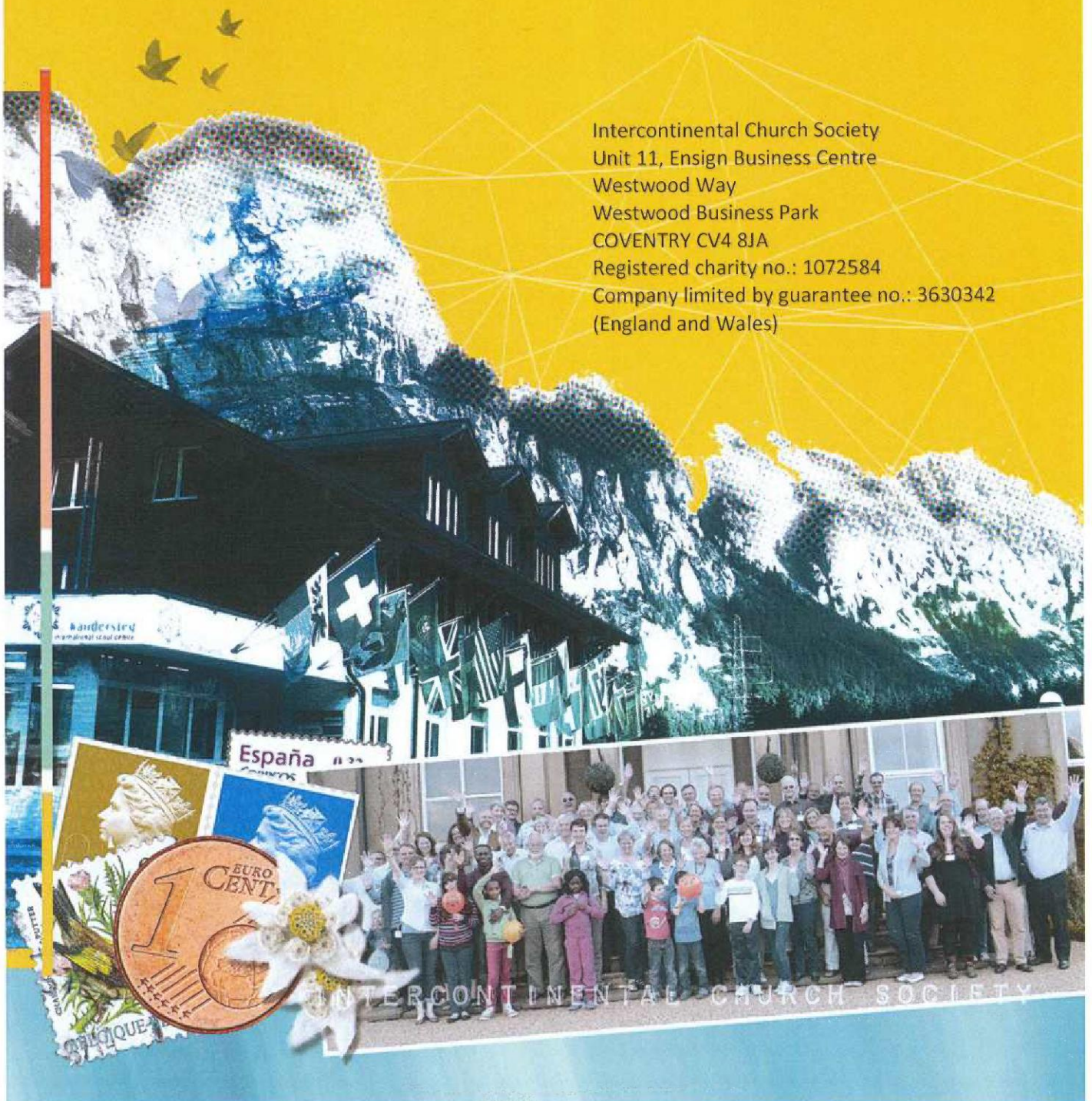


Exploring the Frontiers

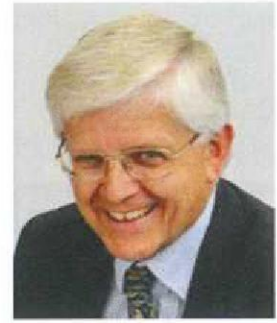
ICS 2015 Annual Report

Intercontinental Church Society
Unit 11, Ensign Business Centre
Westwood Way
Westwood Business Park
COVENTRY CV4 8JA
Registered charity no.: 1072584
Company limited by guarantee no.: 3630342
(England and Wales)



Chairman's Introduction

It is probably true that all generations of Christian history have claimed they have found it challenging to be a faithful witness for Jesus Christ. It was certainly true in the first century and that seems to be especially the case in the early part of the 21st century. With the recent uncomfortable report on 'Religion and belief in public life', convened by the Woolf Institute, the scale of our challenges in the UK is daunting. Retaining confidence in the Gospel of Jesus Christ as the only way of salvation is increasingly difficult. What is more, on the world-wide scene Christians are being persecuted no less than before and in the Middle East, because of the Syrian conflict, many have been driven from their homes.



Having said all that, we at ICS remain committed to finding new ways of making Jesus Christ more widely known and the work of the past year reveals we are moving to a stronger and more strategic place. Richard and the team in the office continue to offer excellent support to chaplaincies, and the Council provides appropriate oversight and accountability. Our incentive to persevere in and resource the work, rests on the fact that the Gospel is Good News for all people and on the promise that one day every knee shall bow and every tongue confess that Jesus Christ is Lord. To Him be all the glory.

The Rt Revd Julian Henderson
Bishop of Blackburn and Chairman of ICS Council

Mission Director's Introduction



The hard work and effort that ICS Council and the staff team put in during 2014 produced fruit in 2015 as new opportunities became clearer. We agreed the strategy and now have a sense of where this journey is going to take us. I will draw your attention later to the way that Seasonal Mission is developing as well as the opportunities we have in the Mediterranean Basin. This has also been a year where we have started to approach Grantmaking Trusts to seek the resources to 'explore the frontiers'.

Having a strategy is one thing, actually starting to implement it is another. In 2015 we pushed away from shore and started to move in a new direction. Remaining with the sailing metaphor, that first movement, the push away from the shore takes a lot of energy and we have achieved that this year.

Below the waterline, we have done some key work around Governance. I am immensely grateful to Steve Wookey and David White, both on Council, who have given so much of their time to make sure that we govern ICS in the most efficient, Godly and transparent way. Their insight and support has been invaluable.

The staff team, Andrew Rice (Financial Accountant), Jeannette Skuse (Communications Coordinator), Jim Perryman (Seasonal Mission Manager), Maggie Winham (IT & Supporter Services Manager), and Yelena Williams (Admin Assistant) have contributed a huge amount to the development of the ministry over the year. Their work often goes unnoticed but is essential to the smooth and efficient running of ICS. A big thank you to them all.

Finally, I want to mention Glyn Jones. Glyn was a long-time ICS volunteer and Seasonal Chaplain in Cavallino, he sadly passed away in 2015. His energy and enthusiasm will be sorely missed. I am grateful to our amazing volunteers who give so much of their time and energy in serving ICS in its 'mission and ministry in English for everyone'.

The Revd Richard Bromley MA
Mission Director

Executive Summary



The Mission Director has been privileged to travel widely on behalf of ICS: leading retreats, a Church Weekend Away, speaking in chaplaincies and supporting in recruitment. One highlight was to celebrate the 150th anniversary of St. Peter's, Chantilly with Nick and Cherry Clarke. It was moving to hear of the ICS Chaplains who had faithfully served and suffered through both World Wars. ICS's support was invaluable in the foundation of this church and this was honoured with a plaque at the entrance to the church which was unveiled by Bishop Robert, the Bishop of Gibraltar in Europe.

Christ Church, Ostend also celebrated 150 years and ICS was pleased to be able to financially assist them in these celebrations. Two other chaplaincies that celebrated anniversaries were Christ Church, Heiloo, twenty-five years, planted from Christ Church, Amsterdam and Leipzig English-speaking Church, twenty years, originally a church plant of ICS.

2015 has also given us an opportunity to engage in deputations; seeking to raise prayer and funds to sustain and grow the ministry. With the help of Michael Sanders, an ICS Council member, we have been able to form stronger relationships with Grantmaking Trusts. Michael's energy and enthusiasm have been invaluable as we highlight the projects we wish to raise funds for and place appropriately in front of those who may be interested in supporting ICS.

Internally, three major changes have taken place. Firstly, we had to upgrade the Server and this, while causing minimal disruption, is costly but keeps us running safely and efficiently. Secondly, we have worked hard to be compliant with the new pension requirements. Maggie Winham has taken a lead in this, for which we are grateful. Lastly, we have needed to make sure we are ready for the new charity accounting regulations. These are reflected in this annual report and Keith Robbins (Honorary Treasurer) and Andrew Rice have worked diligently with our Auditors, Jacob Cavenagh & Skeet, to make sure that we are not only compliant but report clearly in all areas.

It is also worth noting the hard work of Jeannette Skuse who has transformed the Communications of the Society, this has had a huge impact on how ICS is now presented. Yelena Williams has become a valued member of the team, often over-worked but always with a smile on her face.

Strategy

The strategic document drawn up in 2014 highlighted four areas:

- Governance
- Strategic: mission, patronage and vacancies
- Operational
- Relational

We are delighted to report that in all these areas we have made significant steps forward. The strategy has not simply been a document that has been written and then put on the shelf, rather it is a working and living tool that is guiding us. You will see, as you read this report, activity and movement that relates to each of these sections.

Specifically, in 2015 we drilled deeper into the Seasonal Mission Strategy. This has been a complex task as the ministry is diverse and simple headings to cover all the work do not work. The Mission Director and Jim Perryman have worked on this and we are grateful for the supportive critical engagement that Jim has brought to this process. Without him Seasonal Mission would not be where it is today.

Suffice to say ICS is a Mission Agency with a clear sense of where we are going.

Governance

The Governance Group, mentioned previously, met three times during 2015 and was able to stand back and reflect on the needs of Council, prepare proposals and present them. Governance is a regular agenda item at Council meetings; updating members on progress and reminding them of their responsibilities and roles. We now have suggested maximum lengths of service for Council Members of three terms of three years, and for the Treasurer a maximum of two terms of three years. Standing Committee has been reviewed and continues to operate within its mandate. Most excitingly Council has found more time to prayerfully focus on strategy and vision and this has benefitted ICS considerably.

A key piece of work that came out of the Governance Review was the need for more focussed induction of new Council Members. This has been developed and took place in 2015 with the induction of Ann Tyndall (Council Member) and Ruan Crew (Council Observer) onto Council.

Mission Partnerships

In 2015 ICS was engaged in three mission partnerships. Firstly, the ministry of Jeremy Heuslein (*pictured*), who is the Brussels Outreach Worker in the European Institutions. We had the privilege of having Jeremy speak at the AGM where he was very well received. People appreciated his sensitive approach to outreach and we are pleased that during 2016, due to the generous support of a Grantmaking Trust, we are able to continue funding this pioneering ministry.



Secondly, the ministry in the Diocese of Egypt with North Africa and the Horn of Africa. This has been a long standing partnership which ICS raised funds for several years ago and are now in need of replenishing. We were pleased to assist Holy Trinity, Algiers in the appointment of Drew Schmotzer as a locum and then recruit Gus (and Marliese) Ketola (*pictured*) who took over in January 2016. This is a significant ministry and there are many encouraging stories of what God is doing there.

In Tunis, Bishop Bill and Hilary Musk retired and left the ministry in the care of another ICS-supported chaplain, Peter (and Christine) Knight. The relationship with St. George's, Tunis is very positive and we look forward to supporting the ministry as it develops. We wish Bill and Hilary every blessing as they develop their ministry in retirement.

In Tripoli, the ministry of Ayo and Vasihar is very challenging. ICS has been seeking to support them as they look at the appropriate way forward.



In Cairo, we were pleased to assist Archbishop Mouneer in the appointment of Kerry (and Cynthia) Buttram (*pictured*). Kerry takes on the role as Priest at All Saints' Cathedral in Zamalek, Cairo. He is an ICS Associate Ministry Partner and we look forward to a strong, positive relationship. We also continue to support Mike Dobson at St. John's, Maadi and Jos Strengtholt at St. Michael and All Angels, Heliopolis as ICS Associate Ministry Partners. ICS has supported the ministry at St. John's, Maadi for the last two years.

Thirdly, a new mission partnership is developing alongside the Diocese in Europe at St. John's, Izmir. In July 2015 the Mission Director visited Izmir and has since been developing the partnership while looking for funding to enable this important ministry to not only continue, but to grow in partnership with ICS and others.

Seasonal Mission

2015 has been an exciting time for Seasonal Mission with expected celebrations and unexpected problems both becoming doorways to opportunity.



The resort of **Zermatt** celebrated the 150th anniversary of the first successful ascent of the Matterhorn, and our chaplain (Alan Purser) was able to play a major part in the ecumenical and social elements of this event. Our service of commemoration at St. Peter's attracted a large number of locals and visitors and was recognised as a significant aspect of the official programme. The profile of the English Church within the village remains heightened by Alan's excellent work.

We were also able to significantly enhance the lighting at St. Peter's prior to the winter season.

Ibiza saw a major problem at the start of the season when the main hotel where we have worked alongside the Thompson (TUI) reps for many years suddenly decided not to allow us to continue our evening event. However, this brought other opportunities and led to better contacts with other resort hotels and allowed our evening worship activity, arranged in the chapel where we meet in the mornings, to be more accessible to those outside that particular venue. This has also led us to reappraise our Ibiza mission which will probably see a different shape developing through 2016/17.

Management changes at the Scout Centre, recruitment difficulties for one period and the late withdrawal of a chaplain due to his wife sustaining a significant injury all seemed to be major problems for our work in **Kandersteg**. However, these too became opportunities as new relationships were formed with staff, we were 'forced' into the extremely successful appointment of experienced Youth Workers as chaplains to the Scout Centre, supported by a locally based chaplain who officiated at village services. We partnered the Interlaken and Kandersteg chaplaincies very successfully to maintain the major responsibilities and opportunities during the final part of the season.



The Seasonal Mission Manager was able to visit the Union Lido resort at **Cavallino**, who were celebrating their 60th anniversary, and further build on the strong partnership between their management and ICS. The flexibility of our lead-chaplain, Glyn Jones (*pictured*) to respond to their invitation to come early to be part of their celebratory act of worship in the chapel, was hugely appreciated. Glyn had been a major part of our team in Cavallino for many years and it was a great shock and sadness to the Society and to the Union Lido staff when Glyn suddenly passed away later in the year. We hope to find some way of honouring his memory at Union Lido during the 2016 season.

Wengen and **Interlaken/Grindelwald** were somewhat out of the limelight due to the events mentioned above, yet all had very successful seasons with new and experienced chaplains giving great service.

In total, the six chaplaincies (seven resorts) were staffed by forty-seven different chaplains, at times together with spouses, families and other team members. Six of these chaplains served more than once in the year, and some for elongated periods of time. We are grateful to all these willing and able volunteers who dedicate so much time, energy and significant resources in partnering with ICS to spread the Gospel through our Seasonal Mission.

Conferences and Training

In 2015 ICS was engaged in training Seasonal Chaplains, once for summer chaplains and once for winter chaplains, to inspire and equip them for the ministry.

The ICS Chaplains and Families' Conference took place at the Mennorode in The Netherlands. We were pleased to have the Revd Dr Paul Vrolijk (then the Chaplain in Aquitaine and now the Chaplain at Holy Trinity, Brussels) lead the Bible readings. The programme was themed around 'Worship' and it was our aim to allow space for those who so often lead worship to go deeper in worship. We were grateful to Simon and Gaynor Shaw who led the worship sessions. Bishop Julian set the tone on the first evening and Bishop Robert addressed the conference through a video message.



A highlight for many was a seminar led by Open Doors about the 'Persecuted Church'. The seminar overran and led many of us to pray far more fervently. Lastly, John and Ann Coles (leaders of the New Wine network) were also able to be with us. Their ministry was much appreciated. The ICS Chaplains and Families' Conference continues to be a highlight in the year for chaplains and their families.

Recruitment

Recruitment is led by Angela Marshall who is supported from the office by Jeannette Skuse. Both work tirelessly and with a high level of efficiency to make sure we do an excellent job in recruiting people.

The careful recruitment process and interview day give the chaplaincy reps the opportunity to get to know the candidates and equally for the candidates to find out more about the chaplaincy. In 2015 a number commented how much they have appreciated this process.



We have performed our patronage responsibility in recruitment in the following places: the Revd Anthony Lomas in Aquitaine, the Revd Ajit John in St. Mark's, Versailles and the Revd Canon Alan Strange in Christ Church, Amsterdam and, alongside the Bishop of London, the Revd Canon Dr Paul Vrolijk at Holy Trinity, Brussels. We presented at the licensing of the Revd Hilary Jones (*pictured*) as Chaplain of the Anglican Church in Basel.

In 2014, we reported that the Revd Canon David Roper had been appointed to Christ Church Cathedral in the Falkland Islands. Sadly, this did not work out and Bishop Nigel Stock (Bishop for the Falkland Islands), alongside ICS, has developed a way forward in licensing the Revd Kathy Biles for two years to fulfil the role of Rector. She kindly agreed to do so and ICS looks forward to a continued positive relationship with the Christ Church family and to support them in recruitment in the future.

In Viña del Mar, Chile, Simon (and Clare) Brignall (*pictured*) was appointed and is now in post. At Christ Church, Rio de Janeiro, ICS facilitated the interview process for a new Priest and the Revd Mark Simpson was appointed. Mark and his wife Jess have recently been joined by an Assistant Chaplain, Alex Cacouris (a CMS Mission partner) who together with his family moved to Rio de Janeiro in May 2016. The recruitment for both these posts in Latin America was conducted alongside CMS (Church Mission Society) and we value the relationship we have with them.



As already mentioned under Mission Partnerships, a number of posts were recruited for in North Africa. While ICS starts the process with advertising the post and the initial contact, it is then handed over to the Diocese of Egypt with North Africa and the Horn of Africa. Our role is to support and serve the Diocese in seeking to find new clergy. We very much enjoy this link.

Additionally, the Mission Director has been visiting Theological Colleges, seeking to form closer links and to make sure that no Ordinand leaves college without having heard of ICS. To this end, information packs are sent individually to each ordinand—these have been well received.

During the year ICS agreed to review its recruitment procedures to make sure we are doing the very best we can. We continue to be members of the Evangelical Patrons Consultative Council.

Partnerships

We have worked with the Diocese in Europe, the Partnership for World Mission, and the Diocese of Egypt with North Africa and the Horn of Africa. The Mission Director is the Bishop's nominee on the Diocesan Synod and Bishops Council. The Mission Director represents ICS on the World Mission and Anglican Communion Panel.



Other partnerships include our longstanding partnership with the Down Hill Only Ski Club in Wengen and the Ski Club of Great Britain in Wengen and Zermatt. We value both these partnerships as they assist us in our ministry in these places. We are also in partnership with Fusion Student link up to connect students with our chaplaincies around Europe.

ICS partners can be found here <http://ics-uk.org/about-ics/partners/>

Property

ICS has a significant property portfolio that it seeks to administer wisely for the purpose with which it is intended. This year we have been looking especially at St. Michael's, Paris, the parsonage at All Saints', Vevey and St. Peter's, Château d'Oex. The flat in Zermatt has undergone an upgrade with new windows throughout. In 2014 we were able to recruit a volunteer to help review our properties and the documentation we have in place in line with our strategic objectives.

The way in which the ICS property portfolio is valued, for financial statement purposes, changed with effect from 1 January 2015. This is commented on further in the financial review below.

Communications

We launched the new *ICS News* in a refreshed format. We made the decision to separate *ICS News* from the *Prayer Diary* and to also change the way the *News and Prayer Update* was delivered. These changes combined mean that we are able to produce high quality news that can be passed on as well as resourcing peoples' prayers in a timely manner. We are pleased with the new design and are grateful to Alex Grey of Greyjones Studio for all the hard work she has done on our behalf.

We have also re-designed the literature that is given out at St. Bernard's, Wengen and at St. Peter's, Zermatt, to bring it in line with the new design format of the new ICS literature and also to ensure it engages well with mobile devices and the internet. The new ICS general leaflet was also produced this year and has been widely distributed and well received.

The website has been further developed to include a mobile friendly facility. This means that with 50% of people accessing the web from their phones, our site displays well and is accessible. We did encounter one problem with the site being hacked, but this was resolved quickly and service resumed promptly.

We inform our supporters of our financial needs for a specific part of the ministry by featuring an 'Easter Appeal' in *ICS News* and by mailing an 'Autumn Appeal'. Our small but supportive network of Honorary Travelling Secretaries continues to keep ICS's profile high.

Objective

The object for which the Society is established is **to advance the Christian Gospel by evangelical mission and ministry to English-speaking people throughout the world.**

Seasonal Mission and outreach, with the opportunity to communicate the Good News of Jesus Christ, provide acts of worship and a resident chaplain to allow us to fulfil our object in numerous locations around Europe.

The Permanent Chaplaincies, both Patronage and Associate, provide communities of outreach, worship and care. Our support of these chaplaincies in recruitment, the ICS Chaplains and Families' Conference and visits, add to their ability to operate effectively. Our Mission Partnerships as outlined above allow outreach to take place, as in the example of Brussels' Outreach Worker.

Success for us looks like transformed lives, strong chaplaincies with quality chaplains thriving in the situation they find themselves. The ICS key Strategic Objectives are available upon request.

Our key objective for 2015 was to implement the strategy and explore the frontiers and opportunities available to us. ICS has undergone a huge amount of change over the last three years and this is beginning to bear fruit.

Values

The ICS values are as follows:

- We value the Bible as our guide and final authority.
- We value the pursuit of excellence in all that we do.
- We value integrity in all areas of our work, seeking to be transparent, honest and genuine in our dealings, internally and externally.
- We value partnerships and seek to work this way whenever possible with like-minded groups and individuals.
- We value the pursuit of ministering at the frontiers; this has marked ICS over the years.
- We value volunteers and the voluntary principle in the pursuit of our objectives.

Future Plans

2015 has seen us head in new directions. In 2016 this will accelerate and two projects in particular will be developed: Izmir and Ibiza. ICS is a mission agency on the move.

- We will continue to serve Permanent Chaplaincies with the ICS Conference.
- We expect there to be the usual number of staff changes in the chaplaincies. Our recruitment processes will be reviewed fully and then developed to not only meet today's needs but to be ready for future challenges.
- We will continue to run our Seasonal Mission Programme and provide the necessary training.
- We will finalise the strategy for Seasonal Mission in order to meet the changing needs of today's society.
- We will develop a new approach in Ibiza to meet the changing needs and circumstances.
- We will experiment with a new way of working in Kandersteg, using Youth Workers as well as Priests.
- We will produce leaflets explaining Patronage and Legacy giving.
- We will produce a 'property terrier' to help bring improved management of our buildings portfolio.
- We will recruit a volunteer property specialist to assist us in the responsible management of our portfolio.
- We have set ourselves a challenging budget to achieve.
- We will embed best practice in governance allowing Council Members to operate to their fullest.
- Finally, we will launch a new partnership with the Diocese in Europe and St. John's, Izmir.

Volunteers

ICS has benefitted from the time and energy of volunteers in several ways.

- **Seasonal Chaplains (47):** This team of dedicated missionaries serve in summer and winter chaplaincies contributing to the mission of ICS.
- **Honorary Travelling Secretaries (11):** Speaking in churches, prayer meetings and at local clergy gatherings, this team of people put a public face on ICS.
- **Office Volunteers (3):** Serving in the office and at the ICS Conference, these people oil the cogs that keep ICS going; without them we would struggle to achieve what we do.
- **Council (15):** All Council Members are also volunteers. This year many have taken on extra responsibility, doing discreet roles that draw out skills and gifts for the benefit of ICS. The Society does appoint serving Council Members to seasonal chaplaincies at no personal profit to them, and these functions are open to any qualified applicant who is interested in undertaking them on the same basis.

Add to the above, church representatives, prayer group coordinators and chaplains who undertake deputations on our behalf, and a three figure number appears. We appreciate and value all that the volunteers contributed to the life of ICS in 2015.

Public Benefit

The Charity Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The Society's achievements and activity, as detailed above have benefitted the public in numerous ways.

- In the European resorts where our seasonal outreach occurs, through: the provision of seasonal chaplains and teams to pastorally care for, counsel and explain the Christian gospel to holidaymakers; distribution of Christian literature; conduct of public worship and other open Christian meetings; visitation of those unwell or bereaved; conducting memorial services for those who die on holiday; the provision and maintenance of church buildings in Wengen and Zermatt, which are open daily for private prayer and reflection.
- Through the ownership of numerous church buildings we provide and help maintain facilities used both for public Christian worship and wider community activities, and through owning or funding accommodation to enable the local ministry of ministers of religion.
- We use our skills to find priests with cross-cultural skills to serve people from many economic, cultural and religious backgrounds and lay people to assist in and expand English-language ministry.
- Through the provision of finance, prayer support and expertise we enable the pastoral and outreach ministries of the chaplaincies by backing a variety of mission initiatives, as detailed above.
- In our role as an evangelical private patronage Society combined with the training and materials we provide to advance the Christian religion, we contribute to the life and mission of the Church.
- In locating and contacting English-speaking churches and ministers abroad through our website.

Financial Review

Although it might seem strange to read that Council are encouraged to report a £46,574 deficit on its unrestricted income and expenditure account; but an encouragement it is given the difficulties of the last few years which culminated in Council taking the tough decisions it did during 2014. Moreover this encouragement is extended into 2016 where Council have budgeted for a further reduction in this deficit but at the same time wishing to ensure that the quality of service provided continues at its present high standard.

One thing that exercised Council's minds during 2015 was how work under the seasonal banner is accounted for. Traditionally this was considered annually with Council coming to the opinion this method is not the best way to look at those aspects of the Society's work which are of an investment nature. The conclusion Council arrived at is that where work the Society undertakes is beneficial a longer term view of this work should be taken and a financial reserve be set aside in order to provide a three year commitment, which in turn provides some certainty to future planning.

As a result of these discussions the work in both Ibiza and Kandersteg was reviewed with each having a specific reserve created to cover the work for the years 2016, 2017 and 2018. During 2016 the same consideration will be given to the work in Cavallino and Interlaken, and then during the following year for the work in Wengen and Zermatt.

At the same time as considering Ibiza and Kandersteg, Council also felt it desirable for a similar reserve to be created to cover the annual subsidy it makes to the annual ICS Chaplains and Families' Conference, also for the years 2016, 2017 and 2018, as Council is very mindful the conference is held in high esteem by the attendees.

The upshot of the above is that during 2015 Council placed the sum of £73,500 into its designated reserves to cover these three aspects of its work for the following three years.

Additionally in the autumn Council set aside the sum of £33,000 to cover the financial commitment for the exciting opportunity in Izmir of which more is written about elsewhere in this report.

The other significant change which took place in 2015 is that the accounting regulation which ICS falls under changed. While at first sight the changes in the way in which the financial statements are reported appears cosmetic behind the scenes much detailed work needed to be undertaken to ensure compliance with this new regulation.

Probably the most significant change is in the way in which ICS's European property portfolio is accounted for. Under the new regulation the properties which the Society own now fall into two categories, heritage assets and property, as opposed to previously when there was just a single category for owned property.

With regard to heritage assets (in simple terms churches or church complexes) the new accounting regulation allows the Society to continue to value the properties which fall under this category at nil as hitherto.

However, for the other properties which the Society owns the new accounting regulation has led to a change in the way that the book values of the properties in question are calculated. The upshot of these changes is that there is a reduction in the (carried forward) property value of £7,676 over the previous year.

Overall the Society is blessed with a sound financial base and with the annual deficits on its unrestricted income and expenditure account reducing and for 2016 forecast to reduce further, Council continues to look to the future with confidence.

Funding Sources

As with many charitable organisations the Society is not immune from having to face the various challenges that evolve from these challenging economic times and the continuing support of the Society's loyal membership and supporter base is one of the great strengths of ICS.

2015 saw a 5% increase in income from unrestricted donations and legacies with this reflecting the continuing support of the Society's loyal membership and supporter base which remains one of the great strengths of ICS. However, one feature of 2015 is that income from legacies, which by their very nature is difficult to predict both in terms of time and amount, showed a noticeable increase which compensated for the reversal of the recent trend in personal donations which fell slightly during 2015.

Income from the Society's managed investment portfolio continues to be a major source of income for the Society which is commented on below.

It is good to say that the number of weddings celebrated in Wengen and Zermatt during 2015 was far higher than for some time which resulted in a significant increase in the level of collections at these two Alpine churches.

Investments

ICS continues to be blessed with a healthy investment fund upon which much of the Society's work is underpinned; as such one of the challenges for Council is to ensure that its capital is adequately maintained. The continued professional management of the Society's investment portfolio is of key importance to ensuring the future success of ICS and here the diligent work of the two fund managers at CCLA Investment Management Ltd and Ruffer LLP is appreciated.

The Society's investment policy is to invest, having taken advice, conservatively in a broad spread of funds to provide a regular income whilst seeking to protect the value of the capital entrusted to it and, over time, to increase that value. The aim is to invest in companies whose activities do not conflict with the ethos and basis of belief of the Society, but give the levels of yield necessary to enable it to continue supporting both existing work and enable future expansion. The Society has made no social investments.

More significantly though is that dividend income continues to be a major feature of the Society's general fund income where the investment portfolio generated an income of £58,749 in 2015, or a yield of 2.5%, with this being in line with expectation. One other way of looking at this is that income generated from the investment portfolio provides 17.5% of the overall income received by ICS, but more strikingly this percentage increases to 27.5% of the unrestricted direct giving to the Society by its membership and supporters (i.e. excluding income received through its activities in Europe and legacies).

This firmly underlines the importance this aspect of income in enabling the Society to undertake its day to day work. While there is no doubt the level of income derived from these investments is a comfort in absolute terms, Council is continuing to examine ways in which income from other areas can be increased thereby reducing the dependency on investment income.

The capital value of the investment portfolio at 31st December 2015 totalled £2.3m after allowing for the increase in capital value during 2015 and taking into account the realisations the Society needed to make during the year to fund its activities.

Overall the quantum of the funds in the ICS investment portfolio remains healthy and continues to provide a strong base for the future.

Reserves Policy

Council believes that the Society continues to have a robust and flexible reserves policy which provides essential accountability to its members, supporters, key stakeholders and other partners in demonstrating that the finances of ICS are actively managed thereby ensuring its activities are sustainable.

2015 saw one important change to the Society's reserves policy in that Council decided that it wished to set aside capital to fund certain work which falls under the seasonal banner and additionally to cover the subsidy for the annual conference for the years 2016, 2017 and 2018. (This is commented on further in the financial review above.)

Thus in 2015 the sum of £73,500 was transferred into a designated reserve to cover the planned works in Ibiza and Kandersteg for the next three years along with the conference subsidy.

The present level of unrestricted reserves, including the movement with the previous year, is detailed in note 11 of the financial statements below.

Council have agreed that the next full review of the reserves policy should take place during 2018 in order that the updated policy can be adopted for that year end's financial statements.

Auditors

A resolution proposing the re-appointment of Jacob Cavenagh & Skeet as auditors to the Company will be put to the members at the Annual General Meeting.

Council Members' Responsibilities

Council Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. The Annual Report also contains the Directors Report as required by Company Law. Company Law requires Council Members to prepare financial statements for each year. Under that law Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under Company Law Council Members must not approve the financial statements unless they are satisfied that these give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for that period. In preparing these financial statements, Council Members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the activities of the Company will continue.

Council Members 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 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.

Council Members who held office at the date of approval of this annual report as set out below each confirm that:

- as far as they were aware, there is no relevant audit information (information required by the Company's Auditors in connection with preparing their report) of which the Company's Auditors are unaware; and
- as Council Members of the Company, they have taken all steps necessary to establish that the Company's Auditors are aware of that information.

Funds held as Custodian Trustee on behalf of others

Funds are held in the CBF Church of England Deposit Funds, and COIF Charities Investment Funds, in accounts separate from those of the Society's on behalf of three chaplaincies totalling £167,896.

Governance and Management

Intercontinental Church Society (commonly known as ICS) operated through a charitable trust from the date of formation of its oldest parent charity on 30 June 1823. The Society then transferred its operations to the Company on 11 September 1998. The Company was incorporated under the Companies Act 1985 as a Company Limited by Guarantee, and its governing instrument is its Memorandum and Articles of Association, last amended by a special resolution passed on 21 September 2013. Each member has undertaken to contribute a sum not exceeding £10.00 on winding up as set out in Clause 8 of the Memorandum.

The Society has a subsidiary charity which is a charitable trust (The Colonial and Continental Church Society, formerly known as ICS Trust, charity number 1072584-1, formerly 241111), and is the sole shareholder in Intercontinental Church Society (Nominees) Limited, both of which are the owners of a number of properties used in the Society's work.

The Board of Directors is known as the Council. The Council Members are Directors under companies' legislation and Trustees under Charity Law. Those who served during the year are listed below. The fifteen Council Members and the Honorary Treasurer are elected by the members; the Council additionally includes: the President who is a member of the Council ex-officio and appointed by the Council, and a maximum of two co-opted Council Members who are appointed by the Council. One-third of the elected Council Members retire each year, and are entitled to offer themselves for re-election.

The key management personnel of the charity as listed on page 17 are in charge of directing, controlling, running and operating the charity on a day to day basis. All Trustee Directors give of their time freely and no Trustee Director received any remuneration in the year. Details of Trustee Directors' expenses and related party transactions are disclosed in Note 5 to the financial statements.

The pay of senior staff is reviewed annually and normally increased in accordance with the recommendations made in the Report of the Central Stipends Authority published by the Archbishop's Council.

Each Council Member receives a comprehensive induction pack on election or appointment, and is encouraged to become involved in the Society's activities by serving on one or more of its executive and advisory sub-committees, promote the Society's interests through e.g. seeking to increase support for the Society's work and to maintain a prayerful interest in the chaplaincies of which the Society is patron.


The Council is responsible for setting strategy, overall policy and budgets, and then delegates to the salaried staff the management of the Society. The senior staff advise and brief the Council and its sub-committees (one executive and two advisory) on strategy and policy, and regularly consult sub-committees for advice. The Council also invites a number of observers to its meetings, including one from the General Synod of the Church of England; this place became vacant in 2013 with the previous observer being elevated to Bishop of Blackburn.

The Society plays its full part in the Partnership for World Mission of the Church of England. In common with all other Anglican mission agencies, the Society receives no funding from the central resources of the Church of England, save for the valuable assistance provided by the Church of England in meeting CEFPS pension payments for priests in missionary service under the Vote 4 arrangements. ICS is also an active member of Global Connections (a network of evangelical international mission agencies, membership of which affords the Society access to information, know-how and conferences helping to further its object), the cross-tradition Patrons Consultative Group, and the Evangelical Patrons Consultative Council.


Risk Review

The Governance sub-group of the Council reviewed the risks faced by ICS in great detail. This was then developed by the Mission Director using the Charity Commission template. Risks were analysed and scored which allowed us to identify high risks. The risk register was then presented to Council at the November 2015 meeting. Six items stood out as high risks. What these risks are and how we are mitigating them is detailed below.



Governance Risks

Risk area/risk identified 	The trustee body no longer has the relevant skills to successfully govern and guide the Society in the 21 st century
Further action required	<ul style="list-style-type: none"> Investigate Trustee training


Operational Risk

Risk area/risk identified 	Sudden departure of Mission Director
Further action required	<ul style="list-style-type: none"> Expectation of clear exit information clarified.


Financial Risk

Risk area/risk identified 	Failure to renew supporter base
Further action required	<ul style="list-style-type: none"> Constant attention Church Deputation Visits to chaplaincies
Risk area/risk identified 	Significant Reduction in Investment Portfolio
Further action required	<ul style="list-style-type: none"> Recruit Council Member with investment knowledge

Safeguarding Risk

Risk area/risk identified 	The emergence of Safeguarding issues within an ICS linked chaplaincy or chaplain.
Further action required	<ul style="list-style-type: none"> Review Associates scheme

External Risks

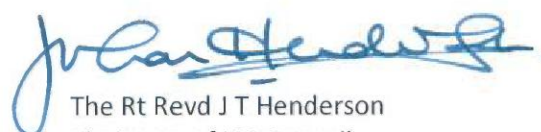
Risk area/risk identified 	Problems with our property portfolio
Further action required	<ul style="list-style-type: none"> Know how to value our property Usage agreement in place for each property

How we are structured

Patron	His Royal Highness The Duke of York, KG KCVO ADC(P)	
Vice-Patrons	The Archbishop of Canterbury The Archbishop of York The Archbishop of Armagh The Bishop of London The Bishop of Lichfield (Retired during 2015)	
President	The Viscount Brentford	
Council Members	The Revd L J Biggs The Revd Canon J C Duxbury The Rt Revd J T Henderson (Chairman) Mrs S Leyton The Revd A Marshall (Vice-Chair) The Revd D G Newstead The Revd Canon J D Philpott Mrs D E Price Mr K C Robbins (Honorary Treasurer) Mr D Sadler The Revd M B Sanders The Rt Revd H W Scriven Mrs S V Thomas Mrs A C Tyndall (Elected 19 September 2015) Mr D M White The Revd S M Wookey	
Key Management Personnel	Mission Director – The Revd R W Bromley Seasonal Mission Manager – The Revd J E Perryman	
Company Secretary	The Revd R W Bromley	
Solicitors	Barlow Robbins LLP Concord House 165 Church Street East WOKING GU21 6HJ	
Registered Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane SUTTON SM1 2SW	
Principal Bankers	Barclays Bank plc 114 Fenchurch Street LONDON EC3P 3HY	
Investment Advisers	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street LONDON EC4V 4ET	Ruffer LLP 80 Victoria Street LONDON SW1E 5JL

Unit 11, Ensign Business Centre
Westwood Way
Westwood Business Park
COVENTRY
CV4 8JA

For and on behalf of the Council



The Rt Revd J T Henderson
Chairman of ICS Council

9 June 2016

Report of the independent Auditors to the members of Intercontinental Church Society

We have audited the financial statements of Intercontinental Church Society for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and to its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Council to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given by the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, if in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.



Miriam Hickson FCA CTA, Senior Statutory Auditor for and on behalf of
Jacob Cavenagh & Skeet, Statutory Auditor
Chartered Accountants

5 Robin Hood Lane
SUTTON
Surrey
SM1 2SW

21 June 2016

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31 December 2015

	Note	2015				2014			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£	£	£	£	£	£	£	£
Income from:	2								
Donations and legacies		265,626	82,512	-	348,138	251,811	99,752	-	351,563
Other trading activities		1,526	-	-	1,526	1,498	-	-	1,498
Investments		58,749	1,784	-	60,533	64,472	1,733	-	66,205
Charitable activities		10,764	-	-	10,764	6,148	-	-	6,148
Other income		2,384	-	-	2,384	2,480	-	-	2,480
Total income		339,049	84,296	-	423,345	326,409	101,485	-	427,894
Expenditure on:	3								
Raising funds		86,310	-	-	86,310	73,754	-	-	73,754
Charitable activities		299,313	114,938	-	414,251	313,936	122,564	-	436,500
Total expenditure		385,623	114,938	-	500,561	387,690	122,564	-	510,254
Net expenditure before gains/(losses) on investments	4	(46,574)	(30,642)	-	(77,216)	(61,281)	(21,079)	-	(82,360)
Transfers between funds	11,12	(3,959)	3,959	-	-	(11,377)	11,377	-	-
Gains/(losses) on revaluation of fixed assets		(7,676)	-	-	(7,676)	-	-	-	-
Gains on investment assets		12,761	-	2,617	15,378	70,492	-	22,163	92,655
Net movement in funds		(45,448)	(26,683)	2,617	(69,514)	(2,166)	(9,702)	22,163	10,295
Reconciliation of funds									
Funds brought forward		1,882,807	196,834	541,798	2,621,439	1,884,973	206,536	519,635	2,611,144
Funds carried forward	11,12,13	1,837,359	170,151	544,415	2,551,925	1,882,807	196,834	541,798	2,621,439

The above results are derived from continuing activities. All gains and losses recognised in the year are included.

**Balance Sheet
as at 31 December 2015**

		2015		2014	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	6	181,069		194,288	
Investments	7	<u>2,332,056</u>		<u>2,378,817</u>	
			2,513,125		2,573,105
Current assets					
Debtors	8	29,943		38,889	
Cash at bank and in hand		<u>37,116</u>		<u>37,228</u>	
		67,059		76,117	
Creditors: Amounts falling due within one year	9	<u>28,259</u>		<u>27,783</u>	
Net current assets			<u>38,800</u>		<u>48,334</u>
Total assets less current liabilities	10		<u>2,551,925</u>		<u>2,621,439</u>
Income funds					
Unrestricted funds					
General		561,353		636,897	
Designated (including revaluation reserve of £163,836 in 2015 (2014: £202,619))	11	<u>1,276,006</u>		<u>1,245,910</u>	
			1,837,359		1,882,807
Restricted funds	12		170,151		196,834
Capital funds					
Endowments	13		544,415		541,798
Total Charity funds			<u>2,551,925</u>		<u>2,621,439</u>

The accounts were approved by the Council on 9 June 2016



The Rt Revd J T Henderson
Chairman



Mr K C Robbins
Honorary Treasurer

1 Accounting Policies

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

(a) Accounting convention

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRSSE)), applicable accounting standards and the Charities Act 2011. The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The financial statements contain information about Intercontinental Church Society as an individual charity and do not contain consolidated financial information as the parent of a group on the grounds of immateriality.

(b) Reconciliation with previous financial statements

In preparing the financial statements, the Directors have considered whether in applying the accounting policies required by the Charities SORP FRSSE the restatement of comparative items was required. No such restatements were considered necessary.

(c) Fixed assets

Tangible fixed assets are stated at cost less depreciation. For two freehold properties owned by the charity no reliable information on the historic cost or value when donated is available for these properties. The Directors believe that such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity due to the fact that it is impracticable to obtain these values as the Society's records are incomplete and as such reliable cost information is not to hand, therefore the Directors believe the costs involved in clarifying these values will be prohibitive.

The Directors have also considered obtaining a current valuation for these properties and have concluded that this cost is not justified by the usefulness of the information to the users of the accounts and to the charity for its own stewardship purposes. For these reasons these freehold properties are shown at a nil value in the financial statements. Where cost information is available for two other overseas freehold properties the Directors have estimated that the acquisition costs is split equally between land and buildings. The land element is not depreciated, with buildings being depreciated over 50 years, as are also the two leasehold flats in the Society's ownership.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

Buildings	-	over 50 years	Equipment	-	between 3 and 10 years
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(d) Heritage assets

Heritage assets comprise cathedrals, historic churches and other integral buildings where the contribution to knowledge and culture is ancillary to faith and other purposes. No reliable information on the historic cost or value when donated is available for these properties. The Directors believe that such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity due to the fact that it is impracticable to obtain these values as in some instances the Society's records were destroyed during the Blitz in 1941. In other cases properties were acquired in the 1800's with the Society's records being incomplete and in other instances reliable costs information is not to hand, therefore the costs involved in clarifying these costs are prohibitive. The Directors have also considered obtaining a current valuation for these properties and have concluded that this cost is not justified by the usefulness of the information to the users of the accounts and to the charity for its own stewardship purposes. For these reasons heritage assets are shown at a nil value in the financial statements.

(e) Investments

Assets held for investment purposes are carried at market value. Movements in market value are shown as unrealised gains or losses in the Statement of Financial Activities.

1 Accounting Policies

(f) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be reliably measured.

- (i) Annual subscriptions are accounted for as income in the year receivable.
- (ii) Donations, including contributions through parishes, are accounted for strictly on a receivable basis. Income tax recoverable in respect of Gift-Aided donations is accounted for on an accruals basis. Gifts in kind are valued at estimated open market value at the date of the gift in the case of assets for retention or consumption, or at the value to the charity in the case of donated services or facilities. The time donated by general volunteers is not recognised in the financial statements but their significant contribution is discussed in the Trustees' report.
- (iii) Income from investments is accounted for on the basis of the due and payable dates.
- (iv) Contributions, including collections in respect of permanent and seasonal chaplaincies, are accounted for on a receivable basis.
- (v) The net proceeds of sales of church properties are credited to the General Fund on a cash received basis.

(g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is discounted to present value for longer term liabilities. All expenditure is accounted for on an accruals basis.

Functional classification

'Cost of generating voluntary income' comprise the costs actually incurred in inducing others to make voluntary gifts to the Society.

'Fundraising trading costs' comprise the costs of trading, associated costs, and cost of goods sold.

'Charitable activities' comprises all expenditure directly related to furthering the object of the charity.

Natural classification

The total cost of salaries is apportioned on the basis of the approximate use of employees' time, and certain administration expenditure and governance costs are apportioned on the basis of the approximate use of goods and services amongst the following:

Permanent Chaplaincies	Ibiza Seasonal Ministry	Fundraising Trading Costs
Swiss Ministry	Tenerife Ministry	Governance Costs
Campsite Ministry	Cost of generating voluntary income	

'Governance costs' comprise the cost of compliance with constitutional and statutory requirements and other costs.

No costs were apportioned in 2015 or the prior year in relation to time spent on matters relating to restricted funds. Irrecoverable VAT is charged against the category of resource expended for which it was incurred.

(h) Debtors

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

(i) Cash at bank and in hand

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

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

(k) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Accounts for the year ended 31 December 2015 (continued)

1 Accounting Policies (continued)

(l) Rates of exchange

Foreign currency balances are translated into sterling at the rates of exchange prevailing at the year end. Exchange differences on conversion arising from day-to-day transactions are dealt with in the Statement of Financial Activities.

(m) Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

2 Income from:

	Unrestricted General Funds	Restricted Funds	Endowment Funds	2015 Total Funds	Unrestricted General Funds	Restricted Funds	Endowment Funds	2014 Total Funds
	£	£	£	£	£	£	£	£
Donations and legacies								
Subscriptions and donations	145,774	78,118	-	223,892	152,347	93,202	-	245,549
Donations from churches	15,536	3,950	-	19,486	17,647	6,550	-	24,197
Donations from chaplaincies	26,491	444	-	26,935	30,917	-	-	30,917
Collections from Swiss mission	28,406	-	-	28,406	24,686	-	-	24,686
Collections from Campsite mission	225	-	-	225	967	-	-	967
Collections from Ibiza Seasonal mission	1,945	-	-	1,945	2,389	-	-	2,389
Legacies receivable	47,249	-	-	47,249	22,858	-	-	22,858
	<u>265,626</u>	<u>82,512</u>	<u>-</u>	<u>348,138</u>	<u>251,811</u>	<u>99,752</u>	<u>-</u>	<u>351,563</u>
Other trading activities								
Greeting card sales	1,526	-	-	1,526	1,498	-	-	1,498
Investments								
Dividends and interest - UK	51,854	1,784	-	53,638	57,174	1,733	-	58,907
Dividends and interest - Overseas	6,895	-	-	6,895	7,298	-	-	7,298
	<u>58,749</u>	<u>1,784</u>	<u>-</u>	<u>60,533</u>	<u>64,472</u>	<u>1,733</u>	<u>-</u>	<u>66,205</u>
Charitable activities								
Chaplain conference income	10,764	-	-	10,764	6,108	-	-	6,108
Directory sales	-	-	-	-	40	-	-	40
	<u>10,764</u>	<u>-</u>	<u>-</u>	<u>10,764</u>	<u>6,148</u>	<u>-</u>	<u>-</u>	<u>6,148</u>
Other income								
Sundry income	2,384	-	-	2,384	2,480	-	-	2,480
	<u>339,049</u>	<u>84,296</u>	<u>-</u>	<u>423,345</u>	<u>326,409</u>	<u>101,485</u>	<u>-</u>	<u>427,894</u>

Notes to the Accounts for the year ended 31 December 2015 (continued)

3 Expenditure on:

	<i>Direct Ministry costs</i>	<i>Staff and other costs</i>	<i>2015 Total</i>	<i>2014 Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Charitable activities				
Permanent chaplaincies	94,927	90,465	185,392	201,207
Swiss mission	37,962	25,372	63,334	58,629
Campsite mission	1,012	3,255	4,267	16,737
Ibiza Seasonal mission	8,454	3,371	11,825	13,505
Tenerife mission	-	-	-	5,526
Chaplaincy work funded by donations	71,747	-	71,747	78,524
Total Governance Costs	-	77,686	77,686	62,372
	<u>214,102</u>	<u>200,149</u>	<u>414,251</u>	<u>436,500</u>
 Raising Funds				
Cost of generating voluntary income	-	69,004	69,004	58,966
Fundraising trading costs	-	5,968	5,968	4,010
Investment management costs	-	11,338	11,338	10,778
	<u>-</u>	<u>86,310</u>	<u>86,310</u>	<u>73,754</u>

4 Net Expenditure before gains/(losses) on investments

	<i>2015</i>	<i>2014</i>
	<i>£</i>	<i>£</i>
This is stated after charging:		
Auditors' remuneration for audit services	6,720	6,240
Auditors' remuneration for other services	1,200	1,235
Depreciation	8,158	8,383
Loss on disposals of fixed assets	-	12
Operating lease rentals - land and buildings	10,400	5,868
Operating lease rentals - other equipment	<u>4,835</u>	<u>4,773</u>

5 Staff Costs and Council Members' Expenses

	<i>2015</i>	<i>2014</i>
	<i>£</i>	<i>£</i>
Total staff emoluments for the year were as follows:		
Salary costs	139,198	131,210
National insurance costs	12,844	12,231
Pension costs	<u>15,132</u>	<u>19,072</u>
	<u>167,174</u>	<u>162,513</u>

The average number of employees during the year was:

	<i>2015</i>	<i>2014</i>
	<i>No.</i>	<i>No.</i>
UK Staff	<u>6</u>	<u>6</u>

No employee received remuneration over £60,000 in the year 2015 (2014: none). No honorarium were paid to any Council Members (None in 2014). Travel expenses of £6,252 (2014: £8,604) were reimbursed to 15 (2014: 14) Council Members in the year.

The Society contributes to a defined contribution pension scheme on behalf of some of its staff. The assets of the scheme are held separately from those of the Society in independently administered funds. The pension cost represents contributions payable to the funds during the year.

Notes to the Accounts for the year ended 31 December 2015 (continued)

6 Fixed Assets

	<i>Heritage</i>			
Cost	<i>assets</i>	<i>Property</i>	<i>Equipment</i>	<i>Total</i>
	£	£	£	£
At 01 January 2015	-	256,607	63,142	319,749
Additions	-	-	2,615	2,615
Disposals	-	-	(1,548)	(1,548)
Revaluation	-	20,952	-	20,952
At 31 December 2015	-	277,559	64,209	341,768
Depreciation				
At 01 January 2015	-	71,850	53,611	125,461
Charge for the year	-	4,700	3,458	8,158
On disposals	-	-	(1,548)	(1,548)
Adjustment	-	28,628	-	28,628
At 31 December 2015	-	105,178	55,521	160,699
Net book value				
At 31 December 2015	-	172,381	8,688	181,069
At 31 December 2014	-	184,757	9,531	194,288

The charity beneficially owns a freehold property used as Chaplain's accommodation in Floriac (France) which is 80% owned by the Society.

The charity also beneficially owns a freehold property used as Chaplain's accommodation in Blonay (Switzerland), which is subject to a mortgage (amount outstanding at 31st December 2015 Chf34,687/£23,597 (31st December 2014 Chf41,214/£26,812)) in favour of Banque Cantonale Vaudoise.

The charity also owns two leasehold flats in Wengen and Zermatt (Switzerland).

These four properties are valued in the above table.

The charity also beneficially owns the following freehold properties which are shown at nil value:

France: Chaplaincy House, Holy Trinity, Maisons-Laffitte
Chaplaincy House, St Mark's, Versailles

The charity beneficially owns the following heritage assets which are shown at nil value:

Belgium:	Holy Trinity, Brussels	Netherlands:	St. Mary's Rotterdam
France:	Holy Trinity, Cannes		Holy Trinity, Utrecht
	St. Peter's, Chantilly	Spain:	St. George's, Barcelona
	Holy Trinity, Maisons-Laffitte	Switzerland:	St. Peter's, Château d'Oex
	St. Michael's, Paris		All Saints', Vevey
	St Mark's, Versailles		St. Bernard's, Wengen
			St. Peter's, Zermatt

The revaluation figure of £20,952 relates to the cost of an additional property having now been identified, previously this was shown valued at nil. The adjustment figure of £28,628 relates to a reanalysis of the split between the land and buildings elements of properties which has resulted in a recalculation of depreciation in the light of this reanalysis.

Notes to the Accounts for the year ended 31 December 2015 (continued)

7 Investments

	2015	2014
	£	£
Quoted investments		
Brought forward	2,177,998	2,210,860
Additions	1,775,880	2,506,496
Disposals	(1,923,557)	(2,632,013)
Net realised gains/(losses)	1,332	(1,198)
	<u>2,031,653</u>	<u>2,084,145</u>
Net unrealised gains	14,046	93,853
Quoted Investments Market value carried forward	2,045,699	2,177,998
Cash held by investment manager	150,732	69,393
Cash held at CCLA	135,625	131,426
	<u>2,332,056</u>	<u>2,378,817</u>
Historical cost	<u>2,168,220</u>	<u>2,176,198</u>

Included in the investments are COIF Charities Ethical Investment Fund Units and COIF Charities Global Equity Income Fund Units. These holdings are considered individually to be material and are in excess of 5% of the investments held by the Society. Investment assets outside the UK amounted to £281,729 (2014: £418,494).

8 Debtors

	2015	2014
	£	£
Income tax recoverable	4,032	2,059
Other debtors	4,494	634
Prepayments	21,417	36,196
	<u>29,943</u>	<u>38,889</u>

9 Creditors

	2015	2014
	£	£
Sundry creditors	5,972	8,550
Accruals	22,287	19,233
	<u>28,259</u>	<u>27,783</u>

10 Net Assets

The balances carried forward on the various funds are held as follows:

	Tangible fixed assets	Investments	Net current assets	2015 Total	2014 Total
	£	£	£	£	£
Unrestricted funds	-	563,064	(1,711)	561,353	636,897
Designated funds	181,069	1,094,937	-	1,276,006	1,245,910
Restricted funds	-	129,640	40,511	170,151	196,834
Endowments	-	544,415	-	544,415	541,798
	<u>181,069</u>	<u>2,332,056</u>	<u>38,800</u>	<u>2,551,925</u>	<u>2,621,439</u>

Notes to the Accounts for the year ended 31 December 2015 (continued)

11 Designated Funds

	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Net incoming/ (outgoing) resources</i>	<i>Transfers</i>	<i>Balance brought forward</i>	<i>Balance carried forward</i>
	£	£	£	£	£	£
Fixed asset reserve	-	-	-	(13,243)	194,288	181,045
Operational reserve	-	-	-	14,839	495,435	510,274
Chaplaincies reserve	-	-	-	-	150,000	150,000
Mission Partnerships reserve	-	-	-	28,500	6,187	34,687
Loans reserve	-	-	-	-	200,000	200,000
Property reserve	-	-	-	-	200,000	200,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,096</u>	<u>1,245,910</u>	<u>1,276,006</u>

Included in the above is a revaluation reserve of £163,836 in 2015 (2014: £202,619).

In line with its reserves policy the Society has decided to set aside funds for the following specific purposes:

Fixed asset reserve: to cover the investment in fixed assets as valued in the annual financial statements.

Operational reserve: to ensure that ICS can sustain the cost of maintaining operations for a period of 12 months. As well as setting aside funds in 2016, funds have been designated by Council to cover the cost of subsidising the Chaplains Conference, the mission in Ibiza and the mission in Kandersteg for 2017 and 2018.

Chaplaincies reserve: to ensure the continuing function of existing work for 12 months.

Mission Partnerships reserve: to ensure that once a new partnership has been agreed that appropriate funding is set aside.

Loans reserve: to ensure funds are available to support and extend existing work.

Property reserve: to ensure that ICS has reserves available to meet any unforeseen, or emergency work, which needs to be undertaken on one of the properties that it owns.

12 Restricted Funds

	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Net incoming/ (outgoing) resources</i>	<i>Transfers</i>	<i>Balance brought forward</i>	<i>Balance carried forward</i>
	£	£	£	£	£	£
Mission Partnerships - Europe	5,541	4,500	1,041	3,959	-	5,000
Mission Partnerships - N Africa	6,552	33,949	(27,397)	-	51,732	24,335
St. Peter's, Zermatt	583	4,742	(4,159)	-	12,639	8,480
Income for Chaplaincy Work	71,620	71,747	(127)	-	132,463	132,336
	<u>84,296</u>	<u>114,938</u>	<u>(30,642)</u>	<u>3,959</u>	<u>196,834</u>	<u>170,151</u>

The Restricted Funds were established for the following purposes:

Mission Partnerships: these are funds received towards the costs of new mission work and the expenditure of these funds on these initiatives. Any excess of expenditure over income is met by a transfer from general funds.

St. Peter's, Zermatt: this fund is for the maintenance of the church building and the ministry in Zermatt.

Income for Chaplaincy Work: these are funds received expressed to be in support of specified chaplaincies' work and equivalent sums are passed on to them.

13 Endowments

	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Net incoming/ (outgoing) resources</i>	<i>Gains and transfers</i>	<i>Balance brought forward</i>	<i>Balance carried forward</i>
	£	£	£	£	£	£
Trust Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,617</u>	<u>541,798</u>	<u>544,415</u>

Trust Endowment Funds represent capital gifts to the Society. Income arising from the Trust Fund investments is used for general purposes.

Notes to the Accounts for the year ended 31 December 2015 (continued)

14 Commitments

The Society has financial commitments in respect of non-cancellable operating leases of land and buildings and of equipment. The total future minimum payments under non-cancellable operation lease are payable:

	2015	2014
	£	£
Within one year	16,134	16,329
Between 1 and 5 years	22,356	34,560
After more than 5 years	-	-
	<u>38,490</u>	<u>50,889</u>

15 Registered Holder

Two properties are registered in the Society's name. Two church properties are registered in the name of Intercontinental Church Society (Nominees) Ltd (a wholly owned subsidiary). The remainder are registered in the name of The Colonial and Continental Church Society (a subsidiary charity).

16 Tax Status

The Society is registered with the Charity Commissioners (No 1072584) as a charity and is exempt from taxation on its charitable activities.

17 Legal Status of the Society

The Society is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.00.