

**REGISTERED COMPANY NUMBER: 08147968 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1148986**

Trustees' Report and  
Unaudited Financial Statements  
for the Year Ended 31 December 2020  
for  
Messianic Testimony

Cansdales Business Advisers Limited  
Bourbon Court  
Nightingales Corner  
Little Chalfont  
Amersham  
Buckinghamshire  
HP7 9QS

Messianic Testimony

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for the Year Ended 31 December 2020

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Messianic Testimony

Reference and Administrative Details  
for the Year Ended 31 December 2020

<b>TRUSTEES</b>	Mr J L Hayward Mr J C Leyshon Ms J M Marshall Mr M Roberts Mr P M Williams Mrs H K Williams Ms C L Rodgers (appointed 13.11.20)
<b>REGISTERED OFFICE</b>	Cansdales Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
<b>PRINCIPAL ADDRESS</b>	PO Box 7475 Hook RG27 8SP
<b>REGISTERED COMPANY NUMBER</b>	08147968 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1148986
<b>INDEPENDENT EXAMINER</b>	James Foskett Cansdales Business Advisers Limited Bourbon Court Nightingales Corner Little Chalfont Amersham Buckinghamshire HP7 9QS
<b>BANKERS</b>	Barclays Bank plc 255 Fleet Road Fleet GU51 3BN
<b>SOLICITORS</b>	Lloyd Jones & Co 8/10 Southbourne Grove Westcliff-on-Sea SS09UR

Messianic Testimony

Reference and Administrative Details  
for the Year Ended 31 December 2020

**INVESTMENT ADVISERS**

Charles Stanley & Co Ltd  
2 Westover Road  
Bournemouth  
BH1 2BY

## Messianic Testimony

### Trustees' Report for the Year Ended 31 December 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "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 2019)"

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charity's objects are:

1. The advancement of the Christian faith by the following means:
  - (a) through the evangelisation and discipleship of Jewish people in the UK and throughout the world; and
  - (b) by the teaching of Biblical truth with specific regard to the purposes of God for Israel and the Jewish people.
2. The relief of those in need, hardship and distress through acts of compassion and care in the UK and throughout the world.

MT staff based in various parts of the UK, together with associates of MT based in France, Germany, Israel, Russia and South Africa carry out these aims and are supported financially and prayerfully by other staff, associates and supporters of MT. Moreover, a number of our workers are assisted by volunteers, who help with various aspects including background office work as well as refreshments and book tables at meetings.

In seeking to achieve these objects, the Trustees are confident that the results will be for the benefit of many: education for young people, harmony and reconciliation in families and communities as well as the spiritual blessing in individual lives resulting in inner peace and greater sense of purpose. As seen below, our staff and associates are normally involved in various activities in the community, including teaching English as a foreign language, sharing on British history and culture abroad, as well as teaching in the UK on the positive role of the church towards Jewish people, visiting the elderly and helping children with special needs. The Trustees will continue to conduct the affairs of the Charity having regard to the Charity Commission's guidance on Public Benefit.

#### **ACHIEVEMENT AND PERFORMANCE**

The year has been overshadowed to a major degree by the COVID-19 pandemic. From the beginning of the pandemic, all of MT's workers, whether UK Staff or those in receipt of grants, have been obeying the rules on lock-down of the country in which they are located. For most, that has meant ceasing much of their evangelistic work, particularly group meetings including preaching, speaking and teaching opportunities and musical outreach, although some has been possible by digital means, and indeed there have still been opportunities to lead funerals. One-to-one activities in person have been strictly limited, although meeting with one other person to walk and talk has been legal throughout most of lock-down. However, some of these activities have been continued - and indeed expanded - by digital means. Indeed, our main website and those run by individual workers have been more valuable than ever during this time. Collaboration between workers and coordination between missions has been continued digitally, and although it has not been possible to meet our supporters at rallies during the year, they have continued to receive our quarterly magazines.

Nevertheless some of our workers' time has been freed up which has been employed in writing articles and preparing materials which can be used in future work. For example, one of our workers has been able to spend more time than usual on her art work, ready for future exhibition. Also, during the year, one of our workers in Israel has at last found a much-needed larger building in which his congregation can meet, and has been able to work on preparing it for use. In the meantime, there is more time for the greatest work, namely the work of prayer.

## Messianic Testimony

### Trustees' Report for the Year Ended 31 December 2020

#### **FINANCIAL REVIEW**

During 2020, the finances of MT were overseen by the Trustees, with day-to-day duties delegated to Trustee Member and Treasurer, June M Marshall.

The year has been overshadowed to a major extent by the COVID-19 pandemic. From the financial point of view, consideration was given to whether any of the UK employees could be put on furlough, but this did not prove possible during the first lock-down in 2020 because anyone furloughed was not allowed to do any work for the mission, and all the evangelists were continuing some contacts by electronic means. Subsequently, when the government allowed employers to claim furlough support for an individual for part of the week whilst that individual worked the other days in order to get people back to work, it still did not seem right for us to take advantage of this. During 2020, we are pleased to report that total donations held up well. Whilst some people did find it necessary to reduce their giving, others were even able to increase theirs, possibly out of what they saved by not being out-and-about. However, where we have had to cancel rallies and other meetings, we are grateful that most of our deposits have been refunded in full. Mercifully we started the year with good reserves, but as our investments are affected by the recession into which the UK has been thrown, we have taken care to spread any withdrawals and taken any precautions we could to limit the damage to our investments.

In 2020, after legacies received amounting to £88,319, outgoings exceeded income by £13,456. Net investment losses due to market decreases accounted for £25,264 in 2020, increasing our deficit to £38,719. Whilst we are immensely grateful to God for those whose foresight in making a will has been of considerable benefit to MT, we would note that, without the legacies, outgoings would have exceeded income before capital gains by £101,775.

The fact that outgoings exceeded income in 2020 accentuates the Trustees' concern that the underlying trend is one of falling support, especially in larger one-off donations and, in particular, increased nursing costs for the elderly could lead to a reduction in legacies received.

The Trustees believe, by faith, that necessary funds will be forthcoming to meet the needs of the work, and this has been true since MT's inception. However, the Trustees are conscious that, once they have established good leadership, they need to give priority to increasing support and balancing the budget.

As MT's main sources of income, other than from investments, are generally from donations, legacies and tax refunds on gift-aided donations, the flow of income is irregular. However, MT has a regular stream of outgoings in salaries, grants and expenses. It is therefore MT's policy to maintain sufficient reserves to be able to cope with any excess of outgoings over income in the short to medium term (say 1 to 5 years), thus minimising disruptions to the funds held by our stockbrokers and a forced sale of our property investment.

Currently we are heavily financially dependent on receiving legacies which are few, spasmodic, unknown and impossible to budget. However, we are seeking ways to increase our regular income in an attempt to minimise the uneven cash flows that we experience.

As outlined in Note 16, at 31 December 2020 MT's designated reserves total £809,419 made up of the following items which are in keeping with our "Reserves Policy" :-

£ 72,386	which is invested in a property so it would be difficult to realise these funds without disrupting the use of the property
£171,000	being the reserve for regular budgeted outgoings without income over 6 months
£339,554	Towards the budgeted loss in 2021-22
£13,237	Funds for worker projects.
£16,239	Future Residential Conferences
£ 97,003	To be used for additional salaries and grants, and the introduction of new workers over the next 2-3 years
£100,000	which the trustees had designated in previous years to help with the unevenness in cash flows and for investment to generate income for use by the mission, and is likely to be used towards budget deficits in 2023 and 2024

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£809,419

## Messianic Testimony

### Trustees' Report for the Year Ended 31 December 2020

In addition we held £2,000 in Restricted funds leaving free reserves of approximately £6,397.

The Reserves Policy stated in the last four paragraphs above and amplified in Note 16 in the accounts on Designated Funds is reviewed annually, the last review being on 25 June 2021.

MT have delegated investment of certain general funds to Charles Stanley & Co Limited, with the portfolio managed on an ethical/best endeavours basis with medium/low risk. The total return on these investments during the last 12 months amounted to just -0.8%, the fall in capital values of the investments being due to a general decrease in values on the stock market. (2020: Income yield 2.9%, Capital return -4.1%)

The Investment Policy, including our instructions to Charles Stanley & Co Limited is reviewed annually, the last review being on 25 June 2021.

#### **FUTURE PLANS**

For a number of years prior to 2012 outgoings exceeded income. Then income first just exceeded outgoings in 2012 and this continued up to and including 2017, then reverting to outgoings exceeding income for 2018 and 2019. The Trustees are disappointed to have to report that outgoings again exceeding income during 2020. This was partly because the amount received in legacies and one-off donations was again more modest in 2020 than in the years 2015-16. However, given that 2020 was dominated by the COVID-19 pandemic, a loss of only £38,719 is actually quite a good result. Also, in view of MT's current large reserves, the Trustees have not felt justified in applying for any Trust Grants, although during 2020, MT did receive £56,000 from the wind-up of a Trust which has given us a small grant for many years. Nevertheless, despite the in-year deficit in 2020, the Trustees are also pleased to report that they have asked for a bonus, albeit smaller than recent years, to be paid to each member of staff and associate, funded from Reserves.

However, the Trustees have budgeted for outgoings to exceed income by a substantial amount in 2021, partly because we do not expect to receive any Trust Grants during 2021 and partly because we are trying to use some of our recent legacy income for the purpose for which it was given. The Trustees continue to actively address the matter of getting the right equilibrium between balancing their budget and making sure that supporters' donations are put to use as quickly as possible.

The Trustees are actively engaged in the process of establishing good leadership. They are pleased to welcome Chrissy Rodgers back to the Board, who, with her extensive knowledge of Jewish outreach, will be a great help regarding the future vision for the mission. However, as June Marshall stands down as a Trustee with effect from 30 June 2021, the Board is looking to strengthen its capability in the areas of business and finance. In the meantime, Rev Colin Leyshon, Chairman of the Trustees and Honorary General Director, is co-ordinating the work of the mission with help from the other Trustees and from our Director Emeritus, Tom Mayr-Lori.

As the Lord has safely seen MT through 2020 with its challenges, MT is facing the future with renewed confidence. We will continue to look for new opportunities to expand the work as funds allow. We step out into the coming months with a sense of excitement as opportunities for outreach begin to open up again and, at the same time, renewed dependence upon God and his people to stand with us as we seek to maximise our potential as a ministry to Jewish people.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

## Messianic Testimony

### Trustees' Report for the Year Ended 31 December 2020

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The names of the Trustees who served during the year were:

Rev J L Hayward  
Rev J C Leyshon  
Miss J M Marshall (Resigned 30 June 2021)  
Mr M J Roberts  
Miss C L Rodgers (Joined 13 November 2020)  
Mrs H K Williams  
Mr P M Williams

The mission is being led by Rev Colin Leyshon, Chairman of the Trustees and Honorary General Director. Also, our Director Emeritus, Tom Mayr-Lori, is able to help with mentoring and pastoral support when needed.

The work is overseen by its Board of Trustees, which is made up of the trustees listed above. During 2020, the Trustees met five times to conduct the business of MT. During 2020, the Trustees were assisted in their oversight by former Trustee Andrew F Benke, who meets with the Treasurer, June M Marshall, before each Trustee Meeting to discuss the financial situation and help prepare a succinct overview thereof for the Trustees.

The Trustees are conscious of the need to have trustees who are sympathetic and supportive of the aims and objectives of the charity and will, when deemed necessary, invite such individuals to join with them. Prospective trustees are interviewed and assessed as to their suitability before being appointed.

Following the recruitment of a new Trustee, he or she is pointed to the Charity Commission guidance entitled, 'The Essential Trustee'. For anyone who is still unclear about their role as a Trustee after having read this, a suitable training course for them to attend will be sought. The new Trustee is inducted into the work of MT by means of a series of one-to-one sessions with its Directors, Treasurer and at least one other Trustee.

Raluca Rusu was the administrator during 2020, and the office work has continued much as usual during 2020 despite the COVID-19 pandemic because we normally all work from home. Chrissy Rodgers has continued to edit MT's magazine throughout 2020, but organisation of regional meetings has been more about cancellation because of the COVID-19 pandemic. Also, Jon Taylor's deputation role and his liaison with other missions have been affected to a major extent by the COVID-19 pandemic.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that adequate systems are in place to mitigate exposure to all such risks. The Trustees consider that the main risk MT faces is maintaining sufficient funds to meet its commitments. The Trustees seek to overcome this risk through addressing its many constituent parts covered by the Risk Management Policy alongside its Reserves Policy considered in the Financial Review on page 4.

The Risk Management Policy is reviewed annually, the last review being on 25 June 2021.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Messianic Testimony for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"



Messianic Testimony

Trustees' Report  
for the Year Ended 31 December 2020

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

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

Approved by order of the board of trustees on 25 June 2021 and signed on its behalf by:

.....  
Mr J C Leyshon - Trustee

Independent Examiner's Report to the Trustees of  
Messianic Testimony

**Independent examiner's report to the trustees of Messianic Testimony ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the charity's 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').

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 your charity's accounts as 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. 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:

1. accounting records were not kept in respect of the Company 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.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

James Foscett BSc (Hons), FCA, DChA  
Cansdales Business Advisers Limited  
Bourbon Court  
Nightingales Corner  
Little Chalfont  
Amersham  
Buckinghamshire  
HP7 9QS

Date: 25 June 2021

Messianic Testimony

Statement of Financial Activities  
for the Year Ended 31 December 2020

	Notes	Unrestricted fund £	Restricted fund £	Designated funds £	2020 Total funds £	2019 Total funds £
<b>INCOME FROM</b>						
Donations and legacies	3	210,619	-	88,319	298,938	178,765
Other trading activities	4	1,191	-	-	1,191	1,305
Investment income	5	<u>16,799</u>	<u>-</u>	<u>-</u>	<u>16,799</u>	<u>26,293</u>
<b>Total</b>		228,609	-	88,319	316,928	206,363
 <b>EXPENDITURE ON</b>						
Raising funds		5,212	-	-	5,212	6,272
<b>Charitable activities</b>	6					
Charitable Activity		<u>224,535</u>	<u>-</u>	<u>100,636</u>	<u>325,171</u>	<u>354,575</u>
<b>Total</b>		229,747	-	100,636	330,383	360,847
Net gains/(losses) on investments		<u>(25,264)</u>	<u>-</u>	<u>-</u>	<u>(25,264)</u>	<u>77,875</u>
<b>NET INCOME/(EXPENDITURE)</b>		(26,402)	-	(12,317)	(38,719)	(76,609)
<b>Transfers between funds</b>	16	<u>23,264</u>	<u>-</u>	<u>(23,264)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(3,138)	-	(35,581)	(38,719)	(76,609)
 <b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<u>9,535</u>	<u>2,000</u>	<u>845,000</u>	<u>856,535</u>	<u>933,144</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>6,397</u></u>	<u><u>2,000</u></u>	<u><u>809,419</u></u>	<u><u>817,816</u></u>	<u><u>856,535</u></u>

**CONTINUING OPERATIONS**

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Comparatives for the Statement of Financial Activities are given under Note 10.

The notes form part of these financial statements

Messianic Testimony

Statement of Financial Position  
31 December 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
<b>Investments</b>			
Investments	11	522,848	656,354
Investment property	12	<u>72,386</u>	<u>72,386</u>
		595,234	728,740
<b>CURRENT ASSETS</b>			
Debtors	13	64,476	7,223
Cash at bank and in hand		<u>163,559</u>	<u>126,189</u>
		228,035	133,412
<b>CREDITORS</b>			
Amounts falling due within one year	14	(5,453)	(5,617)
<b>NET CURRENT ASSETS</b>		<u>222,582</u>	<u>127,795</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>817,816</u>	<u>856,535</u>
<b>NET ASSETS</b>		<u>817,816</u>	<u>856,535</u>
<b>FUNDS</b>	16		
Unrestricted funds		6,397	9,535
Restricted funds		2,000	2,000
Designated funds		<u>809,419</u>	<u>845,000</u>
<b>TOTAL FUNDS</b>		<u>817,816</u>	<u>856,535</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 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 notes form part of these financial statements

Messianic Testimony

Statement of Financial Position - continued  
31 December 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25 June 2021 and were signed on its behalf by:

.....  
Mr J C Leyshon - Trustee

The notes form part of these financial statements

## Messianic Testimony

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### **1. COMPANY INFORMATION**

Messianic Testimony is a private company limited by guarantee incorporated in England and Wales. The registered office is shown on the legal and administrative information page.

#### **2. ACCOUNTING POLICIES**

##### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

Messianic Testimony is a charitable company incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given on the legal and administrative information page. The nature of the charity's operations and principal activities are that of the advancement of the Christian faith and relief of those in need.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **INCOME**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business .

##### **EXPENDITURE**

All expenditure which directly relates to the objects of the charity is treated as charitable expenditure. All other costs, including the costs of administration, are allocated to the various sources of activity as appropriate.

Support costs represent those administrative costs directly associated with the charitable activity of Evangelism and spreading the Gospel.

All expenditure includes non-recoverable VAT.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**2. ACCOUNTING POLICIES - continued**

**INVESTMENT PROPERTY**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**TAXATION**

The charity is exempt from corporation tax on its charitable activities.

**FUND ACCOUNTING**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated Funds are funds set aside by the Board of Management out of unrestricted general funds for specific purposes or projects.

**FOREIGN CURRENCIES**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Other transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction except for transactions in SAR, where we put the transactions through assuming 1SAR is worth £0.05, and then make the adjustment at the end of the year to the actual conversion rate. Exchange differences are taken into account in arriving at the operating result.

**GOING CONCERN**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**3. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	Designated funds £	2020 Total funds £	2019 Total funds £
Donations	210,619	-	-	210,619	154,950
Legacies	<u>-</u>	<u>-</u>	<u>88,319</u>	<u>88,319</u>	<u>23,815</u>
	<u>210,619</u>	<u>-</u>	<u>88,319</u>	<u>298,938</u>	<u>178,765</u>

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Designated funds £	2020 Total funds £	2019 Total funds £
Trading activity income(other)	<u>1,191</u>	<u>-</u>	<u>-</u>	<u>1,191</u>	<u>1,305</u>

**5. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	Designated funds £	2020 Total funds £	2019 Total funds £
Investment income	<u>16,799</u>	<u>-</u>	<u>-</u>	<u>16,799</u>	<u>26,293</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 7) £
Charitable Activity	<u>325,171</u>



Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2020	2019
	£	£
Evangelism and spreading the Gospel	<u>325,171</u>	<u>354,575</u>

Included within unrestricted charitable activities is independent examiner's remuneration of £2,286 (2019: £2,220) and £1,848 (2019: £1,362) relating to other services.

Included within above Charitable expenditure £224,536 is for Unrestricted Funds and £100,636 is for Designated funds.

**8. TRUSTEES' REMUNERATION AND BENEFITS**

During the year Chrissie Rodgers was appointed as a Trustee on 13.11.20 and she is paid as Mission Development Administrator, salary of £2,790.

None of the other trustees (or any persons connected with them) received any remuneration during the year, but trustees were reimbursed for expenses totalling £1,698 (2019: 6 trustees, £2,715).

During the year the charity bought Trustee Liability Insurance at a cost of £933 (2019: £880).

During the year Trustees made unrestricted donations totalling £1,512 (2019: £850).

**9. EMPLOYEES**

**Number of employees**

The average monthly number of employees during the year was:

	2020	2019
Employees	7	6
Pensioners	<u>5</u>	<u>5</u>
<b>Total</b>	<b>12</b>	<b>11</b>

**Employment costs**

	2020	2019
Wages and salaries	143,143	146,731
Social security costs	9,198	8,270
Other pension costs	12,236	12,192

Wages and salaries include gratuities paid direct from income to pensioners of £20,358 (2019: £36,749). Although three small pensions were restored during 2019 to a previous value as agreed with the Trustees in 2011, the decrease is due mainly to compensation being paid in 2019 for not having restored them 4 years earlier. Also, one of the people receiving a small pension died in October 2020.

There were no employees in either year whose annual remuneration was £60,000 or more.

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - (2019 FIGURES)**

	Unrestricted fund £	Restricted fund £	Designated funds £	Total funds £
<b>INCOME FROM</b>				
Donations and legacies	154,950	-	23,815	178,765
Other trading activities	1,305	-	-	1,305
Investment income	<u>26,293</u>	<u>-</u>	<u>-</u>	<u>26,293</u>
<b>Total</b>	182,548	-	23,815	206,363
<b>EXPENDITURE ON</b>				
Raising funds	6,272	-	-	6,272
<b>Charitable activities</b>				
Charitable Activity	200,091	-	154,484	354,575
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	206,363	-	154,484	360,847
Net gains on investments	<u>77,875</u>	<u>-</u>	<u>-</u>	<u>77,875</u>
<b>NET INCOME/(EXPENDITURE)</b>	54,060	-	(130,669)	(76,609)
<b>Transfers between funds</b>	<u>(50,669)</u>	<u>-</u>	<u>50,669</u>	<u>-</u>
<b>Net movement in funds</b>	3,391	-	(80,000)	(76,609)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	6,144	2,000	925,000	933,144
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>9,535</u>	<u>2,000</u>	<u>845,000</u>	<u>856,535</u>

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**11. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2020	656,354
Additions	51,280
Disposals	(159,523)
Valuation changes	<u>(25,263)</u>
At 31 December 2020	<u>522,848</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>522,848</u>
At 31 December 2019	<u>656,354</u>

There were no investment assets outside the UK.

**12. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 January 2020 and 31 December 2020	<u>72,386</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>72,386</u>
At 31 December 2019	<u>72,386</u>

The charity holds a 21.9% interest in the property at 26 Pakes Way, Epping, Essex. The property is valued at the cost of purchase of the interest on 27 September 2007 and in the opinion of the trustees this is similar to its fair value at 31 December 2020.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other debtors	61,599	2,610
Prepayments	<u>2,877</u>	<u>4,613</u>
	<u>64,476</u>	<u>7,223</u>

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Accrued expenses	<u>5,453</u>	<u>5,617</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £	Restricted fund £	Designated funds £	2020 Total funds £	2019 Total funds £
Investments	-	-	595,234	595,234	728,740
Current assets	6,397	2,000	219,638	228,035	133,412
Current liabilities	<u>-</u>	<u>-</u>	<u>(5,453)</u>	<u>(5,453)</u>	<u>(5,617)</u>
	<u>6,397</u>	<u>2,000</u>	<u>809,419</u>	<u>817,816</u>	<u>856,535</u>

**16. MOVEMENT IN FUNDS**

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	9,535	(26,402)	23,264	6,397
<b>Restricted funds</b>				
BUD Fund	2,000	-	-	2,000
<b>Designated funds</b>				
Contingency for sustainability	169,000	-	2,000	171,000
Contingency for Budget Deficit	242,803	22,015	74,736	339,554
To Grow Salaries & Grants	116,043	(29,040)	10,000	97,003
Work Projects	26,768	(3,531)	(10,000)	13,237
Realisable Investments	200,000	-	(100,000)	100,000
Property Investments	72,386	-	-	72,386
Future Residential Conferences	<u>18,000</u>	<u>(1,761)</u>	<u>-</u>	<u>16,239</u>
	<u>845,000</u>	<u>(12,317)</u>	<u>(23,264)</u>	<u>809,419</u>
<b>TOTAL FUNDS</b>	<u>856,535</u>	<u>(38,719)</u>	<u>-</u>	<u>817,816</u>

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**16. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	228,609	(229,747)	(25,264)	(26,402)
<b>Designated funds</b>				
Contingency for Budget Deficit	88,319	(66,304)	-	22,015
To Grow Salaries & Grants	-	(29,040)	-	(29,040)
Work Projects	-	(3,531)	-	(3,531)
Future Residential Conferences	-	(1,761)	-	(1,761)
	<u>88,319</u>	<u>(100,636)</u>	<u>-</u>	<u>(12,317)</u>
<b>TOTAL FUNDS</b>	<u>316,928</u>	<u>(330,383)</u>	<u>(25,264)</u>	<u>(38,719)</u>

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	6,144	54,060	(50,669)	9,535
<b>Restricted funds</b>				
BUD Fund	2,000	-	-	2,000
<b>Designated funds</b>				
Contingency for sustainability	187,000	-	(18,000)	169,000
Contingency for Budget Deficit	286,965	(94,831)	50,669	242,803
To Grow Salaries & Grants	144,375	(28,332)	-	116,043
Work Projects	34,274	(7,506)	-	26,768
Realisable Investments	200,000	-	-	200,000
Property Investments	72,386	-	-	72,386
Future Residential Conferences	-	-	18,000	18,000
	<u>925,000</u>	<u>(130,669)</u>	<u>50,669</u>	<u>845,000</u>
<b>TOTAL FUNDS</b>	<u>933,144</u>	<u>(76,609)</u>	<u>-</u>	<u>856,535</u>

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**16. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	182,548	(206,363)	77,875	54,060
<b>Designated funds</b>				
Contingency for Budget Deficit	23,815	(118,646)	-	(94,831)
To Grow Salaries & Grants	-	(28,332)	-	(28,332)
Work Projects	-	(7,506)	-	(7,506)
	<u>23,815</u>	<u>(154,484)</u>	<u>-</u>	<u>(130,669)</u>
<b>TOTAL FUNDS</b>	<u>206,363</u>	<u>(360,847)</u>	<u>77,875</u>	<u>(76,609)</u>

**Designated Fund**

Total designated funds of £809,419 are made up of the following:

**Contingency for sustainability** - MT has regular outgoings on salaries and grants. However, as its income is mainly from supporter donations, trust grants and legacies, income is erratic and unpredictable. Thus the Trustees have agreed that it is appropriate to hold a reserve equal to 6 months' budgeted outgoings amounting to £171,000 as at 31.12.2020.

**Contingency for budgeted deficits** - As it is not possible to budget for legacy income, MT generally budgets to spend a little more each year than it expects to receive in the form of supporter donations and Trust grants, but limits the budgeted deficit to an amount which is reasonably sustainable in the context of its reserves. However, in 2015 and 2016, legacy income was disproportionately large compared with other income. Moreover, MT is going through a period of change with regard to its leadership and support staff. Thus, MT is reserving as at 31.12.20 for relatively large deficits over the next 2 years of £339,554. However, the Trustees are aware that, after sorting their leadership issues, the next challenge is to seek to balance regular income and regular outgoings.

**To grow salaries & grants** - During 2015 and 2016, income from legacies was disproportionately high compared to income from donations and trust grants. The best way to put this money to use is to grow the number of evangelists we support. The Trustees have therefore agreed to reserve £97,003 as at 31.12.2020 to cover new salaries and grants for such evangelists over a period of 3-5 years.

**Worker projects** - A second way to put this money to use is to ask existing workers if they have ideas for one-off projects to further the work of the mission. Thus, in spring 2017, the Trustees invited all workers to submit ideas for projects costing up to £5,000. The ideas that have come in have included funding for an event with a special speaker or musician, development of a new facility for use in outreach, etc. Some of these have now been completed but others are still ongoing, with £13,237 still committed as at 31.12.20.

**Realisable investments** - The Trustees have designated certain funds for investments to help with the unevenness in cash flows and for investments to generate income for use by the mission.

**Property investments** - This covers investments in property where it would be difficult to realise the funds without disrupting the use of the property.

Messianic Testimony

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**16. MOVEMENT IN FUNDS - continued**

**Future Residential Conferences** - This is to help fund future residential conferences for all workers, and given the effects of the COVID-19 pandemic, the next is likely to be in 2022.

**The BUD Fund** - The BUD Fund is to be used for ministry and outreach to Jewish people by MT staff and associates and, when appropriate, to help support new people and projects.

**17. EMPLOYEE BENEFIT OBLIGATIONS**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2020.

**19. EVENT DURING THE REPORTING PERIOD**

During the year ended 31 December 2020, the Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the charitable company continues to operate using alternative methods and remote working.

The Trustees' are continuing to monitor, assess and act with reference to the current changing environment in order to position the charitable company to ensure its future success.

Messianic Testimony

Detailed Statement of Financial Activities  
for the Year Ended 31 December 2020

	2020 £	2019 £
<b>INCOME</b>		
<b>Donations and legacies</b>		
Donations	210,619	154,950
Legacies	<u>88,319</u>	<u>23,815</u>
	298,938	178,765
<b>Other trading activities</b>		
Trading activity income(other)	1,191	1,305
<b>Investment income</b>		
Investment income	<u>16,799</u>	<u>26,293</u>
<b>Total incoming resources</b>	316,928	206,363
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Sundries	5,028	6,103
Operating charity shops	<u>184</u>	<u>169</u>
	5,212	6,272
<b>Charitable activities</b>		
Evangelism and spreading the Gospel	<u>325,171</u>	<u>354,575</u>
Total resources expended	<u>330,383</u>	<u>360,847</u>
<b>Net expenditure</b>	<u>(13,455)</u>	<u>(154,484)</u>

This page does not form part of the statutory financial statements