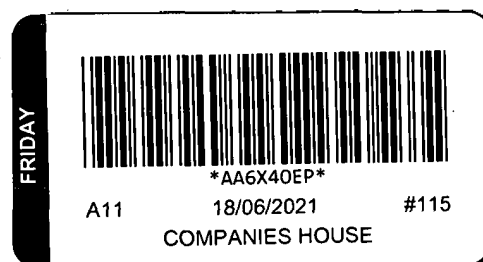


# Agapé Ministries Limited

*Report and Financial Statements*

*For the 12 Months Ended 31 December 2020*



*Charity number (England and Wales) 258421*

*Charity number (Scotland) SC042332*

*Company number 949989*

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# 1 Reference and Administrative Details

<i>Status</i>	The organisation, established in 1969, is a charitable company limited by guarantee, incorporated on 7 <sup>th</sup> March 1969. Agapé is a registered charity in England and Wales, and in Scotland.	
<i>Company Number</i>	949989	
<i>Charity Number</i>	258421 (England and Wales) SC042332 (Scotland)	
<i>Registered office and operational address</i>	167 Newhall Street Birmingham B3 1SW	
<i>Chair</i>	Mr Gary Palmer	
<i>Other trustees</i>	Rev Richard Boothroyd Mr Kevin Russell Mrs Jo Arkell Mr Javier Garcia (ex officio)	Mr Ian Johnson (Resigned 28/04/21) Ms Elspeth Hughes-Penny (Resigned 28/04/21) Mr Dermot Purcell (Appointed 28/04/21)
<i>National Director</i>	Mrs Lesley Cheesman	
<i>Company Secretary</i>	Miss Nicole Barnard	
<i>Bankers</i>	Barclays Bank PLC Colmore Row PO Box 34 BIRMINGHAM B3 2BY	
<i>Solicitors</i>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES	
<i>Auditors</i>	Mazars LLP First Floor, Two Chamberlain Square Birmingham B3 3AX	

# 2 Report of the trustees

The trustees (whom we refer to as our Council of Management - COM) are pleased to present their report together with the financial statements of Agapé Ministries Ltd ("the charity" or "Agapé UK") for the twelve months ending 31 December 2020.

Reference and administrative information set out on page 4 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and Statement of Recommended Practice – Accounting and Reporting by Charities.

## 2.1 Structure and Governance

### 2.1.1 Governing Document

The company is established under a Memorandum of Association which sets out its objects and powers as a charitable company and is governed under its articles of association.

### 2.1.2 The Trustees

The trustees, under charity legislation, have and accept ultimate responsibility for directing the affairs of the charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed in page 3 of this report. Members (including trustees) of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

As part of its Charity Insurance Policy, provided by Ansvar through Access Insurance Brokers, Agapé UK has Trustees Indemnity Insurance cover of £1,000,000. The cost of this is an unidentifiable element of the cost of the whole policy. It is renewed annually in February.

### 2.1.3 Appointment of Trustees

Application process and future training requirements for new and existing Trustees will continue to be reviewed on a regular basis.

### 2.1.4 Organisation

Agapé UK is a Christian organisation and part of Campus Crusade for Christ International. Although our main activities are national, operating in seven regions across the UK, we have workers in other countries around the world.

Agapé UK is overseen by the Council of Management (COM) which meets 4 to 5 times a year. Day to day organisation is directed by an Executive Leadership Team (ELT) of five senior members who meet on a regular basis, and a Round Table of department Directors. The ELT and the Round Table are led by the National Director. All the main areas of activity (at home, at work, at university, and abroad) are represented, as well as Operations, Communications, and Leadership Development & Human Resources

systems and processes. Communications is responsible for communicating internally and externally, including the development of messages, publicity, and fundraising initiatives. LDHR is responsible for member care, training, ongoing development of each of our workers, and recruiting.

Management and governance of Agapé UK is delegated to the National Director who is accountable to the COM. Reports are submitted as required to Companies House and the Charity Commission.

Systems are in place for line management, appraisal, member development, and supervision, together with grievance and complaints procedures.

### 2.1.5 Risk Management

During 2020, the annual risk management review was completed and COM considered the implications of the risks identified. COM also formed their own view on high impact risks, gave input to the process and ensured all appropriate measures were in place to manage these.

The Council of Management is satisfied that the major risks to Agapé UK have been assessed and in particular those related to the finances, operations and data protection of Agapé UK, and are satisfied that systems are in place to mitigate exposure to these risks. Reporting procedures are in place to monitor income and expenditure. A key element in the management of financial risk is the setting of a reserves policy and its regular review.

The Charity is aware of its responsibilities to manage risk and appreciates updated information on this matter from its solicitors and other professional advisors.

### 2.1.6 Responsibility of trustees

Company law requires the directors (who are the Trustees and members of the Council of Management) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income or expenditure of the company for that period. In preparing those financial statements, the Council of Management are required to select suitable accounting policies and then apply them consistently; make judgments and estimates that are reasonable and prudent; comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council of Management is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 2.1.7 Statements as to disclosure of information to auditors

In accordance with Company Law, as the charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Charity's Auditors are unaware; and
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's Auditors are aware of that information.

## 2.2 Objectives and activities

### 2.2.1 Our Purpose

Our charity's main purposes are set out in the objects contained in the company's memorandum of association and include:

- To transmit, propagate and communicate the Gospel of Jesus Christ to students and others at Universities, Colleges, Schools and other academic institutions as well as to the public at large.
- To help those who become Christians through receiving Jesus Christ to grow toward spiritual maturity and understanding and to train them to reach others with the Gospel the objective being the fulfilment of the Great Commission of our Lord Jesus Christ as set out in Matthew 28:18-20 of the Holy Bible.
- To help Christians to become established as active members of local Churches and to work closely with Churches of many denominations.
- To relieve poverty or distress.

### 2.2.2 Our Vision

Agapé UK's vision is to inspire people to discover Jesus at home, at work, at university, and abroad.

We believe that everyone's life can be transformed by knowing Jesus; that the decline of Christianity in the UK must be reversed, and that we can play a key role in this.

We believe that Jesus calls us to share our faith and that every follower of Christ should be equipped to share his gospel. We also believe in whole life ministry: helping people to discover faith in every area of life, for the rest of their lives.

### 2.2.3 Our Values

We want to live radical lives of love, service and influence, following the model of how Jesus lived his life on earth. This is characterised by:

**Faith** – in God's supremacy, filled with faith and the Holy Spirit

**Unity** – unified internally and building God's Kingdom together with wider body of Christ

**Growth** – committed to spiritual growth, both individually and corporately.

**Fruitfulness** – striving for effectiveness and relevance

**Joy** - enjoying God and His Kingdom

Our teams apply these values differently depending on whether they work in universities, workplaces, families, communities or cross-culturally, but these core values are fundamental for all of us.

### 2.2.4 Our Mission

The strategies employed to meet our vision include the following:

- Presenting the gospel clearly in word and action. Helping Christian students on campus, or business and community leaders (e.g. church leaders) share the gospel clearly in word and action, giving others the opportunity to respond.

- Helping individuals to develop and be active in their faith through small discipleship groups and 1-to-1 mentoring.
- Contacting business and community leaders, addressing key issues in corporate life and helping create a climate of greater understanding of the Christian faith and the person of Jesus.
- Sending teams of students and graduates abroad for short-term mission projects as well as longer-term assignments of 1-2 years.
- Developing products and resources that aid our workers and volunteers in achieving these goals.
- Developing strategic partnerships with like-minded groups and churches.
- Contributing funds to the Global Aid Network, our partners working to provide humanitarian aid to people living in situations of poverty and crisis overseas.

### 2.2.5 Public Benefit

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. Agapé UK is a team of people, staff, associates and volunteers seeking to obey God's call to go and make disciples of all nations, helping everyone to understand the person of Jesus Christ and how they can come into relationship with him and be reconciled with one another. Agapé UK works out its public benefit in a number of ways.

The gospel of Jesus Christ is of benefit to society at large. It provides a context for forgiveness, a platform for dealing with broken relationships, a motivation for service and charity and the focus of a fulfilled and meaningful life. We believe that communities and individuals can experience transformation as they grow to understand and embrace God's ultimate purposes for them and for the world.

Many people become disciples of Jesus Christ through the lifestyle example of Christians - sharing God's love in action and word, clearly explaining God's message as revealed in the Holy Bible, prayerfully expecting the Holy Spirit's power to transform people, our communities and whole nations.

Agapé UK seeks to demonstrate this benefit through its range of mission and humanitarian activities both here in the UK and across the globe as detailed throughout this Trustees' report.

### 2.2.6 Volunteers

Agapé UK is blessed by the contribution of the many volunteers that get involved with each of our ministries. We are thankful for all those who freely give their time to serving alongside us and want to acknowledge the part they play in helping Agapé UK to fulfil its mission.

## 2.3 Achievements & Performance

Agapé aims to develop spiritual movements among four key priority areas:

### 1. *At home*

Agapé UK is strengthening relationships and promoting the importance of family life and community, to enhance the emotional and spiritual wellbeing of everyone in society. Through our FamilyLife relationship courses, events, and apps, we're supporting people around the country to build flourishing relationships and strong marriages, and discover what it means to have a lasting relationship with Jesus.

### 2. *At work*

Agapé UK is equipping people to confidently live and share their faith at work. We're helping the UK's workforce to learn more about their professional strengths and weaknesses, achieve a healthy work life balance and gain a sense of satisfaction and purpose at work. And, through our network of music professionals, Crescendo, we're sharing our faith through music.

### 3. *At university*

Agapé UK has been active on university campuses for over 50 years – working with students to help them navigate the complexities of student life. We're building student communities where people from all backgrounds can discover more about themselves and explore big questions about life, faith, and God.

### 4. *And abroad*

Agapé UK is meeting the needs of people around the world, working with a number of international partners. This includes our humanitarian work with the Global Aid Network (GAIN UK), and the wider activities of the Agape Europe and Cru global networks. We offer short-term projects to far-flung destinations, and opportunities to go overseas long term.



### 2.3.1 At home

Our FamilyLife team work to strengthen families. We help to transform family relationships through providing hope and practical resources based on biblical principles and knowing Christ. Our aim is to give every person in the UK the opportunity to transform their family relationships.

FamilyLife has been providing training, innovative programmes and resources to a growing network of volunteers to help individuals and churches effectively minister to families in their communities. Our work provides a practical context of love and forgiveness for the gospel message. Our events allow couples, whether they are doing well or struggling, to engage with topics including God's purposes for marriage, communication, resolving conflict as well as expressing love.

Events – 'A Day Together' and 'What Is Love Actually?'

During 2020, because of the Covid pandemic, we were unable to run these live events. Instead we launched a new online event 'Couples Talk'. This was presented for the first time in April and we decided to continue it throughout the year, with a session each month. Whilst we are still learning how to do online events well, we are pleased that over the year we had 476 registrations for 'Couples Talk' events which means that between 476 and 952 people attended. Through this new online event we have been able to continue to reach and serve couples.

Toucan – ongoing development

Toucan is a smartphone app which allows couples to experience some of the content of 'A Day Together' at their own convenience. It is a fresh and unique online experience for couples, providing tools to build strong relationships. The 'Communications' module was launched in February 2017, the 'Conflict' module in August 2017, and the 'Loving' module in February 2018. In 2019, we launched the 'Money' module.

During 2020 we developed the Toucan 'pulse', an innovative quiz which engages people with the contents of the app, and enhances the effectiveness of Toucan by pointing participants to the module that best meets their needs. We aim to increase usage of Toucan and hence funded a marketing audit and the creation of a marketing plan. This plan will be implemented (funds permitting) in 2021.

During 2020, [www.toucanttogether.com](http://www.toucanttogether.com) received 13,713 visitors and 1,116 people became 'confirmed Toucan users' (733 in 2019). We are encouraged by this high uptake. Millennials make up 74% of Toucan visitors and 69% of users.

Our key measurement is how many or what % of couples have their relationship satisfaction improved. In 2020 we know that:

- Of those couples completing a full Toucan module (163), 91% have benefitted from using Toucan.
- Of those couples completing half of a module (272), 62% have benefitted from using Toucan.

We are pleased with the % of couples with improved relationships but still want to increase the numbers using Toucan and completing modules. In the future we will be addressing this through the already implemented 'pulse' and the implementation of the marketing plan (as above). We will also be launching the final fifth module of Toucan in 2021 ('Growing').

#### Vision & Equipping Weekend

In 2020, our V&E Weekend took place for the second time at Renewal Church in Solihull, with 130 people attending. The theme was 'Building Kingdom Communities'.

In total, a minimum of 696 people attended our events in 2020 (130 V&E, 476+ Couples Talk). At the end of 2020, over 7,255 people have attended FamilyLife events since 2003, and when Toucan (users) are included, 11,867 people have been reached by the ministry of FamilyLife.

#### Small Groups

The 'Together' small group material allows couples who attend events to take FamilyLife ministry into their communities. 'Together' combines practical tools with Bible study which helps couples to continue to strengthen their relationships with each other and with God. This small group resource also builds strong friendships. Groups are running in many places across the UK and in other countries. The resource has been translated into Dutch, German, Greek, Portuguese, Romanian, Spanish and Portuguese, and Farsi, French, Italian, and Lithuanian translations are in progress.

In the UK we usually launch 'Together' small groups after our events. In the absence of live events in 2020 we have been unable to measure 'Together' take-up. We have noted that it is easy and effective to run 'Together' groups on Zoom and hence we are working to launch 'Together Online' in 2021. This will give enquirers the ability to join a group via online registration, and provide online video-based training for group leaders and participants.

#### FamilyLife Farsi

Kia and Negin Hadaeghi joined the FamilyLife team in 2018. Since then they have been building up a FamilyLife ministry to Farsi speakers. In 2020 funds were raised, collaborations forged, the translation of 'Together' into Farsi was completed and we printed the first overseas print run (1,000). The team of UK volunteers has grown and the first Farsi speaking 'Together' group has started in the UK. Both the ministry and the resource are being particularly well received both in the UK and overseas.

### 2.3.2 At work

The 'At Work' team work with a wide range of leaders and professionals in the UK, helping them to achieve a healthy work life balance and gain a sense of satisfaction and purpose at work.

As with all our work, the pandemic had a significant impact on the work of this team in 2020. A number of major live events are usually planned each year. In 2020 there was only one, held at the beginning of the year, before the first lockdown. All the other major events moved out of normal venues onto Zoom, and new online get-together opportunities were developed in order to maintain and grow relationships.

Our Crescendo team's vision for the year was to support each other through regular meetings and reach out to other musicians and artists to join in events and discussions about faith and creativity. As we went into the first lockdown in March the team felt the need to support each other through weekly online meetings. These meeting included sharing experiences of our new way of working (having to teach instrumental lessons online), sharing words of encouragement, praying for each other and our place of work as well as times for games and quizzes. Through these regular online meetings the group got to know each other much better and were able to build closer relationships.

In December the workplace teams were able to contribute to a number of online carol services, including the Crescendo International Christmas reception, with participants from all over the world. Our Crescendo team also arranged a carol singing event at a local retirement village. Six members of the group met on the terrace of the retirement village and gave an outdoor, socially distanced carol concert for the residents. The event was well attended and the residents enjoyed joining in, singing some familiar carols.

### 2.3.3 At university

Our work with students was significantly affected by the pandemic in 2020. A number of campuses were permanently closed, with classes and lectures moving online. Even campuses where students were able to meet, many students did not physically return to the university, but studied from home.

However, there were a number of highlights during the year:

Fireseeds 2020 (our annual student conference) in February was one of our last activities before the first lockdown. We had more students attend than ever – about 60 in total.

Our national ministry has spent most of this past year creating new structures to help us do digital ministry well. We have reassigned 3 of our staff (part-time) and recruited one new intern to help us innovate in this area:

- Digital Communications team have got our national student social media up and running, and have also helped our local teams to start up their own social media pages

- Digital Ministry team have been providing training for our staff, our students, and other partners on ways of engaging students. One event they ran was a Europe-wide Digital Mission Week, which attracted about a hundred people from 24 countries. During this week, the group got a few hours to practise some of the new skills they were learning. As a result, there were about 440 spiritual conversations

Digital ministry offers a greater opportunity to work outside of our geographical borders, and our staff have been collaborating on more events across the country. Our Freshers' Survival Kit campaign and website was one example – several staff created a website with a short spiritual survey, and other content that would be attractive to student. The survey was advertised on all our social media pages and platforms, with the offer of a free coffee for everyone who filled out the survey. About 50 people took the time to fill out the form and get in touch with us.

### Spring and Summer Projects

Although a number of our usual projects were cancelled, we were able to adapt our St Petersburg trip into a digital outreach event. Our staff and students worked closely with our counterparts in Russia to engage students on social media, and begin deeper spiritual conversations. The team saw a couple of students come to faith as a result. This was also a learning experience for our teams on how to engage with students digitally, which has been part of what has shaped our activities this season.

### Regular ministry

Outside some of these new social media and digital initiatives, our teams have continued doing ministry through Zoom and other platforms. Weekly events and small group discipleship have in some ways been easier for people to attend online. We saw more students attend some of these events at the start of the year than in previous years. However, Zoom-fatigue has increasingly become a challenge, resulting in fewer people attending as the year has gone on.

### Student leader curriculum

Our London team have built on the work we had done on a student leader curriculum, by streamlining it into a 9-10 week Essentials course.

### New Staff and Interns

In 2020 we had 5 new interns join us in the UK, plus 2 interns who will be going abroad, 5 new staff, one intern joining staff, and 2 continuing interns (doing a second year). Even though we have lost a few staff and interns (some of whom are working in other parts of Agapé UK), our aggregate staff numbers have increased.

## 2.3.4 And abroad

During 2020, GAIN UK (Global Aid Network UK) has continued to focus on responding to the needs of people who have been displaced and affected by crisis. In partnership with staff across Agapé UK and

volunteers, GAIN UK sent a volunteer team in February to serve in the hotspot camps on Lesbos, Greece, bringing practical help and seeking to restore hope. Since then, despite the lack of ability to physically serve in Greece due to the coronavirus pandemic, GAIN UK were able to continue working across the UK to collect donated aid items and send them to Greece. In spite of the challenges faced by many in the UK in 2020, GAIN UK have received more donated items than in any other previous year. GAIN UK also set up appeals in response to the crisis in Beirut, Lebanon following the explosion there, and the fire on Lesbos which destroyed the hotspot camp Moria. The team were able to expand their capacity by growing the staff team in Birmingham to include team members in London and Belfast.

#### Long-term mission

Currently, there are British staff serving long-term in Italy, Portugal, Russia, South Africa and the USA. We also have staff serving alongside us in the UK from Albania, Finland, Iran, the Philippines, South Africa and the USA. As a national ministry we are continuing to take the lead in helping Agape Europe run cross-cultural training for missionaries who are leaving their home countries to serve overseas. TransIT, as the training is known, had to be taken online in summer 2020, but British staff were involved in directing the training for around 20 staff from across Europe starting international assignments in 2020/2021.

#### Short-term mission

Unfortunately, in 2020, all of our Global Projects (teams of students participating in 2–3-week overseas projects) fell victim to COVID-19 travel restrictions. We had been planning projects to Malta and Russia, as well as a humanitarian aid project for students, in partnership with GAIN UK, to Greece.

The cancellation of our Global Projects allowed us to invest more time in the development Agapé UK Study Abroad. This is a new programme that we have launched to help connect Christian students who are going to study abroad, as part of their normal university degree programme, with Agape teams working in the universities where they will be going to study.

### 2.3.5 Central Team: Operations, Communications and Human Resources

Alongside our field-based colleagues, the Central Team's role is to support Agapé UK's national focus by providing staff, volunteers and members of the public with the tools, skills and information they need to discover Jesus together. The Central Team includes staff working in Finance, HR, Leadership Development, Communications, IT, Data Privacy, Events, Fundraising and Office Management.

In March 2020, the Central Team moved to working from home, and quickly adapted their workload to adopt a remote style with flexible hours to fit around Covid-19 restrictions, home-schooling, exercise for well-being etc. A rota was set up to cover essential HQ tasks such as answering messages, opening mail, processing cheques, fulfilling bookshop orders. The system for this was continually reviewed and adjusted accordingly.

There was a plan to reopen HQ on 1 October and in light of that, much work was done to make the building Covid secure - clearing desktops and open shelving; disposing of all out-of-date stock and other unwanted items; installing hand sanitisers on each floor and setting out guidelines for operating in a Covid secure environment. Even though we chose not to re-open, in light of government guidelines, and have maintained operating remotely since, we are now ready to re-open safely when restrictions are lifted.

There were a number of key staff changes during 2020, including new appointments in Communications, Events and Central Services. In September, a new Central Team Director was appointed to oversee all departments.

In July, the new Agapé UK website was launched [www.agape.org.uk](http://www.agape.org.uk), featuring thought-provoking questions and inspiring articles to encourage Christians to grow and share their faith in Jesus. We saw an increase in visitors to the website, and to our social media pages, and this in turn has led to an increased interest in our resources. We are continuing to rollout our new branding across the whole organisation.

Sadly, all of our external events had to be cancelled in 2020. However, we held a series of 'Staff Connect and Prayer Days' to come together as an organisation and pray. In the Autumn the Central Team participated in Agapé UK's Living & Telling training online, helping us to grow in our understanding and skills in disciple-making.

## 2.4 Plans

### 2.4.1 Working with Churches

As part of our new national 5 Year Focus, the whole of Agapé UK will be involved in working closely with churches in 2021 and beyond. Through our evolving City Teams, made up of existing staff, we will offer to come alongside church leaders, to support them to inspire, encourage and enable their members to help family, friends, colleagues and neighbours discover Jesus together. We will work with them to develop discipleship programmes and activities, using our wide range of tried and tested resources and courses, such as our flagship resource Living & Telling. Through this work, over 5 years, we hope to inspire 50,000 Christians to each talk about their faith in Jesus with 5 of their friends, thereby enabling 250,000 to hear the message of the good news of Jesus Christ.

Alongside this, our four core teams will continue their individual ministry work as follows.

### 2.4.2 At home

In 2021 Our FamilyLife team will continue to support local families, couples and the activities of local churches, particularly with regard to relationship issues and discipleship. Subject to capacity we will continue to work to develop the national FamilyLife network, focused on cities.

**People** The leadership of the FamilyLife team is changing in 2021 with a new director coming on board in February. With other staff changes that took place the end of 2020, our priority is to consolidate our new team and to avoid overstretch, particularly whilst team members are home schooling. We are not planning to develop any new initiatives, rather to further establish those that we already have planned (Couples Talk and Together Online).

**Network** We would like to continue to grow the FamilyLife network through our annual Vision & Equipping event. If this goes ahead it will likely happen in November and may be an online event.

**Events** We will continue to deliver our online event, Couples Talk.

**Toucan** We will launch the final (fifth) module of Toucan in 2021. We plan to focus on marketing Toucan in 2021 and extend our user audience further beyond a Christian audience, to also share this valuable resource with those of other faiths and none.

**Small Group Discipleship Ministry** Following our experience of running Together groups on Zoom, we will launch Together Online in 2021. This will allow those interested to be connected through groups, and will make online video-based information and training available for group leaders and participants.

FamilyLife Farsi. We will continue to collaborate with those working to build the body of Christ amongst Farsi speakers and to strengthen couples' relationships. We will fundraise to print the Farsi version of Together in the UK in 2021 (it is already being printed overseas), and start online Together groups both in the UK and throughout the Farsi diaspora. We plan to launch a FamilyLife Farsi web page, and translate the FamilyLife A Day Together event into Farsi., and look forward to seeing how this develops, particularly after the rebrand has gone public.

### 2.4.3 At work

This year of COVID has been very hard for people of all backgrounds. Our staff and volunteers in the "At Work" teams are engaging in some of the professions that have been the hardest hit.

Although we are continuing to run many of the same activities we have been running in previous years (see 2.3.2), some of our thinking is shifting to meet the specific needs of this season. Whether it's the uncertainty and financial challenges faced by those whose livelihoods have been put at stake, or the mental health struggles of people who have to be in secure bubbles away from those who are near and dear for the sake of their jobs. More of our time will be focussed on providing intentional and personal care to those we work with in 2021.

In addition, we are exploring opportunities to use some of the resources that have been produced by our partners in our global ministry, Leader Impact, including a supercharged digital version of our Biscuit Trail resource.

### 2.4.4 At university

The rest of this academic year is a very uncertain time for us. We are continuing to make plans in our local teams, and to press on with learning digital ministry, but we are holding most of the rest of our ministry lightly. Here are some things that we are currently planning for, some of which may be subject to changing restrictions.

#### Fireseeds 2021

Our annual student conference is on again this February. We started planning this months ago, with several alternative plans in place. As it stands, this will be a wholly digital conference, with opportunities for interaction on Zoom in various cities.

#### Freshers campaign

We have assigned some of our staff to begin working on our digital Freshers' campaign for September/October 2021. We are hoping that come September, life will be back to a semblance of normality, and universities will be opening up again. But one lesson from this past year was the importance and effectiveness of engaging digitally, and we are keen to build on what we have learnt.



#### Soularium UK

We are currently developing a UK version of the Soularium cards that have become a well-used, much-loved tool for sharing faith on campus. We are also working on digitising it so it can be used online and through social media.

#### Staff recruitment and retention

One of the concerns for the year ahead is making sure our staff are cared for, and don't burn out or lose motivation. This season is exhausting, especially for those with school-age children. We are seeking to find ways to encourage teams, and support them as needed. We will also need to find creative ways to recruit – the usual pathway of students joining us to intern is likely to be less productive, because we have had fewer interactions with students this year.

### 2.4.5 And abroad

We will continue to send workers internationally in response to new opportunities or areas of need.

Although we began the 2020/21 academic year in the midst of the global COVID-19 pandemic, despite the challenges we anticipated we might face, we wanted to ensure that we had sending opportunities in place should circumstances improve by the spring and summer of 2021. As such, we tentatively began to plan four student Global Projects. Unfortunately, two of these (our spring projects to Malta and our GAIN UK-sponsored project to Greece) have already had to be cancelled.

The two remaining Agapé UK Global Projects planned for the summer of 2021 are to Germany – a new sending location – and a digital project in partnership with Agape in Russia. We will continue to look to diversify our projects in the coming years with opportunities in new locations. Through our new connections with churches as part of the national 5 Year Focus, we hope to increase the number of people who want to sign up to go on a Global Project.

We are also hoping to receive our first applications to the Agapé UK Study Abroad programme, which aims to connect students who are going on overseas study placements – particularly language students – with existing local ministry teams in the locations they are going to. We are offering support and coaching to these students and will provide them with an opportunity to serve and be involved in ministry whilst they are studying overseas.

Finally, we are also anticipating applications to send 9–12-month Short Term International (STINT) interns to locations across the world.

Following much growth in 2020, in 2021, GAIN UK will continue to develop practical ways that people can mobilise others in their communities to respond to humanitarian needs around the world, including appeals for relief supplies, donations, and sending project teams. The team will be reassessing and evaluating plans to develop a pilot discipleship community, put on hold due to the coronavirus pandemic, and learn how we can develop this in the future to establish groups who will aim to live with humility and generosity in the face of global poverty. Sending emergency relief to Greece throughout the year will be a

key focus combined with sending teams of staff and volunteers as travel becomes possible. A goal in 2021 is to increase our regular financial partners and to continue to grow our network of volunteers and aid donors. We also hope to extend our current project focus to include a key project for GAIN UK and towards the Water For Life Initiative. As one of the eight offices in the global network of GAIN Worldwide, we will continue to build opportunities to increase our impact as we work together with other offices.

#### 2.4.6 Central Team – Operations, Communications and HR

As we move forward in 2021, the Central Team's role is critical to the development of the national 5 Year Focus. As part of this, we have been working on a new website for our resources called ARC (Agapé Resource Centre), which we aim to launch fully by Easter. The ARC will enable us to more easily connect with churches and the wider public, with what we have to offer in the area of making and multiplying disciples.

We will also continue to engage and increase our audiences through the wide range of inspiring and thought-provoking articles on our website, through social media and through media opportunities such as radio and TV interviews, and speaking engagements.

Although Big Church Day Out has been cancelled again this year because of Covid-19, we are still planning to be involved in the Keswick Convention, showcasing what we can offer to the churches. We are also currently planning for in-person Staff Conference in August.

Although the Central Team is often considered to be quite separate from the 'field' ministry our desire is for our team to also be involved in mission. To this end we will be involved in ministry alongside other staff in Birmingham, working as a City Team, to connect with local churches across the city.

It is our hope that the HQ will be open again at some point this year. Before that happens, we will work to redesign the use of the office space to better fit our current needs and way of working.

Crucial to the delivery of our national focus is the need for more staff across the whole organisation, and we plan to set up a team to look at recruitment in all areas. In the Central Team we still have need for more staff in key roles within HR, IT, Data Privacy, Communications and Finance and recruitment is in place for these.

## 2.5 Financial Review

Agapé UK's financial management aims are to:

1. Employ staff who raise funds for Agapé for the purposes of paying salaries, staff expenses for personal ministry and contribute to general funds.
2. Raise general funds to support the cost of Agapé UK's operational expenses, including a high-class training and personal welfare programme.
3. Raise funds through specific appeals to support Agapé UK's outreach activities.
4. Raise funds to support evangelistic activities overseas which are managed by overseas Agapé organisations.

Agapé UK's financial model relies on a 12.5% deduction on all funds raised in the UK by staff and specific appeals. 9.5% is used to fund the operating costs of the ministry and 3% is tithed to be used for activities of overseas Agapé organisations. The amounts raised are affected by the number of staff raising personal support in the UK.

The overall financial performance in 2020 is as follows:

Funds raised by staff were £2.83m as compared to £3.62m in 2019, a decrease of £790k.

All staff salaries including key management personnel are set according to pre-defined criteria. These are laid out in detail in note 8. No staff received emoluments in excess of £60k during the year.

Staff funds have increased year on year by £59.2k to £687.4k (note 18 to the accounts). This demonstrates stability of income and expenditure from a staff perspective during 2020. It shows staff are raising sufficient funds to cover their expenditure during the year.

The building (and associated costs) continue to be depreciated at a rate of 2% per annum,

Designated funds (excluding staff and funds for property purchase) are at £354k (2019: £346k), with various ministries activities having taken place in the year.

Grants to overseas Campus Crusade activities totalled £536k (2019: £318k). This is funded directly by donations given for these purposes and the 3% Tithe.

Bank balances at December 2020 were £1.03m as compared to £944k at December 2019. This is a further indication of Agapé UK's continued strong financial performance during the year. During 2019, the funds invested in treasury deposits with Lloyds bank, together with the interest received, were re-invested for a further 12 months each maturing in 3 month intervals. This was out of a desire to generate better returns for the cash we are holding. The interest from these deposits has contributed towards unrestricted general funds in 2020 and will continue to do so in the future.

## 2.5.1 The Trustees' Reserve Policy

The Trustees are aware that the main financial issues in 2021 are:

1. The continued operation of our new national headquarters.
2. The funding of central running costs for which 85% is budgeted to be funded through the 9.5% levy on funds raised by staff. This is budgeted as a broadly breakeven situation.
3. The progress of a current initiative to develop new sources of funding for outreach activities.

The existing reserves policy is to have 6 months reserves to cover operating costs which are not directly funded from income. The budgeted costs for 2021 are around £394k and this gives a target of £197k.

At December 2020 reserves making up the target were £196k for general funds.

Although the balance of General Funds at the end of 2020 was slightly below the reserve target, based on the forecast projections for 2021 the Trustees are content that the financial target arising from the Reserves Policy will be met during 2021, particularly as actual costs are likely to be lower as a result of the continuing impact of Covid-19. However, the Trustees are aware that in the present general economic situation there is a risk that existing regular donors may reduce or cease their giving and that expectations of funds from new sources/donors may not be achieved as budgeted. Should this happen then the reserve target will not be met.

In the longer term, Agapé intends to increase the focus on encouraging, supporting and equipping staff to reach 100% of their support goal. This will lead to an increase in donation income into the ministry and an increase in General funds as a result. The Executive leadership team are also increasing the focus on exploring other avenues of fund development.

### 2.5.2 Auditors

Mazars LLP served as auditors throughout the period. A resolution to re-appoint Mazars LLP auditors will be proposed at the forthcoming annual general meeting.

The Trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

by the board on: Jun 7, 2021

By: Gary Palmer

Gary Palmer (Chair)  
167 Newhall Street  
Birmingham  
B3 1SW

## 2.6 Independent auditor's report to the members of Agapé Ministries Limited

### Opinion

We have audited the financial statements of Agapé Ministries Limited (the 'charity') for the year ended 31 December 2020 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 course of 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 Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006

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

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

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

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

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration 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' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

## Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, employment regulation and fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and income cut off at year end.

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

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

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

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

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

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

## Use of the audit report

This report is made solely to the charity's members as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

*Ian Holder*

Ian Holder (Jun 14, 2021 15:49 GMT+1)

Ian Holder

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

First Floor

Two Chamberlain Square

Birmingham B3 3AX

Jun 14, 2021



## 3 Financial Review 2020

### 3.1 Statement of Financial Activities for 12 months ended 31 December 2020 (Incorporating an income and expenditure account)

	Further Details	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Income and endowments from:</b>							
Donations and Legacies		3,623,450	28,081	3,651,531	3,798,940	15,160	3,814,100
Charitable Activities		1,525	-	1,525	40,760	-	40,760
Other Trading Activities		12,480	-	12,480	17,484	-	17,484
Investments		4,618	-	4,618	4,792	-	4,792
<b>Total Incoming Resources</b>	<b>2</b>	<b>3,642,073</b>	<b>28,081</b>	<b>3,670,154</b>	<b>3,861,976</b>	<b>15,160</b>	<b>3,877,136</b>
<b>Expenditure on:</b>							
Raising funds	<b>3</b>	87,714	979	88,693	184,566	-	184,566
Charitable activities	<b>5</b>	3,496,103	15,857	3,511,960	3,564,746	14,136	3,578,882
Other	<b>4</b>	15,009	6,718	21,727	38,134	6,718	44,852
<b>Total</b>		<b>3,598,826</b>	<b>23,554</b>	<b>3,622,380</b>	<b>3,787,446</b>	<b>20,854</b>	<b>3,808,300</b>
Net gains/(losses) on investments	<b>12</b>	2,347	-	2,347	5,055	-	5,055
<b>Net income/(expenditure)</b>		<b>45,594</b>	<b>4,527</b>	<b>50,121</b>	<b>79,585</b>	<b>-5,694</b>	<b>73,891</b>
<b>Transfers between funds</b>	<b>17</b>	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>45,594</b>	<b>4,527</b>	<b>50,121</b>	<b>79,585</b>	<b>-5,694</b>	<b>73,891</b>
Fund balances brought forward at beginning of year		1,429,698	336,817	1,766,515	1,350,113	342,511	1,692,624
<b>Fund balances carried forward at end of year</b>		<b>1,475,292</b>	<b>341,344</b>	<b>1,816,636</b>	<b>1,429,698</b>	<b>336,817</b>	<b>1,766,515</b>

- All of the above results are derived from continuing activities.
- All recognised gains or losses are included in the Statement of Financial Activities.
- The notes on pages 28 to 46 form part of these financial statements
- The surplus for Companies Act Purposes was £47,774 (2019 £68,836)

## 3.2 Balance Sheet

	Notes	December 2020 £	December 2019 £
<b>FIXED ASSETS</b>			
Intangible assets	10	97,426	95,545
Tangible assets	11	630,363	640,210
		<u>727,789</u>	<u>735,755</u>
<b>CURRENT ASSETS</b>			
Investments	12	66,983	64,636
Stocks	13	4,788	8,374
Debtors	14	75,980	109,332
Cash at bank and in hand		1,033,930	943,370
		<u>1,181,681</u>	<u>1,125,712</u>
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	15	(92,834)	(94,952)
<b>NET CURRENT ASSETS</b>			
		<u>1,088,847</u>	<u>1,030,760</u>
<b>NET ASSETS</b>			
		<u><b>1,816,636</b></u>	<u><b>1,766,515</b></u>
Unrestricted funds	18	1,475,292	1,429,698
Restricted funds	19	341,344	336,817
		<u><b>1,816,636</b></u>	<u><b>1,766,515</b></u>

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within CA 2006, Pt 15, were approved by the board of directors on: Jun 7, 2021

_____	(signature)	
Gary Palmer	(name)	
_____	(signature)	Members of the
K. Russell	(signature)	Council
_____	(signature)	of management
K. Russell	(name)	

### 3.3 Statement of Cash Flows

	2020 funds £	2019 funds £	Note
<b>Cash flows from operating activities:</b>	153,085	198,362	20
<b>Cash flows from investing activities:</b>			
Investments	4,618	4,792	
Purchase of property, plant and equipment	(67,144)	(88,227)	
<b>Change in cash and cash equivalents in the reporting period</b>	<u>90,559</u>	<u>114,927</u>	
<b>Cash and cash equivalents at the beginning of the reporting period</b>	943,370	828,500	21
<b>Change in cash and cash equivalents due to exchange rate movements</b>	1	(57)	
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>1,033,930</u>	<u>943,370</u>	21

## 3.4 Notes to financial statements

### 1. Accounting Policies

#### **Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Agape Ministries meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **Preparation of the accounts on a going concern basis**

The company reported a cash inflow of £90,559 for the year.

The Trustees have prepared detailed financial performance projections for the ensuing year. Those projections are reviewed and revised at the end of each reporting period within the company's financial year. On the basis of those projections the Trustees have satisfied themselves, as far as they are reasonably able and unforeseen events aside, that the company is in a position whereby it may adopt a going concern basis of accounting in preparing the annual financial statements.

In March 2020 the UK was plunged into a national crisis with the onset of the COVID-19 coronavirus. No organisation could have anticipated the speed and nature of the changes which took place in a very short space of time and Agapé is no exception.

We are, however, in a very strong position financially, with a good level of unrestricted reserves and good financial controls in place. Our self-funding model means those who give to support the work of Agape have a very personal connection with the ministry. They understand that their giving doesn't just go into some "central pot", but actually contributes directly to staff salaries. This means that in uncertain times, such as we now find ourselves in, their giving to Agapé is usually the last to be stopped.

This model also means there is a direct link between the expenditure of Agapé UK and the money raised, since staff salaries are paid (subject to National Living Wage Legislation) according to the funds raised.

We are exploring all government support options available to the ministry at this time and are re-assessing all our central costs in light of the impact of this crisis.

The trustees believe we are well placed, from a financial and organisational perspective to not be detrimentally impacted by this crisis.

**Company status**

The company is a company limited by guarantee. The Directors of the company are the Trustees named in the "Reference and Administrative Details". In the event of the company being wound up, the liabilities in respect of the guarantee is limited to £1 per member of the company.

**Use of estimates and judgements**

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The estimate that has the most significant effect relates to fixed assets.

Determining residual values and useful economic lives of fixed assets

The Company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including the property market and maintenance programme.

**Incoming resources**

The income and result for the year are attributable to the principal activities as set out in the report of the Council of Management. The majority of the income is derived from the UK; however, some is received via Agapé Europe and via Campus Crusade for Christ International and is mainly for support of staff.

Donations include all amounts receivable by the company in respect of donations to support field workers and for other purposes.

Income includes the amounts invoiced, excluding recoverable value added tax, in respect of the sale of literature and the sale and hire of videos, tapes and films. It also includes conference income, project income, and donations.

**Resources expended**

In the presentation of these accounts, expenditure against each activity includes staff expenses of self-funding staff and an allocation of support costs, see note 3 below.

The cost of generating funds is the direct costs (including salaries) of Agapé communication such as our half yearly "Move Magazine" and an overhead charge on the gross income raised. No external agencies were contracted to raise funds on behalf of Agapé and all communications were sent to individuals who had expressed consent to receive them. All giving was on a voluntary basis.

The basis for allocation of support costs to activities has been pro rata to the total income and expenses of each activity, excepting those which are restricted funds, where overseas appeals are charged a fixed percentage on gross income (see paragraph above).

The policy on grants to activities of overseas Agapé organisations is not to enter into commitments to provide funding which has not yet been raised, by more than £10k for any one commitment.

**Governance costs**

These include the cost of professional advice, audit costs, COM meeting costs, staff costs to produce the annual accounts and reports to COM, together with an allocation support costs.

**Fixed Assets**

Items of a capital nature, purchased from Agapé General Funds and costing over £500 are capitalised as fixed assets at cost. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Freehold land	0%	per annum
Freehold property	2%	per annum
Computer equipment	33 1/3%	per annum
Office equipment	33 1/3%	per annum
Motor vehicle	33 1/3%	per annum

#### **Intangible Fixed Assets**

Intangible assets are assets that are identifiable and possess all of the following characteristics: lack of physical substance, nonfinancial nature (not in monetary form like cash or investment securities) and initial useful life extending beyond a single reporting period. Intangible assets are amortised over three years.

#### **Operating leases**

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

#### **Finance leases**

Assets held under finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter of the lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each period is a constant percentage of the remaining balance of the capital sum outstanding.

#### **Stocks and work in progress**

Stocks and work in progress are stated at lower of cost and net realisable value.

#### **Tax refunds on gift aid income**

Credit is taken in the Statement of Financial Activities for tax refunds receivable in the current accounting period.

#### **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which would be subsequently measured at amortised cost using the effective interest method.

#### **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### **Grants**

Grants during 2020 were made solely to overseas Agapé/Campus Crusade for Christ activities.

3% of all donations received by Agapé UK in the year are "tithed" by way of a grant during the year following that in which they were received. These "tithes" are used to support Agape/Campus operations in countries where the need is greatest and where raising funds locally is exceptionally challenging.

Any donations received in the UK for Agapé/Campus Crusade workers based overseas are passed on, by way of an in-year grant, to the ministry in that country for use by the designated staff member.

### **Designated funds**

The nature and purpose of such funds are as follows:

Staff: Monies received that are applied to support self-funded workers expenses

Student Ministry: Donations designated for activities intended to further the Christian discipleship of students and other young people.

Non-Campus Ministry: Donations designated for activities intended to further the Christian discipleship in the UK, including working with churches, within the workplace, and Muslims.

International Ministry: Donations designated for teams working to further the Christian discipleship in countries other than the UK.

International Mission Projects: Donations designated for short term projects (less than a month) to take students to other parts of the world to further Christian discipleship.

### **Restricted funds**

These include proceeds from the sale of a leasehold property and specific appeals for international development projects which are managed by overseas sister Agapé organisations where the balance represents funds not yet utilised.

## 2. Incoming Resources

	2020	2019
	£	£
UK	2,171,487	2,326,116
Rest of the World	1,498,667	1,551,020
<b>Total</b>	<b>3,670,154</b>	<b>3,877,136</b>



## 3. Expenditure on Raising Funds

	Staff salaries & expenses	Other direct costs	Allocation of support costs	Total 2020 (Unrestricted)	Total 2020 (Restricted)	Total 2019 (Unrestricted)	Total 2019 (Restricted)
	£	£	£	£	£	£	£
Communication with donors	68,784	11,800	7,130	87,714	-	184,566	-
Overseas appeals (unrestricted)	-	-	-	-	-	-	-
Local appeals (unrestricted)	-	-	-	-	-	-	-
Overseas appeals (restricted)	-	979	-	-	979	-	-
	<b>68,784</b>	<b>12,779</b>	<b>7,130</b>	<b>87,714</b>	<b>979</b>	<b>184,566</b>	<b>-</b>

## 4. Other Expenditure

	Staff salaries & expenses	Other direct costs	Allocation of support costs	Total 2020 (Unrestricted)	Total 2020 (Restricted)	Total 2019 (Unrestricted)	Total 2019 (Restricted)
	£	£	£	£	£	£	£
Governance costs	-	9,000	-	9,000	-	9,000	-
Other resources expended (restricted)	-	6,718	-	-	6,718	-	6,718
Other resources expended (unrestricted)	-	6,009	-	6,009	-	29,134	-
	<b>-</b>	<b>21,727</b>	<b>-</b>	<b>15,009</b>	<b>6,718</b>	<b>38,134</b>	<b>6,718</b>

## 5. Expenditure on Charitable Activities

	Staff salaries & expenses	Other direct costs	Allocation of support costs	Total 2020 (Unrestricted)	Total 2020 (Restricted)	Total 2019 (Unrestricted)	Total 2019 (Restricted)
	£	£	£	£	£	£	£
Student Life	505,206	9,655	85,118	599,979	-	786,216	-
Family Life	387,674	96,562	76,387	560,623	-	677,314	-
Work Life	69,638	857	11,072	81,567	-	199,964	-
Global Life	1,279,419	55,611	353,143	1,678,125	10,048	1,471,427	13,510
International Mission Projects	-	4,052	662	4,714	-	21,497	-
Sales activity	-	7,985	3,689	11,674	-	15,612	-
Grants to overseas activities	-	535,903	-	535,903	-	392,716	-
Overseas appeals (restricted)	-	-	-	-	-	-	626
Expenditure on behalf of International ministry	-	29,327	-	23,518	5,809	-	-
<b>TOTAL</b>	<b>2,241,937</b>	<b>739,952</b>	<b>530,071</b>	<b>3,496,103</b>	<b>15,857</b>	<b>3,564,746</b>	<b>14,136</b>

Total Grants made during the year to Overseas Campus Crusade for Christ Activities: £ 535,903

## 6. Net Incoming Resources for the Year

	2020 £	2019 £
<b>The surplus is stated after charging:</b>		
Staff costs (note 8)	1,840,956	1,891,355
Depreciation of intangible and tangible fixed assets	75,109	55,565
Hire of equipment - operation leases	3,976	5,376
Rent and Rates	7,689	7,571
Auditors remuneration - for audit	9,250	8,950

## 7. Council of Management

No council members received any remuneration from the company in the year to 31st December 2020.  
No council member received any reimbursement for expenditure incurred for their responsibilities with the charity.

Agapé UK held Trustees Indemnity Insurance cover throughout the year of £1,000,000.

## 8. Staff Costs

	Salaries from designated funds		Salaries from general funds		Total	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Salaries	1,518,149	1,564,611	127,026	113,645	1,645,174	1,678,256
Social Security Costs	133,962	153,349	9,913	8,792	143,875	162,141
Employer Pension Contributions	47,751	48,034	4,156	2,924	51,907	50,958
	<b>1,699,862</b>	<b>1,765,994</b>	<b>141,095</b>	<b>125,361</b>	<b>1,840,956</b>	<b>1,891,355</b>

	2020		2019	
	Number	FTE	Number	FTE
<b>SUPPORTED AGAPÉ WORKERS</b>				
Management	7	6.8	4	4
Administration	10	7.9	11	8.5
Field	35	30.5	38	33.5
Overseas	11	11.0	13	11.4
	<b>63</b>	<b>56.2</b>	<b>66</b>	<b>57.4</b>
<b>SALARIED FROM GENERAL FUNDS</b>				
Administration	7	5.9	8	6.4
	<b>70</b>	<b>62.1</b>	<b>74</b>	<b>63.8</b>
Foreign workers in UK	24	22.8	25	23.75
<b>TOTAL WORKERS</b>	<b>94</b>	<b>84.9</b>	<b>99</b>	<b>87.55</b>

No termination payments were made during the course of the year. No employee received emoluments in excess of £60k in any 12 months during this time. Agape's 'Key Management Personnel' are comprised of the UK Executive Leadership Team (6 members) and 1 UK Personnel who serves in a European Leadership Role. Total salaries included in the financial reports as paid to Key Management Personnel during 2020 equal £182,972 compared to £123,877 during 2019. The increase is a result of a larger ELT during 2020 (5 members from Jan + 1 additional member from August) Numbers in 2019 were 4 + 1.

### Salary Level

The following principles are observed in setting the salary scale of all staff including key management personnel:

- Salary level is based on the deliberate choice of lifestyle that best enhances the ministry's goals. This will normally entail sacrifice from what staff would otherwise earn.
- Salary level should be adequate so that our staff members can minister without constant distractions due to lack of money.
- Salary should take into account how staff members' lifestyle should appear to the people to whom they minister. A person's lifestyle should not interfere with his or her ministry. Certain variations may be needed within the salary scale depending on where staff members are required to live, to whom they are required to minister, etc.
- Salary should take into account how the lifestyle of staff members will be viewed by the local Christian community and other people. Our staff members' lifestyle should not cause their Christian brothers to stumble.

There is not to be any variation of salary due to position within the organisation.

Supported staff of Agapé in the United Kingdom are paid a monthly salary. They can fix their own salary level between set limits and subject to their team leaders' approval. The higher limit or "cap" is set to reflect to some extent each person's needs, taking into account where they live, age, marital status and number and ages of children. The lower limit is half of the cap but only where this is greater than the National Living Wage. The salary taken by staff members will cover all their personal expenses, in the normal way, such as accommodation, water rates, Council Tax, children's education and car expenses.

Staff are encouraged not to cover their normal reimbursable ministry expenses through taking higher salary as this is taxable income and increases the amount of support required.

The salary scale is reviewed annually in the light of changes in the cost of living and is adjusted by the prevailing RPI (Retail Price Index). A new scale takes effect from 1st September of each year.

## 9. Taxation

The company is a registered charity (number 258421) and was not liable to corporation tax in the year to 31 December 2020 or in 2019.

## 10. Intangible Fixed Assets

	Toucan App	Website	Total
	£	£	£
<b>COST</b>			
At 1st January 2020	194,379	27,718	222,097
Additions	49,730	9,669	59,399
Disposals	-	-	-
At 31st December 2020	244,109	37,387	281,496
<b>ACCUMULATED DEPRECIATION</b>			
At 1st January 2020	126,552	-	126,552
Charge for the year	45,056	12,462	57,518
Disposals	-	-	-
At 31st December 2020	171,608	12,462	184,070
<b>NET BOOK VALUES</b>			
At 31st December 2020	72,501	24,925	97,426
At 31st December 2019	67,827	27,718	95,545
Depreciation rates	33.33%	33.33%	

## 11. Tangible Fixed Assets

	Freehold Land	Freehold Property	Fixtures fittings & equipment	Total
	£	£	£	£
<b>COST</b>				
At 1st January 2020	125,000	588,220	151,582	864,802
Additions	-	-	9,315	9,315
Disposals			- 1,570	- 1,570
At 31st December 2020	125,000	588,220	159,327	872,547
<b>ACCUMULATED DEPRECIATION</b>				
At 1st January 2020	-	82,574	142,019	224,593
Charge for the year	-	11,764	5,827	17,591
Disposals	-	-	-	-
At 31st December 2020	-	94,338	147,846	242,184
<b>NET BOOK VALUES</b>				
At 31st December 2020	125,000	493,882	11,481	630,363
At 31st December 2019	125,000	505,646	9,564	640,210
Depreciation rates	0.00%	2.00%	33.33%	

## 12. Current Asset Investments

	2020 £
Market value at 31 <sup>st</sup> December 2019	64,636
Gains on disposal	0
Unrealised gain	2,347
	<hr/>
Net gains/(Losses) for year	2,347
	<hr/>
Market value at 31 <sup>st</sup> December 2020	<u>66,983</u>

These listed investments are being managed by an investment management company and at the end of 2020 no decision had been taken regarding the sale of these investments.

## 13. Stock

	2020 £	-	2019 £
Goods for resale	<u>4,788</u>		<u>8,374</u>



## 14. Debtors

	2020	2019
	£	£
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	0	2,476
Tax due as Gift Aid	10,539	24,698
Other Debtors	20,589	18,826
Other Campus Crusade Debtors	27,081	39,981
Prepayments	17,096	22,863
Accrued income	0	0
Pensions	448	0
VAT	227	488
<b>TOTAL DEBTORS</b>	<b>75,980</b>	<b>109,332</b>

## 15. Creditors

	2020	2019
	£	£
<b>DUE WITHIN ONE YEAR</b>		
Trade creditors	9,541	22,333
Other taxation and Social Security costs	39,850	38,248
Pensions	0	10,864
Accruals	10,418	11,606
Deferred income	28,200	7,226
Other Campus Crusade Creditors	3,306	4,035
Other Current Liabilities	1,519	640
<b>TOTAL CREDITORS</b>	<b>92,834</b>	<b>94,952</b>

## 16. Contingent Liabilities

There are none to report in 2020.

## 17. Analysis of Funds

	General funds £	Designated funds £	Restricted funds £	Total £
Balances at 1st January 2020	200,943	1,228,755	336,817	1,766,515
Surplus for the year	(5,293)	50,887	4,527	50,121
Transfers	-	-	-	-
<b>Balances at 31st December 2020</b>	<b>195,650</b>	<b>1,279,642</b>	<b>341,344</b>	<b>1,816,636</b>

## 18. Unrestricted Funds

	Balance at 1st January 2020	Net Incoming resources	Unrealised Gains on Investments	Transfers	Balance at 31st December 2020
	£	£	£	£	£
Designated Staff	628,323	59,150			687,473
Designated Student	24,853	7,842			32,695
Designated Non-Campus	133,653	(39,768)			93,885
Designated Projects and Events	0	64,195			64,195
Designated Urgent Needs Fund	20,053	3,296			23,349
Designated International Mission Projects	10,401	2,539			12,940
Designated Funds for other CCC	52,145	(35,540)			16,605
<b>Designated (Fund Based) Total</b>	<b>869,428</b>	<b>61,714</b>	-	-	<b>931,142</b>
Designated Premises Fund	255,271	(5,046)			250,225
Designated Equipment Fund	6,228	(1,392)			4,836
Designated Toucan Fund	67,828	4,673			72,501
Designated Website Fund	30,000	(9,062)			20,938
<b>Designated (Asset Based) Total</b>	<b>359,327</b>	<b>(10,827)</b>	-	-	<b>348,500</b>
<b>General Funds</b>	<b>200,943</b>	<b>(7,640)</b>	<b>2,347</b>	-	<b>195,650</b>
<b>UNRESTRICTED FUNDS</b>	<b>1,429,698</b>	<b>43,247</b>	<b>2,347</b>	-	<b>1,475,292</b>

## 19. Restricted Funds

	Property Fund	Funds raised for international development projects	Total
	£	£	£
Balance at 1st January 2020	324,126	12,691	336,817
Net Incoming resources	(6,718)	11,245	4,527
Transfers	-	-	-
<b>Balance at 31st December 2020</b>	<b>317,408</b>	<b>23,936</b>	<b>341,344</b>

## 20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	50,121	73,891
Adjustments for:		
Interest Receivable	(4,618)	(4,792)
Depreciation charges	75,109	72,187
(Gains)/losses on investments	(2,347)	(5,055)
Loss/(profit) on the sale of fixed assets		
(increase)/decrease in stocks	3,586	5,800
(increase)/decrease in debtors	33,352	80,625
increase/(decrease) in creditors	(2,118)	(24,295)
<b>Net cash provided by (used in) operating activities</b>	<b>153,085</b>	<b>198,361</b>

## 21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	235	122
Notice deposits (less than 3 months)	421,802	337,874
Notice deposits (greater than 3 months)	611,893	605,374
<b>Total cash and cash equivalents</b>	<b>1,033,930</b>	<b>943,370</b>

## 22. Other Financial Commitments

	Land & Buildings		Other	
	2020 £	2019 £	2020 £	2019 £
<b>Amounts payable on leases which expire:</b>				
Within one year	-	-	3,976	3,976
Within two to five years	-	-	5,714	9,690
	-	-	<b>9,690</b>	<b>13,666</b>

## 23. Analysis of Net Assets between funds

	Unrestricted funds		Restricted funds	Total
	General funds	Designated funds		
	£	£	£	£
<b>Fund balances at 31 December 2020 are represented by:</b>				
Fixed assets	61,881	348,500	317,408	727,789
Net Current Assets	133,769	931,142	23,936	1,088,847
<b>Balance at 31<sup>st</sup> December 2020</b>	<b>195,650</b>	<b>1,279,642</b>	<b>341,344</b>	<b>1,816,636</b>

## 24. Related Party Transactions

There were no related party transactions during 2020.

## 25. Events after the balance sheet date

There have been no events since the balance sheet.



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