

ICC Missions

(A company limited by guarantee)

Registered Company Number: 4272228

Registered Charity Number: 1092123

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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ICC MISSIONS

LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES

Andrew Agerbak (Chair)
Scott Bryden
Michael Farrell
Peter Frost
Dwight Lawrence
Ian Tootill

SENIOR MINISTERS

London Church

Evangelists and Womens' Ministry Leaders:

Mohan & Helen Nanjundan (Church Leaders)
Mike & Julie Desouza, Charles & Pat Elikwu, Toks & Bola Sowoolu,
Corey & Angela Stuck [until Aug 2017], Franklyn & Nadine Walters [from Aug 2017]

Elders:

Andrew Agerbak [until Aug 17], Michael Farrell, Mohan Nanjundan, Paul Rowden, Toks Sowoolu

Birmingham Church

Evangelist and Womens' Ministry Leader: Forest & Mandy Verselc

COMPANY SECRETARY & ADMINISTRATOR

Paul Rowden

REGISTERED OFFICE

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Email address info@icoc.org.uk

LEGAL STATUS

ICC Missions is a company limited by guarantee incorporated on 17th August 2001, Registration No. 4272228
Registered with the Charity Commission - Registration No. 1092123

AUDITORS

Mazars LLP
Chartered Accountants
Times House
Throwley Way
Sutton
Surrey SM1 4JQ

BANKERS

Lloyds TSB Bank Plc
Strand Branch
Villiers House
48-49 Strand
London WC2N 5LL

SOLICITORS

Bates, Wells & Braithwaite
2-6 Cannon Street
London EC4M 6YH

ICC MISSIONS

Trustees' report for the year ended 31 December 2017

The Trustees of ICC Missions present their annual report and the audited financial statements for the year ended 31 December 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

ICC Missions is a company limited by guarantee, and not having share capital (Company Number 04272228). It is also a registered charity (Charity Number 1092123). Both registrations are in England and Wales. The organisation's registered address is Tower Bridge House, St Katharine's Way, London E1W 1DD.

Because of ICC Missions' dual status as a company and a charity, the same people serve as its company Directors and charity Trustees. A list of those serving is given on page 1. In this document, the term "Trustee" is used, but this should also be taken to imply the role of "Director". It should also be noted that the Trustees are also the only legal members of the charity, as specified by Article 3 of the ICC Missions Articles of Association.

The charity has a unitary structure, with the member congregations functioning in a similar manner to "branches", though much decision-making is devolved to local level. The existing board, led by the chairman, oversees a process to review nominations and select a board based on criteria including character, skills and experience. Each member congregation may nominate Trustees, either from within their own congregation or any other within ICC Missions.

New Trustees are briefed on their obligations under charity and company law, the contents of ICC Missions governing documents and the manner in which the charity is run. Trustees are encouraged to familiarise themselves with the guidance contained within Charity Commission publications and briefings. The Trustees are not remunerated for their duties (other than necessary expenses) and hold no beneficial interest or shares in the company. The charity has a Trustee Indemnity Insurance policy.

The Board of Trustees meets face-to-face at least three times a year and also may hold meetings by telephone conference. ICC Missions employs ministry staff to serve the needs of member congregations. Some of these staff may have specialist roles serving the needs of groups such as teens or students. ICC Missions also employs administrative staff to support the day-to-day running of the charity and the Trustees have appointed the Chair of Trustees to supervise these staff.

The Trustees have delegated authority for the day-to-day governance of local churches to their congregational leadership teams, and these are responsible for the local implementation of the Trustees' policies. Within each leadership team there is a Treasurer who deals with the implementation of local financial administration.

The operation of member churches is formalised in individual local constitutions. Each constitution specifies requirements for the appointment and operation of leadership teams, and prescribes ways for local church members to hear and ask questions about the administration and governance of the charity, such as through an Annual Church Meeting. Trustees normally try to make themselves available to speak at these meetings, thus providing some accountability to congregation members for their actions.

The Trustees have developed a Salary Model to set the remuneration of all ministry staff. The Trustees consider the role of ministers of religion is as valuable to society as that of teachers, and so the Salary Model is linked to the actual salary data for the 'teachers and research professionals' classification in the government's Annual Survey of Hours and Earnings. From this a table of salaries is populated, from which a particular employee's salary is determined based on their role and relevant experience. Administrative staff remuneration is set to match that of similar roles in the charity sector.

ICC Missions has warm links with other churches in the International Churches of Christ, in the UK and overseas. Joint events or activities may be arranged between them from time to time. ICC Missions also has similarly warm and independent links with a benevolent charity called HOPE *worldwide* whose UK projects include work with the homeless and recovering addicts.

PUBLIC BENEFIT

The Trustees have complied with the duty set out in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. All Trustees give their time voluntarily and receive no benefit from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

ICC MISSIONS

Trustees' report for the year ended 31 December 2017

OBJECTIVES AND ACTIVITIES

The objectives of ICC Missions are defined in its Articles of Association as follows:

"the advancement of the Christian religion in the United Kingdom and elsewhere throughout the world; and the relief of poverty and sickness and the distress arising therefrom of any person who is suffering as a result of drought, earthquake, flood or other natural disaster or who by reason of his or her social and economic conditions is in need of such assistance".

The main ways in which ICC Missions accomplishes its objectives are through:

- adult ministry (including prayer, teaching, preaching, counselling and evangelism)
- youth and children's ministry
- assistance to the needy and sick.

Prayer, teaching, preaching, counselling and evangelism

ICC Missions aims to facilitate the worship of God and to promote the everyday application of Christ's teachings. All its congregations meet frequently to pray and worship together and to receive teaching based on the Bible. Our Sunday and midweek services are open to members of the wider community, and congregations are pleased to welcome visitors. Many teaching materials are placed on church websites, and are provided free to the general public. Activities aim to foster a strong community spirit within the member congregations and to develop a supportive and encouraging environment for all members of this community. One way that our member churches aim to support families and youth is by providing teaching and assistance with marriage and parenting issues. Our churches support overseas missions in similar work (See Note 5).

Youth and Children's Ministry

Weekly classes and annual retreats create an encouraging environment in which the children can build an understanding of God, grow in confidence and self-esteem and develop an appreciation of the relevance and usefulness of Christ's teaching in their everyday lives. All children and youth work within ICC Missions is organised with the safety and security of the children at its heart and the organisation has continued to subscribe to the services of the Churches Child Protection Advisory Service who provide an invaluable service in supporting this work.

Assistance to the needy and sick

The member congregations of ICC Missions aim to meet local needs among their members or in the local community. ICC Missions also strives to imitate Jesus Christ's concern for the poor and needy by supporting the work of HOPE worldwide in the UK and overseas. This can be through providing volunteers when needed, or allowing collections to be taken in support of HOPE worldwide's work, during church services. ICC Missions supports other churches overseas, as mentioned above, and this assistance can also be used by these churches to help relieve poverty and sickness, in accordance with ICC Missions' objectives.

ACHIEVEMENTS AND PERFORMANCE

2017 was a great year for the **Belfast** congregation, with seven people baptised, including three students and two teens. Five of these members were Northern Irish nationals. The congregation now numbers over 40 members.

In 2017 the **Birmingham** congregation celebrated several incredible teen conversions, the re-establishment of a singles ministry, the hiring of Matt & Tia Ricci for teen and student ministry, and a unified and encouraging process in appointing five deacons.

The **Cambridge** church celebrated an annual camp and outdoor service in July with almost as many visitors as members, and a Day of Service in support of HOPE Worldwide at the Arthur Rank Hospice.

In 2017, the **Edinburgh** church doubled its special missions contribution from the prior year, baptised its fourth teen in as many years, and members have been holding a weekly bible discussion at the University of Edinburgh. Also the first "one year challenge" interns were recruited for 2018.

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Trustees' report for the year ended 31 December 2017

In the **Glasgow** church, 2017 was an encouraging year of "firsts": the congregation welcomed two "one year challenge" interns for the first time: Nick Ghalustians from London, and Emily Schaub from Chicago. And for the first time in its history, Glasgow saw new members added for six consecutive months to start the year.

Meanwhile the **Leicester** congregation celebrated four people getting baptised, a very successful Women's Day event, and supporting ongoing Bible discussion groups throughout the academic year on four university campuses in the East Midlands.

The **London** church continued its march towards 1,000 members, ending 2017 with just under 970 members. Training of new elders was conducted for appointment at the start of 2018. Our training efforts for the UK bore fruit in the appointment of Roger and Jackie Frimpong as evangelist and women's ministry leader, having been sent by London to Leicester and trained by London leaders. The student ministry underwent a transition, with Zach and Rebekah Anton taking over leadership responsibility. Sara Hancell was added to the London ministry staff, as well as Richard and Tessa Lee. A special missions contribution was collected of over £200,000. For the first time, a portion of this was kept aside to hire and train young interns. We hosted a biennial UK conference, with Koko and Farida Enrile from the Philippines as guest speakers.

In **Manchester**, there was tremendous growth in the teen ministry, with seven teens baptised in 2017. After an extensive ministry search by the leadership team, Chris and Theresa Broom were hired as the new church leaders.

For the UK as a whole, there were great youth and family camps for teens, pre-teens, mothers & daughters and fathers & sons. Inspiring retreats were also held for singles and for campus ministries. Three modules were taught in the "School of Missions" programme to train aspiring leaders in biblical convictions and practical ministry: New Testament Survey, Old Testament Survey and Apologetics. Several UK congregations again hosted "One Year Challenge" volunteer interns from the UK and around the world, typically focused on youth and student ministry, with a view to training up the next generation of leaders.

FINANCIAL REVIEW

In overseeing the finances and administration of the charity, the Trustees wish to ensure that it complies with all relevant legislation and regulations. However, they also seek to apply a high standard of self-regulation, as they seek to imitate the standard set in the Bible by the Apostle Paul:

"We want to avoid any criticism of the way we administer this liberal gift. For we are taking pains to do what is right, not only in the eyes of the Lord but also in the eyes of men." 2 Cor 8:20-21, NIV

To ensure high standards, the Trustees have:

- placed great emphasis on appointing and taking advice as required from experienced professional advisers. For example, Mazars are ICC Missions' auditors, and Bates Wells & Braithwaite are our solicitors.
- appointed experienced professional staff to control the financial and administrative activities of the organisation.
- set out the policies and procedures under which the organisation operates.
- undertaken to periodically review policies and procedures to ensure that they are fit for purpose, and are being implemented effectively.

The audited financial statements for the year ended 31 December 2017 incorporate the financial transactions of ICC Missions' member churches, its central administration, and the charity's Missions fund.

The organisation was in good financial health during the year ended 2017. The accumulated balance at the end of the year was £1,088,954 (2016:£1,200,091)

Last year's report noted that the charity's available cash resources exceeded the requirements of our reserves policy and that the trustees had worked with the ministry staff to draw up prudent plans to deploy those resources for the development of the charity, most notably through the recruitment and training of staff and to support our "2020 Vision". We are pleased to note that these plans have gained traction, which resulted in a modest reduction in the end of year balance. Our forecast is now that our balance should reach a more appropriate level over the coming two to three years.

During the twelve-month period ending 31 December 2017, total income amounted to £2,266,861 (2016:£2,147,886). This included donations from church collections of £1,861,120 (2016:£1,759,701) for

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Trustees' report for the year ended 31 December 2017

unrestricted purposes. Restricted collections for Missions and Benevolence amounted to £243,048 (2016:£228,911). Expenditure totalled £2,377,998 (2016:£2,200,621), which represented the operating costs of running the organisation, further disclosed in Notes 1-16 to these accounts.

PRINCIPAL RISKS

The Trustees periodically review and update the organisation's risk register. Three headline risks concern safeguarding, the development of future leaders, and maintaining the goodwill of church members. These risks and a summary of our mitigation plans are described as follows:

- Safeguarding the well-being of children (and vulnerable adults) in church care: whilst there have been no actual incidents reported in our 'Kingdom Kids' or Teen Ministries, the Trustees want to have (and be seen to have) the highest standards in child protection, and are updating our Child Protection Policy, informed by advice from CCPAS (Churches Child Protection Advisory Service), including requiring all staff to attend suitable training (both on appointment and periodically thereafter), and expanding the Disclosure and Barring Service (DBS) checks to include all volunteers regularly involved in such activities.
- Future leaders and ministry staff: the Trustees recognise that there is a demographic challenge in recruiting and training a younger generation of leaders and ministry staff to continue the work of the charity, with a gap in the "20's and 30's" membership in between our faster growing youth and student ministries and the well-established and growing mature members in their 40s and over. To help address this challenge and ensure we raise up successors for the current generation of leaders and staff, we have implemented a 'School of Missions' training scheme, and have invested in the Campus Ministry to attract and train future leaders. We have also successfully encouraged a small number of mature couples to move into the ministry from successful professional careers, and recruited from outside the UK where necessary to fill gaps.
- Trust and goodwill of church members: the financial and operational continuity of the charity is intrinsically tied to the continued trust and goodwill of the church members towards the charity, its leadership and its effectiveness in carrying out its purpose. We seek to protect and strengthen that goodwill through upholding the expectation of wholehearted participation in the life of the church by all its members, healthy engagement with church leadership, and forums such as the Annual Church Meeting where questions about the church's finances and impact can be raised and addressed.

PLANS FOR THE FUTURE

The Trustees and Leadership Groups of ICCM member congregations continue to endorse our "2020 Vision" which incorporates plans including:

- Supporting continued healthy growth in our established larger congregations
- Strengthening our smaller congregations through closer inter-congregational relationships and plans to send strengthening teams of additional members and paid staff
- Sending out new church plantings to key UK cities where we currently do not have a member congregation
- Continued support for the poor and needy

CONCLUSION

This report has demonstrated that ICC Missions is accomplishing its objectives to spread the message of Jesus Christ, and to help those affected by poverty and sickness. In so doing, it is bringing benefits to wider society through its activities. The organisation is in a sound financial position, and is well placed to build on its work in 2018.

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Trustees' report for the year ended 31 December 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent; and
- 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 maintaining proper accounting records which disclose within reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's Directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company 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.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the Trustees, and signed on their behalf on 24th September 2018 by



Andrew Agerbak
Chair of the Board of Trustees



Peter Frost
Trustee

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Independent Auditor's report to the members of ICC Missions

Opinion

We have audited the financial statements of ICC Missions (the 'charity') for the year ended 31 December 2017 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 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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Independent Auditor's report to the members of ICC Missions

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 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 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out on page 6, the trustees 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.

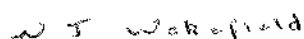
Auditor's responsibilities for the audit of the financial statements

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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. 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 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.



Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House, Throwley Way
Sutton, Surrey
SM1 4JQ

Date 26th September 2018

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Statement of Financial Activities for the year ended 31 December 2017

	Notes	2017 Unrestricted funds £	2017 Restricted Benevolence funds £	2017 Restricted Missions funds £	2017 Total funds £	2016 Total funds £
Income from:						
Donations	2	1,861,120	22,807	220,241	2,104,168	1,988,612
Charitable activities	4					
Kingdom Kids & Youth Ministry		67,497	-	-	67,497	75,155
Preaching, Teaching, Evangelism & Counselling		94,069	-	-	94,069	77,581
Investments	3	1,127	-	-	1,127	6,538
Total income		<u>2,023,813</u>	<u>22,807</u>	<u>220,241</u>	<u>2,266,861</u>	<u>2,147,886</u>
Expenditure on:						
Charitable activities						
Kingdom Kids & Youth Ministry		111,067	-	-	111,067	115,042
Preaching, Teaching, Evangelism & Counselling		1,997,036	-	135,184	2,132,220	2,005,234
Benevolence & Missions		7,290	16,685	110,736	134,711	80,345
Total expenditure	6	<u>2,115,393</u>	<u>16,685</u>	<u>245,920</u>	<u>2,377,998</u>	<u>2,200,621</u>
Net (expenditure)/income		<u>(91,580)</u>	<u>6,122</u>	<u>(25,679)</u>	<u>(111,137)</u>	<u>(52,735)</u>
Transfers between funds		<u>(95)</u>	<u>95</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(91,675)</u>	<u>6,217</u>	<u>(25,679)</u>	<u>(111,137)</u>	<u>(52,735)</u>
Balances brought forward						
1 January 2017		<u>948,232</u>	<u>8,217</u>	<u>243,642</u>	<u>1,200,091</u>	<u>1,252,826</u>
Balances carried forward						
at 31 December 2017		<u>856,557</u>	<u>14,434</u>	<u>217,963</u>	<u>1,088,954</u>	<u>1,200,091</u>

There were no recognised gains and losses for the year other than those included in the Statement of Financial Activities above. All activities of the charity were derived from continuing activities.

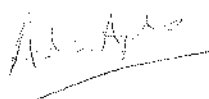
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Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets for use by the charity	9	1,514	2,287
CURRENT ASSETS			
Debtors	10	147,765	108,142
Cash at bank and in hand		1,015,431	1,204,629
		1,163,196	1,312,771
CREDITORS: amounts falling due within one year	11	(75,756)	(114,967)
NET CURRENT ASSETS		1,087,440	1,197,804
NET ASSETS		1,088,954	1,200,091
FUNDS			
Restricted funds	12	232,397	251,859
Unrestricted funds		856,557	948,232
		1,088,954	1,200,091

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 24th September 2018 and signed on their behalf by:



Andrew Agerbak
Chair of the Board of Trustees



Peter Frost
Trustee

ICC MISSIONS

Statement of Cash Flows for the year ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities:		
Net (expenditure)	(111,137)	(52,735)
<i>Adjustments for:</i>		
Depreciation	773	527
Interest and dividends receivable	(1,127)	(6,538)
(Increase) in debtors	(39,623)	(11,459)
(Decrease) in creditors/provisions	(39,211)	(50,068)
Net cash used in operating activities	(190,325)	(120,273)
Cash flows from investing activities:		
Purchase of tangible fixed assets	-	(1,974)
Dividends and interest received	1,127	6,538
Net cash provided by investing activities	1,127	4,564
Change in cash and cash equivalents in the reporting period	(189,198)	(115,709)
Cash and cash equivalents at the beginning of the reporting period	1,204,629	1,320,338
Cash and cash equivalents at the end of the reporting period	1,015,431	1,204,629

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the Trustees in the preparation of the financial statements are set out below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. They are drawn up on the historical accounting basis. The charity meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis.

b) Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt and the amount can be quantified with reasonable accuracy. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable.

The following specific policies are applied to particular categories of income:

Donations

Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when receivable. Donations to which the charity is entitled but which have not been received by the year end are included in income in the Statement of Financial Activities and shown as debtors in the balance sheet.

Income from charitable activities

Income under this category is recognised in the financial statements when earned.

Tax reclaimed on monies donated under the Gift Aid scheme

Income under this category is recognised in the financial statements on the date that the underlying donation is received by the charity, where the tax reclaim is made within three months of the end of the financial year.

HOPE worldwide UK

Collections are often taken up at the Sunday services of the charity on behalf of HOPE worldwide UK to support the work of HOPE worldwide UK and other HOPE worldwide affiliates around the world. These amounts are not included in the accounts of this charity.

c) Expenditure

Expenditure is recognised on an accrual basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on **charitable activities** comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs incurred in the governance of the charity and its assets, and are primarily costs associated with meeting the constitutional and statutory requirements of the charity including audit fees.

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis consistent with the use of resources. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g., staff costs by the time spent and other costs by their estimate usage, as set out in note 6.

d) Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' report.

e) Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the period of the leases.

f) Fund accounting

The charity maintains various types of funds as follows:

Unrestricted fund

This represents unrestricted income which is expendable at the discretion of the Trustees in furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment. The charity at present has no designated funds.

Restricted fund – Benevolence

This represents donations which are given by the donors for benevolent work within the UK churches and are restricted to this use.

Restricted fund – Missions

This represents donations which are given by the donors for missions work inside and outside the UK and are subject to restrictions on their expenditure by the donors.

g) Tangible fixed assets

Fixed assets that cost £1,000 or more are capitalised in the financial statements.

Tangible fixed assets are stated at cost less depreciation which is provided in equal annual instalments over the estimated useful lives of the assets.

The rates of depreciation applied to assets are:

IT equipment	25%
Other equipment	10%

h) Pension costs

The charity operates a defined contribution scheme through a registered company of investment specialists. Contributions are made on behalf of all qualifying employees who have elected to join the scheme. All required contributions during the period were accrued in accordance with the scheme's rules and charged to the Statement of Financial Activities for the year.

j) Charitable commitments

Charitable commitments which are legally binding on the Trustees are accounted for as expenditure in the Statement of Financial Activities. Where the promise of financial support is not binding on the Trustees, such intentions are accounted for by a transfer to a designated reserve. Activities that are to be wholly financed from future income do not form part of such designation and are disclosed in a note to the accounts.

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

k) Branches

The charity carries out some activities through a national network of churches, which use the same name as the charity, raises funds for the charity and its own local activities and receives support from the charity through central administration. All local church transactions are accounted for gross in the accounts of the charity and all the assets and liabilities, including cash retained by the local churches are included in the charity's balance sheet.

2. DONATIONS

Donations represent restricted and unrestricted income donated by members of the church and visitors at midweek and Sunday meetings of the charity in its various locations, by standing order and via online giving.

	2017 Total £	2016 Total £
Donations	<u>2,104,168</u>	<u>1,988,612</u>

3. INTEREST RECEIVABLE

	2017 Total £	2016 Total £
Bank interest received	<u>1,127</u>	<u>6,538</u>

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	2017 Total	2016 Total
	£	£	£	£
Kingdom Kids & Youth Ministry	67,497	-	67,497	75,155
Preaching, Teaching, Evangelism and Counselling	94,069	-	94,069	77,581
	<u>161,566</u>	<u>-</u>	<u>161,566</u>	<u>152,736</u>

5. GRANTS PAYABLE

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Chennai Church of Christ	-	-	-	5,939
Dublin Church of Christ	-	64,736	64,736	5,010
Copenhagen Church of Christ	12,500	-	12,500	-
Kaduna Church of Christ	1,647	-	1,647	-
Nepal Church of Christ	9,100	-	9,100	-
South Asian Missions Society	-	46,000	46,000	51,000
HOPE <i>worldwide</i>	7,008	9,902	16,910	3,804
	<u>30,255</u>	<u>120,638</u>	<u>150,893</u>	<u>65,753</u>

These grants were for the furtherance of the Gospel and relief of poverty in line with the charity's primary objectives.

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Facility hire £	Grants payable £	Other direct costs £	Support costs £	2017 Total £	2016 Total £
Charitable expenditure							
Kingdom Kids & Youth Ministry	-	83,547	-	21,509	6,011	111,067	115,042
Preaching, Teaching, Evangelism and Counselling	1,319,553	404,335	30,255	262,682	115,395	2,132,220	2,005,234
Benevolence & Missions	-	-	120,638	6,783	7,290	134,711	80,345
	<u>1,319,553</u>	<u>487,882</u>	<u>150,893</u>	<u>290,974</u>	<u>128,696</u>	<u>2,377,998</u>	<u>2,200,621</u>

Support costs comprise the following:

	Kingdom Kids & Youth Ministry £	Preaching, Teaching, Evangelism & Counselling £	Benevolence & Missions £	Total £
Support salaries	1,994	38,283	2,419	42,696
Contract staff	2,073	39,802	2,515	44,390
Travel, retreats & conferences	380	7,303	462	8,145
Insurance and finance charges	248	4,752	300	5,300
Postage, printing & stationary	54	1,033	65	1,152
Training	0	0	0	0
IT & website costs	378	7,254	458	8,090
Child protection	111	2,127	134	2,372
Professional fees	532	10,206	644	11,382
Other	241	4,635	293	5,169
	<u>6,011</u>	<u>115,395</u>	<u>7,290</u>	<u>128,696</u>

Support costs have been allocated on the basis of estimated usage of resources.

Governance costs were £19,468 (2016: £25,813).

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

7. NET INCOME

	2017 £	2016 £
Net income for the year are stated after charging:		
Auditors' remuneration:		
For audit services	7,860	7,716
Other services	-	1,800
Depreciation	773	527
Operating Lease Rentals - Buildings	24,000	24,000
	<u> </u>	<u> </u>

8. INFORMATION REGARDING EMPLOYEES AND TRUSTEES

	2017	2016
Total number of employees during the year		
Ministers of Religion	37	37
Accounts & Administration	2	3
	<u> </u>	<u> </u>
	39	40
	<u> </u>	<u> </u>

	2017	2016
Average number of employees (full-time equivalents) during the year		
Ministers of Religion	30	28
Accounts & Administration	2	2
	<u> </u>	<u> </u>
	32	30
	<u> </u>	<u> </u>

	2017 £	2016 £
Staff costs comprise:		
Gross wages and salaries	1,050,333	990,810
Employer's National Insurance	106,048	99,889
Pension Contributions	113,651	106,157
	<u> </u>	<u> </u>
	1,270,032	1,196,856
	<u> </u>	<u> </u>

No members of staff earned more than £60,000 pro rata during the year to 31 December 2017 or in the previous year. Remuneration received by the two key management personnel was £96,045 (2016: £96,952)

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

Trustees

No Trustee or person related to or connected by business to them has received any remuneration from the charity during the year for carrying out their duties as Trustees.

During the year, total expenses reimbursed to 3 Trustees (2016: 3) amounted to £397 (2016: £610). This principally relates to the cost of attendance at board meetings and reimbursement of expenses incurred during the performance of their duties as Trustees.

The Trustees sometimes act as agents for the charity, i.e., make purchases on its behalf for which they are reimbursed.

9. TANGIBLE FIXED ASSETS

	2017 Total £
Cost	
1 January and 31 December 2017	14,851
Accumulated depreciation	
1 January 2017	12,564
Charge in the year	773
31 December 2017	13,337
Net book value at 31 December 2017	1,514
Net book value at 31 December 2016	2,287

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

10. DEBTORS

	2017 £	2016 £
DUE WITHIN ONE YEAR		
Tax recoverable	74,777	44,747
Prepayments	22,642	6,897
House Deposits	18,781	17,885
Other debtors	31,565	38,613
	<u>147,765</u>	<u>108,142</u>

11. CREDITORS- AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Tax and Social Security	-	26,442
Employer Pension Scheme	5,834	26,306
Grants payable	500	40,360
Accruals	69,422	21,859
	<u>75,756</u>	<u>114,967</u>

12. RESTRICTED FUNDS

	Benevolence fund £	Missions fund £	Total £
Brought forward at 1 January 2017	8,217	243,642	251,859
Income	22,807	220,241	243,048
Expenditure	(16,685)	(245,920)	(262,605)
Transfers	95	-	95
	<u>14,434</u>	<u>217,963</u>	<u>232,397</u>
Carried forward at 31 December 2017	14,434	217,963	232,397

The Benevolence Fund represents funds donated by members of the congregation for local benevolence needs.

The Missions Fund represents funds donated to support mission projects both in the UK and overseas.

ICC MISSIONS

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

13. TAXATION

The charity's activities are exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1998.

14. COMMITMENTS

At 31 December the charity had commitments under operating leases as follows:

	2017	2016
Land and buildings	£	£
Payments due:		
Within one year	48,700	24,000
Within 2 - 5 years	110,408	96,000
Over 5 years	162,000	186,000
	321,108	306,000

15. MEMBERS

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 December 2017 there were 6 members.

16. RELATED PARTIES

There are no related party transactions to disclose.