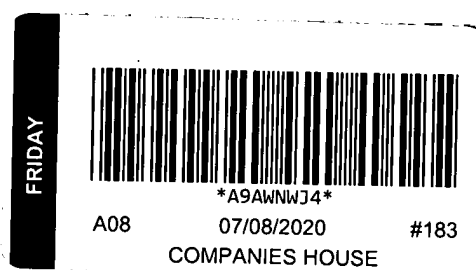


Registered Charity Number 1097842  
Company Number 4758640

**COUNCIL FOR WORLD MISSION (UK)**  
**TRUSTEES' REPORT AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



**COUNCIL FOR WORLD MISSION (UK)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Reference and administrative details**

<b>Name</b>	Council for World Mission (UK)
<b>Registered Charity Number</b>	1097842
<b>Company Number</b>	4758640
<b>Principal Office</b>	11 St Georges Circus London SE1 8EH
<b>Registered Office</b>	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 Mukondeleli Edward Ramulondi (Chair) - Africa Region  
Mrs Rose Althea Wedderburn - Caribbean Region  
Prof Victor Wan Chi Hsu - East Asia Region  
[Resigned with effect from 14 February 2019]  
Rev Thomas Jeffrey Williams - Europe Region  
Mrs Jennifer Joy Flett (Treasurer) – Pacific Region  
MD Dr (Mrs) Elizabeth John Zachariah – South Asia Region  
(Resigned with effect from 14 February 2019)  
Rev Hemen Halder – South Asia Region (Appointed in June 2019)  
Janet Ka Chung Ng – East Asia Region (Appointed in June 2019)

*All Trustees were also directors of the company during 2019 and did not receive any remuneration for their services as Trustees.*

Three meetings of the Trustees were held during 2019 on the following dates:

	13-Feb-19	1-June-19	13-Nov-19
Rev Mukondeleli Edward Ramulondi	√	√	√
Mrs Rose Althea Wedderburn	√	√	√
Prof Victor Wan Chi Hsu	√		
Rev Thomas Jeffrey Williams		√	√
Mrs Jennifer Joy Flett	√	√	√
MD Dr (Mrs) Elizabeth John Zachariah			
Rev Hemen Halder			√
Janet Ka Chung Ng			√

The Trustees are elected by members at quadrennial general assemblies. Four of the six current Trustees were elected at the General Assembly in June 2016 and the additional two appointed this year at the 2019 Annual Members Meeting as replacements for the two Trustees who resigned during the year. The Trustees were given induction training on their appointment and ongoing training is provided as and when the need arises.

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<b>Senior Management Personnel</b>	<p>The Charity's Trustees delegate day-to-day management of the Charity to its chief executive officer (General Secretary), Rev Dr. Collin Cowan*, and other senior management:</p> <p>Ms Ching Khim Veronica Chua - Deputy General Secretary, Finance &amp; Administration [resigned with effect from 14 Apr 2019] *  Rev Wayne Hawkins – Deputy General Secretary, Programme *  Rev Dr Peter Cruchley – Mission Secretary, Mission Development  Mr Sudipta Singh - Mission Secretary, Research &amp; Capacity Development  Ms Fiskani Joy Nyirenda - Mission Secretary, Communications  Rev Sindiso Jele – Mission Secretary, Africa region  Ms Karen Francis – Mission Secretary, Caribbean region  Rev Julie Sim – Mission Secretary, East &amp; South Asia regions  Dr Anthony Reddie - Mission Secretary, Europe region (resigned with effect from 1 Jan 2020)  Rev Nikometo Sopepa – Mission Secretary, Pacific region [Appointed on 25 March 2019]</p> <p>*The individuals noted above are considered to be Key Management Personnel of CWM UK.</p>
<b>Auditors</b>	<p>MHA MacIntyre Hudson  6<sup>th</sup> Floor, 2 London Wall Place,  London, EC2Y 5AU</p>
<b>Bankers</b>	<p>Royal Bank of Scotland  Victoria, London SW1E 6RA  HSBC  The Peak, 333 Vauxhall Bridge Road, Victoria London SW1V 1EJ</p>
<b>Investment Advisers</b>	<p>Cambridge Associates Limited  80 Victoria Street, Cardinal Place, London SW1E 5JL</p>
<b>Fund Managers</b>	<ol style="list-style-type: none"> <li>1. Aberdeen Standard Investments</li> <li>2. AQR Capital Management</li> <li>3. Aviva Investors</li> <li>4. BNY Mellon</li> <li>5. CCLA Investment Management Limited</li> <li>6. Comgest Asset Management</li> <li>7. Franklin Templeton Investments</li> <li>8. Fundsmith LLP</li> <li>9. Heronbridge Investment Management LLP</li> <li>10. Jupiter Asset Management</li> <li>11. Kiltarn Partners LLP</li> <li>12. Legal &amp; General Asset Investment</li> <li>13. Lothbury Investment Management</li> <li>14. Neuberger Berman</li> <li>15. Northern Trust Asset Managers</li> <li>16. Ownership Capital B.V.</li> <li>17. Payden &amp; Rygel Investment Management</li> <li>18. Royal London Asset Management</li> <li>19. Ruffer LLP</li> <li>20. Russell Investments</li> <li>21. Savills Investment Management</li> <li>22. Somerset Capital Management</li> <li>23. TCI Fund Management</li> <li>24. Tybourne Capital Management (HK) Limited</li> <li>25. Wellington Management Company</li> </ol>
<b>Solicitors</b>	<p>Bates Wells &amp; Braithwaite LLP</p>

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10 Queen Street Place, London EC4R 1BE

**Sole Membership**

Council for World Mission Ltd. (CWM Ltd) is the sole Member of Council for World Mission (UK) (CWM UK) and it has the same charitable objectives.

The member churches of CWM Ltd are:

**Africa Region**

Church of Jesus Christ in Madagascar (FJKM)  
Churches of Christ in Malawi (CCM)  
United Church of Zambia (UCZ)  
United Congregational Church of Southern Africa (UCCSA)  
Uniting Presbyterian Church in Southern Africa (UPCSA)

**Caribbean Region**

Guyana Congregational Union (GCU)  
United Church in Jamaica and the Cayman Islands (UCJCI)

**East Asia Region**

Gereja Presbyterian Malaysia (GPM)  
Hong Kong Council of the Church of Christ in China (HKCCCC)  
Presbyterian Church of Korea (PCK)  
Presbyterian Church of Myanmar (PCM)  
Presbyterian Church in Taiwan (PCT)  
Presbyterian Church in Singapore (PCS)

**Europe Region**

Congregational Federation (CF)  
Presbyterian Church of Wales (PCW)  
Protestant Church in the Netherlands (PCN)  
Union of Welsh Independents (UWI)  
United Reformed Church (URC)

**Pacific Region**

Congregational Christian Church in American Samoa (CCCAS)  
Congregational Christian Church in Samoa (CCCS)  
Congregational Union of New Zealand (CUNZ)  
Ekalesia Kelisiano Tuvalu (EKT)  
Etaretia Porotetani Maohi (EPM) (Tahiti)  
Kiribati Uniting Church (KUC)  
Nauru Congregational Church (NCC)  
Presbyterian Church of Aotearoa New Zealand (PCANZ)  
United Church in Papua New Guinea (UCPNG)  
United Church in Solomon Islands (UCSI)

**South Asia Region**

Church of Bangladesh (COB)  
Church of North India (CNI)  
Church of South India (CSI)  
Presbyterian Church of India (PCI)

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The member churches meet in a full Assembly every four years and work closely together throughout the intervening years in supporting each other to deliver the range of mission-focused activities outlined in the CWM strategic plan within their respective church communities.

The Charity's Trustees work in close association with CWM Ltd, four of the Trustees listed above are also Directors of CWM Ltd which is a charitable organisation limited by guarantee, registered in Singapore under registration number 201206146Z with its office address at 114 Lavender Street, #12-01 CT Hub 2, Singapore 338729. CWM Ltd is regulated by the Singapore Commissioner of Charities and is the Sole Member of CWM UK.

CWM UK is the sole member and hence has 100% of the members' voting rights of the London Missionary Society Corporation (company registration number 00063934) and Commonwealth Missionary Society Corporation (company registration number 00054472). These companies are limited by guarantee and registered in England & Wales, and hence are wholly controlled by CWM UK. Both companies were dormant and have not traded for many years.

**Audit, Finance and Investment Committees**

The charity is served by qualified and experienced members of (a) an Audit Committee (b) a Finance Committee and (c) an Investment Committee. The Board appoints the members to the three committees, which meet regularly and exist to assist the Trustees in discharging their oversight and governance responsibilities.

**Audit Committee**

The purpose of the Audit Committee is to support the Board of Trustees to ensure the charity is managed efficiently and that the organisation makes full and effective use of its resources in furtherance of its charitable objectives, and to advise the management team on the adequacy of risk management and financial governance processes. The Committee gives particular attention to the annual audit findings, internal controls and legal compliance issues and it highlights material items of concern and monitors the follow-up on recommendations arising from audits, reviews, and risk assessments.

**Finance Committee**

The purpose of the Finance Committee is to assist the Trustees to oversee the charity's financial risk management strategy, accounting policies, treasury, and budgeting matters and to provide guidance in respect of all major financial matters including the ongoing monitoring of the organisations financial performance.

**Investment Committee**

The Investment Committee is responsible for assisting the Trustees in providing the oversight and ongoing review of the organisation's investment portfolio and monitoring of the fund managers' performance.

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**1. Objectives of the Charitable Company**

CWM UK is a charity registered in England and Wales which acts to fulfil the commitment of a partnership of 32 protestant churches worldwide known as Council for World Mission (CWM).

The object of the Charity for 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 global, by sharing people, ideas, and other resources, recognising that every church has gifts to offer and all have need to receive.

The objects of the Charity are further clarified by its vision and mission statements as follows:

- 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 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). The property and 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 colonial 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. There are currently thirty-two (32) member churches.

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 offices. Particular emphasis is placed upon helping men, women and young people 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 2019**

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### **3. Membership**

CWM is founded upon constituent bodies, or member churches, being the churches (or associations of churches) that 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;
- Send and receive people as partners-in-mission; and
- Make an appropriate contribution to the charity, based on its financial capacity or means to do so.

Most of the current 32 member churches (*listed above*) have backgrounds in the Reformed tradition. Many are united churches, combining several church traditions. Member churches are all independent and autonomous organisations that do not have any formal links to CWM in their constitutional documents. The financial records of the member churches are therefore not subject to consolidation within the CWM group accounts. However, through the submission of their annual accounts, the members must demonstrate their ability to receive, monitor, and use the shared resources distributed through the worldwide partnership for the stated and agreed objectives.

### **4. Governance and Role of CWM UK**

CWM UK discharges the responsibilities of the Charity in accordance with its Objects, through CWM Ltd, which operates from the global office in Singapore with subsidiary offices in London and South Africa and two representative offices in the Caribbean and the Pacific.

The Trustees meet three times a year to translate the Charity's vision into achievable aims, designating those activities to the responsible parties and deciding upon the desired timeframe. Before each meeting, the Trustees join in the meeting of the Board of Directors of CWM Ltd where they participate in the discussion of all matters on CWM Ltd's agenda including but not limited to programme planning and delivery, financial management, governance, and overall accountability. In this way, the Trustees are privy to the operations of CWM Ltd which has the responsibility of carrying out the charitable objects of the Charity, with the Charity providing funding for all the activities of CWM Ltd.

### **5. Policies, Activities, and Achievements**

The Charity, through CWM Ltd, encourages member churches to be actively involved in mission partnership with others, particularly to empower women and young people for mission, and encouraging the principle that no church is too small to be a giver and no church is too large to be a receiver. The charity's aim is to accompany the member churches in pursuit of their mission in the various contexts where they function.

Staff are engaged in the affairs of CWM Ltd, the subsidiaries and regional centres to implement these priorities, standing in solidarity with the member churches as they explore ways to contribute to personal development and community transformation.

Each member church is involved in setting 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, through CWM Ltd, 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.

The Charity, through CWM Ltd, encourages and supports its members to take seriously the matter of solidarity and ecumenical engagements at all levels. Hence, several solidarity engagements and partnerships with ecumenical organisations continued in 2019 under the leadership of the General Secretary of CWM Ltd who is also the General Secretary of the Charity.

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**5.1 Global mission in local contexts**

During 2019, CWM continued with its Global Mission Strategy for the period 2016-2019 with the nine (9) themes identified, reflecting pressing issues that are affecting God's creation. The Charity, through CWM Ltd, set out to provide a biblical basis, theological underpinning, and missiological implications of these issues for the mission of the church in context. The nine themes are - Children & Young People; Economic Justice; Climate Change; Evangelism; Human Trafficking; Inclusive communities; Militarisation & Conflicts; Worship & Discipleship; and Interface Relation & Ecumenism.

The above-mentioned strategy came to an end in 2019. The framework for the 2020 – 2029 organisational strategy is completed and the supporting activities are currently in development.

The overall monitoring over the implementation of the program activities and impact reporting for the identified themes is done at the quarterly Trustee and Board meetings. The major program activities and achievements during 2019 are described below;

**5.1.1 Mission Support Programme**

Enabling members to develop missional congregations is the central focus of this Programme. The Mission Development team, working with regional staff and in conjunction with the other programme teams, leads this through the following programmes and activities: Mission Support Programme (MSP) grant; A New FACE; Hearing God's cry; and theological consultation.

**5.1.1.1 Mission Support Programme (MSP) Grant**

The MSP grant, which began in 1998, provides support for member churches in developing and implementing 3 to 5-year strategic mission programmes in their contexts. CWM staff have been working closely with member churches helping them with formulating their MSP proposals to access the MSP grants. In 2019, 15 MSP4 grants were made to member churches totaling £2,437,362 and one MSP3 grant of £333,254 to CSI and a further MSP2 grant of £31,994 to KUC were also approved. Member churches who received MSP4 funds were CCCS, CF, CNI, EKT, GCU, KUC, PCK, PCI, PCS, PCT, PCW, UCCSA, UCPNG, UCSI, and UPCSA. The monitoring of MSP grants is ongoing with the submission of regular financial and project progress reports from member churches.

**5.1.1.2 A New Faith And Culture Expose (FACE)**

A New FACE aims to equip the clergy to be engaged in mission from the perspectives of the marginalised. This cross-cultural exposure opportunity stimulates theological reflection and challenges participants to consider and create a new paradigm of mission engagement. It helps to:

- Explore Mission in the context of Empire
- Equip the clergy for multicultural ministry
- Engage in Mission of the underside of history

Five (5) participants from CSI, FJKM, UCZ, and URC, all of whom are involved in church leadership; and who are living with some form of disability, spent six (6) weeks in New Zealand, living together and working through the dynamics of leadership while living with a disability. Through engagement with the church and community projects, participants were exposed to ministry issues such as mission in the context of changing cultures; urban poverty; migration; homelessness; race and gender justice; climate change; and the arts.

**5.1.1.3 Hearing God's Cry**

The objective of this programme is to enable member churches to read the signs of the time and to respond to God's mission in their own contexts. Mission Support Programme (MSP) applications arise from this process of context reading and discernment. Four member churches were engaged in the Hearing God's Cry process in 2019 namely, CSI, EKT, KUC, and UCSI.

**5.1.2 Capacity Development Programme (CDP)**

The year 2019 saw member churches accessing CWM's CDP resources through the three components of the Capacity Development Fund: (1) Academic Accompaniment and Special Academic Accompaniment Programme; (2) Member Church Initiative for Capacity Development; and (3) Management Initiative for Capacity Development as part of their overall plan to develop and build capacity within their churches.



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**5.1.2.1 Academic Accompaniment Programme (AAP)**

The AAP facilitates advanced learning within and between CWM's member churches by offering opportunities for further education, as part of the strategy to support members in strengthening their capacity for missional engagement. Such opportunities provide for the building-up and upgrading of theological faculty; developing new leadership; and acquisition of specific skills for emerging opportunities in mission.

In 2019, twenty-seven (27) grants were awarded to individuals from ten (10) member churches as follows: CSI; FJKM; GPM; PCI; PCM; PCT; UCCSA; UCZ; UCJCI; UPCS. Scholarships were awarded to address a wide range of topics including Christian education; social issues in the context of Mizoram; women and youth empowerment, LGBTQI persons in the church. Graduates from the AAP are expected to return and serve their churches in areas of their expertise, such as theological education, pastoral leadership, and church planting.

**5.1.2.2 Special Academic Accompaniment Programme (SAAP)**

The SAAP offers Masters and Doctorate programmes to strengthen academia and to promote excellence in theological education. This programme helps to facilitate different short and long-term study programmes and researches relevant to emerging issues to the mission of the church.

In 2019, three SAAP grants were given to individuals from two member churches, namely URC and GCU, and one ecumenical partner, the United Methodist Church. The topics for study and research of the two Ph.D. students are Retrieving the Biblical economic ethic that contributes to the sexual minorities, alleviating the economic and social exclusion of sexual minorities in Mozambique with the concentration on the cultural aspect of the problem; and an analysis focusing on bridging the gap and exploring the place of young people in local and national ecumenism in Britain from 1984 to the modern-day. In addition, one student was supported with a 1-year LLM Public Law Programme, a prerequisite for international law, diplomacy and global change that will contribute to sustainable development, as well as environmental and international systems of governance.

**5.1.2.3 Member Church Initiatives**

This is a grant aimed at resourcing member churches to encourage and facilitate short-term skills training and capacity development for engagement in mission. Each member church was able to access up to S\$20,000 from this programme.

Seventeen (17) member churches, namely CCCAS, CNI CSI, EPM, GCU, GPM, HKCCCC, KUC, PCANZ, PCK, PCM, UCCSA, UCJCI, UCSI, UCZ, UPCS and URC applied for this grant in 2019. The initiatives include resourcing young people to participate in mission; retooling of ministers and pastors in Guyana; enabling church schools to function as community hubs in Hong Kong; the church in Tahiti lobbying the UN to support their call for an apology and reparations from the French Government for its nuclear testing activities in the Pacific; revising theological education curricula in Kiribati, and developing agricultural land and enabling greater self-sufficiency in Myanmar.

**5.1.3 Leadership Formation Programme (LEAF)**

As part of CWM's strategy to influence a new generation of leaders for the advancement of God's transformative mission, the Leadership Formation Programme (LEAF) was formulated. This programme incorporates the existing Face to Face and Training-in-Mission (TIM) programmes and introduces others, such as a global youth forum, regional youth initiatives, and a Young Women Enabling Transformation initiative.

In 2019, a Young Women Enabling Transformation (YWET) workshop was held in Jamaica, from 28th June – 31st July, involving eleven participants from nine member churches (CNI, EKT, FJKM, GCU, NCC, PCI, UCJCI, UPCS and UCZ). This forum provided safe and secure spaces for young women to articulate their struggles and acquire skills for social analysis and critique of the structures of patriarchy, and to consider just alternative patterns of living in church and society. Biblical and theological reflections enabled the participants to see differently and to sharpen their consciousness and resolve for engagement in church and community. A practical outcome of the YWET initiative was the development and presentation of the participants' personal implementation plans to subvert patriarchy on return to their respective contexts.

The Face to Face programme provides an opportunity for young people to engage in contextual mission studies and experiences in a different context to their own. Two-Face to Face events took place, the first focusing on the many poor and the many faiths, in India; and the second focusing on the Context of Occupation, in Israel/ Palestine.

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**5.1.3.1 Training in Mission (TIM) Programme**

Through TIM CWM has been investing in equipping young people from its member churches for informed, value-inspired, and effective leadership since 1981. It aims to facilitate leadership the development of participants through a process of action-reflection, combining this methodology of theory and practice; and engaging/embracing the cultural diversity of the participants. This deliberate strategy of bringing young people together from different cultures and contexts to live together for over seven months; and to learn about leadership and mission, is meant to expose, enlighten and conscientise them to other ways of seeing and relating to the world. This programme has produced outstanding leaders for both the Church and the wider society over the years.

From May to November 2019, eleven (11) young people, from CCCS, COB, FJKM, PCK, PCM, PCT, UCPNG, UCSI and UPCSAs spent time in New Zealand, Kiribati, and South Korea reading the bible contextually, learning about different cultures and peoples and getting involved in practical community work, to sharpen their skills and knowledge base on different aspects of mission; and to enable them to take on leadership roles and responsibilities. The Charity is confident that the participants of TIM 2019 were equally challenged and equipped to take their due place in the Church and society.

**5.1.3.2 Regional Youth Initiatives**

Each region organised youth initiatives during 2019. Europe region engaged a total of ten (10) young people, focusing on mental wellbeing. The Pacific region engaged eighteen (18) young people on the Pacific economy and how this can promote fullness of life. East and South Asia regions combined to reach out to forty-one (41) young people in exploring contextual social issues that impact young people. Africa brought together 25 young people to explore women's empowerment and the environment. The focus for the Caribbean region was on discipleship, and twelve young people participated.

**5.1.4 Cutting Edge Mission Initiatives (CEMI)**

To discern emerging mission issues and develop appropriate responses, the Cutting-Edge Mission Initiatives (CEMI) provides a platform to engage with "mission from the margins" and creates space for emerging missiological thinking and practice. Activities under CEMI include A More Able Church, New International Financial & Economic Architecture (NIFEA), investment in people through a partnership with Ecumenical Loan Fund (ECLOF) International and Prophets from the South.

**5.1.4.1 NIFEA (New International Financial and Economic Architecture)**

This was first initiated by the World Alliance of Reformed Churches (WCRC), who invited CWM along with other ecumenical bodies to share in the journey of imagining this new architecture. CWM participated in framing a strategy for engagement with corporate structures such as the World Bank and the International Monetary Fund (IMF) as well as the education of member churches on the meaning and implications for such a move. Following the completion of a successful round of colloquia, held in all member churches, further work has been done in 2019 to develop a curriculum on Theological Education for the Economy of Life (TEEL). Initial work has also been undertaken to develop the Zacchaeus Tax campaign, aimed at advocating for a fairer and more equitable taxation system.

**5.1.4.2 Legacies Of Slavery**

The Transatlantic Slave Trade has shaped the experiences and reframed the identities of millions of people in the world today, through the endemic trauma and persistent racial injustice, which found manifestations in political, social, cultural, economic and religious life. CWM believes that the legacies of this trade cannot be simply ignored or treated as a thing of the past. Against this background, CWM launched the Legacies of Slavery project with four aims in mind: (1) to assess its own story and complicity with the systems of enslavement and empire; (2) to better understand the urgency of achieving racial justice and the issues which intersect with it; (3) to find ways to advocate reparation with its member churches; and (4) to discover anti-Imperial models of Christian mission in today's world.

Following the "Hearings" which took place in the UK, Ghana, Jamaica, and the USA, a full report was developed and presented to the Board of Directors of CWM Ltd and the Trustee Body of CWM, UK with a range of recommendations, calling this organisation to name its complicity, repent of its wrong and commit itself to new patterns of living, based on justice and peace. The Charity has accepted the full report with its recommendations; and specifically, agreed to make a public apology for its part in the slave trade; to commit

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**5.1.4.2 Legacies Of Slavery (continued)**

financial resources as a tangible expression of its contribution to repair the breach; and to work with its member churches and ecumenical partners to reframe our lifestyle based on justice and peace for all. Management is tasked with the responsibility to embed the LoS report in the 10-year strategy framework, which will inform the future direction of CWM. Several workshops and consultations were held in 2019, aimed at giving clarity to these initiatives and grounding our commitments.

**5.1.5 Discernment And Radical Engagement (DARE)**

DARE is an initiative of CWM to enable the Church to be informed and grow in its prophetic witness. Through this programme, CWM aims to facilitate listening and discernment spaces where the gift of God's spirit guides missional responses to, and engagement with life-denying issues of our time. The DARE programme is implemented through an annual global consultation of academics, social activists and church leaders, aimed at developing educational resources and to shape theological thought and missional praxis; and the engagement of partners in mission to develop context-reading material, aimed at supporting Churches in their ongoing education and mission engagement.

In 2019 we continued with the engagement of Short-term Partners in Mission (PIM) to support member churches in the development of resources for member churches. Three such gatherings took place in 2019 with 20 participants from UCSI meeting in June in the Solomon Islands; a second gathering with EPM in September in Tahiti and the third in Nauru in November.

In June 2019 over 90 theologians, activists, educators, and missiologists met in Taiwan for the DARE Global Forum. The 2019 DARE Global Forum included themes on Earth, Class, Race, Gender, Occupation, and Artificial Intelligence. As in previous years, it is expected that the material presented at this forum will be reshaped and result in the publication of books from the various streams.

**5.1.6 Partners-In-Mission (PIM) Programme**

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 number of individuals who have offered themselves to serve in the mission field and to support those churches, willing to send and receive them. The relevance of this programme is best attested to by those who participated therein, particularly, the receiving churches and the partners themselves. This dynamic interchange of personnel represents the human face of the Charity in a variety of contexts across the world. The Charity is inspired by those who have responded to the call to serve and is 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.

Twelve (12) PIMs (two on short-term assignments) were in service as of 31 December 2019. Of those in service, one (1) is serving in Europe, three (3) East Asia, two (2) in Africa, three (3) in the Caribbean, two (2) in the Pacific, and one in an ecumenical capacity. The PIMs came from Europe (1), Caribbean (1), Africa (2), South Asia (2), East Asia (1), Pacific Region (4), and ecumenical partner (1).

**5.2 Engagement with Member Churches**

An important facet of the work of CWM is in accompanying member churches in their journey towards building missional congregations. This is done largely through engagement by Mission Secretaries in the form of strategic visits, participation in CWM's programmes, and tapping on CWM's resources – ideas, people, and funding. The General Secretary and Deputy General Secretary and Finance Secretary also engage with member churches, on such strategic issues, where their presence and input serve to augment and enrich the work of Mission Secretaries. CWM Mission Secretaries organised consultations with member churches on programmes, financial management, and reporting; and participated in different programmes of member churches, invited or initiated.

During the first half of 2019, each Region held a Members' Mission Forum which provided space for member churches to share their mission reflection, engage with their shared mission culture, and input into CWM's mission thinking. Each MMF took the theme "Healing for the future: Hope for Tomorrow" exploring the significance of the theme for their regional contexts. Members of the Board Trustees, from their respective regions, attend MMF and participate in telling the story of CWM from the Board's perspective.

**5.3 Activities in the Office of the General Secretary**

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**5.3.1 Member Church Relations**

Member church relations is the means through which official visits, strategic conversations and engagement with mission thinking and praxis, and ongoing information sharing, with the churches' leadership, enriches mutual accompaniment and solidarity. Several such opportunities presented themselves during 2019 in the form of official visits, speaking engagements, and strategic face to face or electronic conversations. The General Secretary, Deputy General Secretaries (Programme and Finance) and Mission Secretaries made official visits to member churches in all six regions and covering almost all 32 member churches, aimed at strengthening the partnership and furthering God's mission in the world.

Several speaking engagements occurred during the year, providing the Secretariat with opportunities to share in the shaping of strategic missional direction of member churches. The General Secretary and Mission Secretaries responded to several speaking engagement opportunities, which included sermons, keynote addresses, greetings, and presentations on the work of CWM, at Churches' General Assemblies and Synods.

The biennial meeting of the General Secretaries of member churches, held in New Zealand, 7-12 September, provided an opportunity for deepening conversations around the strategic direction of CWM for the period 2020-2029 as well as an examination of the question of leadership for mission in the context of mounting social challenges and ecological concerns.

**5.3.2 2020 – 2029 Strategic Planning Process**

During 2018, the Board of Directors commissioned a special Strategy Planning Group (SPG) to develop a strategic framework to inform and guide the work of CWM for the period 2020-2029. Most of this work took place in 2019 and the final report was presented to the Board, and approved, in February 2020. The strategic framework, which benefits from a wide consultative process, involving all member churches, ecumenical partners, Governance and Management, and other interest groups and well-wishers of CWM, outlines the key areas around which CWM should be thinking and planning for this decade. Further work is needed in terms of specific programmes, plans, and budgets to give concreteness to the framework for different stages of this ten-year trajectory.

**5.3.3 Ecumenical Partnership and Solidarity Engagements**

Partnership within the world church is one of CWM's major tenets. CWM engages in partnership and participation with international ecumenical mission organisations by sharing people, ideas, and resources. Many of CWM's programmes include ecumenical participation as a matter of principle and its member churches and staff also take part in programmes of other ecumenical organisations. Through such participation, CWM seeks to engage with and support our ecumenical partners in contributing to the development of missional thought and action in the wider church. CWM also benefits from the insights and expertise of the ecumenical community, some of which have a much wider scope of engagement than CWM. Some of such partnerships, the majority of which are ongoing, include the New International Financial & Economic Architecture (NIFEA), the Ecumenical Loan Fund (ECLOF), partnership with the World Communion of Reformed Churches (WCRC) on justice and related missional issues; with the World Council of Churches (WCC) on interfaith engagement, evangelism and economic justice; and with the World Student Christian Federation (WSCF) on issues such as leadership development, human sexuality, and gender identities. In 2019, CWM jointly with WCC, Lutheran World Federation (LWF) and WCRC, organised and executed the GEM (Governance, Economics, and Management) school, and launched the Zac Tax campaign. CWM also continued its work on Theological Education on the Economy of Life (TEEL) with the support of a team of academics drawn from the ecumenical community, aimed developing a curriculum on the Economy of Life as an offering to theological institutions and member churches to build awareness on issues of finance and economy. This work on TEEL has advanced to the level of engagement with theological institutions who have expressed interest and commitment towards conducting a pilot programme to test and further develop the draft curriculum that has been produced.

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**5.3.4 Communication**

Communication continued to be a vital aspect of the Charity's ministry and the communications team was fully engaged in 2019. During this year in review, the team was fully involved in supporting the work of the Strategy Planning Group and the Assembly Planning Group in their respective work of developing the ten-year strategy framework and planning for the June 2020 General Assembly. The team also gave attention to the CWM's website, improved its presence on social media platforms, worked in partnership with Mission Secretaries on several productions for enhanced programme delivery, strengthened internal communication and further developed and enriched the bi-monthly publication of the INSiGHT magazine, which was initiated and launched in October 2018. Plans to improve and enhance communication with member churches, working with a network of communicators, drawn from member churches is a matter of ongoing concern and interest. Beyond the Communications team, CWM has been active in communicating through Mission Secretaries on various programmes; through frequent correspondences between the Office of the General Secretary and member churches; and in partnership with ecumenical colleagues and programme participants who help to share our story.

**6. Grants**

Grants are the instrument through which the activities described above have been carried out through CWM Ltd. Details of the grants given during the period are set out in note 2.4.1 of the accounts, and information about designated funds is given in note 11.1 of the accounts. Annual budgets and grant commitments are planned to ensure that the Charity's spending is in line with its policy and that there is full and proper accountability for the project expenditure.

**7. Financial Review**

**7.1 Financial Performance Overview**

The financial results for the year reflect that total income reduced by 16% from £4.2m in 2018 to £3.5m in 2019. The primary source of income is from interest and dividends earned on the investment portfolio. Dividend income decreased by £705k in 2019, a reduction of 18% on 2018. This was largely due to the realignment of the portfolio towards achieving the longer-term Ethical Investment and performance goals. As we redeemed funds from Lothbury, Neuberger Berman, Heronbridge, Jupiter, Comgest, GLG Japan, L&G, Standard Life Gars & Wellington Commodities Fund a number of dividend payments were foregone and these were only partly offset by the dividends earned from the new ethical funds.

Total expenditure increased by 30% in 2019, from £7.5m to £9.7m. Expenditure on charitable activities accounts for 87% (2018: 85%) of the organisation's total, with expenditure on raising funds making up the 13% difference.

The cost of generating funds reflects the fees paid to the investment managers. The fees are based on a percentage of the value of the portfolio and thus increased by 16% from £1.1m in 2018 to £1.3m this year.

Grant funding represents 95% of the total expenditure on charitable activities, total expenditure on charitable activities increased by 32% in 2019, from £6.4m in 2018 to £8.5m. The significant increase in grant funding was initially due to the Board's decision to allocate a larger pot of funds to the MSP4 project, this in conjunction with the fact that the charity received an increased number of project applications from member churches during the year ahead of the December 2019 deadline contributed to the £1.8m increase in 2019. Refer to note 2.4 below for further details.

The operating deficit for the year was £6.2m (2018: £3.3m). This was offset by investment gains of £15.2m (2018: £11.0m losses). The net result was a positive contribution of £9m (2018: £14.3m loss) to reserves in the current financial year.

**7.2 Unrestricted Funds**

The Charity's main source of income is investment income, which represents approx 97% of total unrestricted fund income during the year. Other sources of income include contributions from member churches and individuals as well as legacy income.

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**7.2 Unrestricted Funds (continued)**

The stability of the income and capital base of the investment portfolio is paramount in creating a financially sound and sustainable operating model, allowing CWM to continue to sustain the ongoing expenditure required to deliver its mission and purpose. The Charity has a strong capital base (unrestricted funds increased from £151.3m in 2018 to £159.2m this year) and this makes the Charity's immediate activities less vulnerable to large variations in total returns from the investments.

The invested fund largely originated from a gift from the sale of a Hong Kong hospital site in 1994. The investment committee monitors the performance of these funds quarterly. In 2019, the investment portfolio delivered a nominal return of 11% (before adjustment for inflation) and a real annual return of 9.3% (after adjusting for UK CPI inflation of 1.7%).

**7.3 Restricted Funds**

The Charity has been given custody of a large number of legacies and gifts for specific worldwide mission purposes and these are treated as restricted or endowment funds in the financial statements. They are summarised in Note 10 to the financial statements. Ongoing distribution and consolidation is taking place to release these funds for the purposes for which they were given, by following the Charity Commission's guidelines.

In 2019, CWM continued to use the power, granted by the Charity Commission in an order of 2007, to deplete the unapplied total return (interest, dividends and realised capital gain) of the Retired Missionary Fund in paying pensions to retired missionaries who had served before the inception of a pension scheme or were in service before July 1977. 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 subsequent increases in the value of the permanent capital, whether arising from interest or dividends or realised capital gain on disposal are held as unapplied total return until formally transferred in trust for application. Upon review of and recommendation by the Finance Committee, regarding expected future payments vis-à-vis returns on investment on this Fund, the Trustees were satisfied that there will be sufficient unapplied returns to service future payments.

**8. Investment and Reserve Policies and Fundraising**

The Charity does not undertake any public fundraising activities; and, as such, it is not bound by any fundraising standards or voluntary scheme for regulating fund-raising. Its principal source of income is from its investments. The current fund balance stood at £168m as at 31 December 2019, comprising £159.2m of unrestricted funds; £0.8m of restricted funds; and £8.0m of endowment funds.

**8.1 Investment Policy**

CWM does not restrict the powers of the Board to make investment decisions. The Charity adopts a total return policy approach in managing the portfolio.

The Charity seeks to generate income and capital growth from its investments to finance its mission activities, mindful of the need and desire to invest ethically and with regard to socially responsible criteria. The long term target remains to achieve a 5% real return on the investment portfolio but, recognising actual performance, recent operational budgets have assumed a 3% real return in an average year.

The principal policy adjustment in the year was that in May the Board, on the advice of the Investment and Finance Committees, agreed on a new Ethical Investment Policy, broadening the scope and tightening the criteria of its previous policy.

The core of this policy is as follows:

- (1) As a Christian organisation, CWM firmly believes in acting in a socially responsible manner with respect to its investment portfolio. This means that, wherever feasible, CWM selects managers who employ ethical screens to exclude investments in industries dealing with alcohol, tobacco, weapons, adult entertainment, and gambling, and examines companies for their impact on climate change and the environment and any exploitation of labour.

**8.1 Investment Policy (continued)**

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- (2) The threshold for determining whether a company falls within the prohibited categories in paragraph 1 above will be that CWM will not invest in a company that derives 5% or more of its turnover from alcohol products, or 3% or more of its turnover from any of the other four prohibited industries.
- (3) CWM will also seek to pursue its ethical commitments by engaging with those companies in which it holds investments. In accordance with CWM's Ecumenical Engagement Policy, this company engagement work may be conducted in conjunction with partner organisations. In any given category of investments, CWM may choose the companies in which it invests in the light of their ethical records.
- (4) CWM will be open to investing a share of its capital in investments that are designed to bring a social more than a financial return. Any such investments will be segregated from investments where financial return is the principal purpose.

The main investment portfolio, managed by the Investment Committee and coordinated by Cambridge Associates Ltd (CA), is centered around four major investment themes that are deemed suitable for CWM: the growth engine (developed market and emerging market equities), diversifiers, inflation-sensitive (commodities, property, inflation-linked bonds) and deflation hedging (government bonds). The monitoring of target allocations of the portfolio was performed quarterly and adjustments to the allocation were made, on the advice of CA, where necessary. Most of the allocations were within the targeted range as of 31 December 2019.

Breakdown of Investment Themes

Investment Themes	31 Dec 2019 (%)	Target Investment (%)	Target Investment Range (%)
Growth Engine	56.8%	55.0%	45% to 65%
Diversifiers	12.7%	15.0%	10% to 20%
Inflation Sensitive	9.0%	15.0%	8% to 18%
Deflation Hedging - Government Bonds	12.7%	10.0%	10% to 24%
- Cash	8.8%	5.0%	
<b>Total Investment Portfolio</b>	<b>100.0%</b>		

Reviews of the fund managers' performance were undertaken by the Investment Committee quarterly, measured against target returns as well as agreed market benchmarks such as the FTSE indexes and the MSCI World Index. The portfolio performed below benchmarks in 2019, which was a concern to the Investment Committee.

The actual performance of the portfolio in 2019 was nonetheless strong. The investment portfolio (managed investments only) under the supervision of the Investment Committee had a value of £146.6m at the start of 2019 which increased to £151.9m as at 31 December 2019. A capital gain of £15.3m was obtained together with an investment income (net of fees) of £2.0m resulting in a total net gain of £17.3m in 2019. This is in comparison to a loss of £8.3 in 2018. The portfolio has therefore recouped all the losses incurred in 2018. £7.7m was distributed in 2019 for funding expenses of CWM which included the purchase of the London property for £2.2m.

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 to socially responsible criteria.

In reviewing both the new Ethical Investment Policy and longer-term performance of the portfolio, the Board accepted the Investment and Finance Committees' advice to undertake a major reshaping of the investment portfolio, the current mix of asset classes and fund managers is reflected in the table below. A number of investments were liquidated during the year and the opportunity was taken to reduce the number of fund managers the Charity deals with from 23 to 16. £30m of the proceeds from redeemed investments was moved out of the portfolio managed by Cambridge Associates and given to CCLA to manage under their unitised COIF Charities Ethical Fund. The long term target for both parts of the portfolio remains an overall year on year real return of 5%.

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<b>Asset Class Category</b>	<b>Role within the portfolio</b>	<b>Underlying asset classes</b>	<b>Managers</b>
Growth Engine	This has the highest risk and highest expected return.	<ul style="list-style-type: none"> <li>Developed &amp; emerging market equities</li> </ul>	<b>Ownership Capital, Fundsmith, Stewart, TCI, RobecoSAM, Kiltearn and Tybourne.</b>
Diversifiers	This consists of strategies that earn returns that are lower risk and less correlated to equities.	<ul style="list-style-type: none"> <li>Multi-asset portfolios</li> <li>Emerging Market Debt</li> </ul>	<b>Aviva, AQR and Templeton.</b>
Inflation Sensitive	These funds provide protection during unexpected inflationary periods.	<ul style="list-style-type: none"> <li>Property</li> <li>Inflation-linked bonds</li> </ul>	<b>Payden &amp; Regal Inflation-Linked Bonds Fund and Savills Charities Property Fund.</b>
Deflation Hedges*	These assets provide protection during deflationary periods.	<ul style="list-style-type: none"> <li>High quality sovereign bonds</li> <li>Cash</li> </ul>	<b>Payden &amp; Regal Government Bonds and Cash.</b>

## 8.2 Reserves Policy

The unrestricted funds of CWM UK are predominantly made up of its invested capital base from which the mission activities of the Group are funded. CWM intends to use this invested capital base to secure the long-term future of CWM's activities around the world. Its Reserves Policy is, therefore, to maintain, when measured on average over a period of years in real terms, at least the base level of the unrestricted reserves in perpetuity. This would imply a reserves target at the end of 2019 of around £165m, using the UK Consumer Price Index as a measure of inflation. Equity markets recovered in 2019 which contributed to the increased valuation of the general fund. The unrestricted funds balance at the close of the financial year was £159.2m, which the Trustees deem to be an acceptable level and a manageable variance compared to the long-term target.

## 9. Risk Review

The Board of Trustees has a formal risk management process through which it assesses the risks facing the Charity and implements appropriate risk management strategies, through CWM Ltd. The process involves the identification of the types of risks; assessment of those risks with regard to their potential impact and probability of occurrence; and proposed risk treatment and actions taken to date and those to be taken to mitigate the identified risks. Two principal risks identified are (1) IT security; and (2) Investment Returns. Measures are in place to ensure that all IT systems are protected and regular and closer monitoring of investments is carried out by the Investment Committee to ensure that the long-term investment returns are achieved and sustained. The investment strategy is constantly under review; the Investment Committee meets regularly to ensure that the strategy is still relevant and appropriate to generate the income required to sustain CWM's ongoing activities and operations. The Audit Committee monitors the risks faced by CWM in its meetings with updates from Management vis-à-vis the risk registers of both CWM UK and CWM Ltd. Internal audits carried out by BDO in Singapore on different aspects of CWM Ltd's operations are done



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annually and findings reported to Trustees of CWM UK and Board of CWM Ltd. A policy review exercise was carried out by CWM Ltd on all its policies in 2017 to ensure that they are still relevant and up-to-date. The revised policies were accepted and approved by the CWM Board in March 2018 for implementation. Ongoing review of policies continues to be carried out.

**10. Recent Developments**

CWM continued working in accordance with the approved 2016-2019 strategic plan during this financial year. The 2020 – 2029 strategy framework was completed by the SPG and submitted to the CWM Board for review and acceptance at the Board meeting held in Guyana from the 10th to 12th February 2020.

The 2020-2029 strategic framework reflects the map of the missional journey to be pursued by CWM during this period. The framework develops and reshapes the partnership in mission model that has guided CWM since 1977. Global Christian witness is changing, and the voices of persons in risky and vulnerable places need to be heard. The framework is informed by data provided by CWM's diverse communities, which the SPG and its working groups used, as well as its own reading of the signs of the times. The resulting framework has clear missional perspectives. It also comments on governance, finance, location, and communication. A theology statement – Rising to Life: Breaking out from Babylon, a faith stance on commitment to mission – Missio Confessionis, a financial mission framework – Theological and Missiological Commitments to Life-Flourishing Economy and Finance for All and the Legacies of Slavery project report and recommendations are provided as accompanying resources. The management team will continue to work on the framework mentioned above to develop the detailed action plans and timelines required to achieve the strategic outcomes.

The search for a new General Secretary (the incumbent's term ends in December 2020) continues; and the recruitment exercise, commissioned by the CWM Board in Nov 2018, is continuing.

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**10. Recent Developments (continued)**

The outbreak of **COVID-19 Coronavirus**, which had begun to spread and affect many countries, was initially discussed by the Board at its meeting in February 2020.

A further process of consultation and review continued beyond the February meeting as the spread of the virus unfolded; this was especially important for CWM as 2020 is the year of the General Assembly, a gathering of 250 - 300 persons scheduled to take place in South Africa which was at an advanced stage of planning, with several regional pre-assembly meetings scheduled to take place before the main event.

At a special meeting of the Board held on the 18th March 2020 the decision was taken to postpone the General Assembly until June 2021. The Board in coming to its decision took into account the global Coronavirus pandemic and its impact on travel and social gatherings as we all work together to contain the virus and minimise the risk to everyone. The Board also decided to cancel all face to face governance-related meetings up to the end of June 2020, which means that Committees, Board and Trustee Body meetings as well as the Annual General Meeting will now be held electronically. The management team are currently working on a revised election process (in line with the organisation's constitution and with guidance from the Company Secretary) to accommodate the absence of the AGM.

The Board has considered the risks associated with COVID 19 (to the best of their ability given the changing circumstances) and is of the view that COVID 19 is unlikely to have any significant or material negative impact on its ability to continue to function as a going concern or on the accounting policies outlined below. The level of reserves and size of the investment portfolio provides the financial cushion to manage any short term events and allows the organisation to survive an extended disruption to its normal activities and a short to medium-term reduction in the valuation of its investments.

**11. 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 have been met by the activities described in Section 4 which include, but are not limited to the development of capacities and capabilities to achieve the fullness of life for all creation.

**12. Auditors**

The auditors, MHA MacIntyre Hudson (UK member of Baker Tilly International) have indicated their willingness to continue in office.

**13. Statement as to Disclosure of Information to Auditors**

Insofar as each of the Trustees of the Charity, at the date of the approval of this report, are aware, there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each Trustee has taken all of the steps 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 Charity's auditor is aware of that information.

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**14. Statement of Trustees' Responsibilities (continued)**

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.

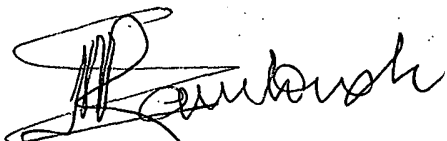
Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practices (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 a going concern basis unless it is inappropriate to presume that the Charity will continue to operate.


The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time, the financial position of the Charity 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 **08 JUN 2020** and signed as authorised for issue on their behalf by:



**Rev Mukondeleli Edward Ramulondi, Chair**



**Mrs Jennifer Joy Flett, Treasurer**

**Council for World Mission (UK)**  
**Company Number: 4758640 England & Wales**  
**Charity Number: 1097842**

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## **Independent Auditor's Report to the members of Council for World Mission (UK)**

### **Opinion**

We have audited the financial statements of Council for World Mission (UK) (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019, 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.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

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

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

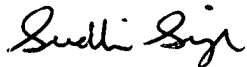
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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**Independent Auditor's Report to the members of Council for World Mission (UK) (continued)****Use of this report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Sudhir Singh FCA** (Senior Statutory Auditor)  
For and behalf of MHA MacIntyre Hudson  
Chartered Accountants and Statutory Auditors  
6<sup>th</sup> Floor 2 London Wall Place  
London EC2Y 5AU

Date: 29.07.2020

**COUNCIL FOR WORLD MISSION (UK)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 Funds £	Total 2018 Funds £
<b>Income and endowments from:</b>						
Donation and legacies	2.1	114,285	-	-	114,285	126,908
Investment income	2.2	3,361,310	35,317	4,225	3,400,852	4,060,450
<b>Total Income</b>		<b>3,475,595</b>	<b>35,317</b>	<b>4,225</b>	<b>3,515,137</b>	<b>4,187,358</b>
<b>Expenditure on:</b>						
Raising Funds	2.3	1,256,243	1,623	194	1,258,060	1,087,971
Charitable activities	2.4	8,382,565	25,444	67,797	8,475,806	6,409,403
<b>Total Expenditure</b>		<b>9,638,808</b>	<b>27,067</b>	<b>67,991</b>	<b>9,733,866</b>	<b>7,497,374</b>
<b>Operating Surplus/(Deficit)</b>		<b>(6,163,213)</b>	<b>8,250</b>	<b>(63,766)</b>	<b>(6,218,729)</b>	<b>(3,310,016)</b>
Net gains/(losses) on investments		14,091,882	66,177	1,083,896	15,241,955	(10,978,397)
<b>Net Income/(Expenditure)</b>		<b>7,928,669</b>	<b>74,427</b>	<b>1,020,130</b>	<b>9,023,226</b>	<b>(14,288,413)</b>
<b>Net Movement In Funds</b>		<b>7,928,669</b>	<b>74,427</b>	<b>1,020,130</b>	<b>9,023,226</b>	<b>(14,288,413)</b>
Reconciliation of funds:						
<b>Total Funds At 1 January 2019</b>		<b>151,307,049</b>	<b>693,727</b>	<b>6,953,502</b>	<b>158,954,278</b>	<b>173,242,691</b>
<b>Total Funds At 31 December 2019</b>		<b>159,235,718</b>	<b>768,154</b>	<b>7,973,632</b>	<b>167,977,504</b>	<b>158,954,278</b>

All income and expenditure were derived from continuing activities.  
The statement of financial activities includes all gains or losses recognised in the year.

The annexed notes form part of these financial statements.

**COUNCIL FOR WORLD MISSION (UK)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible fixed assets	4	2,711,752	552,586
Investments	5	158,382,919	153,052,795
		<u>161,094,671</u>	<u>153,605,381</u>
<b>Current assets</b>			
Investments	6	6,449,451	5,428,546
Debtors	7	890,018	1,354,487
Cash at bank and in hand		4,444,539	1,271,921
		<u>11,784,008</u>	<u>8,054,954</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	8	(4,901,175)	(2,706,057)
<b>Net current assets</b>		6,882,833	5,348,897
<b>Total assets less current liabilities</b>		<u>167,977,504</u>	<u>158,954,278</u>
<b>Total net assets</b>		<u>167,977,504</u>	<u>158,954,278</u>
<b>The funds of the charity:</b>			
<b>Endowed funds</b>	10	7,973,632	6,953,502
<b>Restricted funds</b>	10	768,154	693,727
<b>Unrestricted funds</b>			
- Designated funds	11	18,600,497	7,198,809
- General fund	11	140,635,221	144,108,240
<b>Total unrestricted funds</b>	11	<u>159,235,718</u>	<u>151,307,049</u>
<b>Total charity funds</b>	12	<u>167,977,504</u>	<u>158,954,278</u>

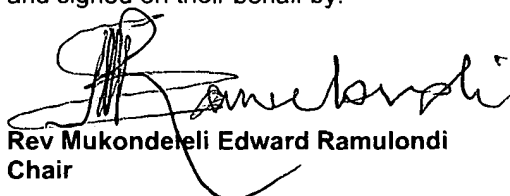
Included in total funds above are cumulative unrealised gains on listed investments, current investments and investment properties of £23,303,756 (2018: £21,931,278)

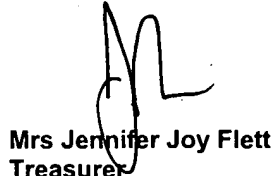
The financial statements have been prepared in accordance with sections 415A of the Companies Act 2006.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

08 JUN 2020

  
**Rev Mukondeleli Edward Ramulondi**  
Chair

  
**Mrs Jennifer Joy Flett**  
Treasurer

Company Number: 4758640

The annexed notes form part of these financial statements.



**COUNCIL FOR WORLD MISSION (UK)**  
**STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

		2019	2018
	Note	£	£
<b>Cash flows from operating activities</b>			
Net Cash flow from operating activities	17	(6,933,953)	(6,842,432)
<b>Cash flow from investing activities</b>			
Investment income – Dividends	2.2	3,248,612	3,932,020
Investment income – Rent	2.2	115,819	92,713
Purchase of tangible fixed assets		(2,257,404)	-
Purchase of current asset investments	6	(7,500,000)	(24,300,000)
Proceeds from sale of current investments	6	6,500,000	21,400,000
Payments to acquire managed investments	5.1	(87,273,987)	(11,204,637)
Proceeds from sale of managed investments	5.1	97,273,531	17,553,944
Net cash flow from investing activities		<u>10,106,571</u>	<u>7,474,040</u>
Net increase in cash and cash equivalents		3,172,618	631,608
Cash and cash equivalents at the beginning of the period		1,271,921	640,313
Cash and cash equivalents at the end of the period		<u>4,444,539</u>	<u>1,271,921</u>

**COUNCIL FOR WORLD MISSION (UK)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. PRINCIPAL ACCOUNTING POLICIES**

**a) Accounting convention**

Council for World Mission (UK) is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 1097842) and Registrar of Companies (Company Registration Number 4758640) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to spread the knowledge of the Christ throughout the world, that is, further the work of Christian mission throughout the world.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity has applied all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102).

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency because that is the currency of the primary economic environment in which the charity operates and rounded to the nearest pound.

CWM UK is the sole member and hence has 100% of the members' voting rights of London Missionary Society Corporation (company registration number 00063934) and Commonwealth Missionary Society Corporation (company registration number 00054472). These companies are limited by guarantee and registered in England & Wales, and hence are wholly controlled by CWM UK. Both companies were dormant throughout the current and previous financial year. The companies have nil net assets and have not traded for many years; hence they are not consolidated in CWM UK accounts as they are not considered to be material to CWM UK's financial statements.

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

**b) Going Concern**

Having reviewed the charity's financial position (considering the likely impact of COVID 19 on the charity and its current liquidity level, performance of the investment portfolio and investment reserves held) and future (including a revised budget for the year ahead) 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.

**c) Recognition of income**

Income is recognised in the year in which the charity is legally entitled to receipt, the receipt is probable, and the amount can be measured reliably. Donations represent amounts receivable in the accounting year. Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met. Investment income is recognised in the period when the Charity has earned unconditional entitlement to monies. Donations and grants received for specific purposes are treated as restricted funds.

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**d) 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.

**e) 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 and related support costs.

Expenditure is recognised in the year in which it is incurred under the accrual basis. Grants and allocations payable to CWM Ltd 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 and external audit fees.

**f) 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 the number of employees.

**g) Tangible fixed assets and depreciation**

Fixed assets for use by the charity 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 – straight line basis
Leasehold property	- over the life of the lease
Fixtures and fittings	- between 3 and 5 years.
Computer Equipment	- 3 years

Freehold land held as part of a freehold property is depreciated over 50 years alongside the property where the cost has not been separated.

**h) Unlisted investments**

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

**i) Current asset investments**

Current asset investments represent those investments held in cash or low risk investments equivalent to cash to enable the company to meet its commitments in respect of grants approved not yet paid.

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**j) 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. Restricted funds in respect of the Retired Missionary fund is detailed in Note 10.4, where permanent capital is held in trust.

*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.

**k) Valuation of investments**

Listed investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value (mid-market value) at the Balance Sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net Gains/(losses) on investments' in the Statement of Financial Activities.

Investment properties are measured at fair value at the Balance Sheet date. 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. Any changes in fair value is recognised in 'Net Gains/(losses) on investments' in the Statement of Financial Activities.

**l) Pensions**

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.

The Charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. The liability and expenses are allocated as part of expenditure on charitable activities to the unrestricted funds.

**m) 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.

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**n) Financial instruments**

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

**Financial Assets** – Other debtors, accrued income and the intercompany loan are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 7. Prepayments are not financial instruments.

**Investments** – Managed investments and investment properties are classified as basic financial instruments and held at their fair value as detailed in note 5.1 and 5.3 respectively. Unlisted investments (social investments) as detailed in note 5.2 are basic financial instruments and are measured at cost less impairment. Current asset investments are measured at amortised cost as detailed in note 6.

**Cash at bank** – is classified as a basic financial instrument and is measured at face value.

**Financial Liabilities** – Grants payable, other creditors, accruals and balances owing to CWM Ltd are classified as basic financial instruments and are measured at amortised cost as detailed in note 8. Taxation and social security are not included in financial instruments disclosure.

**o) 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:

**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 5.3.

**Depreciation of freehold property** includes depreciation of land as this is not considered to be material.

**p) Operating leases**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>2.1 DONATIONS AND LEGACIES</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Donations	81,820	97,458
Legacies	32,465	29,450
	<u>114,285</u>	<u>126,908</u>

<b>2.2 INVESTMENT INCOME</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Rental income	115,819	92,713
Dividends from listed investments	3,223,113	3,927,738
Income from social investments	36,421	36,056
Income from bank interest	20,108	1,079
Other operational income	5,391	2,864
	<u>3,400,852</u>	<u>4,060,450</u>

<b>2.3 EXPENDITURE ON RAISING FUNDS</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Investment manager fees	<u>1,258,060</u>	<u>1,087,971</u>

Included in investment managers' fees is £138,798 paid to CWM's investment advisors (2018: £150,741).

<b>2.4 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Activities Undertaken Directly	74,912	87,451
Grant Funding of Activities (Note 2.4.1)	8,075,896	6,085,236
Support Costs (Note 2.4.2)	324,998	236,716
	<u>8,475,806</u>	<u>6,409,403</u>

**2.4.1 GRANTS FUNDING ACTIVITIES**

During the year the Charity made grants to the following programmes. A description of these programmes are given in note 11.1 to the financial statements:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
CWM Ltd - Mission Support Programme 2	31,994	-
CWM Ltd - Mission Support Programme 3	333,254	49,540
CWM Ltd - Mission Support Programme 4	2,437,362	592,516
CWM Ltd - Capacity Development Funds	184,987	112,012
CWM Ltd - Core	5,069,970	5,274,899
CWM Ltd - Restricted Funds Grants	18,329	56,269
	<u>8,075,896</u>	<u>6,085,236</u>

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>2.4.2 SUPPORT COSTS</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Finance, office and administration costs	298,165	207,276
Governance costs		
Meeting costs	711	-
Auditors' remuneration	26,122	29,440
	<u>324,998</u>	<u>236,716</u>

**2.5 STAFF COSTS**

**Analysis of staff costs**

	<b>2019</b>	<b>2018</b>
Staff costs comprise:	<b>£</b>	<b>£</b>
Salaries and wages	71,411	59,000
Social security costs	4,341	2,021
Pension costs	7,527	6,261
	<u>83,279</u>	<u>67,282</u>

The average number of employees analysed by function was:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Support and governance of the charity	<u>2</u>	<u>2</u>

No employee earned over £60,000 during the year (2018: nil). The key management personnel of the Charity comprised management staff from the CWM Ltd Secretariat in Singapore and the Trustees. No Trustee received any remuneration during the year (2018: nil). Expenses related to Trustee meetings were met by CWM Ltd. Cost of time spent by the CWM Ltd Secretariat in overseeing and supporting CWM UK is borne by CWM Ltd and is not apportioned to the accounts of CWM UK as they are considered immaterial.

**2.6 NET (INCOME)/EXPENDITURE**

	<b>2019</b>	<b>2018</b>
This is stated after charging	<b>£</b>	<b>£</b>
Depreciation	25,942	11,525
Auditors' remuneration		
– external audit services	26,122	24,720
– prior year under provision	-	4,720
Losses/(Gains) on foreign currency exchange	126,906	(166,623)
Operating leases	<u>23,826</u>	<u>67,307</u>

**3. TAXATION**

The Charity is exempt from corporation tax on its charitable activities. The Charity is considered to have passed the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, surpluses and gains are exempt from Corporation Tax provided they are applied for charitable purposes.

**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

4. TANGIBLE FIXED ASSETS	Freehold £	Land & Building Leasehold £	Fixtures & Fittings £	Total £
<b>Cost</b>				
At 1 January 2019	312,905	315,596	10,231	638,732
Additions	2,191,269	-	66,135	2,257,404
Disposals	-	-	(6,649)	(6,649)
Reclassification	(77,495)	-	-	(77,495)
At 31 December 2019	<u>2,426,679</u>	<u>315,596</u>	<u>69,717</u>	<u>2,811,992</u>
<b>Depreciation</b>				
At 1 January 2019	26,960	50,480	8,706	86,146
Charge for year	13,676	6,310	5,956	25,942
Disposals	-	-	(6,648)	(6,648)
Reclassification	(5,200)	-	-	(5,200)
At 31 December 2019	<u>35,436</u>	<u>56,790</u>	<u>8,014</u>	<u>100,240</u>
<b>Net book value 31 December 2019</b>	<u>2,391,243</u>	<u>258,806</u>	<u>61,703</u>	<u>2,711,752</u>
Net book value 31 December 2018	<u>285,945</u>	<u>265,116</u>	<u>1,525</u>	<u>552,586</u>

Where the property was purchased and the land and buildings not separately identified, there is no accurate way of measuring the cost of the land and building separately, therefore the value of land and building has not been split out.

5. FIXED ASSET INVESTMENTS	2019 £	2018 £
<b>Summary</b>		
Managed investments (note 5.1)	151,903,556	146,627,648
Social investments (note 5.2)	3,559,563	3,650,147
Investment properties (note 5.3)	2,919,800	2,775,000
	<u>158,382,919</u>	<u>153,052,795</u>

5.1 MANAGED INVESTMENTS	2019 £	2018 £
Market value as at 1 January	146,627,648	164,076,374
Additions at cost	87,273,987	11,204,637
Disposals	(97,273,531)	(17,553,944)
	<u>136,628,104</u>	<u>157,727,067</u>
Gains/(Losses) on investments	15,275,452	(11,099,419)
Market value as at 31 December	<u>151,903,556</u>	<u>146,627,648</u>

Managed investments are held with 25 investment managers in a mixture of funds as detailed below. The historical cost of quoted investments was £129,943,501 (2018: £125,946,662). Decisions in relation to investments are made after advice from the Charity's investment advisers, Cambridge Associates.

	2019 £	2018 £
Investments at the market value comprise		
Quoted equity shares	9,092,556	7,903,850
Bonds in governments/corporations	24,424,006	23,718,837
Global funds	113,182,394	104,202,329
Property Trust	5,204,600	10,802,632
Total	<u>151,903,556</u>	<u>146,627,648</u>



**COUNCIL FOR WORLD MISSION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**5.2 SOCIAL INVESTMENTS**

	2019	2018
	£	£
As at 1 January	3,650,147	3,478,666
Dividends re-invested	36,322	35,717
	<u>3,686,469</u>	<u>3,514,383</u>
Unrealised gain/(loss) in exchange	(126,906)	135,764
As at 31 December	<u>3,559,563</u>	<u>3,650,147</u>

Included in social investments is an investment of £3,549,274 (2018: £3,639,858) in the share capital of Oikocredit, a worldwide co-operative society. Oikocredit was entered into in 2000 as a programme-related investment. The value of this investment at 31 December 2019 represented the historical cost of share capital purchased (including reinvested dividends less any material impairment). Share capital is held in US dollars and Euro and translated into sterling at year end. There is also investment of £10,289 (2018: £10,289) in the Shared Interest Society.

**5.3 INVESTMENT PROPERTIES**

	2019	2018
	£	£
As at 1 January	2,775,000	2,775,000
Addition	72,295	-
Revaluation	72,505	-
As at 31 December	<u>2,919,800</u>	<u>2,775,000</u>

Investment properties are valued at the year-end by referencing to changes in UK house price indices and sale prices recently achieved in the same location. The historic cost was £1,568,233 (2018: £1,490,738)

**6. CURRENT ASSET INVESTMENTS**

	2019	2018
	£	£
Royal London Short Term Money Market Fund Y	709,580	213,630
Royal London Cash Plus Fund Y	5,739,871	5,214,916
	<u>6,449,451</u>	<u>5,428,546</u>
	2019	2018
	£	£
As at 1 January	5,428,546	2,543,289
Additions	7,500,000	24,300,000
Disposal	(6,500,000)	(21,400,000)
	<u>6,428,546</u>	<u>5,443,289</u>
Net fair value gain/(loss) on current investments	20,905	(14,743)
As at 31 December	<u>6,449,451</u>	<u>5,428,546</u>

The historic cost of current asset investments was £6,462,517 (2018: £5,462,516)

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7. DEBTORS	2019	2018
	£	£
Intercompany balance	168,546	523,521
Other debtors	94,314	114,622
Prepayments	4,560	3,108
Accrued income	622,598	713,236
	<u>890,018</u>	<u>1,354,487</u>

8. CREDITORS	2019	2018
	£	£
Amounts falling due within one year		
Other taxation and social security	12,493	8,688
Balances owing to CWM Ltd	4,606,345	2,492,240
Grants payable	167,951	157,803
Other creditors	26,299	18,483
Accruals	88,087	28,843
	<u>4,901,175</u>	<u>2,706,057</u>

**9. RELATED PARTY TRANSACTIONS**

Of the six Trustees for the CWM UK, four are Trustees for CWM Ltd, and two are independent Trustees. Trustees may also sit on governing boards or make up the senior management of member churches that receive grants from CWM Ltd and they will declare an interest and abstain from voting and decision-making when applications and matters relating to related member churches are being discussed at Trustees meetings and meetings of the CWM Ltd Board. The grant payable to CWM Ltd is also shown in the note 2.4.1 and the amount outstanding as at reporting date is shown in note 8 above.

CWM UK is the sole member and hence wholly controls the London Missionary Society Corporation (company registration number 00063934) and Commonwealth Missionary Society Corporation (company registration number 00054472). These companies are limited by guarantee and registered in England & Wales. They were both dormant throughout the current and previous financial year. The companies had nil net assets as at 31 December 2019, and there have been no transactions with CWM UK for a number of years. The registered office for both entities is 10 Queen Street Place, London, England, EC4R 1BE.

**10. ENDOWMENT AND RESTRICTED FUNDS**

	Balance 1 January 2019 £	Gross Incoming Resources £	Costs in Generating Income £	Expenditure and Allocations £	Real/Unreal Investment Gains (Losses) £	Balance 31 December 2019 £
<b>Permanent Endowment Funds</b>						
Capital Only (Notes 10.1 and 10.4)	6,953,502	4,225	(194)	(67,797)	1,083,896	7,973,632
<b>Restricted Funds</b>						
Permanent Endowment Funds – Income Only (Note 10.2)	251,901	33,042	(1,519)	(18,329)	-	265,095
Income Only (Note 10.3)	441,826	2,275	(104)	(7,115)	66,177	503,059
	<u>693,727</u>	<u>35,317</u>	<u>(1,623)</u>	<u>(25,444)</u>	<u>66,177</u>	<u>768,154</u>
<b>TOTAL</b>	<u>7,647,229</u>	<u>39,542</u>	<u>(1,817)</u>	<u>(93,241)</u>	<u>1,150,073</u>	<u>8,741,786</u>

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**10. ENDOWMENT AND RESTRICTED FUNDS (continued)**

**PRIOR YEAR**

	Balance 1 January 2018 £	Gross Incoming Resources £	Costs in Generating Income £	Expenditure and Allocations £	Real/Unreal Investment Gains (Losses) £	Transfer £	Balance 31 December 2018 £
<b>Permanent Endowment Funds</b>							
Capital Only (Notes 10.1 and 10.4)	7,231,760	4,204	(327)	(85,641)	(196,494)		6,953,502
<b>Restricted Funds</b>							
Permanent Endowment Funds – Income Only (Note 10.2)	280,253	30,472	(2,371)	(56,453)	-		251,901
Income Only (Note 10.3)	453,541	2,127	(165)	(1,626)	(12,051)		441,826
	<u>733,794</u>	<u>32,599</u>	<u>(2,536)</u>	<u>(58,079)</u>	<u>(12,051)</u>		<u>693,727</u>
<b>TOTAL</b>	<u>7,965,554</u>	<u>36,803</u>	<u>(2,863)</u>	<u>(143,720)</u>	<u>(208,545)</u>		<u>7,647,229</u>

Income / investment gains include investment income together with realised and unrealised gains and losses on investment assets held directly by the funds, or on pooled assets allocated to the funds.

**The Permanent Endowment comprised of the following at the beginning of the year (see Note 10.1 and 10.2 and 10.4):**

- 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 and therefore remain as restricted funds;
- The CWM Missionaries Support Fund which was for the maintenance and support of missionaries; and
- The CWM Retired Missionaries Fund which is used for paying pensions and other costs to support retired missionaries.
- Miss ML Barrett Fund was set up for its income to be applied for the support of the Company's work in Kavutalam, Hachalli or Halavi Pastorates of the Church of South India. In the alternative, the income may be applied to some other objects within the general purpose of the Company.
- Sir James Tyler Fund can be used for general purposes on condition that fund is first used to maintain the grave vault of Sir James Tyler's family at Highgate Cemetery.

**The Restricted Funds comprised of the following at the beginning of the year (see Note 10.3).**

- Ivy Phyllis Read Scholarship fund was for specialised training for a member of an overseas member church.
- Robert Cochrane fund was for Scott Christian College, Nagercoil, Tamil Nadu.
- Widows and Orphans fund was available for the widows and orphans of missionaries who happen to die in while in service
- The Candidates Training fund was for the initial training of missionaries.
- The Beckingham fund was created to support a village institution, the Beckingham Institute in North Nottinghamshire. CWM UK only acts as a Trustee, invests the fund and disburses the income to the village institution.

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**10.1 PERMANENT ENDOWMENT FUNDS – CAPITAL ONLY**

	Balance 1 January 2019 £	Income £	Raising funds £	Expenditure £	Investment Gain £	Balance 31 December 2019 £
Miss M L Barrett – pref. Kavutalam, etc, Sth India Harold Granger- Education of Missionaries children etc.	138,419	-	-	-	21,535	159,954
CWM Missionaries Support Fund	3,359,010	-	-	-	539,180	3,898,190
Sir James Tyler – conditional	2,490,299	-	-	-	379,107	2,869,406
Funds with balances less than £10,000	80,125	-	-	-	19,566	99,691
Sub-total	17,548	-	-	-	1,618	19,166
Retired missionaries (note 10.4)	6,085,401	0	0	0	961,006	7,046,407
<b>Total</b>	868,101	4,225	(194)	(67,797)	122,890	927,225
	6,953,502	4,225	(194)	(67,797)	1,083,896	7,973,632

**PRIOR YEAR**

	Balance 1 January 2018 £	Income £	Raising funds £	Expenditure £	Investment (Losses) £	Balance 31 December 2018 £
Miss M L Barrett – pref. Kavutalam, etc, Sth India Harold Granger- Education of Missionaries children etc.	142,278	-	-	-	(3,859)	138,419
CWM Missionaries Support Fund	3,455,795	-	-	-	(96,785)	3,359,010
Sir James Tyler – conditional	2,558,528	-	-	-	(68,229)	2,490,299
Funds with balances less than £10,000	83,631	-	-	-	(3,506)	80,125
Sub-total	17,838	-	-	-	(290)	17,548
Retired missionaries (note 10.4)	6,258,070	-	-	-	(172,669)	6,085,401
<b>Total</b>	973,690	4,204	(327)	(85,641)	(23,825)	868,101
	7,231,760	4,204	(327)	(85,641)	(196,494)	6,953,502

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**10.2 PERMANENT ENDOWMENT FUNDS – INCOME ONLY (RESTRICTED FUNDS)**

	Balance 1 January 2019 £	Income £	Raising funds £	Expenditure £	Transfer £	Balance 31 December 2019 £
Miss M L Barrett – pref. Kavutalam, etc, Sth India	3,042	740	(34)	0	-	3,748
Harold Granger- Education of Missionaries children etc.	189,303	18,538	(852)	(7,227)	-	199,762
CWM Missionaries Support Fund	11,105	13,035	(599)	(11,102)	-	12,439
Sir James Tyler – conditional	48,401	673	(31)	-	-	49,043
Funds with balances less than £10,000	50	56	(3)	-	-	103
	<u>251,901</u>	<u>33,042</u>	<u>(1,519)</u>	<u>(18,329)</u>	<u>-</u>	<u>265,095</u>

**PRIOR YEAR**

	Balance 1 January 2018 £	Income £	Raising funds £	Expenditure £	Transfer £	Balance 31 December 2018 £
Miss M L Barrett – pref. Kavutalam, etc, Sth India	2,414	681	(53)	-	-	3,042
Harold Granger- Education of Missionaries children etc.	186,387	17,080	(1,329)	(12,835)	-	189,303
CWM Missionaries Support Fund	43,435	12,041	(937)	(43,434)	-	11,105
Sir James Tyler – conditional	47,830	619	(48)	-	-	48,401
Funds with balances less than £10,000	187	51	(4)	(184)	-	50
	<u>280,253</u>	<u>30,472</u>	<u>(2,371)</u>	<u>(56,453)</u>	<u>-</u>	<u>251,901</u>

**COUNCIL FOR WORLD MISSION (UK)**  
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**10.3 RESTRICTED FUNDS**

	Balance 1 January 2019 £	Income £	Raising funds £	Expenditure £	Investment Gain £	Balance 31 December 2019 £
Ivy Phyllis Read-Scholarship fund	24,691	129	(6)	-	3,759	28,573
Robert Cochrane-work in India	102,693	538	(25)		15,633	118,839
Widows and orphans	276,144	1,408	(65)	(7115)	40,955	311,327
Candidate training	21,496	113	(2)	-	3,272	24,879
Funds with balances less than £10,000	16,802	87	(6)	0	2,558	19,441
	<u>441,826</u>	<u>2,275</u>	<u>(104)</u>	<u>(7,115)</u>	<u>66,177</u>	<u>503,059</u>

<b>PRIOR YEAR</b>	Balance 1 January 2018 £	Income £	Raising funds £	Transfer £	Investment Losses £	Balance 31 December 2018 £
Ivy Phyllis Read-Scholarship fund	25,254	119	(9)	-	(673)	24,691
Robert Cochrane-work in India	105,038	494	(38)	-	(2,801)	102,693
Widows and orphans	282,450	1,329	(103)	-	(7,532)	276,144
Candidate training	21,987	103	(8)	-	(586)	21,496
Funds with balances less than £10,000	18,812	82	(7)	(1,627)	(458)	16,802
	<u>453,541</u>	<u>2,127</u>	<u>(165)</u>	<u>(1,627)</u>	<u>(12,050)</u>	<u>441,826</u>

**10.4 CWM FUND FOR RETIRED MISSIONARIES**

CWM has continued to use the power, granted by the Charity Commission in an order of 2007, to deplete the unapplied total return (interest, dividends and realised capital gain) 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 subsequent increases in the value of the permanent capital, whether arising from interest or dividends or realised capital gain on disposal are held as unapplied total return until formally transferred to the trust for application. For 2019, the amount approved for application was at £67,797 for 23 retired missionaries. After this application, the balance of total unapplied returns stood at £243,215 as at 31 Dec 2019. The Finance Committee has reviewed this balance vis-à-vis future returns and expected payments and was satisfied that there will be sufficient unapplied returns to service future payments. This was subsequently endorsed by the Trustees in their meeting in February 2019. This process will be reviewed again in 2022.

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

	£
Value of unapplied total return at 1 January 2019	184,091
Investment gain	126,921
Value applied during 2019	(67,797)
Value unapplied total return at 31 December 2019	<u>243,215</u>
Permanent capital	684,010
Total fund	<u>927,225</u>

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**10.4 CWM FUND FOR RETIRED MISSIONARIES (continued)**

**Prior Year**

	£
Value of unapplied total return at 1 January 2018	289,680
Investment return	(19,948)
Value applied during 2018	(85,641)
Value unapplied total return at 31 December 2018	184,091
Permanent capital	684,010
	<u>868,101</u>

**11. UNRESTRICTED FUNDS**

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Investment Gain £	Balance at 31 December 2019 £
General Fund	144,108,240	3,475,595	(6,651,211)	(14,389,285)	14,091,882	140,635,221
Designated Fund	7,198,809	-	(2,987,597)	14,389,285	-	18,600,497
<b>Total unrestricted</b>	<u>151,307,049</u>	<u>3,475,595</u>	<u>(9,638,808)</u>	<u>-</u>	<u>14,091,882</u>	<u>159,235,718</u>

**11.1 DESIGNATED FUNDS**

	Balance at 1 January 2019 £	Utilised £	Transfer (to)/from general funds £	Balance at 31 December 2019 £
Mission Support Programme 2	376,815	(31,994)	-	344,821
Mission Support Programme 3	2,588,930	(333,254)	-	2,255,676
Mission Support Programme 4	3,009,167	(2,437,362)	(571,805)	-
Capacity Development Funds (Member Church Initiatives)	1,223,897	(184,987)	(1,038,910)	-
Legacies of Slavery Reparation Programme	-	-	16,000,000	16,000,000
	<u>7,198,809</u>	<u>(2,987,597)</u>	<u>14,389,285</u>	<u>18,600,497</u>

- Mission Support Programme 2 (MSP2). CWM assists member churches to develop their priorities for mission, based on three to five-year strategic plans and allocates resources to assist them with implementation of their mission plans. The MSP2 programme was implemented in 2002 and is not time constrained.
- Mission Support Programme 3 (MSP3). MSP3 is the successor programme to MSP2. It was established in 2006, after the majority of member churches have utilised their MSP2 grants. MSP3 is also not time constrained.
- Mission Support Programme 4 (MSP4). The commitment of funds was made with the period 2015 to 2019 in mind ie member churches must submit proposals to apply for MSP4 by 2019 although approved proposals can be ongoing beyond 2019. MSP4 is specifically geared to enabling members to develop missional congregations and as such can be applied for before the completion of MSP3. The programme ended in December 2019 and unapplied funds were transferred back to the general funds with the approval of the Board.

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**11.1 DESIGNATED FUNDS (continued)**

- Capacity Development Funds (Member Church Initiatives). The objective of programme is to assist member churches to plan and implement short term skill-oriented training or learning from experience that are part of the church's long-term capacity development plan. The original programme was intended to expire at the end of 2019 and any unapplied funds were transferred back to the general funds with the approval of the Board.
- In November 2019, the Board of Directors of CWM Ltd agreed to designate £16,000,000 as part of the Charity's commitment to its Legacies of Slavery Reparation Programme for the period from 2020 to 2029.

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Designated Funds £	Endowmen t and Restricted Funds £	Total Funds £
<b>Fund balances at 31 December 2019 are represented by:</b>				
Tangible fixed assets	2,711,752	-	-	2,711,752
Investments	131,040,635	18,600,497	8,741,786	158,382,918
Current assets	11,784,008	-	-	11,784,008
Current liabilities	(4,901,174)	-	-	(4,901,174)
<b>Total Net Assets</b>	<b>140,635,221</b>	<b>18,600,497</b>	<b>8,741,786</b>	<b>167,977,504</b>

	Unrestricted Funds £	Designated Funds £	Endowmen t and Restricted Funds £	Total Funds £
<b>Fund balances at 31 December 2018 are represented by:</b>				
Tangible fixed assets	552,586	-	-	552,586
Investments	138,206,757	7,198,809	7,647,229	153,052,795
Current assets	8,054,954	-	-	8,054,954
Current liabilities	(2,706,057)	-	-	(2,706,057)
<b>Total Net Assets</b>	<b>144,108,240</b>	<b>7,198,809</b>	<b>7,647,229</b>	<b>158,954,278</b>

**13. PENSION SCHEMES**

**Unfunded scheme**

Discretionary pensions amounting to £67,797 in 2019 (2018: £85,641) were paid from the Retired Missionaries Fund to missionaries previously employed by CWM UK and not part of the defined benefit scheme described in Note 10.4. The Retired Missionaries Fund is expected to have sufficient funds to meet any commitments made to these individuals.



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**14. ULTIMATE PARENT ENTITY**

The Charity's ultimate parent entity is CWM Ltd, with business address at 114 Lavender Street, #12-01 CT Hub 2, Singapore 338729, Singapore. CWM Ltd is a registered charity [UEN 201206146Z] limited by guarantee in Singapore. CWM Ltd carries out all of the direct charitable activities previously undertaken by CWM UK, supporting the worldwide partnership of churches to carry out God's mission locally. CWM Ltd is the sole member of CWM UK and has 100% control over CWM UK. Consolidated accounts can be obtained from Accounting and Corporate Regulatory Authority or ACRA ([www.acra.gov.sg](http://www.acra.gov.sg)).

**15. PRIOR PERIOD STATEMENT OF FINANCIAL ACTIVITIES**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 Funds £
<b>Income and endowments from:</b>					
Donation and legacies	2.1	126,908	-	-	126,908
Investment income	2.2	4,023,647	32,599	4,204	4,060,450
Profit on sale of fixed assets					
		<u>4,150,555</u>	<u>32,599</u>	<u>4,204</u>	<u>4,187,358</u>
<b>Expenditure on:</b>					
Raising funds	2.3	1,085,108	2,536	327	1,087,971
Charitable activities	2.4	6,265,683	58,079	85,641	6,409,403
		<u>7,350,791</u>	<u>60,615</u>	<u>85,968</u>	<u>7,497,374</u>
<b>Operating Surplus/(Deficit)</b>		<b>(3,200,236)</b>	<b>(28,016)</b>	<b>(81,764)</b>	<b>(3,310,016)</b>
Net (losses)/gains on investments		(10,769,852)	(12,051)	(196,494)	(10,978,397)
<b>Net Income</b>		<u><b>(13,970,088)</b></u>	<u><b>(40,067)</b></u>	<u><b>(278,258)</b></u>	<u><b>(14,288,413)</b></u>
<b>Net Movement in Funds</b>		<b>(13,970,088)</b>	<b>(40,067)</b>	<b>(278,258)</b>	<b>(14,288,413)</b>
<b>Transfer</b>					
<b>Reconciliation of funds:</b>					
<b>Total Funds At 1 January 2018</b>		<u><b>165,277,137</b></u>	<u><b>733,794</b></u>	<u><b>7,231,760</b></u>	<u><b>173,242,691</b></u>
<b>Total Funds At 31 December 2018</b>		<u><b>151,307,049</b></u>	<u><b>693,727</b></u>	<u><b>6,953,502</b></u>	<u><b>158,954,278</b></u>

All income and expenditure were derived from continuing activities.  
The statement of financial activities includes all gains or losses recognised in the year.

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**16. LEASING COMMITMENTS**

The CWM UK is committed to making the following aggregate minimum payments under operating leases which expire as follows:

	Equipment		Land and Buildings	
	2019	2018	2019	2018
	£	£	£	£
Less than one year	3,298		-	2,555
Between one and five years	4,692	-	-	-
	<u>7,990</u>	<u>-</u>	<u>-</u>	<u>2,555</u>

**17. CASH FLOWS FROM OPERATING ACTIVITIES**

	Note	2019	2018
		£	£
Profit before tax		9,023,226	(14,288,413)
Write-off of tangible fixed assets		1	-
Depreciation	4	25,942	11,525
(Gains)/losses on managed investments	5.1	(15,275,452)	11,099,419
(Gains)/losses on property investments	5.3	(72,505)	-
(Gains)/losses on current assets investments	6	(20,905)	14,743
(Gains)/losses on foreign exchange		126,906	(135,764)
Investment income - Dividends	2.2	(3,248,612)	(3,932,020)
Investment income - Rent	2.2	(115,819)	(92,713)
Investment income – Non-cash dividends	2.2	(36,322)	(35,717)
Decrease in debtors	7	464,469	288,906
Increase in creditors/provisions	8	2,195,118	227,602
Net cash from operating activities		<u>(6,933,953)</u>	<u>(6,842,432)</u>

**18. 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 10 Queen Street Place, London EC4R 1BE.

**19 NON ADJUSTING POST BALANCE SHEET EVENT**

The Charity held a significant level of investments (as outlined in note 8.1 and reflected on the balance sheet) at the close of the financial year. The investments are held in multiple asset classes and with a range of fund managers. The investments were valued at £151.9m at the close of the year, as a result of COVID 19 and the subsequent negative impact that has had on global markets, the value of the investments declined to £141m at the end of April 2020.