

CONGO CHURCH ASSOCIATION

REGISTERED CHARITY NO. 285760

ANNUAL REPORT AND
FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2016



**CONGO CHURCH ASSOCIATION
YEAR ENDED 30TH JUNE 2016
ANNUAL REPORT AND FINANCIAL STATEMENTS**

<u>Page</u>	<u>Description</u>
1 - 5	Trustees' Report, including:
1 - 2	Trustees' Information, Bankers and Independent Examiner, Objects of the Association;
2 - 3	Report from the Chair;
3 - 5	Treasurer's Commentary on the Accounts.
5	Statement of Trustees' Responsibilities.
6	Independent Examiner's Report.
7	Statement of Financial Activities.
8	Balance Sheet.
9 - 11	Notes to the Accounts.

**TRUSTEES' REPORT FOR THE CONGO CHURCH ASSOCIATION (CCA)
REGISTERED CHARITY NO 285760, NOVEMBER 2016**

The Congo Church Association, registered charity number 285760, is an unincorporated association governed by a written constitution.

Trustees

The Association's Chairman is appointed by the Archbishop of the Anglican Church of Congo (Eglise Anglicane du Congo), as is the Commissary. Other trustees are appointed by the members at its Annual General Meeting. None of the officers or other trustees receives a salary or any other benefits from the Association.

The principal officers of the Association and their addresses are as follows:

Chairman
Mrs. Judy Rous
353 Banbury Road
Oxford
OX2 7PL

Honorary Secretary
Mrs. Rosemary Peirce
8 Burwell Meadow
Witney
Oxfordshire OX28 5JQ

Honorary Treasurer
Mr. Paul Dickens
Hockliffe Grange
Hockliffe
Bedfordshire LU7 9NL

Since the Association does not have a principal or registered office, all correspondence should be addressed to one of the above persons. The other trustees who served during the year were as follows:

Elected: Mr. M. Hope, Malcolm Lewis, Revd. Tim Naish, Mr. P. Bingham*.

Co-opted: Revd. J. Ilton*.

* served up to the date of the AGM on 24th October 2015

Bankers: Bank accounts are held with Barclays, 77 South Road, Haywards Heath RH16 4LB (nil balance) and with CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Independent Examiner: Mr Mark Gyde, A J Carter and Co, Chartered Accountants, 22b High Street, Witney, Oxon OX28 6RB

The Association's objects are:

- a) To advance the Christian Religion in the Democratic Republic of the Congo;
- b) In partnership with the Anglican Church in the Democratic Republic of Congo to relieve poverty and to provide for the needs of refugees and the displaced;
- c) In partnership with the Anglican Church in the DRC and civil society there to promote and sustain schemes for peace and reconciliation, health, education and community development for the welfare and benefit of the population;
- d) To relieve poverty among the clergy and former clergy of the Anglican Church and the widows and dependents of any such persons.

A report from the chair

CCA Trustees wish to thank members, churches and friends for their continuing, generous financial and prayer support, interest and concern, as we partner together with the Anglican Church of Congo in its holistic ministry. In February 2016 Archbishop Isingoma announced his early retirement; we are grateful for our effective collaboration under his wise leadership. Archbishop Masimango took office in September 2016 and we look forward to working with him. The Committee of the Association, who are also the Trustees, met four times during the year and once since year end. The Annual General Meeting took place in October 2015 in Oxford. There were two changes in the committee: Philip Bingham stood down and was replaced by Tim Naish and Jane Ilton stood down as a co-opted member of the committee. Speakers at the AGM were Val Batchelor, Rev Matthew Grayshon and Rev Don Brewin, all of whom had led recent ministry conferences in DRC.

The Trustees have had regard to the guidance issued by the Charity Commission in relation to public benefit in planning the activities of the CCA. The Objects of the Association have been fulfilled through the disbursement of grants from both the General Fund and Restricted Funds for a broad range of activities. CCA maintained its financial commitment to theological education through the provision of 7 bursaries for theology students studying in the Theology Faculty of the Université Anglicane du Congo (UAC – Anglican University of Congo) in Bunia. The scheme of disbursement of annual grants from CCA funds continued into its third year with grants of £1,800 available this year. The following are eligible for the grants: ten dioceses, the Province, the Provincial Departments jointly and a Pioneering Mission Fund which comes under the Provincial Department of Evangelism. Grants must be used for projects and initiatives in line with the Objects of the Association. It has taken some dioceses longer than others to plan and execute projects so not all have received the latest grant yet. Grants made include funds for a repeat of the successful youth conference in

Bukavu focusing on peace and reconciliation, church roofs (North Kivu), capacity building (Kamango) and printing of Sunday school materials (Provincial Depts). Satisfactory accounting and a narrative report must be received for each annual grant before a new proposal can be considered.

Looking ahead, Congo Church Association hopes to maintain its grants to all the Dioceses, Province and Provincial departments, as well as for theological education at UAC and will continue to work in close collaboration with church leaders to ascertain their priorities for the available funds. CCA will also continue to work with the Université Anglicane du Congo's senior staff to help UAC to build its infrastructure and to flourish as a provider of good quality higher education. However, the slump in the value of the pound against the dollar means that CCA's funds are worth much less on the ground in DRC at a time when needs and opportunities for ministry are increasing. CCA will continue to try to increase support and interest from friends old and new for the ministry of the Anglican Church of Congo. It was a great joy to welcome a number of church leaders to UK during the year and to hear about their vision and ministries, and to offer them hospitality. In my capacity as Chair of CCA, it was a great privilege for me to visit Aru, Boga, North Kivu and Bukavu dioceses in November 2015 and to attend the Provincial Synod in Bunia in Feb 2016.

Judy Rous, Chair

Treasurer's commentary on the accounts

Introduction

The purpose of this commentary is to explain and to amplify the Congo Church Association's accounts for the year ended 30th June 2016. These accounts, which follow on pages 7 to 11, show the Association's activities over the last year and its assets at the end of June 2016.

At the year end the balance of our General Fund, representing money which the trustees can use to further the Association's objects, stood at about £52,329, thanks largely to two very generous donations some time ago now. Approximately £17,114 of those donations remains unspent. A further £19,500 has yet to be paid out in promised grants to the dioceses. £163 of General Fund has been earmarked for UAC books and we have traditionally kept a reserve of £7,500 for emergencies. We are immensely grateful to all our donors.

The Association's other funds can only be used for pre-determined purposes. A surplus or deficit on these funds, and changes in the value of our total net assets, will often result from timing differences between receipt and distribution of income.

Income

Almost all of the Association's income (99%) comes from donations, with the remainder coming from investments and interest.

As in previous years, our donations fell into 2 main categories. Specific donations are those which can only be used for a pre-determined purpose which the donor has identified. Where there are no restrictions upon how a donation may be used, it is classed as general.

General donations (£20,641) fell by a huge 42% relative to 2014/15, partly due to a large gift in that previous year. But even compared with 2013/14 and 2012/13, general donations this year are about 25% down. It should also be noted that the Association regularly receives relatively large donations from two or three individuals.

Income includes tax both recovered and recoverable from the Inland Revenue for the current financial year. Since we rely far more on donations than on investment income, the Gift Aid Regulations have proved very beneficial to the Association. We continue to claim Gift Aid regularly, which helps with our cash flow.

Expenditure

Almost all of our expenditure relates directly to the Association's objectives. A few specific items (such as payments of bursaries to the Theological Faculty at UAC ("UACThF", previously known as ISThA)) are separately identified in the Income and Expenditure account. The remainder is analysed in Notes 2 and 6, which splits it between that which was met from the General Fund (Note 2) and that funded by specific donations or income from restricted funds (Note 6).

Where a donor has specified a purpose for which their donation should be used, then, so long as it is within the Association's objects, it will be accepted and allocated to that cause. The largest item met from our General Fund is support for UACThF. The AGM agreed to a new scheme in November 2012. After keeping a £7,500 reserve, the funds available in General Fund will be applied as follows:- firstly to pay for 7 bursaries at the UACThF and to make a £500 donation to the Clergy Pension Fund; secondly to be divided into 12 equal portions and allocated to the nine dioceses and three Provincial Departments, who will be invited to submit proposals for projects where the funds available might be spent. The committee has discretion to include Congo Brazzaville and other areas as separate dioceses and to "tweak" the number and destination of provincial grants where appropriate. In this way, the dioceses are treated equally and the Association can better monitor the use of its funds.

Grants made from the General Fund included £15,000 as project grants under the new system.

Administrative and financial expenses remain at a very low level (under 1% of total income). The key items included under this heading are the fee charged by our independent examiner, bank charges (for transferring funds abroad) and the costs of producing and distributing the newsletter. The newsletter is a vital part of the Association's work, being one of the few means people have of finding out about the church in the Congo.

Assets

Investments are stated at their market value on the balance sheet date (30th June 2016). The only investments which have to be valued as a result of this policy are those in the CBFCE Investment Fund. These investments have increased in value by about £333 as share prices have moved upwards. A proportion of our investments is held on behalf of the dioceses and province or for specific causes such as funding UACThF bursaries. Some of our investments were, during the year, held in long notice deposit account in order to improve returns whilst interest rates are so low.

Reserves

The statement of funds (note 6) shows how our assets may be used, the General Fund representing that portion which can be used for any purpose which falls within the Association's objects.

The Kisangani Clergy Children's Fund represents shares and moneys deposited in CBF Funds on behalf of the Diocese of Kisangani, together with income on these investments.

Poverty in the Congo makes it vital that the Church gives support to retired clergy. The Association holds two pension funds. That for the ordinary clergy (Clergy Pension Fund) is funded both by special donations and also from general funds. The AGM in November 2009 approved a new plan for the management and distribution of this fund, which now stands at about £84,174. The income from the fund is paid when it arises for the benefit of clergy retiring in that year. The scheme is being administered in accordance with a decision made by the House of Bishops. The second pension fund is for three bishops, who have themselves contributed to it – one bishop took his entitlement out during the previous year.

Income from the General Endowment is credited to the General Fund as in previous years. Interest received on the UACThF Endowment is used as a contribution towards our UACThF bursary commitment.

Restricted funds comprise donations which are ongoing and/or have yet to be used for the causes specified by their donors, to which tax (where applicable), has been credited.

Paul Dickens (Hon Treasurer)

This Trustees' Report was approved by the Trustees on 12th November, 2016 and signed on their behalf by:

Judy Rous (Chairman)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with general applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safekeeping the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CONGO CHURCH ASSOCIATION
YEAR ENDED 30TH JUNE 2016
INDEPENDENT EXAMINER'S REPORT**

I report on the accounts of the Congo Church Association for the year ended 30th June 2016, which are set out on pages 7 to 11.

Respective Responsibilities of the Trustees and Reporting Accountant

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act), and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and
- to state whether particular matters have come to our attention.

Basis of Independent Examiners' Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

Independent Examiners' Statement

Your attention is drawn to the fact that the charity has prepared the financial statements 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 for Smaller Entities published 16th July 2014 in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1st April 2005 which is referred to in the extant regulations but has been withdrawn.

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

M D A Gyde FCA DChA
A J Carter & Co
22b High Street
Witney
Oxon
OX28 6RB

Chartered Accountants

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**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2016
STATEMENT OF FINANCIAL ACTIVITIES**

	Notes	2015 - 2016		2014-2015	
		General	Restricted	Total	
		Funds	Funds		
		£	£	£	£
<u>INCOMING RESOURCES</u>					
<u>Voluntary income</u>					
General Donations & Subscriptions		20,641.09	0.00	20,641.09	35,641.84
Other Specific Donations		0.00	159,871.67	159,871.67	116,160.47
Total voluntary income		20,641.09	159,871.67	180,512.76	151,802.31
Investment income – bank interest		2,537.80	832.98	3,370.78	8,463.91
Total incoming resources	1	23,178.89	160,704.65	183,883.54	160,266.22
<u>RESOURCES EXPENDED</u>					
<u>Charitable activities</u>					
Discretionary grants to the Dioceses and Province		0.00	0.00		1,395.00
Project grants to the Dioceses and Province		15,000.00	0.00	15,000.00	8,700.00
UACThF Bursaries		9,125.00	2,103.12	11,228.12	10,800.00
Other UACThF support		45,526.16	6,022.50	51,548.66	3,103.95
Other donations		2,595.71	158,569.34	161,165.05	112,774.07
Admin/publicity/governance costs	3	1,071.13	0.00	1,071.13	1,298.54
Total charitable activities	2 & 6	73,318.00	166,694.96	240,012.96	138,071.56
Net incoming resources		(50,139.11)	(5,990.31)	(56,129.42)	22,194.66
Transfers	2	(7,389.67)	7,389.67	0.00	0.00
Increase in value of Investments		0.00	333.48	333.48	809.86
Total Funds brought forward		109,858.33	161,646.86	271,505.19	248,500.67
Total Funds carried forward		52,329.55	163,379.70	215,709.25	271,505.19

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2016
BALANCE SHEET**

	s	30/06/2016	30/06/2015
ASSETS			
Investments	4	173,043.46	109,596.99
Stock – postage stamps at cost price (36p)		7.56	16.56
Cash at Bank and in hand			
Current (Barclays & CAFCash)		6,310.87	31,996.83
Deposit (Barclays BPA & CAFGold)		21,312.83	121,240.17
Held by F. Ngadjole on our behalf		0.00	675.00
Debtors	5	15,646.53	8,591.64
		216,321.25	272,117.19
Creditors		(612.00)	(612.00)
TOTAL NET ASSETS		<u>215,709.25</u>	<u>271,505.19</u>
STATEMENT OF FUNDS			
Kisangani Clergy Children's Fund		11,605.96	12,205.32
UACThF Endowment		18,369.91	18,369.91
Boga Pension Fund		139.33	139.33
Clergy Pension Fund		84,173.96	86,490.08
Bishops' Pensions		1,290.57	1,273.85
Gen. Endowment		13,524.01	13,352.12
Other restricted funds		34,275.96	29,816.25
General fund *		52,329.55	109,858.33
TOTAL	6	<u>215,709.25</u>	<u>271,505.19</u>

Approved by the Trustees on 12th November, 2016
and signed on their behalf by:

Judy Rous (Chairman)

* Our reserves policy is to keep back £7,500 for emergencies and winding-up costs. The Association has virtually no running costs and does not, therefore, need to identify any particular period for which reserves are kept for the purpose of covering such costs.

The notes on pages 9 to 11 form part of these accounts

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2016
NOTES TO THE ACCOUNTS**

1. INCOMING RESOURCES

Income includes tax recoverable (but not recovered) from the Inland Revenue (UK & Jersey) for the current year (£11,821.53).

2. CHARITABLE ACTIVITIES - GENERAL FUND

Grants for Diocesan and Provincial projects (new system)	15,000.00
UACThF – student bursaries	9,125.00
Books and microscope for UAC *	514.16
UAC bus to transport students *	20,800.00
UAC building (classrooms and foundations for chapel) *	24,212.00
Revd Sadiki support	200.00
Amoti Njojo medical	675.00
Chairman’s expenses for Congo trip	1,300.71
Revd Yossa Way expenses on UK trip	420.00

TOTAL	72,246.87
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Transfers from General Fund to restricted/designated funds:

Clergy pensions contribution	500.00
Bp Michael memorial (funeral donations + CCA matched funds)	7,113.21

Transfers from restricted/designated funds to General Fund:

Interest from General Endowment	223.54
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NET TRANSFERS	(7,389.67)
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* Support for UAC has been made possible by a generous legacy. The amount remaining in the legacy fund as at 30th June 2016 was £17,114.

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2016
NOTES TO THE ACCOUNTS**

3. GOVERNANCE AND ADMINISTRATION COSTS

	2015-2016	2014-2015
AGM costs	95.00	45.00
Financial/Independent Examiner's fees payable (2015/16)	612.00	612.00
Independent Examiner's fees (extra on estimated fees)		18.00
Partners in World Mission subs	0.00	0.00
Newsletters and postage (2 newsletters)	304.09	443.50
Bank charges	40.00	160.00
Internet service provider	20.04	20.04
	<u>1,071.13</u>	<u>1,298.54</u>

4. INVESTMENTS

	2015-2016	2014-2015
	£	£
CBF Church of England Deposit Fund	10,148.07	10,131.35
United Trust Bank	63,606.12	86,918.36
Cambridge & Counties BS	86,408.51	0.00
CBF Church of England Investment Fund	12,880.76	12,547.28
	<u>173,043.46</u>	<u>109,596.99</u>

Our investment in the CBF Church of England Investment Fund includes £6,241.59 held on behalf of the Kisangani Clergy Children's Fund. The remainder is allocated to our General Endowment.

5. DEBTORS

		30/06/2016	30/06/2015
Taxation recoverable (Jersey)	FY 14-15	0.00	3,825.00
Taxation recoverable (Jersey)	FY 15-16	3,825.00	0.00
Taxation recoverable	FY 14-15	0.00	4,766.64
Taxation recoverable	FY 15-16	11,821.53	0.00
		<u>15,646.53</u>	<u>8,591.64</u>

CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2016
NOTES TO THE ACCOUNTS

6. STATEMENT OF FUNDS

	Opening Balance at 01/07/15	Incoming	Expended	GF T/F out	Gain/ loss	Closing Balance at 30/06/2016
	£	£	£	£	£	£
Restricted and Designated funds						
Kisangani Clergy Children's Fund	12,205.32	271.17	1,032.12		161.59	11,605.96
UACThF Endowment	18,369.91	0.00	0.00			18,369.91
Boga Pension Fund	139.33	0.00	0.00			139.33
Clergy Pension Fund	86,490.08	545.09	3,361.21	500.00		84,173.96
Bishops' Pensions	1,273.85	16.72	0.00			1,290.57
Gen. Endowment	13,352.12	223.54	0.00	(223.54)	171.89	13,524.01
Other restricted funds						
Aru/Boga/Chester pastors' children	0.00	881.00	881.00			0.00
Aru gifts (Note B1)	0.00	53,720.34	46,470.34			7,250.00
Boga gifts (Note B3)	0.00	7,957.50	7,395.00			562.50
Bisoke medical/personal	0.00	2,337.50	2,337.50			0.00
Bisoke vehicle	0.00	3,312.50	3,312.50			0.00
Furaha Bisoke Medical	0.00	470.00	470.00			0.00
Grace Bisoke studies	0.00	4,000.00	4,000.00			0.00
Baraka Bisoke studies	0.00	6,600.00	6,600.00			0.00
Bukavu Gifts	31.25	0.00	31.25			0.00
Kindu Bibles	0.00	271.80	271.80			0.00
Jean-Marie Kithoko medical expenses	0.00	100.00	100.00			0.00
Kamango gifts	0.00	1,500.00	1,500.00			0.00
North Kivu gifts	0.00	1,000.00	1,000.00			0.00
Giramaya gift	0.00	71.43	71.43			0.00
Uronya gift	0.00	53.57	53.57			0.00
Community Development Goma	0.00	825.93	825.93			0.00
UACThF Bursaries	0.00	2,103.12	2,103.12			0.00
Kisangani Gifts (Note A1)	500.00	0.00	0.00			500.00
UACThF gifts	0.00	3,462.50	3,462.50			0.00
William Wright Technical School	0.00	625.00	625.00			0.00
Joseph Munzenda studies	0.00	2,194.00	2,194.00			0.00
Yossa Way UK expenses	0.00	60.00	60.00			0.00
Revd Barozi studies	0.00	703.57	703.57			0.00
UAC complexe educatif	0.00	2,500.00	2,500.00			0.00
Fidele Ayule studies	0.00	742.50	742.50			0.00
Kakule Buleta studies	0.00	537.50	537.50			0.00
Provincial Youth Office (Note B2)	2,000.00	7,107.87	8,114.12			993.75
Bishop Michael memorial (Note A2)	0.00	3,750.00	4,300.00	7,113.21		6,563.21
Boga Youth girls worker	0.00	600.00	600.00			0.00
Revd Sadiki studies	0.00	9,850.00	9,850.00			0.00
Kindu gifts	0.00	2,884.50	2,884.50			0.00
Kalima Church	0.00	182.00	182.00			0.00
Katanga clergy training	26,125.00	0.00	26,125.00			0.00
Katanga Gifts (Note B3)	450.00	19,575.00	1,860.00			18,165.00
Aru Palliative care	0.00	1,441.25	1,441.25			0.00
Dr. F. Elloway (medical work)	0.00	11,037.50	11,037.50			0.00
Emmanuel/Kefa Tibafa studies	0.00	2,000.00	2,000.00			0.00
Philippe & Adolphe studies	0.00	4,062.50	3,925.00			137.50
Sunday school books	0.00	294.00	190.00			104.00
Boga students studies	710.00	250.00	960.00			0.00
Athoko Ntungo medical expenses	0.00	250.00	250.00			0.00
Kahwa Njojo conference expenses	0.00	118.75	118.75			0.00
Zawadi studies	0.00	215.00	215.00			0.00
General Fund (Note C)	109,858.33	23,178.89	73,318.00	(7,389.67)		52,329.55
	271,505.19	183,883.54	240,012.96	0.00	333.48	215,709.25

Note A1 Retained pending decision by donor as to how the money is to be used Note A2 Awaiting other funds to complete chapel

Note B1 Awaiting Gift Aid claim Note B2 Income received late in the accounting year Note B3 Funds held back whilst awaiting information

Note C General Fund balance of £52,329.55 includes £19,500 unpaid grants for this and previous years, £17,114 legacy money, £163 earmarked for UAC books and £7,500 reserves, leaving £8,052.55