

Registered Charity Number 1097842
Company Number 4758640

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Reference and administrative details

Name	Council for World Mission (UK)
Registered Charity Number	1097842
Company Number	4758640
Principal Office	32-34 Great Peter Street London SW1P 2DB
Registered Office	as above (<i>to March 2016</i>) (<i>From April 2016</i>) BWB Secretarial Limited 10 Queen Street Place, London EC4R 1BE
Governing Instrument	Council for World Mission was registered as a charity in succession to its unincorporated predecessor on 5 June 2003 and as a company limited by guarantee on 9 May 2003. The governing document is the Articles of Association as amended by special resolutions dated 25 July 2003, June 13, 2012 (which added "(UK)" to its name) and August 24, 2012.
Trustees and Directors	Rev Richard Chimfwembe - Africa Region Miss Peta Eredaban Gadabu - Pacific Region Bishop Paul Shishir Sarker - South Asia Region Rev Norbert Donovan Stephens (Chair of Trustees) - Caribbean Region Rev Joo Yee Sim - East Asia Region Rev Sandra Joy Turner - Europe Region <i>All Trustees are directors of the company during their periods of service.</i>
Senior Management Personnel	The charity trustees delegate day-to-day management of the charity to its chief executive officer Rev Dr Collin Cowan (General Secretary) and other senior management personnel:- Rev Kyung-In Kim Deputy General Secretary (until 31/10/2015) Ms Ching Khim Veronica Chua Deputy General Secretary (from 11/01/2016) Rev Philip Woods Programme Secretary, Mission Enabling (to 31/10/2015) Rev Randolph Turner Programme Secretary, Justice & Witness (to 3/09/2015) Mr Sudipta Singh Programme Secretary, Empowerment & Training Rev Dr Tan Yak-Hwee Programme Secretary, Reflection & Research (to 31/7/2015) Dr William Temu Finance Consultant (Finance Secretary to 14/03/2015)

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Auditors	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Bankers	Royal Bank of Scotland Victoria, London SW1E 6RA HSBC The Peak, 333 Vauxhall Bridge Road, Victoria London SW1V 1EJ
Investment Advisers	Cambridge Associates Limited 80 Victoria Street, Cardinal Place, London SW1E 5JL
Fund Managers	Sarasin & Partners LLP Schroder Investment Management Limited Cordea Savills (Charities Property Fund) Lothbury Investment Management Payden & Rygel Global Ltd Royal London Capital Management Natixis Global Associates JM Finn & Co (Japan ETF's) Neuberger Berman Management LLC Franklin Templeton Investment management Ltd BlueCrest AllBlue Ltd Heronbridge Investment Management Jupiter Unit Trust Managers Limited The Children's Investment Fund The Kiltearn Global Equity (Ireland) Fund GLG Partners Asset Management Ltd Tybourne Long Opportunities (Offshore) fund PFS Somerset Capital Management Investment Funds Comgest Asset Management International Limited
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place, London EC4R 1BE
Sole Membership	CWM Ltd is the sole Member of Council for World Mission (UK) and it has the same objects. The member churches of CWM Ltd are: Africa Region Church of Jesus Christ in Madagascar Churches of Christ in Malawi United Church of Zambia United Presbyterian Church in Southern Africa United Congregational Church of Southern Africa Caribbean Region Guyana Congregational Union United Church in Jamaica and the Cayman Islands East Asia Region Gereja Presbyterian Malaysia Presbyterian Church in Taiwan Presbyterian Church in Singapore Hong Kong Council of the Church of Christ in China

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Presbyterian Church of Korea
Presbyterian Church of Myanmar
Europe Region
Congregational Federation
Presbyterian Church of Wales
Protestant Church in the Netherlands
Union of Welsh Independents
United Reformed Church
Pacific Region
Congregational Christian Church in Samoa
Congregational Christian Church in American Samoa
Ekalesia Kellsiano Tuvalu
Nauru Congregational Church
Presbyterian Church of Aotearoa New Zealand
United Church in Papua New Guinea
Congregational Union of New Zealand
Kiribati Uniting Church
United Church in Solomon Islands
South Asia Region
Church of Bangladesh
Church of South India
Church of North India
Presbyterian Church of India

The member bodies (member churches) are committed to one another and to Christian mission and they meet in full Assembly once in four years; the June 2016 Assembly meeting is to be held on Jeju Island, Republic of Korea. The Assembly selects trustees to serve Council for World Mission (UK) and directors of the Singapore company CWM Ltd with some overlapping membership, for the sake of co-ordination, but at the same time including an independent element among the trustees of Council for World Mission (UK) to ensure proper fulfilment of the trustee body's fiduciary responsibilities as stewards of the charity's historic assets and current charitable income. Up to now the trustees include one from each of the geographical regions through which CWM operates. The six Trustees who served in 2015 were elected for a four year term during the quadrennial Assembly on 22 June 2012 in Pago Pago, American Samoa. They met on 19 June 2015 in Montego Bay, Jamaica.

The charity's Trustees therefore work in close association with CWM Ltd. CWM Ltd is an international charitable organization limited by guarantee, registered in Singapore under registration number 201206146Z with its office address at 60 Paya Lebar Road #11-14, Paya Lebar Square, Singapore 409051. CWM Ltd is regulated by the Singapore Commissioner of Charities and is Sole Member of Council for World Mission (UK).

Audit and Investment Committees

The charitable Company is served by specialist members of an Audit Committee and an Investment Committee who assist the Trustees in discharging their oversight and governance responsibilities.

The Audit Committee supports Trustees and management to ensure the Charity is a financially sound and efficient organisation which makes full and effective use of resources in support of the charitable objectives of this Charity. It advises the General Secretary and the Executive on the adequacy of risk management and financial governance processes. It gives particular attention to the annual financial statements, internal controls, accounting policies, legal compliance and business continuity issues. The Committee highlights material items of concern and monitors follow-up on recommendations arising from audits, reviews and risk assessments.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Objectives of the Charitable Company

The Council for World Mission (UK) is a charity registered in England and Wales which acts to fulfil the commitment of a partnership of 31 protestant churches worldwide known as Council for World Mission (CWM).

The object of the Charity for the public benefit is "to spread the knowledge of Christ throughout the world, that is to say, to further the work of Christian mission 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
- be involved in any activities which further its objective

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.

In 2009 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

The charitable Company traces its origin to the Council for World Mission (CWM) which 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). Property assets of the two first-named societies were held by the London Missionary Society Corporation and Colonial Missionary Society Corporation which remain as dormant companies controlled by the Charity.

With the birth of CWM a new ideology and understanding of doing God's mission was embraced, which saw a movement from the donor-recipient model of mission, embedded in the Western approach, to a joint ownership and mutual sharing of resources of people, ideas and money, grounded in the biblical principle of giving and receiving. Accordingly, the Charity 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.

The Charity'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, the charitable Company exists to facilitate resource-sharing for mission by the partnership. Amongst other things, it facilitates the exchange of Partners-in-mission (missionaries) between churches; shares ideas and best practices for mission strategies of member churches; strengthens leadership of churches through theological and mission training; and builds up communication networks between and among the members, regions and global office. Particular emphasis is placed upon helping men, women and youth to make their full contribution to Church life, and upon helping member Churches in each of its six regions to act in a united way, looking at issues they have in common. The impact of engaging with these activities is wide ranging across the world.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

3. Membership

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.

Most of the current 31 member churches (*list on page 3*) have backgrounds in the Reformed tradition. Many are united churches, combining several church traditions. Member churches are all independent organisations that do not have any formal links to CWM in their own constitutional documents. Their financial records are not therefore subject to consolidation within group accounts. However, through the submission of their accounts they must demonstrate their ability to receive and evaluate the use of shared resources distributed through the worldwide partnership for stated and agreed objectives.

4. Governance and Role of Council for World Mission (UK)

Council for World Mission (UK) discharges the responsibilities of the Charity in the United Kingdom and finances the international work, in accordance with its Objects, through CWM (Ltd), which operates from the global office in Singapore and the six regions at the present time.

The trustees meet at least once a year with the directors of the Singapore charity present and able to participate in the meeting, 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. At such meetings in accordance with good governance and best practice, Directors of CWM Ltd absent themselves from discussions relating to donations that are proposed for their respective churches and projects. Theologically the Council 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. Trustees of Council for World Mission (UK), however, assess the proposed programme and budget against the Charity's objects and their trustee responsibilities.

The Charity, having grown from the London-based bodies, retained its office in London from 1977 and Secretariat Staff remained based there until 2011 and continues to do so to the present time. In accordance with decisions of the Trustee Body Meeting of June 2011 the headquarters was transferred to Singapore in 2012. The six regions have since been establishing offices to more effectively accompany the members within each region in carrying out their mission. The activities of the charitable Company are carried out by the member churches both separately and in partnership with each other. Some activities are initiated and/or facilitated by the global Secretariat and some by regional secretaries.

5. Policies and Activities

The Charity encourages member churches of the CWM Ltd. to be actively involved in mission partnership with others, particularly to empower women and youth for mission, and encouraging the principle that every church be both a receiver and a giver within a special programme strategy, aimed at accompanying the members in the pursuit of the mission in the various contexts where they function.

Staff are engaged in the global office, supported by a network of regional colleagues, to implement these priorities, standing in solidarity with the members as they explore ways to contribute to personal development and community transformation. This strategy will culminate in 2019 and pave the way for planning the future beyond that timeline.

Listed below are the specific ways in which resources are galvanized to give expression to the strategy. To do this, opportunities are provided for:

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

- a) Mission Enabling
- b) Empowerment and Training (including Leadership development and gender/youth empowerment)
- c) Justice and Witness
- d) Reflect and research

Some of the applications of these principles are described below, identifying specific highlights of the year.

5.1 Global mission in local contexts

Each member church is involved in setting out its strategic mission plan appropriate to its local context, and charitable 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, the Charity provides specific expertise 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.

5.1.1 Mission Enabling

Enabling members to develop missional congregations is the central focus of the current strategy. The Mission Enabling team, working with regional staff and in conjunction with the other programme teams, lead this through the following programmes and activities: Mission Support Programme; Mission Toolkit; Team Visits; Member Church Assistance and Partnerships in Transforming Mission. As reported last year the programme on reclaiming evangelism, in conjunction with the World Council of Churches (WCC), was launched in 2015.

5.1.1.1 Mission Support Programme (MSP)

The Mission Support Programme which began in 1998 provides support for member churches in developing and implementing 3-5 year strategic mission programmes in their contexts. The current phase (MSP4) commenced in 2014. Given the varying capacities and circumstances of each member body they are all at different stages of the programme, and so at the end of 2015 we have one member church still in MSP1, 13 member churches in MSP2, 14 member churches in MSP3 and 3 in MSP4.

In 2011 it was agreed to focus efforts on those members that were facing difficulties with their mission programmes, and this led to working more closely with nine member churches during 2014 as part of our Member Church Assistance programme. We also convened a meeting of Finance Officers from our Pacific Region churches to work with them on developing their financial management capacities. Six MSP grants were agreed in 2015: Churches of Christ in Malawi (CCM) – adopting a revised budget for their Restructuring Programme – Gowa House, £75,445; United Church of Zambia (UCZ) De designation £429,990; United Church in Jamaica and the Cayman Islands (UCJCI) MSP4 – Renewal and Transformation Programme £140,990; Presbyterian Church of Myanmar (PCM) – MSP3 – Phase 1 de-designation £71,648; Congregational Christian Church in American Samoa (CCCAS) MSP2 – Project Empowerment – de-designation £40,000; and Presbyterian Church of Aotearoa New Zealand (PCANZ) PressGo Strategy £68,353.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The current phase of the Mission Support Programme (MSP4) that was launched in June 2014, with an allocation of £5 million to be shared amongst the 31 members is based on a needs assessment formula that takes into account many contextual factors from the size of the church to the challenges of its context. Unlike previous phases of the programme, this phase will focus on enabling members to develop missional congregations, and will be time limited so that members need to successfully access the resources by 2019 or forfeit the opportunity.

5.1.1.2 Team Visits

In line with our mission statement (Called to partnership in Christ to mutually challenge, encourage and equip churches to share in God's mission) the Mission Enabling team is supporting a programme of Team Visits that will see each member body receive a visit by a team of up to six people (normally one person from each of six regions) during the period 2014-2018 to: 1) benchmark where members are with the development of missional congregations; 2) share with each other experiences and different approaches to the development of such transformative, life affirming communities; and 3) reflect and cross fertilize the outcome of the visits for the benefit of the whole partnership. In 2015 Team Visits were organized to five member churches (Congregational Union of New Zealand (CUNZ), UCCSA, GCU, Hong Kong Council of the Church of Christ in China (HKCCCC), United Church in Papua New Guinea (UCPNG), and Presbyterian Church of Korea (PCK)). A Team Visit leaders, and a Team leaders debriefing and training (Africa) was held from the 21-29 August 2015.

5.1.1.2 Partnership In Transforming Mission (PTM)

Following on from the monitoring and evaluation meeting of the Partnership in Transforming Mission (PTM) programme in 2013, a meeting was held with the three churches – CUNZ, HKCCCC, and the Congregational Christian Church in Samoa (CCCS) who are collaborating together on responses to youth suicides to monitor progress, and to facilitate a workshop to develop a peer education programme for use by them in their ongoing work. Follow-up reports and final meeting is scheduled for later part of 2016.

5.1.2 Empowerment and Training

Following the significant changes in Programming and delivery of services in 2014, the Empowerment and Training Unit continue to focus on the more holistic, sustainable and long-term capacity development of the member churches through the three components of the Capacity Development Fund: 1) Academic Accompaniment Programme; 2) Member Church Initiative for Capacity Development; and 3) Management Initiative for Capacity Development.

5.1.2.1. Developing Capacities through the Member Churches Initiative Capacity Development Plan

The highlights for 2015 include the following:

- a. The Guyana Congregational Union (GCU) and the Church of Bangladesh (COB) organized planning workshops in their respective churches to come up with a long-term capacity development plan. For instance, GCU trained the senior leadership to strategically identify leaders with the skills to conduct mission and capacity audits to develop a strategic plan.
- b. Through this fund, the Presbyterian Church in Singapore (PCS), Kiribati Uniting Church (KUC), and Church of South India (CSI) implemented activities on strengthening the human resources through education, training and development.
- c. The PCS started the Synod Training Exposure to encourage the youth to join in the pastoral ministry by promoting the understanding of faith, tradition and history to the next generation.
- d. The KUC utilized the funds for the upgrading Course of its 21 teachers to address the lack of qualified teachers in the KUC-managed schools.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

- e. The CSI used the funds to provide funding support in building theological capacity through higher theological education to eleven of its church-members including six (6) Masters in Theology and five Doctorate in Theology students in India.

Six churches have applied for the Phase 2 of their respective activities from last year as part of their long-term capacity development plan. These are to develop the church's human resources to develop missional congregations. These included: UCZ continued its human resources capacity development to its identified members through education support; the UCJCI continued its training and development programme; and the Church of North India (CNI) has added education support for three Masters in Social Work and two Bachelor of Divinity students; the HKCCCC continued the second phase of the Ministry of Building Life-Affirming Communities Programme; the Presbyterian Church in Netherlands (PCN) and Union of Welsh Independents (UWI) are also in their second phase for Specialism Missional Minister/Missional Leadership and Vocational Course, respectively.

Through the Member Church Initiative for Capacity Development fund, the member-churches are provided with opportunity to develop mission in their own context by having them identified their needs and supporting them in the implementation of relevant activities subsequent to its long-term Capacity Development Plan.

5.1.2.2 Academic Accompaniment Programme (AAP)

In 2015 Executive Committee approved seven applications for the Academic Accompaniment Programme (AAP) from seven churches. Two are taking up Bachelor of Arts, three are taking up Masters, and two (2) are taking up Doctorate. The study areas include Philosophy, Laws, Islamic Studies, Communications and Theology as prescribed by the individual churches' long term capacity development plan.

5.1.2.3 Special Academic Accompaniment Programme (SAAP)

The SAAP which aims to promote academic excellence in selected renowned institutions achieved the following:

The CWM Ltd. signed Memoranda of Understanding with the following Institutions:

- a) Tainan Theological College and Seminary in Taiwan for one-year Master in Theology (English) course. In 2015, four students from KUC, PCK, UCZ and CCM were accepted in this Programme. Moreover, the three (3) students KUC, PCK and Church of Jesus Christi in Madagascar (FJKM) from 2014 have successfully graduated. They are now back serving in their respective churches.
- b) Protestant Theological University (PThU) in The Netherlands for one (1)-year Master in Theology and four -year Doctorate degrees. In 2015, three SAAP holders from COB, Presbyterian Church in Taiwan (PCT) and CCCS were accepted to this Programme.
- c) University of KwaZulu-Natal (UKZN) in South Africa for one-year Master in Theology and four (4)-year Doctorate degrees. In 2015, three PhD students from KUC, CNI and CSI were accepted in this Programme

5.1.2.4 Emergency Scholarships

Emergency Scholarships are granted as support for continuing studies. In 2015, three female students from UCJCI and CSI were assisted for their Masters and Doctorate Programmes.

5.1.2.5 Face to Face (F2F) Programme

The Face to Face Programme aims to expose students to different contexts in order to stimulate their theological reflection and sensitivity to other people's cultures. This is also part of building the church's capacity by deepening the ordinands/students' theological insights; and to prepare them for multicultural ministry. Ten (10) ordinands participated in the Face to Face in Netherlands, from 12th April to 23rd May, focusing on Migration and Human Trafficking specifically on the issues of migration and human trafficking, homelessness and un-documented people and the role of the church.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The Face to Face in Fiji and Tuvalu with the theme, "Standing with Climate Warriors: A Face to Face with Climate Injustice", aimed to understand climate change as a justice issue which affects disproportionately the communities at the margins. Twelve (12) ordinands participated in the Programme orientation, solidarity visits to Tuvalu and different communities displaced by Climate Change in Fiji - A Seminar on Climate Justice was held in 4th - 5th May, organised under the said Programme at the Pacific Theological College. This has provided opportunity for an in-depth discussion on Theology of Climate Change, Science of Climate Change and the mission of the church among the Face to Face participants, PTC students, Pacific Conference of Churches (PCC), CWM member-churches in the Pacific and ecumenical partners.

The Face to Face in India with the theme, "Building Life-Affirming Communities: Face to Face with the many poor and the many faiths in Asia" focused on building life-affirming communities and acknowledging that this is only possible through collaboration and conversation between faiths rather than through conflict and combat. Thirteen (13) ordinands participated in the said Programme from 5th September to 31st October that was held in two (2) locations, namely: Bishop's College, Kolkata and Henry Martin Institute, Hyderabad.

The participants were involved in separate but integrated aspects of immersion, reflection and seminars, including live in experiences, visiting organizations that work among the poor and intensive visits to centres of religious importance.

An inter-faith dialogue entitled Interfaith Engagement Toward Building Life-Affirming Communities, was organized as part of the Programme from 6th to 8th November in Kolkata. Renowned church and faith leaders led the dialogue along with the Face to Face participants and ecumenical partners. The discussion focused on the appropriate religious resources for building life-affirming communities and the appropriate structure and shape of life-affirming communities in our contemporary context(s).

An Interfaith Statement was released that calls on, among others, the necessity to build networks of solidarity between those of different faiths who are committed to building life affirming communities and to work with students and young people to create and sustain a culture of interfaith listening and engagement.

Addressing Human Trafficking through Exposure Programme - Human Trafficking was the central theme for the A New Faith and Culture Exposure (ANF) Programme held from 12th October to 27th November in Jamaica. Four (4) clergy participated in the Programme that consisted of including orientation week, bible studies and field placements in the different churches of the UCJCI.

Youth Empowerment through Training in Mission - Training in Mission Programme (TIM) aims to facilitate future leadership development of participants by sending them to different regions to learn about mission in theory and in practice, through classes, exposure visits, projects and hands-on work in various contexts. This also aims to enhance the skills and experience of young leaders and encourage them to serve the church and God's mission.

In 2015, the TIM group travelled to three (3) countries in Taiwan, Kiribati and New Zealand from 6th March to 5th December to learn and to experience mission in different contexts. From March to July, the Team spent their time in Taiwan attending sessions and classes on various issues including mission.

They also attended different activities including placements to different churches and "I Love Taiwan". The whole of August was spent in Kiribati where they attended sessions on Climate Change. They also spent time in various communities affected by this. From September to December, they were in New Zealand learning about Indigenous peoples by living with the Māori and doing the church mission in this context.

The TIM Programme focuses on majority of the emerging themes particularly on economic injustice, disability and inclusiveness and climate change.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Developing Capacities through General Scholarships - General Scholarships aim to facilitate advanced learning within and between church members, to build up a theological faculty; to develop new leaders; and to acquire specific skills for emerging challenges.

Despite being discontinued in 2013, the General Scholarship is still being managed by the Empowerment and Training Unit. There were eleven (11) active scholarship holders at the start of 2015. Following the graduation of the three (3) students, there is the remaining eight (8) students who will be finishing their Master or Doctorate in Theology studies by 2017.

5.1.2.6 Emerging Themes and New Perspectives

In 2015, CWM Ltd adapted the Framing the Global Mission Agenda for 2016-2019 with nine (9) identified themes or pressing issues that are affecting God's creation, provided biblical basis, theological underpinning and missiological implications. Consequently, the Face to Face, A New Faith and Culture Exposure and Training in Mission Programmes using the emerging themes as its framework continued implementing the thematic Programme Curriculum. The selection of Programme participants takes in consideration the balance in gender and regional representation in the Programmes.

Enlarging Vision of Young Theologians - In 2015, three (3) Face to Face Programmes were held in four countries: Netherlands, Fiji, Tuvalu and India. Each location provides definitive aspects of resistance and carry pertinent issues. The Face to Face in Fiji and Tuvalu concentrates on the issue of climate justice, the Face to Face in India concentrates on the issue of poverty and pluralism and Face to Face in Netherlands, a new location in 2015, concentrates on the issue of human trafficking and modern day slavery.

Complementary Activities to Advance CWM Theological Statement

a) Mission in the Context of Empire: A Call for Global Theological Resistance in Palestine - As a response to the "CWM Theology Statement" to fulfil the mission of life-affirming communities, 32 Christian and Muslim theologians from around the world participated in a theological colloquium entitled Mission in the Context of Empire: A Call for Global Theological Resistance in Palestine to talk about questions of deep theological significance with regard to reinterpreting the Biblical narrative of the occupation of the land, rethinking violence and peace and rising right wing fundamental theology. This was held on 27th to 31st October in Bethlehem.

A Call for Global Theological Resistance in Palestine was released urging the public to, among others, respond to the Kairos Palestine call to come, see and walk in the counter-imperialistic footsteps of Jesus with the people of Palestine; to call on world communions to adopt and engage in a process of empowering voices from subjugated communities that challenge empire. A publication is also underway.

b) Asia Pacific Regional Workshop on Disaster Preparedness and Emergency Response

The Empowerment and Training Unit, together with the PCT and ACT Alliance, organized the Asia Pacific Regional Workshop on Disaster Preparedness and Emergency Response on 10th to 13th November in Taichung, Taiwan. The workshop had participants from member churches from Pacific, East and South Asia, as well as ecumenical partners, provided an opportunity to understand disaster preparedness and emergency response as an integral part of the spiritual ministry of the church, to gain a deeper appreciation for the theological and Biblical basis for disaster preparedness and emergency response and to equip the churches with tools needed to engage in emergency response and disaster preparedness.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

5.1.3 Justice and Witness

The Justice and Witness unit focused its work in four areas in 2015: a) working with the Oikotree facilitating on planning for a transformative education workshop, b) planning and executing a conference on advocacy with and for people with disabilities as a component of the inclusive community programme, c) managing and coordinating an action reflection programme intended to provide exposure to the realities of globalization and empire and d) beginning the mapping of charitable companies' carbon footprint with a view to creating a bench mark for carbon emissions and moving the two charities towards being "greener" in its operations.

5.1.3.1 Covenanting for Justice

The roots of the idea "covenanting for justice" is found in the 2004 Accra confession of the then World alliance of Reformed Churches (WARC) now World Communion of Reformed Churches (WCRC). Efforts to keep the principles of covenanting for justice alive found their roots in the formation of the Oikotree movement, which is intended to be a joint collaboration between the then CWM, WCC and WCRC. 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 and we continued to promote and develop this as a key mission response to the critical issues of our time during the year. The major event during the year was the Transformative Education workshop held in Matanzas, Cuba which brought about more than thirty educators and activists to an Oikotree workshop on held at the Matanzas Theological Seminary in Cuba from the 4-9 February 2015. The focus of the workshop involved discussing and exchanging ideas on new epistemologies that affirm life and help envision and construct alternatives to the prevailing inequitable and destructive socio-economic systems and structures. The workshop had participants from Africa, Asia, Europe, Latin America, North America, Pacific and the Caribbean regions. The results of the workshop have been published.

5.1.3.2 Inclusive community

The programme focuses on advocacy and engagement with people with disabilities now is to invite and challenge member churches to be more intentional in how people with disabilities are welcomed and to engage with them in advocacy in their societies. After the July 2014 conference held in Malaysia under the theme "Moving beyond Accommodation towards Affirmation and Advocacy with and for People with Disabilities" the staff team embarked on an online newsletter to collect news from the regions to continue putting the spotlight on the central matter of inclusive community.

5.1.3.3 Joint Consultation on Climate Change Impact: Nadl, Fiji 11-15 February 2015

Resolution 4 from the 2013 Directors meeting challenged the Council to become an organization that is environmentally aware in making decisions related to meetings and to engage its members to be on the frontline of climate impact. In particular, the resolution called on the Council to: a) "facilitate the presence of member bodies on the frontline of those impacted by rising sea levels in forums that are debating and acting on the issue, and b) facilitating member bodies in developing clear processes that will attend to the spiritual, psychological and sociological issues related to identity, history, ancestry and land loss".

As a follow-up to this resolution, the Council facilitated a joint consultation with the Pacific Conference of Churches on Climate Change impact specifically related to front-line countries such as Tuvalu, Kiribati, and Bangladesh. Also included were Papua New Guinea, The Solomon Islands. One of the participants was a representative of the National Council of Churches in India. The consultations used the expertise of an anthropologist, theologians, biblical scholars and others with expert knowledge in Pacific social theory and cultural praxis. The consultation did acknowledge that Climate Change impact is a complex issue yet with immediate impact on millions of people. The Council will continue to collaborate with others to help churches through a clear and determined process to build bridges across religions, ethnicity and nationality to mitigate and alleviate, so that churches in the face of this existential threat can become life affirming communities.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

5.1.3.4 Gender Justice Workshop (Pacific) Nadi, Fiji 1-5 June 2015

The workshop brought together participants from all Pacific member churches including the Maohi Protestant Church around the issue of Gender Justice. In total the consultation attracted 40 people (30 women and 10 men). Participants included local church leaders, women's community representatives and youth.

There were also four observers from the Netherlands, Taiwan, Jamaica and India. The workshop was facilitated by the following resource people: Dr Jenny Te Paa Daniel, Rev. Dr Monica Jyotsna Melanchthon, Rev. Dr Nasili Vakauta and Rev. Lizette Tapla-Raquel. The participants engaged biblical texts on gender, culture, women's ordination and violence against women and girls recognizing that boys and babies also witness and suffer violence. These issues formed the basis of discussions in this consultation. The workshop was contextual to the Pacific region and churches were challenged to say "NO" to violence against women in all its forms. The consultation also explored issues of equality, gender balance and the empowerment of women and girls, both in the local church and society.

5.1.4 Reflection and Research

The purpose of the programme area is to facilitate missiological research and reflection that supports and accompanies member churches in their quest to, clarify theological understanding, seek God's liberating presence, deepen understanding of and engage with God's mission in the 21st century. The following are the programme highlights for the year 2015:

5.1.4.1 Theological Engagement

In the face of the changing landscape of the 21st century, such as the rise of neo-colonialism, the increasing environmental threat, human trafficking and the growth of Christianity in the non-Western world, means that a new paradigm of mission is necessary and is in fact emerging. Therefore, CWM Ltd. seeks to engage with the various institutions, exploring what is being produced in such areas within the institutions and regions so as to live out mission in the context of 'empire.' The joint theological consultation draws upon the expertise of missiologists, mission educators and theological students to explore the many facets of missiology and consequently, to promote modules and programmes for the context.

The Joint Theological Consultation 2015 – South Asia & Caribbean planned to be held in South Asia by the end of 2015 has been rescheduled and will form part of the agenda of this ensuing period.

5.1.4.2 Collation and Production of Materials

The histories, stories and experiences of our member churches are critical in the sharing of information, and in the carrying out of their mission and indirectly, charitable company's mission as well. Hence, this ongoing process of research, collection and collation and production of materials is being carried out by the Reflection and Research Programme Area. Publications have been produced and there are others in the pipeline.

- a) CWM Prayer Books. The Prayer Book profiles stories from our member churches, partners-in-mission and ecumenical partners for prayers and concerns. It also seeks to connect with each other in prayer in every place and at all times.
- i) The Prayer Book was produced quarterly (Jan-Mar, Apr-Jun, Jul-Sept, Oct-Dec) for 2014. They were well-received by our member churches and partners-in-mission who shared their stories for prayers and concerns.
- ii) A Prayer book, "Sundays with CWM. Working and Waiting with God 2015" was produced in place of the Quarterly prayer book. It covers all the Sundays of 2015 as well as some Christian holy days. The prayer books were sent to member churches in early 2015 for their reflection and prayer for the CWM family.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Bible Study Materials aim to articulate some aspects of the Theology Statement "Mission in the Context of Empire" for biblical and theological engagement. The Bible studies seek to raise awareness among the member churches and hopefully for members to be challenged and work together for the sake of common good. The following are bible study materials which were started during 2014 were completed in 2015:

- a) Radicalizing Biblical Studies – bible study for young people
- b) Hope in the Time of Empire – bible study for adults

5.1.4.3 Roving Faculty

The work of theological reflection is not only indispensable to contextualized missional engagement; it is further sharpened when conducted in active consultation with varied and dissonant voices in our globalized community. CWM Ltd. will form a team of Roving Faculty who will visit and sojourn in locales of theological institutions and worshipping communities in order to facilitate insights and inputs towards raising mutual learning platforms. To this end, the Singapore charitable company aims to work with selected member churches to hone a theological missional curriculum that will address perceived and felt concerns of the communities it partners.

The first meeting of Working Group was held in October 2014 in Singapore to work on the draft of proposed idea of curriculum had proposed that the concept of roving faculty be put to representatives of the member churches in 2015. This concept of a roving faculty is ongoing and remains under active consideration. This matter is on the agenda for further discussion during 2016. Durban, Africa.

5.1.5 General Secretariat Programmes

5.1.5.1 Partners In Mission (PiM)

The sharing of people across member churches and the ecumenical community is fundamental to the Charity's way of working. A mission from everywhere to everywhere is made possible by the significant number of individuals who have offered themselves to serve on the mission field, locally and abroad; and the support of churches, willing to send and receive them. The relevance of this programme is best attested to by those who participate therein, particularly, the receiving churches and the partners themselves. In a variety of ways persons are being invited to share in the ministry of member churches. This dynamic interchange of personnel represents the human face of the charity in a variety of contexts across the world. We are inspired by those who have responded to the call to serve and are heartened by the quality of the work on the mission field; the extent to which learning and growth are taking place among the partners in mission; and the significant ways in which the ministry and mission of churches are being enriched and expanded.

Following the establishment of Term Limit last year, 2015 saw the beginnings of its implementation. A number of partners in mission returned to their home churches, enriched with new skills and insights to support the mission priorities of the home church. Implementation of the term limit is hoped to enable maximisation of the programme, allowing for mutual learning and sharing, and also provide dynamic movement within the programme.

During the year in review a global gathering of the partners in mission and their families was held in Mauritius. The last gathering of this kind was in 2007. One of the exciting aspects of the gathering was the opportunity it provided for the families to meet and get to know each other. It was a great opportunity for rest, reflection and fellowship and for the families to grow together, sharing their experiences and ideas, learning from and encouraging each other. The sessions included Bible study, worship, the sharing of stories of joy, and of sorrow. In addition, time was programmed in for the mission partners to discuss personal issues and concerns with the coordinator of the partners in mission programme.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

In September 2015, leaders of member churches gathered in Hong Kong over a 2-day consultation to contribute to the strategic development of the partners in mission programme. The consultation looked at the programme, evaluating its impact on the life and mission of member churches. It created space for the sharing of best practises employed by member churches in sharing and receiving mission partners and provided opportunities for concerns to be articulated and insights offered. The church leaders affirmed the sharing of people as "one of the greatest gifts we can give to each other" as a partnership of churches in mission.

5.1.5.2 Communications

Communications is a vital aspect of the charitable companies' ministry and we are conscious of the diverse, independent communities, each with their own structures, vision and priorities, that constitute this partnership. Against this background, our approach to communication must be of a cutting edge nature so as to encourage member churches to engage with issues of the day, particularly, the new strategic priorities and the many social issues calling for compassionate and justice focused response by the Christian community.

Historically, the Council has tended to view communication as a support service to its programme activities, disseminating information and news through selected communication channels and producing a variety of printed promotional materials. While these remain important, they are just a few links in a much bigger communication chain. We have determined there is need for a more holistic approach to communication, in which reports, story-telling and prophetic witness are interwoven together into one strategic engagement with our member churches, regions, ecumenical partners, and staff for greater witness, visibility and impact. Since 2012 we began a process focusing on the communication ministry to reflect these dimensions as well as to work in collaboration with the regions to ensure that advocacy becomes a deliberate feature of our communication ministry and strategy. The staffing setbacks experienced since 2013 continued to face the Council and this meant that this process did not move forward as fast as we desired.

Interim Period: A small group of staff formed an interim communications team to manage on going communications activities while awaiting recruitment of a Communications team. In the interim, the following activities have been undertaken:

- b) A revamping of the charitable companies' Website to create a fresher look with a more user friendly content management system. The website, www.cwmission.org, has been actively kept up to date.
- c) Active Interaction with the public daily through Facebook, Twitter, and the CWM YouTube Channel. CWM's Facebook page, www.facebook.com/cwmission has gained over 2000 new followers in the interim period.
- d) Introduction of the "CWM intranet", an internal social network website, to help in team development and to reduce communication gaps among staff in a geographically dispersed team.
- e) Creation of the 2016 Assembly website, "www.cwmassembly.org" as an online tool for information sharing for the general public; and a follow up platform following the Pre-Assembly Orientation gatherings to further prepare Assembly delegates for the roles at the Assembly.
- f) Maintenance of regular communication to Directors and General Secretaries of member churches through an electronic newsletter from the Office of the General Secretary.

Looking ahead: Two persons, a Communications Manager and a Communications Associate have been recruited for the Communications team. The Communications Associate assumed duties on 27th January, 2016 and CWM Ltd. is awaiting outcome of appeal against Employment Pass application rejection for the Communications Manager. In the meantime, the communication team has presented a roadmap for communications whose strategic goals are as follows:

- To develop, maintain and review an internal communications strategy that engages key stakeholders with its vision and mission statement, and 4-year strategy.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

- To develop and review an effective communication system that maintains the links between the charitable companies' strategy, member churches and other partners.
- To develop, maintain and review an external communications and PR strategy that promotes the charity's prophetic and public voice to regional and global media, national government and various agencies.
- To work with member churches and ecumenical bodies to clarify, and communicate, the charities' unique missional ethos and character.
- To assist regions and member churches in communicating with one another and in developing capacity both regionally and locally.
- To assist key leaders from the member churches to produce key communications messages that engender tangible action and change in support of CWM Ltd.'s four year (2016-2019) strategy and other key issues.
- To explore, select, and manage, effective communication channels that engage audiences with the communication strategy in the most effective and efficient manner.

5.1.5.3 Engagement with member churches

The official visits to and engagement with member churches by the General Secretary are an important facet of the work of the two charities. The visitations lend insight into the life and work of the churches and provide opportunities to address, with the member churches, issues pertinent to them and the direction of the two charities. During the past year the General Secretary made official visits to ten member churches representing five of the six regions. A planned visit to the sixth region was aborted because of extenuating circumstances beyond our control.

These visits were particularly helpful as they facilitated conversations towards clarity on a variety of matters pertinent to the direction of charity as well as the resolution of outstanding issues that some members had with decisions taken by the charity and their implications for those members. In other instances, the visits served to strengthen the relationship between the charity and the members and to encourage and support members in their ongoing ministry and mission. More importantly, such engagements provide opportunities to communicate the thrust of charitable company, solicit support and mobilize participation.

5.1.5.4 Solidarity and Engagement

Throughout the year 2015, the charity was involved in several initiatives supporting causes in solidarity with member churches at challenging periods. Of special note were the following:

- a) CCM – A solidarity grant of S\$GBP10,000, in support of the flood relief efforts was remitted to Churches Action in Relief and Development (CARD) with an understanding that they will work closely with the CCM in the use of these funds. The charity also supported the CCM in enabling them to hold their long overdue assembly and to appoint officers for the next two years.
- b) Ebola – A grant of 50,000 GBP has been remitted to the UK Charity, "Street Child", in support of its work with children who have been affected by the spread of Ebola in Sierra Leone. After much research we settled on this charity because we were satisfied that its engagement with children and its very impressive work on the ground rendered them compatible with the mission concerns of the charity. Several children and their families will benefit from this grant, both in their educational and economic development. Sierra Leone represents a new area of outreach for the charity as we have no member church of ecumenical partner there.
- c) Natural disaster in Madagascar and Myanmar – solidarity grants were sent directly to the member churches in support of their response on the ground
- d) An initiative of a local congregation of the UCJCI received a grant of US\$5,000 to support the launch of a programme of evangelism and the arts for children of the church and community. The programme was launched as part of the church's celebration of the contribution of twelve members of the congregation whose active involvement in evangelism has enabled the church to be a vital and life-affirming presence in the community.
- e) The PCS received a grant of S\$20,000 to support its community outreach to persons living with disability. The PCS is the social outreach and educational arm of the Presbyterian Church in Singapore and it is making a considerable contribution to the social development of the Singapore community.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Beyond the financial support, the office of the General Secretary, visited and/or shared messages of solidarity with members and the ecumenical fraternity who faced challenging circumstances throughout the year. Some of the challenges were caused by natural disasters, prompting the pastoral response of the community of faith; and others were related to ministry challenges, requiring special discernment and decisive action; but in each situation, the presence/intervention of the charitable company was warmly received and appreciated. For example, through a series of workshops on the Economy of Life, organized through the office of the General Secretary, member churches were challenged to take responsibility for economic sustainability within local communities as one way through which members express solidarity and prophetic witness, bearing faithful witness to their discipleship. In 2015 fifteen member churches, along with some churches from the WCRC family, benefited from these workshops.

5.1.5.5 Ecumenical Involvement

The charitable Company encourages and supports its members to take seriously the matter of ecumenical engagement at all levels. To this end the ecumenical Involvement Programme is an initiative which gives expression to this commitment, inviting members to involve their ecumenical partners in the development and implementation of their mission priorities. During 2015 very little use was made of the funds set aside for this initiative. However, a number of ecumenical projects were undertaken, especially with the support of colleagues in the regional offices, in areas such as human trafficking (Caribbean), 'Fresh Expression' – approach to evangelism responsive to the European context (Europe) – and climate justice (Pacific).

Given that the resources celebrated by the Charity far supersedes our finances, it is commendable that a number of initiatives could be undertaken by our members, utilizing the vast human resource that exist within the organization. We continue to budget for this area of our work so that members need not feel constrained by money to undertake ecumenical initiatives. However, we encourage the engagement of people resource that often proves more beneficial to the cause of partnership and ecumenical involvement than money can.

5.1.5.6 Partnership within World Church

Partnership within the World Church is one of CWM Ltd.'s major tenets. The Charity engages in partnership and participation with other International ecumenical mission organizations, by sharing people ideas and resources. Many of our programmes specifically include ecumenical participation as a matter of principle, and member church and our staff also take part in the programmes of other ecumenical organizations. Through the partnership within the world church, we also seek to engage with and support our ecumenical partners in contributing to the development of mission thought and action in the wider church. The positive engagements that were undertaken in 2015 included:

Joint ecumenical initiative - New International Financial and Economic Architecture

As part of its commitment to the call for a New International and Financial Architecture (NIFEA), initiated by the World Alliance of Reformed Churches, CWM Ltd. has participated in conversation with our ecumenical partners towards framing a strategy for engagement with corporate structures such as the World Bank and the IMF. In addition, we organised a series of colloquia on the Economy of Life to be conducted across the regions aimed at heightening consciousness and educating member churches on the subject. Colloquia were held in three regions during the course of 2015 – Africa, South Asia and East Asia. The aim of these colloquia is to accompany member churches in grasping the issues around the death-dealing economic globalisation, resulting in untold poverty around the world, and to gain insights on how to become part of the solution to redressing this problem and creating hopeful spaces for everyone. A series of three colloquia is planned for each region and these are being supported by the leadership of economist and Investment committee member, Dr Rogate Mshana, whose wealth of experience and knowledge on the subject renders him an invaluable resource.

Partnership with the World Communion of Reformed Churches

Mindful of the special role that the WCRC plays in offering critical theological reflection and social issues and its strong justice stance, the charity provides support for this organization to effectively engage this subject. The programme staff of both organizations work collaboratively on issues such as climate justice, economic justice, gender justice and evangelism.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Partnership with Ecumenical Loan Fund (ECLOF)

During 2015 CWM saw several hundred individuals benefit from the award of small loans to assist them start up small businesses, aimed at economic self-sustainability. ECLOF is involved in assisting individuals develop and implement projects of a financially viable nature; funding these projects through the offering of a loan, with favourable interest rates; and accompanying these entrepreneurs with professional advice along the journey. The Council's part is in providing upfront capital to enable ECLOF to expand its reach, especially in context such as Zambia and Jamaica where we have member churches.

Partnership with World Council of Churches

CWM Ltd and WCC have agreed to work collaboratively in areas such as interfaith engagement, evangelism and discipleship and economic justice. A number of joint initiatives took place in 2015, including several workshops of evangelism, participation in a consultation of 'Ecumenical engagement towards life-affirming communities' and shared leadership in the Economy of Life colloquia. CWM Ltd. contributes staff time for the planning and execution of these activities; enable the participation of persons from member churches; and provide cash support to ensure the travel and involvement of participants as well as the effective execution of the events.

Partnership with the World Association for Christian Communication (WACC)

A memorandum of understanding was signed between CWM Ltd. and WACC during 2015, which will see greater working relationship between these two organisations especially in the area of engagement for advocacy, facilitating the voices of ordinary people and those deemed to be voiceless to articulate their struggle and advocate for just relationships and transactions. The Charity will look to WACC for support in the training and equipping of a network of communicators to support our communications strategy.

5.1.5.7 Regional Integration

The Regional Integration Task Force, which was commissioned by the Board of Directors in June, 2014, submitted its report to the June 2015 Board of Directors meeting, held in Montego Bay, Jamaica. The key recommendations which were approved by the Board of Directors called for:

- i. A separation of the roles of members from that of the Board of Directors and called for a smaller Board (from 31 to 12), thereby obviating possible conflict of interests
- ii. The dissolution of the Regional Mission Councils (RMCs), thereby removing an unnecessary layer of governance, which added little value to our core calling
- iii. The establishment of a Members Mission Forum (MMF), as a mechanism to enable the coming together of representatives from the members, within geographical regions, to read the signs of the times and discern God's leading for missional engagement
- iv. A revamped staffing structure to better facilitate support for member churches in the carrying out of God's mission
- v. A reaffirmation of our core calling of mutual accompaniment in sharing in God's mission

So far the new staffing structure has been implemented and the processes towards dissolving the RMCs are well in progress. It is expected that these councils will be dissolved in June 2016. The Board of Directors, in its new design, will be elected at the Assembly of members scheduled to take place in June 2016 in Jeju Island, South Korea. The annual members meeting and the MMF will come into effect in 2017. The Memorandum of Articles of Association and the Bye-laws have been revised to reflect these decisions and have met with the approval of the charity regulators in Singapore.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

These decisions of the Board will enable CWM Ltd. to function with much greater efficiency and effectiveness in the foreseeable future and it is anticipated that this new way of working will give way for more persons to participate in the life of CWM and facilitate a better sense of ownership of decisions and directions.

5.2 Grants

Grants are the instrument through which some of the activities described above have been carried out. 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 distribution of Council for World Mission (UK) at this time is from the Mission Support Programme and its predecessor grant, Mission Programme Support Fund. This grant allocation to member churches is budgeted and committed on a three to five year planning basis but the level of cash flow draw down on the 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 charity's 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 about 95% of total unrestricted income, excluding extraordinary income like the profit on sale of Ipalo House (£10,966,778) during the year. 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.

The invested funds largely originated from the sale of the Hong Kong hospital site, 'gift of grace', in 1996. The Investment Committee monitors the performance of these funds on a quarterly basis. In 2015 the portfolio returned +3.3% and UK inflation was moderate with Retail Price Index (RPI) at 1.2% so the real return was 2.1%.

Over almost 10 years since the inception of the diversified investment structure, the portfolio had earned an annualised real return (i.e. net of UK inflation measured by RPI) of 3.3% at the end of 2015 (4.4% in £Sterling in 2014 with a UK RPI of 1.6%). This is below the long-term annualised return of 5% (net of RPI) required to sustain the charitable company's spending policy. Nevertheless this annualised return can still be expected to fluctuate significantly. 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 (i.e. 7.3% net of inflation (UK RPI of 3.75) and was therefore comfortably exceeding the minimum 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 since 2009.

Since inception in April 2004, the charity's portfolio has generated an annualised nominal return of +6.3% gross (6.9% gross in 2014– 3.7% net of inflation but below the 5% target) Adjusting this figure for UK inflation, the portfolio's real annualised return is +3.4%). The charity's investment advisers comment that the volatility experienced over recent years falls within the range predicted by their initial modelling on which the spending policy is based.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

As an organisation with global grant commitments, the Charity is affected when exchange rates fluctuate widely. Therefore, the diversified investment portfolio is composed of investments denominated in a range of main currencies. The Charity 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.

The Charity, being aware of the total level of fees for this large investment portfolio, 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 2015 was 0.91% (2014: 0.83%). The Charity 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. Total expense ratios for our investment managers range between 0.12% and 4.12% depending upon the type of investment instrument and fee basis

6.2 Restricted Funds

The Charity 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 worldwide 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 the charity 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 the charitable Company's aims and objectives, leaving a current balance of funds of £151.9m made up of £145.1m of Unrestricted Funds, £0.6m of Restricted Funds and £6.2m 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, the Charity restructured its investment portfolio, moving away from a balanced mandate (of 2 investment managers with equal asset value to 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 had been 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. However, this policy has been temporarily revised to 6% by the Board of Directors/Trustees with effect from year 2013 up to the period of the 2016 Assembly in 2016. A thorough review of the policy took place prior to the plans and budgets for 2017-2019 reflecting a return to the 5% realistic and prudent spending policy.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

7.3 Reserves Policy

The General Funds of the Charity make up its invested 'capital base' from which the mission activities of the charity 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 1997) 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 total unrestricted funds shown in this year's financial statements are still well above £100m may give an impression that the Charity is 'sitting on' excessive reserves for the charity. This is not the case. Whilst the charitable Company 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 5.2, depending upon member churches' stage in planning, monitoring and evaluating the grants they already have. Note 13 to the financial statements shows £10.0m (2014: £10.5m) of grants designated for distribution to member churches when they are ready. These funds remain in the investments total in the meantime.

Endowed and Restricted Funds at year end stood at £6.1 m (2014: £6.2m) whilst Restricted Funds were £0.6m at year end (2014: £0.8m) as highlighted in Note 12 to the financial statements.

7.4 Ethical Investment 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 Charity 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.

The Charity has determined that investments in tobacco, alcohol, armaments, pornography or gambling do not reflect our values and therefore ensures investments are made in UK companies with less than 5% of turnover in these areas. 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, our policy is that not more than 10% of our 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 Charity 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 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, the Charity has proactive engagement in organisations and activities which are beneficial to wider constituencies such as microcredit institutions and hold a substantial investment in a socially responsible institution, Oikocredit (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.

COUNCIL FOR WORLD MISSION (UK)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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 CWM Ltd, regions and member churches in six geographical regions 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 partnership of CWM Ltd.

9. Future Developments

Following the decision of the Trustees to retain the assets in the UK, a small office with relevant staff has been maintained in London. The duties of Company Secretary and Charity Contact will be assigned to BWB Secretarial Limited in 2016. A revised management structure in 2016 will bring financial affairs within the purview of the Deputy General Secretary (Finance and Administration), with the retention of the office in UK.

10. Public benefit statement

The Trustees confirmed that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The public benefit requirements benefit requirements have been met by the activities described in Section 5.

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

11. Statement as to disclosure of information to auditors

Insofar as each of the trustees of the company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

12. Auditors

The auditors Crowe Clark Whitehill LLP, Chartered Accountants have indicated their willingness to continue in office.

COUNCIL FOR WORLD MISSION (UK)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

13. Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the trustees are required to:

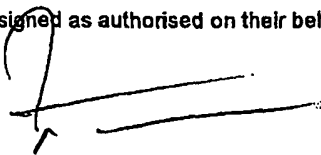
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable Company's transactions and 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared under the special provisions of the Companies Act 2006 available to small companies.

Approved by the Trustees on **16 June 2016**

and signed as authorised on their behalf by:



Rev Norbert Donovan Stephens, moderator

Council for World Mission (UK)

Company number 4758840 England & Wales

Charity 1097842

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF COUNCIL FOR WORLD MISSION (UK)

We have audited the financial statements of Council for World Mission UK for the year ended 31 December 2015 set out pages 23 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's member, 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 member 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 company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the trustees' annual report.

Pesh Framjee

Pesh Framjee
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
London

25 August 2016

COUNCIL FOR WORLD MISSION (UK)
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 Funds £	Total 2014 Funds £
Income and endowments from:						
Donation and legacies	2.1	190,918	-	-	190,918	313,234
Investment income	2.2	3,796,576	154,750	26,250	3,977,576	5,156,111
Other – profit on sale of fixed assets		10,966,778	-	-	10,966,778	-
Total		14,954,272	154,750	26,250	15,135,272	5,469,345
Expenditure on:						
Raising funds	2.3	1,290,149	20,849	3,537	1,314,535	1,127,612
Charitable activities						
Grants payable	2.3	6,603,607	275,873	3,135	6,882,615	4,737,051
Functional costs	2.3	331,485	90,885	113,519	535,889	855,502
Settlement of defined benefit pension scheme	15	(250,000)	-	-	(250,000)	2,729,000
Total		7,975,241	387,607	120,191	8,483,039	9,449,165
OPERATING SURPLUS / (DEFICIT)		6,979,031	(232,857)	(93,941)	6,652,233	(3,979,820)
Net gains on investments		2,054,053	1,398	24,394	2,079,845	2,692,171
NET INCOME / (EXPENDITURE)		9,033,084	(231,459)	(69,547)	8,732,078	(1,650,978)
Other recognised gains / (losses)						
Actuarial loss on defined benefit pension scheme		-	-	-	-	(158,000)
NET MOVEMENT IN FUNDS		9,033,084	(231,459)	(69,547)	8,732,078	(1,445,649)
Reconciliation of funds:						
TOTAL FUNDS BROUGHT FORWARD		136,100,514	830,711	6,223,482	143,154,707	144,600,356
TOTAL FUNDS CARRIED FORWARD		145,133,598	599,252	6,153,935	151,886,785	143,154,707

All incoming resources and resources expended derive from continuing activities.
The statement of financial activities includes all gains or losses recognised in the year.

COUNCIL FOR WORLD MISSION (UK)
BALANCE SHEET

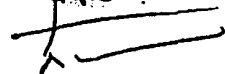
AS AT 31 DECEMBER 2015

Company No. 4758640

	Notes	2015 £	2014 £
Fixed assets:			
Tangible fixed assets	5	606,637	3,245,279
Investments	6	139,891,098	138,260,435
		<u>140,497,735</u>	<u>141,505,714</u>
Current assets:			
Investments	7	13,437,409	7,110,141
Debtors	8	672,249	406,372
Cash at bank and in hand		348,349	318,711
		<u>14,458,007</u>	<u>7,835,224</u>
Liabilities:			
Creditors: Amounts falling due within one year	9	(2,383,941)	(2,650,137)
Net current assets		<u>12,074,066</u>	<u>5,185,087</u>
Total assets less current liabilities		<u>152,571,801</u>	<u>146,690,801</u>
Creditors: amounts falling due after more than one year	10	(168,333)	(36,094)
Net assets excluding pension liability		<u>152,403,468</u>	<u>146,654,707</u>
Defined benefit pension liability	15	(516,683)	(3,500,000)
Total net assets		<u>151,886,785</u>	<u>143,154,707</u>
The funds of the charity:			
Endowed funds	12	6,153,935	6,223,482
Restricted funds	12	599,252	830,711
Unrestricted funds:-			
- Designated funds	13	10,032,197	10,496,843
- General funds	13	135,101,401	125,603,671
Total unrestricted funds	13	<u>145,133,598</u>	<u>136,100,514</u>
Total charity funds	14	<u>151,886,785</u>	<u>143,154,707</u>

Included in total funds above are cumulative unrealised gains on listed investments and investment properties of £15,192,887 (2014: £26,523,836).

The financial statements were approved and authorised for issue by the Trustees on 16/6/16 and signed on their behalf by:



Moderator
Rev Norbert Donovan Stephens

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

1. PRINCIPAL ACCOUNTING POLICIES

a) Accounting convention

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The charity meets the definition of a public benefit entity under FRS 102. The functional currency of charitable company is considered to be in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required. The company has taken advantage of the exemptions in FRS 102 from the requirements to present a Cash Flow Statement.

Having reviewed the financial position (including the significant liquid cash and investment reserves held) and future plans for the charity, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

b) 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. Donations represent amounts actually received in the accounting year. Legacies are treated as income when estate accounts have been approved or a distribution authorised by the executors. Investment income is recognised as earned. Donations and grants received for specific purposes are treated as restricted funds.

c) Property income

Property income represents rent receivable in respect of properties owned during the year and is accounted for during the period to which it relates. It is then allocated to the appropriate fund.

d) Expenditure

Expenditure on raising funds comprises investment management costs and expenditure in relation to the generation of donations and legacy income. 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 recipient 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 however funds may be designated to the value of any conditional commitment. CWM UK 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.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

1. PRINCIPAL ACCOUNTING POLICIES (continued)

e) Allocation of costs

Costs are allocated within charitable activities 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 using a variety of bases including estimated time spent and number of employees.

f) 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.

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:-

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

g) Unlisted investments

All unlisted investments are programme related investments / social investments and are included in the financial statements at cost subject to being converted into the presentational currency at the balance sheet date where the investments are held in another currency.

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 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. The element of unrestricted funds represented by unrealised gains on investments is separately disclosed as a revaluation reserve being the difference between the current market value of these investments and historic cost.

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, or when funds have been raised for a particular restricted purpose within the objects of the charity.

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.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

1. PRINCIPAL ACCOUNTING POLICIES (continued)

l) Valuation of investments

Listed 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. Investment properties are recorded at the trustees' estimate of market value at the year-end by reference to changes in house price indices, sale prices recently achieved in the same location and periodic professional valuations. Both listed investments and investment properties are carried at fair value through the Statement of Financial Activities.

m) Pensions

During 2014 CWM UK began the process of winding up the previous defined benefit pension scheme with The Pensions Trust and there were no existing staff members in the Final Salary scheme with effect from 1 April 2014. During the year an interim payment representing approximately 95% of the final liability was made to an insurance company towards settlement of the scheme. The expected cost of the settlement including all unavoidable costs to closure have been provided for at 31 December 2015.

In addition CWM makes discretionary payments to retired missionaries who served prior to the inception of a pension scheme or where service prior to July 1977 was not otherwise pensionable. These payments are funded from an endowment fund entitled CWM Fund for Retired Missionaries.

n) 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. Transactions in foreign currencies are translated at the rate ruling on date of the transaction.

o) Financial instruments

The charitable company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

p) Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liability – The charity has provided for the expected final costs of purchasing an annuity that will full settle any liabilities from its closed defined benefit pension scheme. As stated in note 15 data verification work is being undertaken to ensure the correct benefits are being covered by the Aviva policy. This work could result in changes to the liability.

Valuation of investment properties – The charity's land and buildings are stated at their estimated fair value based on professional valuations or management estimates as disclosed in note 6.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

2.1 DONATIONS AND LEGACIES	2015 £	2014 £
Donations	148,088	180,136
Legacies	42,830	133,098
	<u>190,918</u>	<u>313,234</u>
 2.2 INVESTMENTS	 2015 £	 2014 £
Rental income	110,696	202,065
Dividends from listed investments	3,772,204	4,880,626
Income from social investments	74,221	55,614
Interest from current asset investments	12,441	8,882
Other investment income	8,014	8,924
	<u>3,977,576</u>	<u>5,156,111</u>
Less: investment managers' fees	<u>(1,314,535)</u>	<u>(1,107,378)</u>
TOTAL	<u>2,663,041</u>	<u>4,048,733</u>

Included in investment managers' fees is £41,550 paid to CWM's investment advisors (2014: £40,510).

2.3 EXPENDITURE	Unrestricted	Restricted / Endowment	2015 Total	2014 Total
	£	£	£	£
Direct costs	-	204,404	204,404	249,234
Investment managers' fees	1,290,149	24,386	1,314,535	1,107,368
Grants payable	6,603,607	279,008	6,882,615	4,737,051
Support costs				
Finance, office and administration	246,509	-	246,509	311,795
Servicing of CWM UK properties	45,014	-	45,014	253,126
Governance costs				
Meeting of Trustees	-	-	-	5,648
Investment and Audit Committees	4,632	-	4,632	13,543
Audit fees	35,330	-	35,330	42,400
Total	<u>8,225,241</u>	<u>507,798</u>	<u>8,733,039</u>	<u>6,720,165</u>

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

2.4 STAFF COSTS

Analysis of staff costs

	2015 £	2014 £
Total staff costs are as follows:		
Salaries and wages	97,210	90,898
Social security costs	10,540	10,126
Pension costs	22,114	46,542
	<u>129,864</u>	<u>147,566</u>

The average number of employees analysed by function was:

	2015 Number	2014 Number
Support and governance of the charity	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

No employee earned over £60,000 during the year (2014: nil). The key management personnel of the charity comprise only the trustees. No trustee received any remuneration or reimbursed expenses during the year (2014: nil). Expenses related to trustee meetings were met by CWM Ltd.

2.5 NET OUTGOING RESOURCES FOR THE YEAR

	2015 £	2014 £
This is stated after charging:		
Depreciation	10,520	45,333
Auditor's remuneration – external audit services	30,200	30,600
Operating leases rentals	<u>2,204</u>	<u>8,073</u>

3. GRANTS PAYABLE

During the year the company made grants to the following programmes. All grants made during the year are made to institutions. A description of these programmes is given in note 13 to the financial statements:-

	2015 £	2014 £
Mission Support Programme 2	29,302	18,511
Mission Support Programme 3	-	108,282
Mission Support Programme 4	347,301	-
Capacity Development Funds	88,043	111,538
CWM Ltd (Singapore)	5,384,922	5,292,976
Grants to CWM Regions	766,092	759,047
Regional Empowerment Funds written back	-	(1,493,189)
Scholarship grants written back	<u>(12,053)</u>	<u>(60,114)</u>
	<u>6,603,607</u>	<u>4,737,051</u>

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. GRANTS PAYABLE (continued)

The primary grant programme of CWM to its member churches is fulfilled through the Mission Support Programme 2 and the Mission Support Programme 3. Grant allocations to member churches are budgeted and committed on a five year planning basis and so the level of drawdown on those grants in any one year is based on a member church's readiness to receive grants and their evaluation of previous grants, rather than on availability of grants. Where a trustee who served following the year is connected to a church this is indicated (*) below:

	2015 £
<u>Mission Support Programme 2 (MSP2)</u>	
<u>Churches of Christ in Malawi</u>	
Restructuring grant	29,302
	<u>29,302</u>
<u>Mission Support Programme 4 (MSP4)</u>	
<u>Protestant Church in the Netherland</u>	
Church Pioneering-part 3-Church Pioneering a Hundredfold	137,958
<u>The United Church in Jamaica and Cayman Island*</u>	
Renewal and Transformation programme	140,990
<u>Presbyterian Church of Aotearoa New Zealand</u>	
Press Go Strategy	68,353
	<u>347,301</u>
<u>Capacity Development Fund grants</u>	
Uniting Presbyterian Church in Southern Africa	
United Congregational Church of Southern Africa	
United Church of Zambia*	8,578
Guyana Congregational United	9,424
The United Church in Jamaica and Cayman Island*	9,424
Hong Kong Council of the Church of Christ in China	9,424
Presbyterian Church in Taiwan	9,424
Protestant Church in the Netherlands	9,424
Union of Welsh Independent	9,424
Kiribati Protestant Church	3,862
Church of North India	9,137
Church of Bangladesh*	498
Church of South India	9,424
	<u>88,043</u>

Funding global headquarters in Singapore

Early in 2012 headquarters staff transferred from London to Singapore and were in due course transferred to the payroll of CWM (Singapore) Ltd. Periodic grants are made to CWM (Singapore) Ltd to meet payroll, office and administration expenses under supervision of the General Secretary.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. GRANTS PAYABLE (continued)

CWM Regions

Grants are also made to CWM Regions which are based in six geographic regions around the world and act as hubs for local churches.

	2015 £	2014 £
Africa – Council for World Mission Africa Region	164,545	196,567
Caribbean – Council for World Mission Caribbean Region	137,660	181,223
East Asia - Mission Foundation Presbyterian Church Taiwan	28,317	37,897
Europe - Council for World Mission European Region Ltd	249,857	120,113
South Asia – BRAC Centre for Development	19,753	44,019
Pacific - Council for World Mission Pacific Region Inc.	165,960	179,229
	<u>766,092</u>	<u>759,047</u>

Scholarship grants

Grants no longer required of £12,053 (2014: £60,114) were written back as a credit to expenditure. No new scholarship grants were approved during the year.

4. TAXATION

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

5. TANGIBLE FIXED ASSETS

	Land and Buildings £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2015	3,805,333	1,600	3,806,933
Additions	-	9,376	9,376
Disposals	(3,157,232)	(1,600)	(3,158,832)
At 31 December 2015	<u>648,101</u>	<u>9,376</u>	<u>657,477</u>
Depreciation			
At 1 January 2015	560,854	800	561,654
Charge for year	10,080	440	10,520
Disposals	(520,534)	(800)	(521,334)
At 31 December 2015	<u>50,400</u>	<u>440</u>	<u>50,840</u>
Net book value 31 December 2015	<u>597,701</u>	<u>8,936</u>	<u>606,637</u>
<i>Net book value 31 December 2014</i>	<u>3,244,479</u>	<u>800</u>	<u>3,245,279</u>
Land and buildings are categorised as follows:			
	2015	2014	
	£	£	
Freehold	597,701	3,117,957	
Long leasehold	-	126,522	
	<u>597,701</u>	<u>3,244,479</u>	

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

6. FIXED ASSET INVESTMENTS	2015	2014
	£	£
Summary		
Managed investments (note 6.1)	134,151,196	132,921,636
Social investments (note 6.2)	3,669,902	2,881,612
Investment properties (note 6.3)	2,070,000	2,457,187
	<u>139,891,098</u>	<u>138,260,435</u>

6.1 Managed Investments	2015	2014
	£	£
Market value as at 1 January	132,921,636	134,599,677
Additions at cost	42,175,792	8,579,177
Disposals at book value	(42,182,944)	(12,267,861)
Disposals at book value	-	(130,697)
	<u>132,914,483</u>	<u>130,286,495</u>
Gains on investments	1,236,713	2,635,141
Managed investments at 31 December	<u>134,151,196</u>	<u>132,921,636</u>

The historical cost of quoted investments was £119,846,350 (2014: £107,350,762). Quoted investments are held with 22 investment managers in a mixture of funds investing in property, UK and overseas equities and bonds with some direct holdings in UK equities and Gilts through Sarasin & Partners. Decisions in relation to investments are made after taking advice from the charity's investment advisers Cambridge Associates.

The following investments are material in the context of CWM's portfolio: Schroder Emerging Markets Fund – £7,121,713, Charities Properties Funds-£6,784,349, Neuberger Berman Socially Responsive Fund - £8,692,749, Schroder Europe Fund - £8,613,194, All Blue Ltd Absolute Return Fund - £9,008,457, Lothbury Property Fund - £9,078,895, CF Ruffer Absolute Return Fund £7,089,916 and I shares MSCI Japan ETF - £6,084,797.

6.2 Social investments	2015	2014
	£	£
As at 1 January	2,881,612	2,709,568
Additions	703,441	49,590
Repayment of capital	(42,915)	(34,320)
	<u>3,542,138</u>	<u>2,724,838</u>
Net gains on translation	127,764	156,774
Total social investments at 31 December	<u>3,669,902</u>	<u>2,881,612</u>

Included in social investments is an investment of £2,974,705 in the share capital of Oikocredit, a worldwide co-operative society. This investment was entered into in the year 2000 as a programme-related investment. The value of this investment at 31 December 2015 represents the historical cost of share capital purchased (including reinvested dividends). Share capital is held in US dollars and Euro and translated into sterling at the year end. Included in additions is £645,568 relating to a 5 year unsecured loan of \$1m at an interest rate of 3% made to ECLOF International via CWM Ltd. The loan agreement and promissory note are in the name of CWM Ltd however

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

monies have been remitted by CWM UK who also receive interest and repayment of capital advanced.

6.3 Investment Properties	2015	2014
	£	£
At start of the year	2,457,187	2,649,187
Transfers from tangible fixed assets	-	45,498
Disposals	(533,000)	(425,000)
Revaluation	145,813	187,502
	<u>2,070,000</u>	<u>2,457,187</u>

Investment properties are valued at open market value using information from qualified surveyors and management estimates developed from past sales prices and changes in house price indices.

7. CURRENT ASSET INVESTMENTS	2015	2014
	£	£
Royal London Cash Management GBP	8,186,037	1,356,900
Royal London Cash Management USD	5,001,372	5,503,240
CAF Cash Tier 2 Investment	250,000	250,000
	<u>13,437,409</u>	<u>7,110,141</u>

8. DEBTORS	2015	2014
	£	£
Other debtors	75,189	62,803
Prepayments	68,067	38,025
Accrued income and prepayments	528,993	305,544
	<u>672,249</u>	<u>406,372</u>

£40,000 included in 'Other debtors' is due in greater than a year.

9. CREDITORS: Amounts falling due within one year	2015	2014
	£	£
Other taxation and social security	4,516	5,780
Grants payable	2,180,093	2,484,589
Other creditors	88,199	56,556
Accruals	111,133	103,212
	<u>2,383,941</u>	<u>2,650,137</u>

10. CREDITORS: Amounts falling due after more than one year	2015	2014
	£	£
<i>Grants payable</i>		
Due within 2 to 5 years	<u>168,333</u>	<u>36,094</u>

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

11. CREDITORS:

Included in Other creditors in notes 9 and 10 are the following amounts due to member churches (constituent bodies). Where a trustee who served following the year is connected to a church this is indicated (*) below:

	£
<i>Member churches</i>	
Protestant Church in the Netherlands	74,283
Presbyterian Church of Wales	794
Union of Welsh Independents	65,042
United Reformed Church	54,147
Church of Jesus Christ in Madagascar	174,306
United Congregation Church in Southern Africa	69,241
Churches of Christ in Malawi	93,590
Uniting Presbyterian Church of Southern Africa	105,492
Church of Bangladesh*	27,767
United Church in Jamaica and Cayman Island	140,990
Church of North India	6,187
Presbyterian Church of India	100,709
Presbyterian Church of Myanmar	72,623
Presbyterian Church in Singapore	1,823
Hong Kong Council Church of Christ in China	15,420
Presbyterian Church of Taiwan	187,888
Presbyterian Church of Korea	242,444
Presbyterian Church of Aotearoa New Zealand	68,353
Congregational Christian Church in America Samoa	99,436
Congregational Christian Church in Samoa	26,410
Nauru Congregational Church*	196,242
Kiribati Protestant Church	220,655
Ekelesia Kelisiano Tuvalu	124,337
United Church in Solomon Islands	94,243
	<u>2,262,422</u>

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

12. ENDOWMENT AND RESTRICTED FUNDS

	<i>Balance 1 January 2015 £</i>	<i>Gross Incoming Resources £</i>	<i>Cost of Generating income £</i>	<i>Other Outgoing Resources £</i>	<i>Investment Gains £</i>	<i>Balance 31 December 2015 £</i>
Permanent Endowment Funds						
Capital Only (Notes 12.1 and 12.4)	<u>6,223,482</u>	<u>26,250</u>	<u>(3,537)</u>	<u>(116,654)</u>	<u>24,394</u>	<u>6,153,935</u>
Restricted Funds						
<i>Permanent</i>						
<i>Endowment Funds</i>						
Income Only (Note 12.2)	<u>198,918</u>	<u>144,936</u>	<u>(19,530)</u>	<u>(91,243)</u>	<u>-</u>	<u>233,081</u>
Income Only (Note 12.3)	<u>631,793</u>	<u>9,814</u>	<u>(1,319)</u>	<u>(275,514)</u>	<u>1,397</u>	<u>366,171</u>
	<u>830,711</u>	<u>154,750</u>	<u>(20,849)</u>	<u>(366,757)</u>	<u>1,397</u>	<u>599,252</u>
TOTAL	<u>7,054,193</u>	<u>181,000</u>	<u>(24,386)</u>	<u>(483,411)</u>	<u>25,791</u>	<u>6,753,187</u>

Incoming resources / investment gains 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.

The Permanent Endowment comprised three main items at the beginning of the year (see Note 12.1 and 12.2 and 12.4):

- 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); and
- The CWM Missionaries Support Fund, for maintenance and support of missionaries; and
- The CWM Retired Missionaries Fund, for paying pensions and other costs to support retired missionaries.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

12. ENDOWMENT AND RESTRICTED FUNDS (continued)

**12.1 Permanent
Endowment Funds
–Capital Only**

	<i>Balance 1 January 2015 £</i>	<i>Gross Income £</i>	<i>Cost of Generating Funds £</i>	<i>Other Outgoing Resources £</i>	<i>Investment Gains £</i>	<i>Balance 31 December 2015 £</i>
Miss M L Barrett – pref. Kavutalam, etc, Sth India	114,893	-	-	-	571	115,464
Harold Granger- Education of Missionaries children etc.	2,847,497	-	-	-	11,321	2,858,818
CWM Missionaries Support Fund	2,118,953	-	-	-	8,317	2,127,270
Sir James Tyler – conditional	61,721	-	-	-	401	62,122
Mrs H M Reid, GP training for the child of missionary	4,959	-	-	(3,135)	7	1,831
Funds with balances less than £10,000	15,975	-	-	-	36	16,011
Sub-total	5,163,998	-	-	(3,135)	20,653	5,181,516
Retired missionaries (note 12.4)	1,059,484	26,250	(3,537)	(113,519)	3,741	972,419
Total	6,223,482	26,250	(3,537)	(116,654)	24,394	6,153,935

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

	<i>Balance 1 January 2015 £</i>	<i>Gross Income £</i>	<i>Cost of Generating Income £</i>	<i>Other outgoing Resources £</i>	<i>Balance 31 December 2015 £</i>
Miss M L Barrett – pref. Kavutalam, etc, Sth India	30,522	4,006	(540)	-	33,988
Harold Granger- Education of Missionaries children etc.	73,108	79,447	(10,706)	(36,481)	105,368
CWM Missionaries Support Fund	54,405	58,369	(7,865)	(54,404)	50,505
Sir James Tyler – conditional	40,522	2,816	(379)	-	42,959
Mrs H M Reid, GP training for the child of missionary	127	50	(7)	(127)	43
Funds with balances less than £10,000	234	248	(33)	(231)	218
	198,918	144,936	(19,530)	(91,243)	233,081

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

12. ENDOWMENT AND RESTRICTED FUNDS (continued)

12.3 Restricted Funds

	Balance 1 January 2014 £	Gross Income £	Cost of Generating Income £	Outgoing Resources £	Investment Gains £	Balance 31 December 2015 £
Ivy Phyllis Read-Scholarship fund	20,443	563	(75)	-	80	21,011
Robert Cochrane-work in India	81,692	2,250	(303)	-	321	83,960
Widows and orphans	219,672	6,051	(815)	-	862	225,770
Candidate training	17,099	471	(63)	-	67	17,574
D E Quick Legacy	275,945	12	(1)	(275,514)	1	443
Funds with balances less than £10,000	16,942	467	(62)	-	66	17,413
	<u>631,793</u>	<u>9,814</u>	<u>(1,319)</u>	<u>(275,514)</u>	<u>1,397</u>	<u>366,171</u>

12.4 CWM Fund for Retired Missionaries – Total Return

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. CWM decided to apply £113,519 in 2015. At 31 December 2015 the unapplied total return was £288,409.

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

	£
Value of unapplied total return at 1 January 2015	375,474
Movement on investments	26,454
Value applied between 1 January and 31 December 2015	(113,519)
Value unapplied total return at 31 December 2015	288,409
Permanent capital	684,010
	<u>972,419</u>

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

13. UNRESTRICTED FUNDS	General funds £	Designated funds £	Total £
Balance 1 January 2015	125,603,671	10,496,843	136,100,514
Movement in the year	9,497,730	(464,646)	9,033,084
Balance 31 December 2015	135,101,401	10,032,197	145,133,598

13.1	Balance at 1 January 2015 £	Funds released £	Balance at 31 December 2015 £
Mission Support Programme 2	522,378	(29,302)	493,076
Mission Support Programme 3	3,080,345	-	3,080,345
Mission Support Programme 4	5,000,000	(347,301)	4,652,699
Partnership in Transforming Mission	189,658	-	189,658
Capacity Development Funds	1,688,462	(88,043)	1,600,419
Regional Empowerment Programme (phase 1)	16,000	-	16,000
	10,496,843	(464,646)	10,032,197

- **Mission Support Programme (MSP2).** 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 grant for member churches, and is usually issued in three annual instalments. The designated fund balance contains both remaining instalments for some member churches and full allocated balances for those member churches which are still completing and evaluating the use of the previous grant - MPSF1.
- **Mission Support Programme (MSP3).** MSP is the successor programme to the MPSF. The commitment of funds was made with the period 2006 - 2012 in mind but the programme is on-going. These funds are ring-fenced in favour of the member churches. The Trustees have power to determine a definitive timeline for use of these funds
- **Mission Support Programme (MSP4).** The commitment of funds was made with the period 2015 - 2019 in mind but the programme is on-going. MSP4 is different in that it is specifically geared to enabling members to develop missional congregations and as such can be applied for before the completion of MSP3. It is also different in that any unclaimed funds remaining at the end of the programme in 2019 will not be retained, but will be rolled over into future CWM programmes.
- **Partnership in Transforming Mission (PTM).** PTM is a programme encouraging cross regional cooperation between member churches responding to new mission challenges, for which the trustees designated £750,000 in 2006. In 2012 there was no new Partnership in Transforming Mission applications, although there were some in development. The current phase will end by 31 December 2016.
- **Capacity Development Funds** The objective is to assist churches to plan and implement short term skills oriented training or learning from experience that are part of the church's long term capacity development plan. This will run until 2019.
- **Regional Empowerment Programme** The aim of this programme is the establishment of six regions to effectively engage member churches in each region. The aims of the Regional Empowerment Programme are now realised through the regional offices and the remaining balance will be written off or utilised next year.

In all cases these funds will be utilised once previous grants have been accounted for by the recipient.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Endowment and Restricted Funds £	Total Funds £
Fund balances at 31 December 2015 are represented by:-				
Tangible fixed assets	606,637	-	-	606,637
Investments	133,145,206	-	6,745,892	139,891,098
Current assets	4,418,515	10,032,197	7,295	14,458,007
Current liabilities	(2,383,941)	-	-	(2,383,941)
Long-term liabilities	(168,333)	-	-	(168,333)
Defined benefit pensions liability	(516,683)	-	-	(516,683)
TOTAL NET ASSETS	135,101,401	10,032,197	6,753,187	151,886,785

15. PENSION SCHEMES

Defined benefit pension scheme

CWM UK operates a defined benefit scheme in the UK. This is a separate trustee administered fund. The Trustees at their February 2014 meeting concurred that the prudent way forward, regarding the defined benefits pension scheme, was to sell it to a reputable and trustworthy insurance company. On 17 July 2015, CWM paid an additional payment of £2.5m into the CWM Final Salary Scheme to enable a total payment of £6.07m to be made to Aviva Annuity UK Limited. The payment of £6.07m represented approximately 95% of the projected cost of securing a bulk annuity policy in respect of all members of the CWM Final Salary scheme.

Currently the data verification work is being undertaken by The Pensions Trust along with Aviva so that The Pensions Trust and Aviva are content that the correct benefits are being covered by the Aviva policy. This exercise should be completed by 30 June 2016. Once complete and the price finalised and paid, Aviva will issue individual annuities to the Members and beneficiaries of the Scheme and will direct payments of benefits to those individuals. At this point, the Trustee will have no further liability to provide benefits that are covered by the individual annuities and the Trustee will look to wind up the CWM Scheme.

A final payment currently estimated at £400k is due to Aviva with additional scheme closure costs estimated at £66k being payable to the scheme trustee (£256k of closure costs less assets still held in the scheme of £191k). The liability recognised in these financial statements of £516k includes a provision for an additional £50k in case of any final movements during the data verification work. £250,000 has been released in these financial statements representing the difference between the expected amounts required to settle the liability at 31 December 2015 compared to that at 31 December 2014.

Unfunded scheme

Discretionary pensions amounting to £110,383 in 2015 were paid from the Retired Missionaries Fund to missionaries previously employed by CWM UK and not part of the defined benefit scheme described above. The Retired Missionaries Fund is expected to have sufficient funds to meet any commitments made to these individuals.

16. RELATED PARTY TRANSACTIONS

During the year grants were made to a number of Regions and Churches where a trustee was a member. These are set out in the creditors and grant payable note to the financial statements. In addition, each of the trustees of Council for World Mission (UK) is a trustee of CWM Ltd. The grant payable to CWM Ltd is also shown in the notes to the accounts.

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

17. ULTIMATE PARENT ENTITY

The charitable company's ultimate parent entity is CWM Ltd, 60 Paya Lebar Road, #11-14 Paya Lebar Square, Singapore 409051, Singapore. CWM Ltd is a registered company [UEN 201206146Z] limited by guarantee accorded with International Charitable Organisation status in Singapore. CWM Ltd carries out the activities previously undertaken by Council for World Mission (UK) supporting the worldwide partnership of churches to carry out God's mission locally. CWM Ltd is the sole member of Council for World Mission (UK).

18. PRIOR PERIOD STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2014 Funds £
Income and endowments from:				
Donations and legacies	313,234	-	-	313,234
Investments	4,956,044	169,824	30,243	5,156,111
Total	5,269,278	169,824	30,243	5,469,345
Expenditure on:				
Raising funds:				
Investment management costs	1,104,127	19,937	3,548	1,127,612
Charitable activities				
Grants payable	4,737,051	-	-	4,737,051
Functional costs	626,512	86,176	142,814	855,502
Settlement of defined benefit pension scheme	2,729,000	-	-	2,729,000
Total	9,196,690	106,113	146,362	9,449,165
OPERATING (DEFICIT) / SURPLUS	(3,927,412)	63,711	(116,119)	(3,979,820)
Gains on investments	2,220,874	9,671	98,297	2,328,842
Net income / (expenditure)	1,706,538	73,382	(17,822)	(1,650,978)
Other gains / (losses)				
Gains on foreign exchange	363,329	-	-	363,329
Actuarial loss on defined benefit pension scheme	(158,000)	-	-	(158,000)
NET MOVEMENT IN FUNDS	(1,501,209)	73,382	(17,822)	(1,445,649)
TOTAL FUNDS BROUGHT FORWARD	137,601,723	757,329	6,241,304	144,600,356
TOTAL FUNDS CARRIED FORWARD	136,100,514	830,711	6,223,482	143,154,707

COUNCIL FOR WORLD MISSION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

19. LEASING COMMITMENTS

The Council for World Mission (UK) is committed to making the following minimum annual payments under operating leases which expire:

	Land and buildings	
	2015	2014
	£	£
Less than one year	63,495	-
Between one and five years	<u>111,116</u>	<u>-</u>

This relates to a lease on administrative office space in Ipalo House taken out at the end of 2015.

20. COMPANY INFORMATION

The charity is a private limited company (registered number 4758640), which is incorporated and domiciled in the UK and is a public benefit entity. The address of the registered office is 32-34 Great Peter Street, London SW1P 2DB.

**COUNCIL FOR WORLD MISSION (UK)
REPORT ON COMPLIANCE WITH IFRS
FOR THE YEAR ENDED 31 DECEMBER 2015**

We audited the financial statements of Council for World Mission UK for the year ended 31 December 2015 set out pages 24 to 42 and the supplementary information set out on page 44.

The financial reporting framework that was applied in their preparation was applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our statutory audit work was performed in accordance with International Standards on Audit.

This report is made solely to the charitable company's members, as a body. Our work has been undertaken so that we might state to the charitable company's members that, to the extent that IFRS are compatible with a not for profit body, the financial statements are consistent with the principles of IFRS. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the 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 auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Scope of this report

As set out above we have audited the financial statements of Council for World Mission UK. These financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). We have been advised that the ultimate parent undertaking will be preparing its financial statements in accordance with Singapore Financial Reporting Standards as adopted by the Accounting Standards Council in Singapore ("SFRS").

We have reviewed these financial statements and report whether the accounting policies and principles under which they have been prepared are consistent with the policies and principles required by an entity reporting under IFRS.

IFRS are a set of accounting standards designed for entities operating with a view to making a profit. Council for World Mission UK is a charity registered in the United Kingdom and operates to further its charitable objects, not to make a profit. Therefore IFRS is not necessarily consistent with accounting for not for profit entities and so in itself IFRS may not be an appropriate accounting framework for Council for World Mission UK.

Opinion on financial statements

In our opinion, except for the difference in relation to accounting for the charity's defined benefit pension scheme between FRS 102 and IAS 19 Employee Benefits, to the extent that IFRS are compatible with a not for profit body, the financial statements of CWM UK are prepared, in all material respects, in accordance with IFRS.

Crowe Clark Whitehill LLP
Registered Auditors
London

RISK

The Council employs a formal risk management process to assess the risks facing the charity and implements 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 Council has established policies on internal controls.

The main risks the charity has identified are as listed below.

Dependence upon invested financial resources

Trustees believe that compliance with the Council'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 fund managers on a quarterly basis. Policies on diversification are actively pursued to minimize the risks inherent in holding investments.

Credit risk

Exposure to credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. This is not considered to be significant. Council for World Mission UK does not use financial instruments that increase its own credit risk profile and has no external significant debt exposure.

Liquidity risk

Council for World Mission UK currently has no borrowings and has significant reserves balances available which are either held in cash or are represented by investments which can easily be converted into cash. Therefore, the Council considers there is no significant exposure to liquidity risk.

Currency risk

The majority of assets and liabilities are denominated in sterling. Some investments and cash deposits are denominated in US dollars and Singapore dollars. This provides some degree of natural hedging against fluctuations in pounds sterling. Commitments are currently made only in Singapore dollars and pounds sterling. Council for World Mission UK considers there to be sufficient reserves in place to mitigate any significant losses as a result of fluctuations to the Singapore or US dollar.

Interest rate risk

Fixed term deposit – the majority of the surplus funds are held in the short-term money market. Competitive rates are sought on money-market investments.

Investments – The remainder of the funds are invested in a portfolio of equities and unit trusts where there is always a risk of diminution in value.

Council for World Mission UK continues to monitor the financial markets using an investment strategy that avoids undue risk. The interest rate risk is not considered to be significant in terms of the Council relying on interest income to a sizeable extent to fund its operations.