99,699,212
	<hr/>	<hr/>

The historical cost of quoted investments was £87,736,066 (2008 £87,595,653)

Included within quoted investments are non UK based quoted investments with market value of £71,274,153 (2008 £62,086,383)

6 2 Unquoted Investments	2009	2008
	£	£
Market Value as at 1 January	107,004	103,360
Unrealised (Loss)/gain	(3,831)	3,644
	<hr/>	<hr/>
Market Value at 31 December	103,173	107,004
	<hr/>	<hr/>
The historical cost of the above investments was £97,697 (2008 £97,697)		
Other unquoted shares		
Market Value as at 1 January	2,793,233	2,070,580
Dividends re-invested	46,281	38,048
	<hr/>	<hr/>
	2,839,514	2,108,628
Less Unrealised (Loss)/gain on Exchange	(187,207)	684,605
	<hr/>	<hr/>
Market value at 31 December	2,652,307	2,793,233
	<hr/>	<hr/>
Total unquoted investments	2,755,480	2,900,237
	<hr/>	<hr/>

**COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

6.2 Unquoted Investments (Continued)

The historical cost of the combined investments was £4,821,201 (2008 £4,774,920)

The main component of 'other unquoted shares' is an investment in the share capital of Oikocredit, a worldwide co-operative society, which acts as a bridge between the rich and the poor, by facilitating the provision of microcredit to disadvantaged groups of people, as an effective tool for sustainable development. This investment was entered into in the year 2000, with a view to Socially Responsible Investing, using two mechanisms - share capital and programme related investment (LCRF). The share capital investments are denominated in US dollars and the LCRF was invested in sterling.

In the year 2000, a combination of investments were made in Oikocredit. CWM invested USD\$3.3m in Oikocredit share capital, USD\$0.775m in share capital on behalf of, and in the names of, individual member churches, and invested £2.25m in the 'local currency risk fund' (LCRF) a fund which enables vulnerable microcredit borrower groups to borrow in their local currency rather than in major currencies, so they can be empowered in a way which protects them from large currency swings. Oikocredit carefully manages the variations in the LCRF fund over time but it is naturally a high risk 'programme related investment'. Therefore CWM has written down this investment in previous years and the year end balance sheet value is zero.

The market value of the Oikocredit share capital retained in CWM was £2.5m as at 31 December 2009 (2008 £2.6m) representing the US dollar value of capital and reinvested dividends, translated into sterling at the year end date.

6.3 Investment in subsidiary company

An investment in a subsidiary company, CWM Christian Centre, a South African S21 Company (broadly equivalent to a company limited by guarantee) was made to enable it to promote CWM's aims. The CWM Christian Centre became dormant in 2008 and the company was wound up in 2009.

7	STOCK	2009	2008
		£	£
	Consumables	-	5,650
		<hr/>	<hr/>
8	CURRENT ASSET INVESTMENTS	2009	2008
		£	£
	Royal London Cash Management 'Portfolio 1'	1,014,101	8,820,428
	Royal London Cash Management USD	5,366,522	-
	Royal London Cash Management Restricted Funds	-	187,009
	CAF Cash Tier 2 Investment	250,000	250,000
		<hr/>	<hr/>
		6,630,623	9,257,437
		<hr/>	<hr/>

CWM has a significant amount of designated funds for grants (see note 13.1), and a decision was made, effected in 2005, to set aside and invest a large proportion of these designated funds separately, recognising their shorter term duration of investment rather than the long term investment criteria of the main portfolio.

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

9 DEBTORS	2009	2008
	£	£
Other Debtors	1,604,248	77,703
Other Debtors-CDT Development Ctr	56,004	-
Rent Debtors	50,731	5,066
Accrued Income and prepayments	695,056	736,238
	<u>2,406,039</u>	<u>819,007</u>

Other debtors includes £1m receivable from Loomis Sayles Global Opportunity Bond on redemption of the fund which was received on 5 January 2010. Other debtors also includes £0.5m receivable from the Charities Properties Fund as a result of the return of a placement of funds for an oversubscription to the intended fund which was received on 7 January 2010.

10. CREDITORS: Amounts falling due within one year	2009	2008
	£	£
Other Tax and Social Security	27,295	23,535
Other Creditors	3,232,457	2,779,681
Accruals and deferred income	355,783	333,643
	<u>3,615,535</u>	<u>3,136,859</u>

Included within other creditors are grants committed but not yet paid of £1,975,850 (2008: £1,591,810).

11. CREDITORS: Amounts falling due after more than one year	2009	2008
	£	£
Other creditors		
Due within 2 to 5 years	494,278	803,205
	<u>494,278</u>	<u>803,205</u>

The balance represents the long-term proportion of grants committed.

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

12. ENDOWMENT AND RESTRICTED FUNDS

	Balance 1 January 2009 restated	Gross Incoming Resources	Cost of Generating Income	Outgoing Resources	Investment Gains /(losses)	Transfers	Balance 31 December 2009
	£	£	£	£	£	£	£
Permanent Endowment Funds Capital Only (Note 12 1)	4,647,714	39,145	(6,475)	(191,745)	966,591	44,843	5,500,073
	£	£	£	£	£	£	£
Restricted Funds							
Permanent Endowment Funds Income Only (Note 12 2)	673,951	123,383	(19,633)	(173,998)	52,175	(44,843)	611,034
Restricted Funds Only (Note 12 3)	451,349	13,029	(2,095)	(53,983)	81,699	-	490,000
	1,125,300	136,412	(21,728)	(227,981)	133,874	(44,843)	1,101,034
TOTAL	5,773,014	175,557	(28,203)	(419,726)	1,100,465	-	6,601,107

The opening balances have been restated as a result of clarification on the classification of certain restricted and endowment funds within the year

**COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

12. ENDOWMENT AND RESTRICTED FUNDS (continued)

Outgoing Resources comprise	£
Funds issued directly to 3 rd parties for purposes of the fund	54,284
Expenditure allocated from fund to CWM operational expenditure for purposes such as unfunded pension scheme	365,442
	<hr/> 419,726 <hr/>

Incoming resources include investment income together with realised and unrealised profits and losses on investment assets held directly by the funds, or on pooled assets allocated to the funds, and also include new direct funds received for restricted purposes

The Permanent Endowment funds (Income and Capital) comprise 2 main items at the beginning of the year (see Note 12.1 and 12.2)

- the Harold Granger Fund, which was set up to provide for the education of missionaries' children. Following the introduction of a new Charity Commission Scheme of 1995, the income not required for this purpose in any one year may be used for other defined CWM programme purposes (i.e. restricted purposes)
- the CWM Missionaries Support Fund, for maintenance and support of missionaries, and
- a transfer has been made between the Sir James Tyler – conditional capital and income funds in order to clarify the allocation to each type of endowment fund

CWM Fund for Retired Missionaries – Total Return policy (Note 12.4)

CWM has continued to use the power, granted by the Charity Commission in an order of 2007, to deplete the unapplied total return of this fund in paying pensions to retired missionaries who had served prior to the inception of a pension scheme or where service prior to July 1977 was not otherwise pensionable. The book value in December 1992 of the assets which subsequently composed the Fund is deemed to be the permanent capital held on trust for investment (£684,010). All increases in value of the permanent capital, whether arising from interest or dividends or capital gain on disposal, redemption or revaluation of the assets are held on trust for application. Having received actuarial advice in 2007 from HSBC Actuaries and Consultants Limited as to the likely call upon this fund over the coming years for the known beneficiaries, CWM decided to apply £191,745 in 2009. At 31st December 2009 the unapplied total return was £819,644. The Trustees confirm that they believe there has been no material variance in the liabilities in the scheme.

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

12. ENDOWMENT AND RESTRICTED FUNDS (continued)

**12.1 Permanent
Endowment Funds –
Capital Only**

	Balance 1 January 2009 £	Gross Income £	Cost of Generating Income £	Outgoing Resources £	Investment Gains / (Losses) £	Transfer of funds £	Balance 31 December 2009 £
Miss M L Barrett – pref Kavutalam, etc, Sth India	70,115	-	-	-	14,688	-	84,803
Harold Granger- Education of Missionaries children etc	1,781,550	-	-	-	409,160	-	2,190,710
CWM Missionaries Support Fund	1,367,303	-	-	-	286,359	1,045	1,654,707
Sir James Tyler – conditional	-	-	-	-	(3,489)	43,798	40,309
Mrs H M Reid, GP training for the child of missionary Funds with balances less than £10,000	7,276	-	-	-	2,039	-	9,315
	13,511	-	-	-	3,064	-	16,575
	3,239,755	-	-	-	711,821	44,843	3,996,419
Retired (note 12 & 4)	1,407,959	39,145	(6,475)	(191,745)	254,770	-	1,503,654
	4,647,714	39,145	(6,475)	(191,745)	966,591	44,843	5,500,073

**12.2 Permanent
Endowment Funds –
Income Only
(Restricted fund)**

	Balance 1 January 2009 £	Gross Income £	Cost of Generating Income £	Outgoing Resources £	Investment Gains £	Transfer of funds £	Balance 31 December 2009 £
Miss M L Barrett – pref Kavutalam, etc, Sth India	12,700	2,666	(441)	-	2,660	-	17,585
Harold Granger- Education of Missionaries children etc	534,278	70,475	(11,657)	(126,223)	49,515	-	516,387
CWM Missionaries Support Fund	48,771	44,101	(7,281)	(47,474)	-	(1,045)	37,072
Sir James Tyler – conditional	74,328	5,356	(125)	-	-	(43,798)	35,761
Mrs H M Reid, GP training for the child of missionary Funds with balances less than £10,000	2,458	313	(52)	-	-	-	2,719
	1,416	472	(77)	(301)	-	-	1,510
	673,951	123,383	(19,633)	(173,998)	52,175	(44,843)	611,034

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

12 ENDOWMENT AND RESTRICTED FUNDS (continued)

12.3 Restricted Funds

	Balance 1 January 2009 £	Gross Income £	Cost of Generating Income £	Outgoing Resources £	Investment Gains £	Transfer of funds £	Balance 31 December 2009 £
Ivy Phyllis Read- Scholarship fund	11,642	375	(62)	-	2,439	-	14,394
Robert Cochrane-work in India	46,524	1,497	(248)	-	9,746	-	57,519
Widows and orphans	136,191	4,027	(666)	(11,080)	26,207	-	154,679
Candidate training	8,443	312	(52)	-	2,032	-	10,735
D E Quick Legacy	235,353	6,194	(1,025)	(42,903)	40,313	-	237,933
Funds with balances less than £10,000	13,196	624	(42)	-	962	-	14,740
	<u>451,349</u>	<u>13,029</u>	<u>(2,095)</u>	<u>(53,983)</u>	<u>81,699</u>	<u>-</u>	<u>490,000</u>

**12.4 CWM Fund for Retired Missionaries
(Total Return)**

	£
Value unapplied total return at 1 January 2009	723,949
Change in value of investments	287,440
Value applied between 1 January and 31 December 2009	(191,745)
Value unapplied total return at 31 December 2009	819,644
Permanent capital	684,010
	<u>1,503,654</u>

COUNCIL FOR WORLD MISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

13 UNRESTRICTED FUNDS	General Funds £	Designated Funds £	Total £
Balance 1 st January 2009	99,933,021	9,819,803	109,752,824
Surplus/(Deficit) for the year	14,878,095	(1,423,126)	13,454,969
Balance 31 December 2009	<u>114,811,116</u>	<u>8,396,677</u>	<u>123,207,793</u>

An analysis of designated funds is given in Note 13.1 below

13.1 Designated Funds

The following designated funds have been set aside out of unrestricted funds by the Trustees for specific purposes -

	Balance 1 January 2009 £	Funds (written back) / New Designations £	Funds Released £	Transfer of funds £	Balance 31 December 2009 £
Mission programme support fund	1,999,010	-	(315,751)	-	1,683,259
Mission support programme	5,487,417	-	(732,955)	(416,702)	4,337,760
Partnership in transforming mission	-	-	(7,044)	416,702	409,658
Ecumenical fund	300,000	(300,000)	-	-	-
Maintenance fund	67,376	(67,376)	-	-	-
Regional empowerment fund (phase 1)	16,000	-	-	-	16,000
Regional empowerment programme (phase 2)	1,950,000	-	-	-	1,950,000
	<u>9,819,803</u>	<u>(367,376)</u>	<u>(1,055,750)</u>	<u>-</u>	<u>8,396,677</u>

Designated Funds are amounts of funds set aside for the following purposes

- *Mission Programme Support Fund (MPSF2)* CWM helps Churches to develop their priorities for mission, based on a three to five year strategic plan and allocates resources to the member church to assist with implementation of that mission plan. This is the main Fund grant for member churches, and is usually issued in 3 annual instalments. The designated fund balance contains both remaining instalments for some member churches and full allocated balances for those member churches who are still completing and evaluating the previous grant of MPSF1. The fund balance is likely to be fully disbursed over the next 5 years.
- *Mission Support Programme (MSP)* MSP is the successor programme to the MPSF. The commitment of funds has been made with 2006-2011 in mind, and it is anticipated that the few member churches who have completed and evaluated MPSF2 and have successfully applied for MSP will begin drawing down upon this fund from 2008 onwards.
- *Partnership in Transforming Mission (PTM)* is a programme encouraging cross regional cooperation between members responding to new mission challenges, for which the trustees designated £750,000 in 2006. The first programmatic draw down on this fund was in 2009 to develop a programme between four members responding to human trafficking. A decision by the Officers in 2007 to increase MSP allocation of two members was allocated from this fund. Funds have been transferred into this fund upon classification of the purpose of the Mission Support Programme designated fund.
- *Ecumenical Fund* has not been utilised for some years and the balance is now written back. Ecumenical grants continue to be proposed and approved by Trustees on an annual basis.

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- *The maintenance fund* for repairs to Ipalo House has been written back, maintenance costs are expended as needed upon taking advice from our managing agents
- *Regional Empowerment Programme/Fund* helps regions to tackle issues that churches within that region share in common. A major review was undertaken in 2007, and a commitment was made to a 2nd phase of Regional Empowerment Programme of up to £2 325m. £375k was issued to the Europe region in 2007, leaving a designated fund of £1 95m for distribution to other regions over approximately the next 3 years

**14 ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

	Unrestricted Funds £	Designated Funds £	Endowment and Restricted Funds £	Total Funds £
Fund balances at 31 December 2009 are represented by:-				
Tangible fixed assets	5,536,520	-	-	5,536,520
Investments	110,986,459	2,131,658	6,588,427	119,706,544
Current assets	3,223,950	6,265,019	12,680	9,501,649
Current liabilities	(3,615,535)	-	-	(3,615,535)
Long-term liabilities	(494,278)	-	-	(494,278)
Defined Benefit Pensions Liability	(826,000)	-	-	(826,000)
TOTAL NET ASSETS	114,811,116	8,396,677	6,601,107	129,808,900

15. PENSION SCHEME

CWM operates a Staff defined benefit pension scheme, which is funded and is not contracted-out of the state scheme. The assets of the Scheme are held separately from those of CWM, being invested by the Pensions Trust.

The contributions are determined by a qualified actuary on the basis of triennial valuations. The most recent triennial valuation was prepared as at 30 September 2006, which showed a funding surplus of £31,000. Since 1st March 2005 the Employer has been contributing 14.9% of salaries pa and the employee has been contributing 6% of salary pa. The previous 'past service shortfall' funding deficit of the scheme of £152,000 was addressed by the employer paying a continuous additional £3,183 per month with effect from 1 October 2004 as a special contribution.

The best estimate of contributions to be paid to this scheme for the year to 31 December 2010 were -

Employer's contribution £87,007
Employer's additional contribution £38,208
Employees' contribution £33,676

The defined benefit pension scheme will shortly be due for a further triennial valuation. FRS17 updated valuations are produced on an annual basis, and the deficit on this pension scheme as at 31st December 2009 under FRS17 was increased to £826,000 as at 31 December 2009, as shown in the Balance Sheet. The deficit has increased mainly due to the change in assumptions, in particular, the decrease in the net discount value rate which has acted to increase the liabilities.

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15 PENSION SCHEME (Continued)

Financial assumptions

The financial assumptions used to calculate Scheme liabilities under FRS17 are as follows

Financial Assumptions	At 31 Dec 2009 per annum	At 31 Dec 2008 per annum
Discount rate	5.70%	6.70%
Rate of increase in salaries	4.80%	4.20%
Rate of increase of pensions		
- LPI 5%	3.20%	2.70%
- LPI 2.5%	2.20%	2.10%
Rate of revaluation of deferred pensions in excess of the GMP	3.30%	2.70%
Inflation assumption	3.30%	2.70%
Expected return on the scheme assets	7.31%	7.13%

Demographic Assumptions

Mortality	SAPS Tables, Year of Birth, Long cohort with a 1% pa minimum improvement	SAPS Tables, Year of Birth, Long cohort with a 1% pa minimum improvement
Cash commutation allowance	Allowance	Allowance
Withdrawal allowance	Allowance	Allowance

Fair Value of Assets

	Value at 31 December 2009 £'000s	Proportion	Value at 31 December 2008 £'000s	Proportion
Equities	1,545	65%	1,370	65%
Bonds	631	27%	536	26%
Property	162	7%	163	8%
Other	24	1%	18	1%
Total value of assets	2,362	100%	2,087	100%

Expected long-term rate of return (per annum)

	Year beginning 1 January 2010	Year beginning 1 January 2009
Equities	8.4%	8.0%
Bonds	5.2%	5.5%
Property	8.4%	8.0%
Other	0.5%	2.0%
Overall Return	7.46%	7.31%

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15 PENSION SCHEME (continued)

Balance Sheet Impact

	Value at 31 December 2009 £'000s	Value at 31 December 2008 £'000s
Present value of funded obligations	3,188	2,335
Fair value of scheme assets	(2,362)	(2,087)
	826	248
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Unrecognised asset due to limitations on recognition of scheme surplus	-	-
Deficit / (Surplus)	826	248
Related deferred tax liability	Nil (Assumed)	Nil (Assumed)
Net pension liability / (asset)	826	248

Profit and Loss Impact (P&L)

	Year ending on 31 December 2009 £'000s	Year ending on 31 December 2008 £'000s
Current service cost	98	99
Interest on obligation	155	153
(Expected return on scheme assets)	(152)	(190)
Past service cost recognition	-	-
Losses / (gains) on settlements and curtailments	-	-
Total	101	62

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15 PENSION SCHEME (continued)

Analysis of amount recognised in the Statement of Total Recognised Gains and Losses (STRGL)

	Year ending on 31 December 2009 £'000s	Year ending on 31 December 2008 £'000s
Net actuarial gains / (losses) recognised in year	(596)	(332)
Net cumulative actuarial gains / (losses)**	(1,326)	(730)

** includes net cumulative actuarial gain / (loss) since year ending 30 June 2003

Reconciliation of Present Value of Scheme Liabilities

Change in the present value of the defined benefit obligation	Year ending on 31 December 2009 £'000s	Year ending on 31 December 2008 £'000s
Opening defined benefit obligation	2,335	2,643
Service cost	98	99
Interest cost	155	153
Contributions by employees	33	34
Past service costs – vested benefits	-	-
Past service costs – non-vested benefits	-	-
Losses / (gains) in curtailments	-	-
Liabilities extinguished on settlements	-	-
Actuarial Losses / (gains)	742	(432)
Benefits paid	(175)	(162)
Closing defined benefit obligation	3,188	2,335

Reconciliation of Present Value of Scheme Assets and Actual Return on Assets

Change in the Fair Value of the scheme Assets	Year ending on 31 December 2009 £'000s	Year ending on 31 December 2008 £'000s
Opening fair value of the scheme assets	2,087	2,669
Expected return	152	190
Assets distributed on settlements	-	-
Actuarial gains/(losses)	146	(764)
Contributions by employer	119	120
Contributions by employees	33	34
Benefits paid	(175)	(162)
Closing fair value of the scheme assets	2,362	2,087
Actual Return on Scheme Assets	298	(574)

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15 PENSION SCHEME (continued)

History of experience gains and losses

	Years ending on 31 December				
	2009 £'000s	2008 £'000s	2007 £'000s	2006 £'000s	2005 £'000s
Defined benefit obligation	(3,188)	(2,335)	(2,643)	(2,709)	(2,649)
Scheme assets	2,362	2,087	2,669	2,557	2,310
Surplus/(deficit)	(826)	(248)	26	(152)	(339)
Experience gains / (losses) on scheme liabilities					
Amount	2	(10)	84	2	0
Percentage of the present value of scheme liabilities	0.1%	0.4%	3.2%	0.1%	0.0%
Actual return less expected return on scheme assets					
Amount	146	(764)	(74)	77	224
Percentage of scheme assets	6.2%	36.6%	2.8%	3.0%	9.7%

16 RELATED PARTY TRANSACTIONS

CWM is an International organisation and, as such, engages staff from the International Community. In order to facilitate this arrangement, CWM provides four of its Executive Secretary Staff (including the General Secretary) with residential housing for occupation during their tenure in the United Kingdom which forms part of their remuneration package disclosed in note 2.3

CWM owns £1 share capital in Tan-Y-Foel Maintenance Company Limited and Holtwhites Management Company Limited which are property management companies that manage properties held by the charity. CWM exerts no control or influence over either company and as such does not recognise the share holding as an investment. There were no transactions with either company in the year (2008: £Nil) and no balances are owed to or from either company (2008: £Nil).

17. COMMITMENTS

The company has the following commitments in the forthcoming year under non-cancellable operating leases for plant and machinery which expire

	2009 £	2008 £
In two to five years	11,247	11,247

At the balance sheet date there was no capital expenditure authorised but not provided for

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18 POST BALANCE SHEET EVENTS

There are no material post balance sheet events