



**CHURCHES TOGETHER IN ENGLAND
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY NUMBER 05354231
CHARITY NUMBER 1110782**

**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2017**

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

CONTENTS

Contents	Page
Company Information	2
Trustees' Report	3-13
Report of the Independent Examiners	14
Statement of Financial Activities (Including Income and Expenditure Account)	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18-26

CHURCHES TOGETHER IN ENGLAND

COMPANY INFORMATION

Company number	05354231
Charity number	1110782
Trustees/Directors	Rt Revd Robert Byrne Revd Ruth Bottoms (Deputy Convenor) Mr Peter Hammond (Treasurer) Archbishop Doyé Agama Revd Stephen Fowler Revd Dr Callan Slipper Mr William Gabb Revd David Lavender Revd Dr Roger Paul Janet Scott Mrs Penny Thatcher Mr Richard Bradbury
Company Secretary	Revd David Lavender
Chief Executive Officer/General Secretary	Revd Dr David Cornick
Registered Office	27 Tavistock Square London WC1H 9HH
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ CCLA Investment Management Ltd COIF Charity Funds 80 Cheapside London EC2V 6DZ Epworth Investment Management 9 Bonhill Street London EC2A 4PE
Independent Examiners	Knox Cropper 8/9 Well Court London EC4M 9DN

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT

The Trustees present their annual report with the accounts for the year ended 31 December 2017. The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, Financial Reporting Standard 102 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

ABOUT CHURCHES TOGETHER IN ENGLAND

Churches Together in England (CTE) is the national body set up by the churches in 1990, and has partner bodies in Scotland, Wales and Ireland. Churches Together in Britain and Ireland is the successor body to the British Council of Churches, and acts in part as a Forum in which the concerns of the four National Ecumenical Instruments can be shared.

The Member Churches of CTE are: Churches and Denominations with a national presence; Unions of Churches; and Associations or Councils of Churches with a national presence. Member Churches are expected and entitled to make an active contribution to the life of Churches Together in England, to develop its fellowship, to guide its policy and to contribute financially. Local churches and congregations are encouraged to join their local 'churches together' grouping, or – if appropriate – their county/intermediate body.

At a national level CTE has 44 Member Churches or Councils of Churches and a similar number of Bodies in Association. The numbers continue to grow. Churches are also continuing to develop ecumenical commitment locally and at intermediate (county) level.

CTE is a visible sign of the churches' commitment as they seek a deepening of their communion with Christ and with one another, and proclaim the Gospel together by common witness and service. Its strength comes from people from different ecclesial traditions and cultures finding new ways to work and worship together.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CTE is a company limited by guarantee (company number 05354231) and a registered charity (charity number 1110782). The governing instrument of the charitable company is the Memorandum and Articles of Association.

There are six Presidents of CTE: The Archbishop of Canterbury, The Cardinal Archbishop of Westminster, The Free Churches Moderator, a representative of the Orthodox Churches, a representative of the Pentecostal Churches and a President nominated by the New Churches, the Religious Society of Friends and the Lutheran and German speaking Churches. The Presidents meet regularly to discuss matters of concern to the churches in England. Their meetings are facilitated by the General Secretary of CTE. In June 2002, the then Presidents signed a Personal Covenant to seek a common understanding of Christ's message of salvation in the Gospel; and to work towards the visible unity of the Church of Jesus Christ in the one faith in the presence of HM The Queen, at Windsor. This has subsequently been signed by the new Presidents.

The Forum is a triennial meeting of CTE that provides an opportunity for people representing churches at local, intermediate and national levels to meet. It serves as a place where the current work of CTE is celebrated and affirmed and general fresh directions are discerned. The functions of the Forum are: to engage in worship and discussion; to recommend to the Member Churches such matters as it believes should be addressed jointly; to support and encourage

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

Intermediate Bodies in their role as the servants of their participating churches; and to share its reflections on the activities and future programmes of CTE. The Forum does not have other roles in the governance of CTE.

The Members of the charity comprise the Enabling Group. To enable the widest possible participation in the shaping of the life and work of CTE the Enabling Group draws together representatives of denominations, bodies in association and regional representatives of the Intermediate Bodies. Every member of the charity undertakes to contribute up to £10 to the charity's assets in the event of the dissolution of the charity.

The Enabling Group has the legal responsibilities in the governance of the charity for electing the Trustees and electing the chair of the Trustees. Its responsibilities also include: the admission and classification of members of the charity; agreeing procedures at general meetings and meetings of the Trustees; receiving the annual report and accounts of the Trustees; and appointing auditors.

The Enabling Group is a reference point for Member Churches and other representatives for making decisions together which are proper to them (where necessary referring matters back to the Member Churches) and for responding to initiatives from the Forum, Member Churches and Intermediate Bodies and enabling those initiatives to be carried out by the churches in consultation with one another. The Enabling Group may make recommendations to the Trustees and comment upon their operation, but may not limit or otherwise affect the Trustees' legal powers and obligations. The Enabling Group meets twice a year.

Being a company limited by guarantee, there is a board of Directors who also act as the Trustees of the registered charity. The members of the charity elect the Trustees.

The Trustees manage the business of the charity and are responsible for: ensuring that the charity is solvent, well-run, and delivering the charitable outcomes for which it has been set up; ensuring that the charity complies with charity law, and with the requirements of the Charity Commission, that the charity does not breach any of the requirements in its governing document and that it remains true to the charitable purpose and objects set out there; acting with integrity, and avoiding any personal conflicts of interest or misuse of the charity's funds or assets; and regulating the financial affairs of the charity. The Trustees may enter into contracts, appoint and employ staff, determine staff pay and conditions of service. The Trustees may appoint an honorary treasurer. The Trustees endeavour to consult the Enabling Group and to inform it of their decisions. They arrange the agenda of the Enabling Group, which the Enabling Group is free to amend.

The Trustees meet at least three times a year. They are mostly elected because they already have the necessary experience of being a Trustee and /or director within their denomination. Time is given within Trustees' meetings to focus on the role and changes in legislation. Those new to the work of the company meet with the General Secretary. Where required, formal training or advice from consultants is given. The Trustees (who are also Directors) who served during the year were:

Rt Revd Robert Byrne (Chair/Convenor)
Revd Ruth Bottoms (Deputy Convenor)
Mr Peter Hammond (Treasurer)
Archbishop Doyé Agama
Revd Stephen Fowler
Revd Dr Callan Slipper

Mr William Gabb
Revd David Lavender
Revd Dr Roger Paul
Janet Scott
Mrs Penny Thatcher
Mr Richard Bradbury

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

The day-to-day management of the company is delegated to the General Secretary, Revd Dr David Cornick, who reports to the Trustees and is managed by the Convenor. There are five full and one part-time staff members.

PUBLIC BENEFIT

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission.

As a charity, CTE is committed to the advancement of the Christian religion, the promotion of religious harmony, and promoting co-operation, joint working, and greater efficiency amongst its members. We believe that the Christian faith is of benefit to individuals and society because it has at its heart God's intent to reconcile all people and the whole of creation to himself under Christ as head. That is a vision which encompasses peace and cohesion, mutual respect and self-giving love.

We work out our public benefit in a number of ways. It is primarily done through the service which we offer to our members (as detailed below). However, we also contribute to the creation of social capital and community cohesion by bringing together Christians of differing ethnicities and theological persuasions, and by providing resources which enable them to create relationships with neighbours of other faiths and beliefs.

OBJECTIVES AND ACTIVITIES

The charity's objectives ("the Objects") are defined as the advancement of the Christian Religion in accordance with the statement of faith given below, the relief of poverty and the advancement of education and any other purposes which are charitable according to the law of England and Wales.

The charity seeks (within its general objectives) to be a visible sign of the churches' commitment to one another, in obedience to our Lord's Prayer "that they may all be one. As you, Father are in me and I am in you, may they also be in us so that the world may believe that you have sent me". (John 17:21) (NRSV)

REVIEW OF THE YEAR

Two anniversaries co-incided in 2017. On October 31st 1517 Martin Luther promulgated his 'Ninety-five Theses'. On September 4th 1987 the Swanwick Declaration was signed.

The publication of Luther's Theses led eventually to the upheavals of the Protestant reformations which tore apart the unity of Western European Christendom between the 1520s and the 1560s. It might have remained a European question, but the divisions which were created in the sixteenth century were exported on the coat-tails of the missionary movement in the late eighteenth and nineteenth centuries. In that sense, 1517 was a determinative, shaping moment for both European history and world Christianity.

The Swanwick Declaration was the embodiment of the 'common mind' of '...the broadest assembly of British and Irish churches ever to meet in these isles'. In God's time, they committed themselves to 'become more fully ...the one Church of Christ, united in faith. Communion, pastoral care and mission.' This was the moment when Cardinal Hume committed the Catholic Church in England and Wales to move '...quite deliberately from a situation of co-operation to one of commitment to each other.' And as a result new instruments

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

were created to enable churches to do that, including in England 'Churches Together in England'.

It is a sign of the times that the former anniversary spawned books, programmes and conferences in abundance, but the latter went unnoticed. Division and disagreement is so much sexier than reconciliation and common endeavour. Thanks to the ecumenical pilgrimage of the past century, of which Swanwick was no small part, working together in mission is so commonplace in England's cities, towns and villages that it is regarded as normal.

It was therefore appropriate that CTE's Board decided to fund research by the Theos think tank into the next phase of the ecumenical journey. Their report, *That they may all be one: insights into Churches Together in England and contemporary ecumenism*, surveyed the understandings of unity amongst our members. It stands as a salutary cairn on the journey, a reminder of the changing, diversifying face of English Christianity. In 1987 there were 16 member churches, now there are 45, witness to the growth of migrant churches, the burgeoning of Pentecostalism, and the changing dynamics of the charismatic movement.

It is small surprise that the 500th anniversary of 1517 loomed large in CTE's life in 2017, but the Theos research reminded us that we were exploring its implications in a very different Christian landscape to that which prevailed in 1987. And that in its turn is an impetus to re-fashion our ecumenical engagement as we seek together to share in God's mission over the next decade. The Board have begun to work with the report and to re-fashion the strategic aims of the organisation. However, this report (for 2017) is structured under the then current strategic aims.

Relationships

Our Enabling Group is an extraordinary experience. It is a microcosm of England's Christian diversity, united in their recognition of each other as disciples of Jesus Christ, but wonderfully diverse in their styles of Christian worship, theology and spirituality. One colleague from one of the 'historic' churches expressed delight at 'encountering churches I'd never heard of before', and that was complemented by a representative of one of the newer members who said, 'What a pleasure to be around the same table as all these other Christians'. That is an expression of the relational heart of ecumenism, and it is why relationships remained at the heart of our work in 2017. The Enabling Group doesn't just 'happen' it is carefully engineered by the staff and the Board to get maximum value from our diversity. At most meetings a member church gives a presentation about itself and leads night prayer according to its practice. In March, appropriately in the 500th anniversary of the Lutheran reformation, the Council for Lutheran Churches, the Evangelical Lutheran Church of England and the Evangelische Synode Deutscher Sprache in Großbritannien, gave a presentation about their tradition and witness.

A commitment to diversity flows over into every other aspect of our work. We sustain a deliberately diverse range of networks, meetings, conferences, consultations and encounters – from Digi-Comms Officers to those who work in new housing, from encounters between Pentecostal pastors and Orthodox clergy to gatherings of County Ecumenical Officers, from meetings of Bodies in Association who reach into almost every facet of charitable life to briefing sessions for international visitors (in 2017 for a group from America).

We also devote a good deal of staff time, energy and creativity to our web-site, which is our on-line front door. 2017 saw much editing, re-writing and archiving of material, not least in the pages that deal with the history of ecumenism since 1987. There are now 1,100 areas to the web-site under the four main headings of About, News, Resources and Contact. Our average

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

page visits per day was significantly up on 2016, with an average of 9,970 visits. Our Twitter feed, which can also be accessed from the web-site, had 1,248 regular followers and they receive an average of 35 news items a day from across the churches and agencies of CTE. *CTe-News*, an open access news service, had 1,390 subscribers. It contained an average of fifteen news items a month. Our news bulletin for evangelists and missionaries, *EvangelismUK* circulated news about twice a week to c. 200 specialist subscribers. We also continued to maintain *The Black and Multi-cultural Churches Directory* which remained a significant on-line resource about that sector of English Christianity.

Relationships are vital at every level of ecumenism. We are profoundly grateful for the level of ecumenical understanding and mutual support amongst our six Presidents. 2017 saw significant changes and an important staging post in the maturing of the sixfold Praesidium. Our first Pentecostal and Orthodox Presidents concluded their terms of office. HE Archbishop Gregorios was succeeded by HG Bishop Angaelos, and Bishop Eric Brown by Pastor Agu Irukwu. We were honoured that Archbishop Gregorios and Bishop Brown served us in those ways, and we are grateful for their support and encouragement. We also noted with pleasure Bishop Angaelos's enthronement later in the year as Coptic Archbishop of the Diocese of London.

The General Secretary attended an ecumenical service of Vespers to mark the death of one of our former Presidents, Cardinal Cormac Murphy-O'Connor. He was a great friend and champion of ecumenism, and he would have been gladdened to see so many of our member churches represented at the service.

The fine working relationship and nexus of friendships which binds the National Ecumenical Officers together is a vital component of the English ecumenical engine. We continued to service their meetings in 2017, and note with pleasure the widening of that group as more churches appoint people to cover that area of work. We also said sad farewells to some long serving full-time officers on their retirement (particularly to Roger Paul of the Church of England and David Tatem of the URC), but welcomed their replacements and rejoiced at a new blend of gifts for fresh challenges.

We continued to work hard during 2017 in supporting the work of Intermediate Bodies and their officers (County Ecumenical Officers and equivalents). Jenny Bond, our officer for Training, Resources and Events, is at the sharp end of this, keeping information flowing, dealing with queries and arranging consultations. We have continued to provide support during County Ecumenical Officer vacancies, helped with recruitment and professional appointment procedures and with the induction of newly-appointed Officers, offering them a personalised induction session at CTE's London offices. The training course for new Ecumenical Officers continues to be refined and improved in collaboration with our National Ecumenical Officer colleagues.

The 2017 CEO consultation unusually took the form of a reflective retreat, led by Jenny Bond and David Cornick, focusing on prayer and on meditation on John's gospel. It was well received, and during 2017 planning began with officers from the East Midlands for the 2018 consultation.

2017 also saw a change in our Bodies in Association meetings. This is a work which we share with our colleagues in CTBI, and we would both wish to note our thanks to the long-standing Convenor of that meeting, Fr Mark Woodruff, who concluded twelve years of service in 2017. Mark has been a doughty champion of the 'ecumenical voluntary sector' (in which he works) and a good friend of the Instruments. We were also delighted to welcome as his successor Doral Hayes of the Association of Interchurch Families.

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

The Pentecostal Forum has met twice, bringing together representatives and leaders from twenty one national church and church agencies to discuss matters of Christian unity and mission. Amongst other pieces of work, they have begun to address the complex questions around the arguments for reparations in relation to the legacy of slavery and its history, and will be engaging member churches in those discussions in due season.

Ecumenism is sustained and developed by this complex, fragile and yet remarkably tensile web of relationships and networks, and we are grateful to all who have worked with us in 2017.

Action for Mission

Our work here falls into two discrete categories. We have acknowledged expertise in Pentecostal and Multicultural Relations (PMR) Our staff member in this area, Bishop Dr Joe Aldred, is also key to many initiatives within the wider black community. We have been delighted to have Mrs Elizabeth Joy working alongside him as a volunteer during 2017. That expertise is reflected in the wide range of partners with whom we have worked during 2017 – the Church of England's Anglican/Pentecostal Steering Group, the Inter-Faith Network, the National Church Leaders Forum and Housing Justice. That range of collaboration is an indication of the respect in which our expertise is held. and our engagement with public affairs and government is focused here. We took particular pleasure in Dr Aldred's appointment as one of the Co-Presidents of Housing Justice.

June saw the launch in the House of Lords, hosted by Baroness Elizabeth Butler-Sloss, of our report *Behind Closed Doors – voices against gendered violence, human trafficking and modern day slavery*. This unique and significant piece of work which we commissioned from Dr Carrie Pemberton-Ford of the Cambridge Centre for Applied Research in Human Trafficking (CCARHT) focussed particularly on those churches which have a large West African constituency in raising awareness of trafficking issues and how their churches can respond. It provides a template for all our churches whose congregations are drawn from across the globe and many cultures because trafficking is a global crime, and a universal sin against the image of God. We are pleased to report on-going conversations about training as a consequence of this piece of research.

Our 18 month long Heritage Lottery funded project - 'They Also Served - The Contribution of Black African and Caribbean servicemen and servicewomen to WW1' also concluded during 2017, culminating in a moving service at Handsworth New Testament Church of God on July 2nd, at which the preacher was the Revd Rose Hudson-Wilkin, Chaplain to the Speaker of the House of Commons. This project was focussed on the West Midlands, and its impact has been profound. In itself it has been an important contribution to black history, and our Researcher, Dr Angeline Osborne reminds us that '...Black British history is a global history and a shared history, and it should be regarded as such'. The take-up of the exhibition materials and the general interest of schools in the project exceeded expectation. This has been a notable contribution to the discovery of a common history in the horrors of war, and it has enabled new understandings of the complex multi-cultural history of twentieth century Britain and its churches. If mission is about discovering who you truly are in the presence of God, then this was mission.

Our second main missional focus is through the work of Capt Jim Currin CA, our mission and evangelism officer. We were partners in two noteworthy pieces of work. The first was the initiative of the Archbishops of Canterbury and York in 'Thy Kingdom Come', the call to prayer for mission between Ascensiontide and Pentecost. All our Presidents eagerly endorsed this initiative and we worked hard, from the initial stages of planning onwards to realise its

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

ecumenical potential. We helped facilitate the ecumenical Champions launch event at Lambeth, and encouraged their appointments, and gathered stories and information about Churches Together Beacon events in Winchester, Eastleigh and Shropshire. The impetus was considerable, and the ecumenical possibilities promise to be even greater during 2018.

We were also partners with the Gather Network of 'new unity movements for mission' in Movement Day, a major conference at Methodist Central Hall for over a thousand people on 6/7th October. We were responsible for a seminar on 'Churches Together and Mission as Transformation' and it was a real delight to see five of our six Presidents (the Archbishop of Canterbury was abroad) leading prayers for the nation in Parliament Square as the conclusion to the first day. Unity is not a brand we 'own', we are rather its heralds and celebrants, so we will continue to build bridges to all who share the gospel imperative of bringing God's people to unity that the world may believe. Solid relationships have been built which will bear fruit in 2018 and beyond as 'Gather' increases its international momentum.

More prosaically, but equally importantly, we have continued to provide space and secretarial servicing for Evangelism Officers and the Churches Group for New Housing in their regular meetings, and also organised a day for Digi-Comms officers. The New Housing Group made site visits to north Kent and to Derby, exploring the creative ways in which the churches are responding to new housing areas – church planting, pioneer ministry, Retail Chaplaincy and Café Church, all in pursuit of mission, the creation of community, and human flourishing.

Mission and unity are integral parts of being the church, so the finalising of *A new framework for Local Mission in Unity* in March and the work on *A guide to understanding 'A new framework'* with colleagues amongst the National Ecumenical Officers provides a resource for wider and more collaborative ecumenical mission activity, and should enable a much looser, nimbler enabling of ecumenical mission objectives.

During 2017 we began to research what Churches Together groups understand by mission, and will eventually be producing a paper which collates and analyses our findings. We have also provided advice to a number of local CT groups about working together and undertaking mission activities together.

Theological reflection

This weaves through all that we do. Both Enabling Group meetings in 2017 included Bible Study and theological reflection. The Board spent a day at the Royal Foundation of St Katherine in Limehouse in July reflecting on the Theos report, which the Deputy Convenor focused on a reading of Ezekiel 47:1-12 – the river flowing from the Temple.

However, the 500th anniversary of the reformation opened up particular possibilities. We were responsible for the administration of a major conference for Ecumenical Officers and other interested people at Swanwick in October, 'Responding to the reformation'. Speakers included Professors Mark Chapman and Andrew Louth, Fr Nicholas King SJ, and the Rt Revd Jan Macfarlane, the Bishop of Repton. The focus was on handling the legacy of the reformation and the papers will be published in *One in Christ*.

David Cornick gave fifteen lectures / papers in the course of the anniversary to groups as diverse as the Congregational Federation, the Catholic Diocese of Nottingham, Thames Ditton Churches Together and Peterborough Theological Society. The level of interest evoked by the anniversary speaks both of people's hunger for knowledge of their Christian history, but also (more importantly) about how that heritage can be understood and used ecumenically.

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

During 2018 we will also be organising a conference on Pentecostalism and the Reformation.

Theology does not exist in isolation from the reflective people of God. Mission stimulates theological thought, and sometimes ecclesiological innovation. Of nowhere is that more true than Cumbria. We do not normally engage with the review of intermediate ecumenism, but the attempt in Cumbria to create an ecumenical county has a resonance and significance far beyond its borders, and for this reason we have been standing alongside them and trying to help them explore the boundaries of ecumenical co-operation. That work cannot be other than theological and its conclusion will stretch into 2018.

Governance issues and general remarks

The Theos Report was delivered in July 2017 and the Board then began their process of assimilating it and responding to it. A day meeting at the Royal Foundation of St Katherine in July began that process and a report was made to the November Enabling Group. The Deputy Convenor, the Revd Ruth Bottoms, plans to work with the staff at their residential meeting in January 2018 to start work on new strategic objectives which will re-align the organisation with the mission focus suggested by Theos's research.

The Board will also have that in mind as they plan for the appointment of a successor to the Revd Dr David Cornick who retires in September 2018. Clearly those processes are interlinked as the new General Secretary will have to implement the new strategy along with the staff.

The Board, through its Finance Committee, continue to exercise careful financial control as they enter (as planned) a period of deficit financing. That is sustainable in the short term, but clearly not in the long term, and they will be engaging with member churches about that during 2018.

Key Performance Indicators for an umbrella body must include the number and influence of those who wish to join it, or remain in its embrace. It is a pleasure to report that we are dealing with a number of applications from churches who wish to join, and that during 2017 we welcomed the Calvary Church of God in Christ as members and Action for Children and Sports Chaplaincy as Bodies in Association

Another Key Performance Indicator is those who are willing to lend their support to us, or work in partnership with us. The Archbishop of Canterbury, the Cardinal Archbishop of Westminster, HE Archbishop Gregorios of Thyateira and Great Britain, Bishop Eric Brown, the Revd Dr Hugh Osgood and the Revd Canon Billy Kennedy continued to serve us as Presidents, as towards the end of year do Archbishop Angaelos and Pastor Agu Irukwu who succeed Archbishop Gregorios and Bishop Brown respectively. A wide range of church leaders of all denominations participate in our work in many other ways.

We continue to work in partnership with the the Inter-Faith Network of the United Kingdom, the British Trust for Tantor, the *We Gather* network of the Evangelical Alliance, Together for the Common Good, Hope Together and the National Church Leaders' Forum, (amongst others) as well as the other National Instruments and Churches Together in Britain and Ireland. The General Secretary was privileged to be part of the CTBI writers' group producing the *Week of Prayer for Christian Unity* material. Joe Aldred remains an Honorary Research Fellow at Roehampton University.

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

PLANS FOR THE FUTURE

CTE is committed to developing working arrangements with Churches Together in Britain and Ireland and the National Instruments in Scotland, Wales and Ireland, and also with the Free Churches Group who generously allow their Education Officer's expertise to be available to us.

Our future plans will be intimately connected with the reception of the Theos review and re-aligning our strategic aims towards a mission focus.

We note two personnel matters which fall outside the timing of the Annual Report because of their impact on the charity. The first is that the present General Secretary, the Revd Dr David Cornick, retires in September 2018. We note with pleasure that his successor will be the Revd Dr Paul Goodliff. He will begin work in a part-time capacity from July 2018, becoming full-time in September 2018.

We heard with great sadness in March 2018 of the unexpected death of our long-serving Treasurer, Peter Hammond. The Board had already implemented steps to find a successor and will be co-opting an Acting Treasurer in May 2018 for confirmation by the 2018 AGM.

Financial stability remains an overriding concern which will be shared with member churches during 2018.

We will continue to seek all avenues for using our expertise in mission, education, theology and multicultural issues to the benefit of our members.

RISK REVIEW

The directors undertake each year a wide ranging appraisal in order to identify the major risks to which the charity is exposed. Steps are taken with a view to mitigating these risks as far as is reasonably possible.

The directors are aware that the continued financial stability of the charity relies on contributions from member churches and intermediate body subscriptions and to some extent on donation income. They believe that the time-frames for which such income is reasonably assured is satisfactory, and that expenditure linked to grant income is also managed along similar time-frames, so as to mitigate these risks so far as possible. Clearly the reception of the Theos review by the churches and the ensuing decisions they will make about structures of funding for 2018 onwards are critical to the shaping of CTE's future work.

Professional Indemnity insurance is purchased at a cost to the charity to protect the charity and its Trustees.

CTE places a great importance on health and safety matters and undertakes to conduct its operations in such a way as to safeguard the health and safety of all its employees, visitors and the general public. To this end CTE has endeavoured to create and develop a working environment in which there is an awareness to the vital importance of health and safety. This will encourage all staff to participate in developing and practicing safe working methods and to have regard for the welfare of themselves and others. CTE has a certified first aider amongst its employees. Staff training and consciousness-raising is regarded seriously.

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

CTE is aware of the implications of the full implementation of the Disability Discrimination Act in all its activities. Staff have been made aware of, and are required to implement, the data protection principles. CTE is registered with the Information Commissioner.

FINANCIAL REVIEW

The result for the year is shown in the Statement of Financial Activities on page 15, and is considered satisfactory by the Trustees. The level of income is consistent with the previous year, but expenditure has increased due to additional projects being undertaken. The deficit in the year on the General Fund of £1,850 (2016: surplus £80,984) leaves the general fund with a balance of £549,820 which the Trustees consider adequate to provide the charity with stability and enable longer term planning.

INVESTMENT POLICY & PERFORMANCE

The Trustees' policy is to retain any short-term surplus funds, including designated and restricted funds, in the highest possible interest-bearing accounts consistent with the objects of the charity, currently using the CAF Bank 'Gold Account', the CCLA Investment Management 'COIF Charities Deposit Fund' and the Epworth Investment Management 'Affirmative Deposit Fund for Charities'. Long-term surplus funds are placed in quoted investment funds, currently using the CCLA Investment Management 'COIF Charities Investment Fund'. Investment performance was satisfactory.

RESERVES POLICY

It is the policy of the Trustees to ensure that the charity has adequate reserves to enable it to meet both its ongoing commitments in regard to general charitable activities, and its future funding requirements. The Trustees require as reserves a minimum of nine months' expenditure in order to meet any contractual and winding-up costs.

At the year end the charity held restricted funds of £4,432 (2016: £8,134), designated funds of £222,702 (2016: £222,387) and general funds of £549,820 (2016: £551,670) [of which £Nil (2016: £Nil) is represented by tangible fixed assets]. The Trustees consider the current level of reserves to be appropriate for the present situation and requirements of the charity, and will continue to review the overall position and policy at regular intervals. The Special Projects Fund is intended to be expended over the next 3 to 5 years.

INDEPENDENT EXAMINERS

Knox Cropper were appointed as Independent Examiners of the Charity the last Annual General Meeting and a resolution proposing their reappointment will be put to the next Annual General Meeting.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve

**CHURCHES TOGETHER IN ENGLAND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

TRUSTEES' REPORT (CONTINUED)

the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period.

In preparing those financial statements, the directors are required to: select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; observe the methods and principles in the Charities SORP; state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant information of which the company's independent examiners are unaware. The directors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the company's independent examiners are aware of the information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board

The Revd Ruth Bottoms (Convenor/Chair)
Dated: 20th July 2018

**REPORT OF THE INDEPENDENT EXAMINERS
TO THE MEMBERS OF
CHURCHES TOGETHER IN ENGLAND
FOR THE YEAR ENDED 31 DECEMBER 2017**

I report to the charity trustees on my examination of the accounts of the Churches Together in England for the year ended 31 December 2017 set out on pages 15 to 26.

Responsibilities and basis of report

As the trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no 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 as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Richard Billingham FCA
Knox Cropper
Chartered Accountants
8/9 Well Court, London, EC4M 9DN

Date: 20th July 2018

**CHURCHES TOGETHER IN ENGLAND
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Unrestricted Funds General Designated 2017 £	Unrestricted Funds Designated 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
INCOME						
Donations and legacies	2	342,226	-	33,450	375,676	427,593
Charitable Activities	3	38,587	7,000	-	45,587	60,206
Investments	4	2,253	-	-	2,253	3,017
Total		<u>383,066</u>	<u>7,000</u>	<u>33,450</u>	<u>423,516</u>	<u>490,816</u>
EXPENDITURE						
Charitable activities	5	375,610	18,025	37,152	430,787	424,912
Total expenditure		<u>375,610</u>	<u>18,025</u>	<u>37,152</u>	<u>430,787</u>	<u>424,912</u>
Net Income / (Expenditure) before gains / (losses) on investments		7,456	(11,025)	(3,702)	(7,271)	65,904
Gains / (Losses) on investments	9	2,034	-	-	2,034	2,169
Net Income/(Expenditure)		9,490	(11,025)	(3,702)	(5,237)	68,073
Transfers between funds		(11,340)	11,340	-	-	-
Net movement in Funds		<u>(1,850)</u>	<u>315</u>	<u>(3,702)</u>	<u>(5,237)</u>	<u>68,073</u>
Reconciliation of Funds	13					
Balances at 1 January		551,670	222,387	8,134	782,191	714,118
Net movement in Funds		(1,850)	315	(3,702)	(5,237)	68,073
Balances at 31 December		<u>549,820</u>	<u>222,702</u>	<u>4,432</u>	<u>776,954</u>	<u>782,191</u>

**CHURCHES TOGETHER IN ENGLAND
BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Notes	2017			2016
		£	£	£	£
Fixed Assets					
Tangible assets	8	-		-	
Investments	9	25,491		23,457	
		<u> </u>	25,491	<u> </u>	23,457
Current Assets					
Debtors	10	8,303		26,744	
Cash at bank and in		821,315		815,661	
		<u> </u>		<u> </u>	
		829,618		842,405	
Current Liabilities					
Amounts falling due	11	<u>(33,290)</u>		<u>(34,203)</u>	
Net Current Assets			796,328		808,202
Creditors: amounts falling due in more than one	12		(44,865)		(49,468)
Net Assets			<u><u>776,954</u></u>		<u><u>782,191</u></u>
Funds					
Unrestricted:					
General	13		549,820		551,670
Designated	13		222,702		222,387
Restricted	13		4,432		8,134
Total Funds			<u><u>776,954</u></u>		<u><u>782,191</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard FRS 102.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on 20th July 2018 and were signed on its behalf by:

The Revd David Lavender, Director
Company Number: 05354231

**CHURCHES TOGETHER IN ENGLAND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	£	£
Net income/(expenditure) for the year	(5,237)	68,073
Adjustments for:		
Depreciation charges	-	439
(Gains)/losses on investments	(2,034)	(2,169)
Dividends, interest and rents from investments	(2,253)	(3,017)
(Increase)/decrease in debtors	18,441	(19,041)
(Decrease)/increase in creditors	(913)	(2,207)
Increase/(decrease) in creditors over one year	(4,603)	(1,854)
	<u>8,638</u>	<u>(27,849)</u>
Cash flows from operating activities	3,401	40,224
 Cash flows from investing activities		
Dividends, interest and rents from investments	<u>2,253</u>	<u>3,017</u>
Cash provided by investing activities	<u>2,253</u>	<u>3,017</u>
Change in cash and cash equivalents in the year	5,654	43,241
 Cash and cash equivalents at the beginning of the year	<u>815,661</u>	<u>772,420</u>
Total cash and cash equivalents at the end of the year	<u>821,315</u>	<u>815,661</u>

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1) Accounting Policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared under historical cost convention with the exception of investments which are included at market value. The presentational currency of these financial statements is Pounds Sterling (£). Churches Together in England meets the definition of a public benefit entity under FRS 102.

b) Going Concern

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustee's Responsibilities on page 12.

c) Grants receivable, donations and subscriptions

Grants receivable, donations and subscriptions are recognised in the period when the charity has entitlement to the funds, any performance conditions attached to the item of income has been met, it is probable that the income will be received and the amount can be measured reliably.

d) Investment income

Investment income is recognised on the receipts basis.

e) Grants paid

Grants paid are recognised on a payments basis.

f) Resources expended

Expenditure is recognised on an accruals basis as 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities 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. Costs are split between categories based on staff time.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities and include the charity's governance costs. Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs relevant to the strategic management of the charity.

g) Pension costs

Pension costs represent contributions payable to employees' personal and denominational and other pension schemes, including The Pensions Trust (see below), and are charged to the Statement of Financial Activities as they are incurred.

The Pensions Trust Growth Plan is in most respects a money purchase arrangement, but does include certain guaranteed benefit elements. The Plan is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS102, is also accounted for as a defined contribution scheme with contributions being recorded as they become payable.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement, the liability for this obligation is recognised as the net present value of the deficit reduction contributions payable under the agreement.

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

h) Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each tangible fixed asset over its expected useful life as follows:

- i) Office furniture - 10% / 20% straight line
- ii) Office equipment - 20% straight line
- iii) Computer equipment - 50% / 33% straight line

i) Listed investments

Listed investments are shown at market value. Realised and unrealised gains are disclosed in the Statement of Financial Activities.

j) Funds

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general fund. Designated funds are unrestricted funds earmarked by the Trustees for a particular purpose. At the decision of the Trustees, previously designated funds may be transferred back to unrestricted general funds without further specified purpose. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of costs.

k) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, these being cash at bank, debtors and creditors (see notes 10 and 11). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Cash and cash equivalents

Cash and Cash Equivalents in the Balance Sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. For the purpose of the Statement of Cash Flows, cash and cash equivalents are as defined above net of outstanding bank overdrafts if they exist.

m) Judgements and key sources of estimation uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have a significant effect on amounts recognised in the financial statements.

2) Donations and Legacies

	Unrestricted Funds		Restricted Funds	Total Funds	Total Funds
	General	Designated			
	2017	2017	2017	2017	2016
	£	£	£	£	£
Donations:	936	-	-	936	903
Grants:	-	-	33,450	33,450	-
Contributions from Member Churches	341,290	-	-	341,290	426,690
Total	342,226	-	33,450	375,676	427,593

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

3) Charitable Activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	Funds	Funds
	2017	2017	2017	2017	2016
	£	£	£	£	£
Subscriptions from intermediate	10,150	7,000	-	17,150	17,850
Conference fee income	28,014	-	-	28,014	42,115
Sales of publications	205	-	-	205	-
Miscellaneous income	218	-	-	218	241
Total	38,587	7,000	-	45,587	60,206

4) Investments

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	Funds	Funds
	2017	2017	2017	2017	2016
	£	£	£	£	£
UK Listed Investment	-	-	-	-	780
Use of premises	156	-	-	156	-
Bank interest received	2,097	-	-	2,097	2,237
Total	2,253	-	-	2,253	3,017

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5) Expenditure: Charitable activities

	Unrestricted Funds		Restricted Funds	Total Funds	Total Funds
	General	Designated	Funds	Funds	Funds
	2017	2017	2017	2017	2016
	£	£	£	£	£
Staff costs:					
General activities	150,570	-	-	150,570	147,723
Minority and Ethnic Christian affairs	51,896	-	-	51,896	60,259
Evangelisation officer	51,896	-	-	51,896	50,797
They Also Served Project Officer	-	-	8,815	8,815	14,813
Total Staff costs	254,362	-	8,815	263,177	273,592
Support costs:					
Rent	5,000	-	-	5,000	6,000
Office costs	16,712	-	-	16,712	17,950
Staff welfare, training and recruitment	1,470	-	-	1,470	1,340
Computer consultancy and running costs	7,016	-	-	7,016	7,827
Travel expenses	18,762	-	-	18,762	23,605
Insurance	4,019	-	-	4,019	3,926
Legal fees, HR and financial consultancy	27,112	14,500	28,337	69,949	56,000
Conference expenses	31,634	3,525	-	35,159	20,546
Bad debts	155	-	-	155	4,845
Depreciation	-	-	-	-	439
Total Support costs	111,880	18,025	28,337	158,242	142,478
Governance Costs					
Independent Examination Fee	2,400	-	-	2,400	3,155
Other Governance costs	6,968	-	-	6,968	5,687
Total Governance costs	9,368	-	-	9,368	8,842
Total	375,610	18,025	37,152	430,787	424,912

6) Trustees' Emoluments

None of the Trustees were remunerated or received pension benefits.

Expenses reimbursed to Trustees for travel, subsistence and conference expenses were £2,810 (2016: £1,858).

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7) Staff Costs

Staff costs during the year were:

	2017	2016
	£	£
Wages and salaries	218,955	227,058
Social security costs	20,914	21,576
Pension contributions	23,308	24,958
Total	<u>263,177</u>	<u>273,592</u>

No employees received remuneration greater than £60,000.

The average number of employees during the year was:

	2017	2016
	Number	Number
Direct charitable activities	3.5	3.5
Management and administration	1.5	1.5
Total	<u>5.0</u>	<u>5.0</u>

All staff are entitled to receive pension contributions. Pension contributions for the current year are after recognising the movement in the deficit reduction funding provision for the year as analysed in note 12. This was a release of £4,603 in the current year (2016: release of £1,854).

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, including any trustee (whether executive or otherwise) of the charity. The key management personnel of Churches Together in England are the Trustees and the General Secretary.

Total compensation paid to key management personnel in the year amounted to £54,435 (2017: £53,379).

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8) Tangible Fixed Assets

	Office Equipment £
Cost	
At 1 January 2017	2,776
At 31 December 2017	2,776
Depreciation	
At 1 January 2017	2776
Charge for the year	-
At 31 December 2017	2,776
Net Book Value	
At 31 December 2017	-
At 31 December 2016	-

9) Investments

	UK Listed 2017 £	UK Listed 2016 £
Market Value		
At 1 January 2017	23,457	21,288
Increase on revaluation in year	2,034	2,169
At 31 December 2017	25,491	23,457
Historic Cost	20,000	20,000

The UK listed investment is Income Units in CCLA Investment Management Limited's COIF Charities Investment Fund.

10) Debtors

	2017 £	2016 £
The Free Church Federal Council (Incorporated)	2,934	2,934
Other debtors	2,458	20,650
Prepayments	2,911	3,160
Total	8,303	26,744

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11) Current Liabilities: Amounts Falling Due Within One Year

	2017	2016
	£	£
Other creditors	20,863	10,817
Tax and NI creditor	6,087	6,506
Accruals	6,340	16,880
Total	<u>33,290</u>	<u>34,203</u>

12) Pension Obligations

Past and some current employees of CTE are entitled to membership of the Pension Trust Growth Plan ("the Plan"). This is a multi-employer pension plan which in most respects is a money purchase arrangement, although it does include certain guarantee elements as described below.

Contributions paid into the Plan up to and including September 2001 (Series 1 and Series 2) were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed total scheme assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. During the year this amounted to £5,359 (2016: £5,276) in respect of CTE.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. From 1 April 2016 to 30 September 2028: the additional contributions will be £5,359 per annum (payable monthly and increasing by 3% each on 1st April).

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate of 1.39% (2016: 1.44%). The unwinding of the discount rate is recognised as a finance cost.

	2017	2016
	£	£
Provision as at 1 January	49,468	51,322
Unwinding of the discount factor	670	1,211
Deficit contributions paid	(5,359)	(5,276)
Re-measurements – impact of any change in assumptions	86	2,211
Provision as at 31 December	<u>44,865</u>	<u>49,468</u>

One current employee is a member of the United Reformed Church Ministers' Pension Fund (URCMPF), when that employee retires, if there ceases to be any CTE employees in the URCMPF there will be a liability for past service deficits in respect of the current and past employees who have been members of the Fund. The amount of the deficit is unknown and cannot practically be measured at this stage. The current member is expected to retire in 2018 and at that point the necessary calculations will be performed to quantify the liability.

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13) Funds

	Balance at 1 January £	Income £	Expenses £	Gains £	Transfers £	Balance at 31 December £
Unrestricted Funds:						
General funds	551,670	383,066	(375,610)	2,034	(11,340)	549,820
Designated funds:						
The Leicester Fund	3,160	-	(14,500)	-	11,340	-
Forum	19,227	7,000	(3,525)	-	-	22,702
Special Projects Fund	200,000	-	-	-	-	200,000
Total designated funds	<u>774,057</u>	<u>390,066</u>	<u>(393,635)</u>	<u>2,034</u>	<u>-</u>	<u>772,522</u>
Restricted Funds						
They also served	<u>8,134</u>	<u>33,450</u>	<u>(37,152)</u>	<u>-</u>	<u>-</u>	<u>4,432</u>
Total Funds	<u>782,191</u>	<u>423,516</u>	<u>(430,787)</u>	<u>2,034</u>	<u>-</u>	<u>776,954</u>

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for a particular purpose. The Leicester fund represents monies received from Leicester Free Church Women's Council which are used for the purposes of projects which focus on women's concerns.

The Forum represents funds earmarked by the Trustees to meet the cost of an event called The Forum which is intended to be run every three years.

The Special Project Fund has been established to provide support for small projects run by CTE and capacity building within Churches Together groups.

The They Also Served Fund has been set up for a project to explore the Black African and Caribbean contributions of servicemen and women during the First World War.

14) Analysis of net assets between funds

	Tangible Fixed £	Investment: £	Net Current £	Total £
Unrestricted Funds				
General funds	-	25,491	524,329	549,820
Designated funds:				
Leicester fund	-	-	-	-
Forum 2015	-	-	22,702	22,702
Special Projects Fund	-	-	200,000	200,000
Total designated funds	<u>-</u>	<u>-</u>	<u>222,702</u>	<u>222,702</u>
Restricted Funds				
They also served	<u>-</u>	<u>-</u>	<u>4,432</u>	<u>4,432</u>
Total Funds	<u>-</u>	<u>25,491</u>	<u>751,463</u>	<u>776,954</u>

**CHURCHES TOGETHER IN ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15) Operating lease commitments

At 31 December 2017 the charity had no (2016: nil) annual commitments under operating leases.

16) Comparative Statement of Financial Activities by fund type

	Unrestricted Funds General	Designate d	Restricted Funds	Total Funds
	2016 £	2016 £	2016 £	2016 £
INCOME FROM				
Donations and legacies	427,593	-	-	427,593
Charitable Activities	40,615	19,591	-	60,206
Investments	3,017	-	-	3,017
Total	<u>471,225</u>	<u>19,591</u>	<u>-</u>	<u>490,816</u>
EXPENDITURE				
Charitable activities	392,410	12,971	19,531	424,912
Total expenditure	<u>392,410</u>	<u>12,971</u>	<u>19,531</u>	<u>424,912</u>
Net Income/(Expenditure) before gains/(losses) on investments	78,815	6,620	(19,531)	65,904
Gains / (Losses) on investments	<u>2,169</u>	<u>-</u>	<u>-</u>	<u>2,169</u>
Net Incoming/(Expenditure)	<u>80,984</u>	<u>6,620</u>	<u>(19,531)</u>	<u>68,073</u>