

**THE MELANESIAN MISSION**

**FINANCIAL STATEMENTS**

**For the year ended 30<sup>th</sup> April 2006**

**Company Registration Number: 5101167**

**Charity Number: 1104551**

**WHITING & PARTNERS**

**Chartered Accountants, Business Advisers**

**& Registered Auditors**

**Garland House**

**Garland Street**

**Bury St Edmunds**

**Suffolk**

**IP33 1EZ**

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# **THE MELANESIAN MISSION**

## **Financial Statements**

**For the year ended 30<sup>th</sup> April 2006**

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## **THE MELANESIAN MISSION**

### **Members of the Board and Professional Advisers**

#### **The Board of Directors**

The Right Revd M Langrish - Chairman  
The Revd Canon D Probets - Vice Chairman (until January 2006)  
The Revd J Collis  
Mrs E V Langrish  
The Ven C F Liley - Vice Chairman (from January 2006)  
The Revd B J Macdonald-Milne  
The Revd Canon J R Pinder  
The Revd Canon A G Sparham  
Mr A V Waters - Hon Treasurer (from June 2005)  
Ms J Bezzano

#### **Company Secretary**

Mr D J Friswell

#### **Registered Office**

15 Covell Close  
Bury St Edmunds  
Suffolk  
IP33 2HU

#### **Auditors**

Whiting & Partners  
Chartered Accountants, Business Advisers  
& Registered Auditors  
Garland House  
Garland Street  
Bury St Edmunds  
Suffolk  
IP33 1EZ

#### **Bankers**

Barclays Bank Plc  
10 Hart Street  
Henley-on-Thames  
Oxon  
RG9 2AX

#### **Solicitors**

Lee, Bolton and Lee  
1 The Sanctuary  
Westminster  
London  
SW1P 3JT

## **THE MELANESIAN MISSION**

### **Directors Report**

#### **Year ended 30<sup>th</sup> April 2006**

The Directors present their report and the audited financial statements of the charitable company for the year ended 30<sup>th</sup> April 2006.

#### **Reference and Administrative Details of the Charity, Trustees and Advisers**

The Melanesian Mission was incorporated as a Charitable Company (Company No 5101167; Charity No 1104551) on 14<sup>th</sup> April 2004 as a successor charity to Melanesian Mission (Charity No 205800) to create a structure and constitution in which the needs of the beneficiaries of the charity could be more effectively served in the context of the Charities Act 1993, other regulations and advisory notices of the Charity Commission.

All unrestricted assets of the previous Charity were transferred to The Melanesian Mission during the year ended 30 April 2005. The Trustees plan to request disbursement of the restricted funds of Melanesian Mission under the Small Charity provisions of Sections 74 and 75 of the Charities Act 1993.

Details of the company's registered office and other current information is set out on page 1.

The Directors, who are also Trustees of the Charity, who served during the year were as follows:-

The Right Revd M Langrish - Chairman  
The Revd Canon D Proberts - Vice Chairman (until January 2006)  
The Revd J Collis  
Mrs E V Langrish  
The Ven C F Liley - Vice Chairman (from January 2006)  
The Revd B J Macdonald-Milne  
The Revd Canon J R Pinder  
The Revd Canon A G Sparham  
Mr A V Waters - Hon Treasurer (from June 2005)

Since the balance sheet date Ms J Bezzano has been appointed as a director and trustee.

#### **Structure, Governance and Management**

The company is constituted as a private company limited by guarantee. The company's objects and powers are set out in its governing document, the Memorandum and Articles of Association.

The company is governed by members of a Board who are appointed as Directors under the Companies Act 1985 and as Trustees for charitable purposes. The Board of Trustees (which shall be not less than six and not more than ten) administers the charity. The Board meets regularly during the year. Mr David Friswell has been appointed by the Trustees as an Executive Officer to manage the day to day operations of the Charity. To facilitate effective operations, the Executive Officer has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and employment.

The Directors are elected at the Annual General Meeting of the company. One third in number of the Directors retire by rotation at the Annual General Meeting and are eligible for immediate re-election. All members are circulated with invitations to nominate Directors prior to the AGM advising them of the retiring Directors and requesting nominations for the AGM. When considering co-opting Directors, the Board has regard to the requirement for any specialist skills needed.

## **THE MELANESIAN MISSION**

### **Directors Report - Continued**

#### **Year ended 30<sup>th</sup> April 2006**

#### **Structure, Governance and Management - Continued**

New Trustees are fully briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity.

#### **Objectives and Activities**

The principal objects of the Charity are to advance the Christian religion by furthering the activities of the Church of the Province of Melanesia in Melanesia and the United Kingdom. The Charity's principal aim is to serve the Anglican Church in the Solomon Islands and Vanuatu, known as the Church of Melanesia. The Charity does so by collecting funds from supporters in the United Kingdom for transmission to the Church of Melanesia, acting as agents in the UK for the Church of Melanesia and supporting and advising members of that Church who come to the UK.

#### **Achievements and Performance**

The Trustees met in June and October 2005 and in January 2006. The Annual Festival was held at Chester Cathedral in June 2005.

Regular newsletters were published, edited by the part-time Executive Officer appointed in October 2004.

Canon Sparham, organised regular shipments of goods from the Chester Diocese to Melanesia.

The following visited Melanesia during the period:-

- The Reverend Brian Macdonald-Milne, Trustee;
- Canon Anthony Sparham, Trustee and Mrs Alison Sparham.

The following visited the UK from Melanesia during the period:

- The Archbishop of Melanesia, continuing his regular visits as Chairman of the Lambeth Conference planning group;
- Father Richard Carter led a party of 16 Melanesian Brothers, 2 Sisters of Melanesia, 2 Franciscan Brothers and 2 Sisters of the Church to visits to Chester and Exeter Dioceses and to Lambeth Palace (where the party was received by the Archbishop of Canterbury).

After the visit of the personnel from Melanesia Father Richard Carter, Chaplain to the Melanesian Brotherhood, returned to the UK from Melanesia where he had been a tireless worker for the Church and community since 1990.

The Charity continued to provide financial support to the Church of Melanesia by way of an annual grant and payments to former employees returning to the UK following service in Melanesia and those currently serving the Church.

# **THE MELANESIAN MISSION**

## **Directors Report - Continued**

**Year ended 30<sup>th</sup> April 2006**

### **Financial Review**

#### **Reserves Policy**

On 30 April 2006, the value of The Melanesian Mission's free reserves was £1,685,515. The Charity's policy is to hold sufficient reserves to enable it to maintain and from time to time increase its annual grant to the Church of Melanesia and to make additional grants from time to time for emergency relief and special projects and that these objectives should be minimally affected by variations in dividend and interest, value of investments and annual receipts from donors. Total grants to the Church of Melanesia are currently more than double annual incoming donations.

#### **Investment Policy**

The Melanesian Mission's funds are invested with the (Church of England) Church Board of Finance funds managed by CCLA Investment Management Ltd.

The Policy is to hold a moderately conservative mix of secure interest-yielding funds, to ensure a steady flow of current funds from the Charity to the Church of Melanesia and equity based funds to protect future grants from inflation. The CCLA Funds are subject to an ethical investments policy.

#### **Grant Making Policy**

About half of the funds available for grants are transferred to the Church of Melanesia as a fixed monthly grant at a rate fixed annually by the Trustees. The other half is available for grants made in response to requests from the Archbishop of Melanesia for funds for specific projects (including emergency relief) and supporting costs (e.g. travelling arrangements).

#### **Risk Policy**

The Trustees undertake regular reviews of risks facing the charity and implement systems and procedures to mitigate any identified risk. The Trustees are of the opinion that the charity's objectives and operation are inherently of low risk and that the limited risk is adequately covered by its investment policy.

### **Financial Position**

The principal sources of funds and expenditure are shown in the Statement of Financial Activities on page 7 and Balance Sheet position at the year end on page 9. The balance on general reserves available to carry forward amounts to £1,685,515.

#### **Funds held as Custodian**

At the balance sheet date a total of £31,419 (2005 - £30,098) was held by the Charity on behalf of the Melanesian Brotherhood and is included in creditors in the accounts. It is the Trustees intention to reduce the size of the amount held on behalf of the Brotherhood over the next three years to 31<sup>st</sup> March 2008.

# **THE MELANESIAN MISSION**

## **Directors Report - Continued**

**Year ended 30<sup>th</sup> April 2006**

### **Restricted Fund**

There is a deficit on the restricted fund at the balance sheet date which has been cleared by receipt of further donations since the year end.

### **Plans for the Future**

#### **Funding**

It is hoped that unrestricted grants to the Church of Melanesia (COM) will be increased over the coming year. A consultation with COM will also take place to explore other methods of funding specific projects. This may help increase funds available and to help provide feedback for donors in the UK of the work being undertaken by COM.

#### **Visits**

The Executive Officer will undertake his first visit to the region in the coming year. This will be to gain personal experience of the work of the church, to meet key individuals and to collect news, images and stories for use in the UK. The Archbishop of Melanesia will have a number of visits to the UK over the coming year to fulfil his duties as Chair of the Lambeth Conference planning group.

The Head Brother of the Melanesian Brotherhood will travel to the UK and to Rome at the invitation of the Sant' Egidio Community.

#### **Events**

The next AGM will be held at Wycombe Abbey School who have had connections with the Mission since before the First World War.

Richard Carter's book detailing the events of the deaths of seven of the Melanesian Brothers will be published in the coming year with proceeds from the sale of the book supporting the work of the Brotherhood.

#### **Personnel**

It is hoped that two additional teachers will leave the UK to work for COM during the year to work at Pamua Secondary School.

### **Directors' Responsibilities**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the Directors are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

## **THE MELANESIAN MISSION**

### **Directors Report - Continued**

**Year ended 30<sup>th</sup> April 2006**

#### **Directors' Responsibilities - Continued**

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Directors 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.

In so far as the Directors are aware:

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

#### **Auditors**

Barker Hibbert resigned as auditors and Whiting & Partners have been appointed and have agreed to offer themselves for re-appointment as auditors to the company at the forthcoming Annual General Meeting.

#### **Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the Directors

..........  
Company Secretary

Approved by the Directors on ...10/01/07.....



## **THE MELANESIAN MISSION**

### **Independent Auditors' Report to the Members**

#### **For the year ended 30<sup>th</sup> April 2006**

We have audited the financial statements of The Melanesian Mission for the year ended 30<sup>th</sup> April 2006 as set out on pages 8 to 16 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), the Statement of Recommended Practice published in 2005 - 'Accounting and Reporting by Charities' and on the basis of the accounting policies set out on pages 10 to 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of the Directors and the Auditors**

As described in the statement of Directors' Responsibilities on pages 5 to 6 the Directors, who are also Trustees for the purposes of charity law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

#### **Basis of Audit Opinion**

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

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

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, of the company's state of affairs as at 30<sup>th</sup> April 2006 and of the company's incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Date:

*22<sup>nd</sup> January 2007*

*Whiting & Partners*

WHITING & PARTNERS  
Chartered Accountants, Business Advisers  
& Registered Auditors  
Bury St Edmunds

# **THE MELANESIAN MISSION**

## **Statement of Financial Activities**

**Year ended 30<sup>th</sup> April 2006**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2006</u> £	<u>Total Funds 2005</u> £
<b>Incoming Resources from generating funds:</b>					
Voluntary Income:					
Donations		23,892	5,747	29,639	19,760
Legacies		-	-	-	2,747
Investment Income:					
Bank Interest		53,839	-	53,839	58,807
Dividend Income		22,028	-	22,028	21,097
<b>Total Incoming Resources</b>		<u>99,759</u>	<u>5,747</u>	<u>105,506</u>	<u>102,411</u>
<b>Resources Expended:</b>					
Charitable Activities		88,004	6,007	94,011	94,351
Governance Costs		7,552	-	7,552	12,412
<b>Total Resources Expended</b>	2	<u>95,556</u>	<u>6,007</u>	<u>101,563</u>	<u>106,763</u>
Net incoming/(outgoing) resources for the year		4,203	(260)	3,943	(4,352)
<b>Other Recognised gains and losses:</b>					
Change in market value of investments		140,300	-	140,300	42,920
Net movement in funds		144,503	(260)	144,243	38,568
Transfer of funds	3	-	-	-	1,772,345
Net movement in funds for year		144,503	(260)	144,243	1,810,913
Balance brought forward		1,810,913	-	1,810,913	-
Balance carried forward		<u>1,955,416</u>	<u>(260)</u>	<u>1,955,156</u>	<u>1,810,913</u>

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

**The notes on pages 10 to 16 form part of these financial statements.**

# **THE MELANESIAN MISSION**

## **Balance Sheet**

**As at 30<sup>th</sup> April 2006**

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
		£	£
<b>Fixed Assets</b>			
Investments	6	1,989,892	1,845,010
<b>Current Assets</b>			
Debtors	7	18,065	16,902
Cash at bank		<u>3,145</u>	<u>1,461</u>
		21,210	18,363
<b>Creditors - amounts falling due within one year</b>	8	<u>(55,946)</u>	<u>(52,460)</u>
<b>Net current liabilities</b>		<u>(34,736)</u>	<u>(34,097)</u>
<b>Net assets</b>		<u>1,955,156</u>	<u>1,810,913</u>
<b>Funds:-</b>			
<b>Restricted funds</b>	9	(260)	-
<b>Unrestricted funds</b>			
Designated funds	10	269,901	253,526
General fund		<u>1,685,515</u>	<u>1,557,387</u>
<b>Total Funds</b>		<u>1,955,156</u>	<u>1,810,913</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements on pages 8 to 16 were approved by the board of Directors on 10<sup>th</sup> January 2007 signed on its behalf by:

+ *Niall Exon*  
.....

Director

**The notes on pages 10 to 16 form part of these financial statements.**

# **THE MELANESIAN MISSION**

## **Notes to the Financial Statements**

**Year ended 30<sup>th</sup> April 2006**

### **1. Accounting Policies**

#### **Basis of Accounting**

*The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985, subject to the departures referred to below. The financial statements have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).*

The company has revised its format of accounts, as provided by Schedule 4 paragraph 3(3) of the Companies Act 1985, to include headings which are relevant to its activities thus enabling it to show a true and fair view.

The financial statements incorporate a Statement of Financial Activities analysed between funds managed by the charity. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. All other costs are included as expenditure incurred on charitable activities.

#### **Fund Accounting**

Unrestricted funds:

The unrestricted funds consist of income received which the company may use at its discretion to meet its main objectives.

Restricted funds:

The restricted funds comprise amounts received on which restrictions are imposed by the provider or where direct appeals for specific projects are made.

Designated funds:

From time to time the Trustees decide to support a specific project or activity in, or supporting, the Church of Melanesia, or an organisation within it, including emergency relief and designate a fund to be associated with that project or activity.

Funds for that project or activity may be raised separately and/or transferred from the General Unrestricted Fund.

When the Trustees decide that the specific project or activity associated with a Designated fund is satisfactorily completed, money remaining in the Designated Fund is transferred back into the General Fund and the Designated Fund is determined.

#### **Incoming resources**

Donations are accounted for when received.

Investment income is accounted for on an accruals basis.

# **THE MELANESIAN MISSION**

## **Notes to the Financial Statements - Continued**

**Year ended 30<sup>th</sup> April 2006**

### **1. Accounting Policies - continued**

#### **Incoming resources - continued**

Legacies are accounted for on an accruals basis when it has been confirmed that a specific sum has been bequeathed to the company.

All incoming resources are stated gross.

#### **Resources expended**

##### *Grant making policy*

About half of the funds available for grants are transferred to the Church of Melanesia as a fixed monthly grant at a rate fixed by the Committee annually. The other half is available for grants made in response to requests from the Archbishop of Melanesia for funds for specific projects (including emergency relief) and supporting costs (e.g. travelling requirements).

Grants payable in furtherance of The Melanesian Mission's objects:-

- i. Annual General Grant to Church of Melanesia;
- ii. Grants to support expatriate staff of the Church of Melanesia during home leave in the UK (furlough and medical checks) and after retirement in the UK (pensions);
- iii. Other grants for specific projects, activities and resources as requested by the Archbishop of Melanesia and agreed by the Trustees.

##### *Costs of generating funds*

Costs incurred directly for the purpose of raising funds including advertising and publicity. Travel and other supporting costs are treated as administration costs unless they are solely used in support of fundraising activity.

##### *Governance costs*

Costs associated with meeting the constitutional and statutory requirements of the charity and include audits and legal fees, trustees meeting costs and costs linked to the strategic management of the charity.

#### **Investments**

Investments held as fixed assets are stated at their market value. Any gain/(loss) for the period is taken to the Statement of Financial Activities as unrealised gains/(losses).

#### **Tangible Fixed Assets and Depreciation**

Fixed assets are included in the accounts at their historical cost where costing is £1,000 or more or appropriate market value where donated for use by the Charity. Depreciation is calculated so as to write off costs less estimated residual value of fixed assets over their estimated useful lives.

# THE MELANESIAN MISSION

## Notes to the Financial Statements - Continued

Year ended 30<sup>th</sup> April 2006

### 2. Total Resources Expended

	<u>Charitable Expenditure</u>	<u>Governance Costs</u>	<u>Total 2006</u>	<u>Total 2005</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Staff Costs	24,449	4,315	28,764	5,826
Printing, postage and stationery	448	-	448	1,452
Travel and subsistence	1,557	-	1,557	5,659
Visiting members expenses	-	-	-	11,538
Grants	59,047	-	59,047	70,375
Trustee expenses	-	987	987	1,634
Auditors remuneration	-	2,250	2,250	3,525
Legal fees	-	-	-	5,753
General expenses	2,503	-	2,503	1,001
Vehicles appeal	6,007	-	6,007	-
	<u>94,011</u>	<u>7,552</u>	<u>101,563</u>	<u>106,763</u>

Staff costs comprise:

Payroll costs	18,773	3,313	22,086	5,464
Travel and subsistence	3,161	558	3,719	362
Pension contributions	1,297	229	1,526	-
Social security expenses	1,218	215	1,433	-
	<u>24,449</u>	<u>4,315</u>	<u>28,764</u>	<u>5,826</u>

Particulars of employees employed by the charity during the year:-

	<u>2006 No.</u>	<u>2005 No.</u>
Charitable activities	<u>1</u>	<u>1</u>

No employee's emoluments exceeded £60,000.

The company contributes to the pension scheme of the Executive Officer.

## **THE MELANESIAN MISSION**

### **Notes to the Financial Statements - Continued**

#### **Year ended 30<sup>th</sup> April 2006**

#### **2. Total Resources Expended - Continued**

##### Grants

The Trustees make an annual grant of £40,000 to the Church of Melanesia, of which £4,000 is retained for the current period in a Designated Account. Applications for further Grants are considered by the Trustees as appropriate.

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Annual grant - Church of Melanesia	36,000	39,000
Grant for staff support costs	-	10,000
Miscellaneous grants	-	1,572
Payments in respect of expatriate employees:-		
Pensions	13,487	12,257
Furlough	7,525	4,758
Medical costs	1,328	232
National insurance	<u>707</u>	<u>2,556</u>
	<u>59,047</u>	<u>70,375</u>

Payments in respect of expatriate employees are made on behalf of the Church of Melanesia direct to the employees and represent additional grant support during the year.

#### **3. Transfer of Funds**

The balance on Unrestricted Fund, represented by assets and liabilities, was transferred from Melanesian Mission during the year ended 30<sup>th</sup> April 2005.

#### **4. Tangible Fixed Assets**

The company held no tangible fixed assets during the year ended 30<sup>th</sup> April 2006.

#### **5. Taxation**

No corporation tax arises on the activities of the company due to its charitable status.

# THE MELANESIAN MISSION

## Notes to the Financial Statements - Continued

Year ended 30<sup>th</sup> April 2006

### 6. Investments

	<u>Quoted Investments</u> £	<u>Cash on Deposit</u> £	<u>Total</u> £
<u>Cost</u>			
At 1st May 2005	460,490	1,249,333	1,702,823
Additions	-	55,582	55,582
Disposals	-	(51,000)	(51,000)
At 30th April 2006	<u>460,490</u>	<u>1,253,915</u>	<u>1,707,405</u>
<u>Revaluation Surplus</u>			
At 1st May 2005	135,187	-	135,187
Unrealised gain/losses for year	<u>140,300</u>	<u>-</u>	<u>140,300</u>
At 30th April 2006	<u>275,487</u>	<u>-</u>	<u>275,487</u>
<u>Market Values</u>			
At 30th April 2006	<u>735,977</u>	<u>1,253,915</u>	<u>1,982,892</u>
At 30th April 2005	<u>595,677</u>	<u>1,249,333</u>	<u>1,845,010</u>

All investments are held in the United Kingdom as follows:-

CBF Church of England Deposit Fund	£1,253,915
CBF Church of England Investment Fund (Income Shares)	£735,977

### 7. Debtors

	<u>2006</u> £	<u>2005</u> £
Prepayments and accrued income	2,002	415
Other debtors	<u>16,063</u>	<u>16,487</u>
	<u>18,065</u>	<u>16,902</u>



# THE MELANESIAN MISSION

## Notes to the Financial Statements - Continued

Year ended 30<sup>th</sup> April 2006

### 8. CREDITORS: Amounts falling due within one year

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Accrued Expenses	13,169	14,714
Melanesian Brotherhood - (Baguley Bequest)	31,419	30,098
Taxation and Social Security	4,214	2,836
Other Creditors	<u>7,144</u>	<u>4,812</u>
	<u>55,946</u>	<u>52,460</u>

The Melanesian Brotherhood - Baguley Bequest represents funds held on behalf of the Melanesian Brotherhood for application as required.

### 9. Restricted Fund

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Incoming	5,747	-
Outgoing	<u>6,007</u>	<u>-</u>
Net Movement	<u>(260)</u>	<u>-</u>

The Restricted Fund relates to an appeal for donations to fund the purchase of a vehicle for the Church of Melanesia. The deficit on the fund has been cleared by additional donations received since the balance sheet date which have been remitted to Melanesian. £7,572 has been received under the appeal.

### 10. Designated Funds

	<u>Melanesian Brotherhood</u>	<u>Cornell Bequest/ Sabbaticals Reserve</u>	<u>Annual Grant Holding Account</u>	<u>General Holding Account</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fund Values at 1 May 2005	1,386	208,952	21,743	21,445	253,526
Fund movements					
Interest received	<u>61</u>	<u>9,169</u>	<u>984</u>	<u>941</u>	<u>11,155</u>
Fund Value before transfers	1,447	218,121	22,727	22,386	264,681
Transfers from General Fund	<u>1,220</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>5,220</u>
	<u>2,667</u>	<u>218,121</u>	<u>26,727</u>	<u>22,386</u>	<u>269,901</u>

## **THE MELANESIAN MISSION**

### **Notes to the Financial Statements - Continued**

**Year ended 30<sup>th</sup> April 2006**

#### **10. Designated Funds - Continued**

Description of funds.

##### **Cornell Bequest/Sabbaticals Reserve**

The Trustees decided that the Cornell Bequest (an unrestricted legacy) should be used to support the sabbatical leave of (Melanesian) clergy of the Church of Melanesia.

##### **Melanesian Brotherhood**

These funds are earmarked for support of the Melanesian Brothers, an order of Brothers within the Church of Melanesia.

##### **Annual Grant Holding Account**

These funds are held as a planned supplement to the Annual Grant of the Church of Melanesia.

##### **General Holding Account**

These funds are earmarked to respond to emergency situations and other special projects requested by the Archbishop of Melanesia and agreed by the Trustees of the Melanesian Mission.

#### **11. Company Limited by Guarantee**

The company has no share capital and is limited by guarantee. Each member is liable to contribute an amount not exceeding £1 on winding up.

#### **12. Transactions with Directors**

The company is under the control of the Board of Directors.

#### **13. Transactions with Directors**

Directors remuneration and Expenses:-

During the period, nine Directors were reimbursed an aggregate total of £987, covering UK travel, subsistence, entertainment and accommodation.

No Director received remuneration during the year.