

CONGO CHURCH ASSOCIATION

REGISTERED CHARITY NO. 285760

ANNUAL REPORT AND
FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2019



**CONGO CHURCH ASSOCIATION
YEAR ENDED 30TH JUNE 2019
ANNUAL REPORT AND FINANCIAL STATEMENTS**

<u>Page</u>	<u>Description</u>
1 - 5	Trustees' Report, including:
1	Trustees' Information, Bankers and Independent Examiner;
2	Objects of the Association, Report from the Chair;
3 - 4	Treasurer's Commentary on the Accounts.
4	Statement of Trustees' Responsibilities.
5	Independent Examiner's Report.
6	Statement of Financial Activities.
7	Balance Sheet.
8	Accounting policies
9 - 11	Notes to the Accounts.

**TRUSTEES' REPORT FOR THE CONGO CHURCH ASSOCIATION (CCA)
REGISTERED CHARITY NO 285760, NOVEMBER 2019**

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). 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	Honorary Secretary	Honorary Treasurer
Mrs. Judy Rous 353 Banbury Road Oxford OX2 7PL	Mrs. Rosemary Peirce 8 Burwell Meadow Witney Oxfordshire OX28 5JQ	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:

Elected (at 2018 AGM): Malcolm Lewis (retired May 19 2019), Revd. Tim Naish, Revd. Matthew Grayshon

Bankers: Bank accounts are held with Santander, 2 Triton Square, Regent's Place, London, NW1 3AN and with CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, 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 – Judy Rous (Chairman)

The Committee of the Association, who are also the Trustees, met twice during the year and once since year end. At the AGM in 2018 Matthew Grayshon was welcomed as a Trustee, having been previously co-opted. The Annual General Meeting 2018 took place on 3rd November in Oxford. Rev Christophe Sadiki, Vice Rector of the Anglican University of Congo gave an update on the current joys and challenges facing the University. Bishop David Williams, CCA's Patron, spoke about his ongoing involvement with the Anglican Church of Congo and Rev Matthew Grayshon shared about the recent SOMA mission to Goma.

The Trustees have had regard to the guidance issued by the Charity Commission in relation to public benefit in executing the activities of the CCA. CCA continues to disburse grants from the General Fund and the Restricted Funds for purposes that are in line with the Objects of the Association. The grants cover a wide range of activities undertaken by the Eglise Anglicane du Congo (EAC – Anglican Church of Congo), encompassing church planting, theological training, community initiatives and youth training. The same pattern of disbursing funds has continued, notably awarding equal grants to the dioceses, to the Provincial Department for Mission and Evangelism and to the Provincial Youth and Children's Department as well as 7 grants for theological education at the Université Anglicane du Congo (UAC – Anglican University of Congo). CCA awards these annual grants after receipt of a project proposal which is in line with the Objects of the Association. Sometimes recipients choose to carry over their grant so that a bigger sum is available in a subsequent year. CCA requests accounting and a narrative report for each annual grant before a new proposal can be considered.

Grants made this year were used, amongst other things, for bursaries for students studying at Carlile College in Nairobi (Kisangani diocese), roofing sheets for 4 new churches (North Kivu diocese), resources for establishing a new church in Congo Central in Kinshasa Diocese (Pioneering mission), repairs to the roof of a primary school (Kinshasa diocese) and support for the spouses' training programme at UAC.

Restricted gifts included support for particular dioceses or ministries, education fees for various students and clergy children/orphans, the UAC chapel construction and a home for orphaned children in Butembo. A second payment (out of three) to the William Wright Technical College (Kindu Diocese) was made out of legacy funds which are earmarked for the College. The improved facilities and equipment resulting from the investment of the legacy mean that student numbers have increased. Students are gaining skills so they can work as tailors, masons and carpenters. This project highlights the huge impact of a legacy on the long-term prospects of young people in DR Congo.

CCA and its members welcomed a number of church leaders visiting UK, notably Archbishop Masimango, Bp Bertin (Katanga) and Rev Sadiki (UAC). The Anglican Church of Congo continues its holistic ministry of evangelism, discipleship and community transformation and Congo Church Association will continue to partner with the Church through grant-making, prayer support and hospitality. It is disappointing that the value of the pound to the dollar remains low so CCA's funds are worth much less in DRC while opportunities for ministry and needs abound.

CCA will continue to work to increase support and interest for the vital ministry of the Anglican Church of Congo. CCA Trustees are enormously grateful to all who show interest and concern, and contribute so generously with donations, prayer, and hospitality, as we partner with the Anglican Church of Congo.

Treasurer's commentary on the accounts – Paul Dickens (Hon Treasurer)

Introduction

The purpose of this commentary is to explain and to amplify the Congo Church Association's accounts for the year ended 30th June 2019. These accounts, which follow on pages 6 to 11, show the Association's activities over the last year and its assets at the end of June 2019.

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 £33,746, of which £6,000 represents unused legacy funds. A further £5,100 has yet to be paid out in promised grants to the dioceses for previous years and we keep a reserve of £5,000 for emergencies. £13,000 has been promised in Diocesan and Provincial Department grants for 2019. 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 (£19,684) are down on last year (£26,357), but slightly better than the previous year. 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.

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 a number of equal portions (the exact number has changed from year to year) and allocated to the dioceses and 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. The agreed level of reserves has since been reduced to £5,000. 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, 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 2019). 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 £1,449 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. 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 bursaries.

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 from general funds. The second pension fund is for three bishops, who have themselves contributed to it – one bishop took his entitlement during 2015/16 and one during 2016/17.

This Trustees' Report was approved by the Trustees on 23rd November, 2019 and signed on their behalf by:

Judy Rous (Chairman)

**CONGO CHURCH ASSOCIATION
YEAR ENDED 30TH JUNE 2019
INDEPENDENT EXAMINER'S REPORT**

I report to the Trustees on my examination of the accounts of the Congo Church Association for the year ended 30th June 2019.

Responsibilities and Basis of Report

As the charity's trustees you are responsible for the preparation in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act: or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M D A Gyde FCA DChA
A J Carter & Co
Chartered Accountants

22b High Street
Witney
Oxon
OX28 6RB

..... 2019

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2019
STATEMENT OF FINANCIAL ACTIVITIES**

		2018 - 2019			2017-2018
Notes		General Funds	Restricted Funds	Total	
		£	£	£	£
<u>INCOMING RESOURCES</u>					
<u>Voluntary income</u>					
	General Donations & Subscriptions	19,683.53	0.00	19,683.53	26,357.22
	Other Specific Donations	0.00	139,310.17	139,310.17	156,930.63
	Total voluntary income	19,683.53	139,310.17	158,993.70	183,287.85
	Investment income – bank interest	1,753.25	1,103.82	2,857.07	3,061.32
	Total incoming resources	21,436.78	140,413.99	161,850.77	186,349.17
<u>RESOURCES EXPENDED</u>					
<u>Charitable activities</u>					
	Project grants to the Dioceses and Province	7,400.00	41,098.75	48,498.75	69,582.43
	UACThF Bursaries	11,100.00	20,700.00	31,800.00	32,103.00
	Other UACThF support	8,103.88	875.00	8,978.88	7,223.32
	Other donations	7,663.98	84,006.77	91,670.75	66,661.12
	Admin/publicity/governance costs	974.68	0.00	974.68	850.16
	Total charitable activities	35,242.54	146,680.52	181,923.06	176,420.03
	Net incoming resources	(13,805.76)	(6,266.53)	(20,072.29)	9,929.14
	Transfers	(195.95)	195.95	0.00	0.00
	Increase in value of Investments	0.00	1,449.20	1,449.20	914.83
	Total Funds brought forward	47,747.97	170,518.90	218,266.87	207,422.90
	Total Funds carried forward	33,746.26	165,897.52	199,643.78	218,266.87

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2019
BALANCE SHEET**

		30/06/2019	30/06/2018
ASSETS			
Investments	4	99,576.28	180,835.90
Cash at Bank and in hand			
Current (Santander & CAFCash)		12,305.97	20,512.07
Deposit (CAFGold)		75,365.97	5,331.91
Debtors	5	13,073.56	12,815.56
		200,321.78	219,495.44
Creditors - (independent examiners)		(678.00)	(1,228.57)
TOTAL NET ASSETS		<u>199,643.78</u>	<u>218,266.87</u>
STATEMENT OF FUNDS			
Kisangani Clergy Children's Fund		14,561.90	13,538.70
UACThF Endowment		18,369.91	18,369.91
Boga Pension Fund		139.33	139.33
Clergy Pension Fund		87,230.53	86,272.84
Bishops' Pensions		696.14	675.03
Gen. Endowment		15,629.03	14,882.06
Other restricted funds		29,270.68	36,641.03
General fund *		33,746.26	47,747.97
TOTAL	6	<u>199,643.78</u>	<u>218,266.87</u>

Approved by the Trustees on 23rd November, 2019
and signed on their behalf by:

Judy Rous (Chairman)

* Our reserves policy is to keep back £5,000 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

ACCOUNTING POLICIES **for the year ended 30th June 2019**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

b) Income Recognition Policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

c) Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

d) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for the particular areas of the Charity's work or for specific projects being undertaken by the Charity.

e) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

f) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised in income when the items are sold.

g) Debtors

Debtors and prepayments are recognised at the settlement amounts.

h) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) Creditors and Provisions

Creditors and provisions are recognised where the Charity has an obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2019
NOTES TO THE ACCOUNTS**

1. INCOMING RESOURCES

Income includes tax recoverable (but not recovered) from the Inland Revenue (UK & Jersey) for the current year (£13,073.56).

The aggregate of donations made to the Association during 2018/19 by its Trustees is £0.

2. CHARITABLE ACTIVITIES - GENERAL FUND

Grants for Diocesan and Provincial projects (new system)	7,400.00
UACThF – student bursaries and other support	11,100.00
Emergency relief for IDPs in Kamango	1,500.00
William Wright technical college grant (from legacy*)	6,000.00
Final tranche of legacy money used for UAC chapel	8,103.88
UAC books	163.98

TOTAL	34,267.86
--------------	------------------

Transfers from General Fund to restricted/designated funds:

Clergy pensions contribution	500.00
------------------------------	---------------

Transfers from restricted/designated funds to General Fund:

Interest from General Endowment	304.05
---------------------------------	---------------

NET TRANSFERS	(195.95)
----------------------	-----------------

* Support for the William Wright College has been made possible by a generous legacy. The amount remaining in that legacy fund as at 30th June 2019 was £6,000.

**CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2019
NOTES TO THE ACCOUNTS**

3. GOVERNANCE AND ADMINISTRATION COSTS

	2018-2019	2017-2018
AGM costs	0.00	83.00
Partnership in World Mission subscription	50.00	0.00
Financial/Independent Examiner's fees payable (2018/19 year)	678.00	666.00
Independent Examiner's fees (extra on estimated fees for 2017/18 year)	24.00	0.00
Newsletters and postage (2 newsletters)	151.88	0.00
Bank charges	60.00	66.00
Internet service provider	10.80	20.04
Stamps	0.00	15.12
	<u>974.68</u>	<u>850.16</u>

4. INVESTMENTS

	2018-2019	2017-2018
	£	£
CBF Church of England Deposit Fund	10,190.64	10,169.53
United Trust Bank	66,990.22	65,902.82
Cambridge & Counties BS	5,430.67	89,248.00
CBF Church of England Investment Fund	16,964.75	15,515.55
	<u>99,576.28</u>	<u>180,835.90</u>

Our investment in the CBF Church of England Investment Fund includes £8,220.56 held on behalf of the Kisangani Clergy Children's Fund. The remainder is allocated to our General Endowment.

5. DEBTORS

		30/06/2019	30/06/2018
Taxation recoverable (Jersey)	FY 18-19	3,825.00	0.00
Taxation recoverable (Jersey)	FY 17-18	0.00	3,825.00
Taxation recoverable	FY 17-18	0.00	8,990.56
Taxation recoverable	FY 18-19	9,248.56	0.00
		<u>13,073.56</u>	<u>12,815.56</u>

CONGO CHURCH ASSOCIATION
ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2019
NOTES TO THE ACCOUNTS

6. STATEMENT OF FUNDS	Opening Balance at 01/07/18	Incoming	Expended	GF T/F out	Gain/ loss	Closing Balance at 30/06/2019
	£	£	£	£	£	£
Restricted and Designated funds						
Kisangani Clergy Children's Fund	13,538.70	320.97	0.00		702.23	14,561.90
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	86,272.84	457.69	0.00	500.00		87,230.53
Bishops' Pensions	675.03	21.11	0.00			696.14
Gen. Endowment	14,882.06	304.05	0.00	(304.05)	746.97	15,629.03
Other restricted funds						
Aru/Boga/Chester pastors' children	0.00	240.27	240.27			0.00
Aru gifts	93.75	8,058.50	8,152.25			0.00
Aru Theological Resources (Note A)	0.00	4,393.70	1,769.47			2,624.23
Boga Gifts	0.00	7,771.25	7,771.25			0.00
Bisoke medical/personal	0.00	813.25	813.25			0.00
Grace Bisoke studies	0.00	4,425.00	3,825.00			600.00
Bukavu Gifts	0.00	1,000.00	1,000.00			0.00
North Kivu Gifts	0.00	1,450.00	1,450.00			0.00
UACThF Bursaries	0.00	20,700.00	20,700.00			0.00
UACThF Gifts	0.00	875.00	875.00			0.00
Kisangani Gifts (Note B)	500.00	0.00	0.00			500.00
Bisoke Displaced People	0.00	390.00	390.00			0.00
Rev. Barozi studies	4.00	635.50	639.50			0.00
Christians in Ngiri	0.00	1,000.00	1,000.00			0.00
Kalima Church	0.00	188.00	188.00			0.00
Provincial Mothers Union	0.00	625.00	625.00			0.00
Provincial Youth Office	0.00	10,503.66	10,503.66			0.00
Bishop Michael memorial	2,688.21	6,250.00	8,938.21			0.00
Rev. Nzua Pioneering Mission	0.00	400.00	400.00			0.00
Rev. Sadiki studies	3,000.00	4,900.00	7,900.00			0.00
Kindu Gifts	0.00	3,244.00	2,645.50			598.50
Katanga Gifts (Note A)	8,462.50	19,575.00	21,235.00			6,802.50
Ven. David grandchildren (Aru)	0.00	300.00	300.00			0.00
Joice's children (Aru)	0.00	400.00	400.00			0.00
Chantal (Aru)	0.00	200.00	200.00			0.00
Aru Palliative care	0.00	1,150.00	1,150.00			0.00
Service Medicale (Aru)	(62.50)	4,376.25	4,313.75			0.00
Compassion Orphanage General	2,259.62	333.49	1,255.00			1,338.11
Compassion Orph'ge Building (Note A)	0.00	21,715.41	16,000.41			5,715.00
Chester Crisis Appeal (Note A)	19,695.45	13,396.89	22,000.00			11,092.34
General Fund (Note C)	47,747.97	21,436.78	35,242.54	(195.95)		33,746.26
	218,266.87	161,850.77	181,923.06	0.00	1,449.20	199,643.78

Note A Funds held back at donor's and/or donee's request

Note B Retained pending decision by donor as to how the money is to be used .

Note C General Fund balance of **£33,746.26** includes **£5,100** unpaid grants from previous years, **£6,000** legacy money and **£5,000** reserves, leaving **£17,646.26** of which **£13,000** was committed during the year to 2019 grants