

ECHOES INTERNATIONAL

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

ECHOES INTERNATIONAL

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ECHOES INTERNATIONAL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Current trustees:

David Brown
Sharon Durrant (appointed 23 March 2021)
John Gamble (Vice-chair to 26 January 2021)
Hugh Burns Mitchell
James Pirie McGregor
Fiona McPhail (appointed 23 March 2021)
Simon Prince (Vice-chair from 26 January 2021)
Alan Hay Smith
Stephen Shaw
Paul John Young (Chair)

Charity registered number: 1173851 (Charity Commission for England and Wales)
SC047797 (Office of the Scottish Charity Regulator)

Principal office: 124 Wells Road
BATH
BA2 3AH

Executive Directors John Aitken, General Director
Rupert Abbott, Missions Director
Jim Armstrong, Operations Director

Auditor: Johnston Carmichael LLP
227 West George Street
GLASGOW
G2 2ND

Bankers: National Westminster Bank plc
24-25 Stall Street
BATH
BA1 1QF

Solicitors: Loosemores
Alliance House
18/19 High Street
CARDIFF
CF1 2BP

Investment Managers: Rathbone Investment Management Limited
Port of Liverpool Building
Pier Head
LIVERPOOL
L3 1NW

ECHOES INTERNATIONAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report and audited financial statements for the period ended 31 December 2020. This annual report represents the third report for Echoes International, a charitable incorporated organisation (CIO) registered with the Charity Commission with charity number 1173851 on 18th July 2017. Echoes International is also registered with the Scottish Charity Regulator (OSCR) with charity number SC047797.

Echoes International started operating from 1 January 2018 through the merger of Echoes of Service (charity number 234556) and Interlink (Scottish charity number SC008063). The merging charities prepared their previous financial statements to 31 December 2017. On 1 January 2018, all the assets and undertakings of Echoes of Service and Interlink were transferred into Echoes International.

The Trustees confirm that the annual report and the financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements.

Public benefit

The Trustees are aware of the Charity Commission's requirement that each charity carries out its activities with a view to Public Benefit. We believe that this can be clearly demonstrated, not only by the advancement of the Christian Gospel around the world, but also in our regular support of many social, educational, medical, relief and development projects overseas. The three objectives listed in our review of activities are all carried out for the benefit of the public we serve.

Objectives and activities

Policies and objectives

Policy decisions are taken at our regular Trustees' meetings. These include decisions regarding the compilation of the Daily Prayer Guide, which involves the addition and deletion of mission partners, the allocation of funds for personal support and specific purposes, the administration and maintenance of the office, and contact with mission partners and local churches. In accordance with regulator's guidance, safeguarding is considered and discussed at every Trustee Meeting.

Strategies for achieving objectives

In addition to our regular Trustees' meetings, we have planning days when we review the main objectives for the charity set out in our vision statement and assess how well we have managed to achieve them. These three targets are:

1. To be an informed, efficient and sensitive mission service group;
2. To be an influence in the promotion of mission in local churches; and
3. To develop partnerships with similar groups throughout the world.

As part of the merger the Trustees agreed a 3-year strategy which was designed to bring our new vision to life. 2020 was the third year of our strategy. Echoes International's vision is:

"To see Churches who are enthusiastic about mission sending new generations of workers into diverse models of Gospel ministry".

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

The strategy was developed to initiate the delivery of this vision.

- 2018** To better **engage** with stakeholders, churches and those Echoes of Service and Interlink had contact with.
- 2019** To **enlarge** our influence and reach relevant churches and organisations who are either unaware of the role of Echoes International or had little contact with the previous 2 charities.
- 2020** To continue our activities from 2019 & 2018 and **review** the effectiveness of the strategy in the realisation of our vision and decide on the way forward.

Whilst we were able to evaluate the existing 3-year strategy and revise our position for the years ahead there is no doubt, with the Covid19 pandemic, our other activities were impacted considerably.

Prior to the beginning of 2018, the Trustees took the important step to evaluate the levels of investments retained in comparison to the levels of reserves required as part of the 3-year strategy. As a result of this review which demonstrated there was a noticeable surplus over the reserves in place, the Trustees took steps to deliberately increase the levels of funds used in the furtherance of the Charity's Objectives. The Trustees believed that it was more important to invest in the vision set for the charity, than simply retain these as surplus to the required Reserves.

Activities for achieving objectives

As you read through the activity for 2020, Covid19 severely impacted those serving in cross-cultural mission and the whole operation of Echoes International. As a result of investment in IT at the beginning of 2018 which enabled all our data to be stored digitally, we were able to adapt to the conditions imposed by the restrictions. Much of the activity was done via video conference and from the middle of March 2020 all our staff were working from their homes. Trips to the office etc were to allow mail to be picked up and distributed electronically, donations banked or for specific purposes.

Although the medium of our activity changed from physical meetings to a digital medium, Covid19 has not impacted the level of our activity nor the number called by God into full-time and short-term cross-cultural mission.

- The Daily Prayer Guide and monthly Mission magazine continue to be produced in line with our strategy. The theme of the monthly magazine in 2020 was 'That they might have life!'. In 2020, magazines were charged at an early bird rate of £15 (£20 full-rate), plus donations of over £18k. Subscriptions continue to decrease, probably due to the age range of our core readership, and we are working to address this gradual decline. However, our weekly prayer email mailing list has increased from around 1,000 in 2018 to just under 1,400 in 2020. We were determined that Lockdown would not impact the production of the monthly Mission magazine and we give God thanks that this was achieved during the year.
- The success in engaging and enlarging our audience continued throughout 2020 through our digital channels. We are active in our chosen channels – Facebook, Twitter, YouTube, Instagram, and podcasts. During 2020, Facebook followers increased by 1,000 and, due in some part to our conferences moving online, our YouTube channel got around 12,000 views in 2020. The website continues to show growth both in visitors and page views, with nearly 85,000-page views in 2020.
- Commending church and new church visits have proven fruitful in developing our relationships with churches and in the numbers of people coming forward for service and being listed in the Daily Prayer Guide. Throughout 2020, we continued our visits by moving them to Zoom. We had meetings with 37 churches over the year (in the previous year it was 36 visits).
- We also arranged Zoom calls with all of the Mission Partners listed on the Daily Prayer Guide at the beginning of lockdown in April/May 2020 to specifically identify issues the Mission Partners were having as they dealt with Covid19 in their own locations.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

- We created a special Covid19 fund to help indigenous groups cope with the restrictions imposed by the virus. Over last year we provided £122,000 of gifts to 27 countries across 4 continents. The countries were - Fiji, India, Lebanon, Myanmar, Nepal, Pakistan, Sri Lanka, Yemen, Argentina, Bolivia, Colombia, Ecuador, Panama, Peru, Angola, Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Tanzania, Uganda, Zambia, Albania, France, Italy, Kosovo and Turkey.
- Emergency funding totalling £139,000 was sent to 34 countries across 5 different continents to help alleviate suffering caused by natural disasters, wars, economic hardship and refugee migration.
- In addition to the Zoom calls we carried out 53 Mission Partner debriefs – mostly via Zoom. These debriefs are essential as we interact and better understand the opportunities and challenges of cross-cultural mission across the world.
- There were another 10 mission partners added to the Daily Prayer Guide last year. This means that in the last 2 years 20 new Mission Partners have been added to the Daily Prayer Guide. This has resulted in the overall numbers of Mission Partners on the list increasing from 181 last year to 185 at the end of 2020. This is the first time in over 17 years the number of mission partners has increased.
- Our short-term programme has been equally encouraging. At Echoes International, short-term service is between 2 months and 2 years. In 2020 we had 10 people serving in short-term placements and of these 5 have transitioned to long-term service or are in the process of doing so. As this indicates, some apply to serve short-term to gain an experience of mission while for others, it is a route into long-term service. Of these 10, one was intending to be on the field for 6 months, but her time was curtailed to 4 months due to Covid-19, one term was 12 months, another 18 months, and all the rest were or will have been for the full 2 years. Countries and areas of service include South Africa, Pakistan, India, The Middle East, Zambia, Kenya and the Caribbean Islands.
- We would normally have 4 conferences a year with a couple of seminars held in England and Scotland. This was significantly impacted by the pandemic. Our last physical conference was in Kirkintilloch in March 2020. We held our first on-line conference in October last year and we were delighted by the response and numbers connecting to the event.
- One of the normal activities which was significantly impacted as a result of Covid19 was our travel which normally takes place when visiting mission partners/organisations and for specific conferences. During 2020 after Covid19 was announced as a pandemic, our international travel activity was suspended. There were trips to India and Greece prior to lockdown in March.
- In 2018 the Trustees established a fund to sponsor students through Tilsley Bible College. Since this fund was established, we have sponsored a total of 9 students. 5 have graduated and another 4 are attending the academic year 2020/21. It is hoped that these students will be a rich pipeline for Mission Partners in the years ahead.
- At the start of 2020 six FirstServe participants were preparing to commence placements in France, Greece, India, Israel and Peru. Two more participants commenced in the February. All of these programmes were significantly impacted by the pandemic. Five of the participants then overseas were repatriated in March, with one remaining in Peru until July due to border closures and flight cancellations. The two new starters halted their programmes after their UK placement. However, of these eight, two requested that their FirstServe programme be placed on hold rather than cancelled and hope to recommence in summer 2021. Three new participants began in September 2020. One subsequently transferred permanently to Tilsley College at the conclusion of her placement there. The others continued with the FirstServe programme which was modified to allow for the restrictions imposed by the pandemic. Nevertheless, it was possible to continue FirstServe.
- Throughout the year we look for opportunities to use gifted Bible teachers from the UK to get involved in bible teaching abroad. Over 2020 we facilitated bible teaching via Zoom in Argentina, Chile, Costa Rica, Honduras, Dominican Republic, Greece and Peru.
- In September 2020 we established our member care programme. This is a pilot which was established by the Trustees as a result of best practice picked up from our sister charities in the US (CMML) and

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Canada (MSC). The ethos of the programme is to better service the needs of Mission Partners associated with Echoes International. Better care for Mission Partners will help support them during their time of service for the Lord and hopefully minimise negative impacts on their ministry. 2 Mission Partners on the Daily Prayer Guide are assisting us with this programme, and it will be evaluated by the Trustees in September 2021.

- When Interlink and Echoes of Service came together, we identified at some point after the merger, we would need to replace the legacy financial system used by Echoes International. The old system was installed in 2004 and was badly needing replaced. This was done and completed at the end of 2020. The project took longer than expected mainly due to Covid19 as the various parties were completing all the tasks remotely. It was also our intention to ensure our financial system linked to our CRM database – this was more complicated than first anticipated. The new system has been installed and will give us much greater functionality and efficiency compared to the legacy system we were using.
- The final activity which took up a significant part of 2020 was to evaluate the 3-year strategy established when Interlink and Echoes of Service came together in 2018. The Directors and Trustees have revised the strategy in light of the progress the charity has made since 2018 to continue our journey for the charity over the next 3 years D.V. This was completed in November 2020.

Safeguarding –

Our safeguarding policy was established in 2018. The Directors have worked hard at implementing this policy to clearly demonstrate the seriousness with which the Trustees are taking this important issue. Echoes International is a member of Disclosure Scotland and Thirtyone Eight.

Our activity in 2020 was twofold – a) We carried out a self-audit to identify improvements we could make, and b) We also completed an external review of our policy and framework. These 2 activities highlighted a number of changes and improvements. The revised policy was completed at the beginning of 2021.

Plans for 2021 –

We plan to carry out another self-audit of our safeguarding progress and identify further actions from this. Safeguarding is an on-going exercise for Echoes International. It is not something we complete and then put on a shelf.

Risk and Security –

Mission partners are spread across the world and we recognise that some of the countries in which they serve represent a higher risk compared to others. We have developed services which will better equip sending churches and mission partners to mitigate the risks they face. These services include running HEFAT courses (Hostile Environment and First Aid Training) – 2 in 2020. Quarterly risk reports on the main risks in each country, are sent to mission partners and commending Churches. The provision of Health and Travel Insurance which takes into consideration the challenge of cross-cultural mission. We also have established access to a professional risk consultant who is able to advise the Trustees and Directors in times of difficulty.

In the main, our activity over the year can be summarised in the four undernoted priorities:

Pray prayer remains the foundation of the work of Echoes International. Our communication plan is primarily in place to help churches and supporters associated with the charity to pray. This covers print, digital and face to face activity.

Support We exist to do three things. a) Support sending churches as they recognise and commend those called into service by God. b) Support those called to cross-cultural mission through prayer, gifts, advice, practical support, safeguarding, risk and security etc. c) Support our indigenous brothers and sisters in Christ, across the world where there is a missional need.

Mobilise The need for people to serve in mission is greater today than it ever has been. The standing command from our Lord and Saviour has not changed. The harvest is plentiful, but the workers are few. Much of the world have not heard the Gospel. Nor do they have access to God's Word.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Over 42% in this world don't know who Jesus Christ is. We have the opportunity to communicate this need across all our mediums.

Equip Training and Equipping for mission is vital in a cross-cultural context. Our Tilsley sponsorship programme, volunteers using their gift in the majority world, the FirstServe programme, the Mission Orientation Programme and the seminars we hold are all aimed to help fulfil this key activity. We also support indigenous Christians in assisting with leadership and discipleship training as they see the need.

2020 has been a difficult year for a number of reasons – mostly caused by the pandemic. At the same time, we have been able to support mission partners on the Daily Prayer Guide, other individuals and organisations involved in cross-cultural mission world-wide. We know our heavenly Father was not surprised by this virus and we also know His ways and thoughts are much higher than ours. We continue to depend on Him and look to Him for the days ahead.

Grant making policies

Any funds received which are designated for mission partners, full time evangelists/preachers or specific ministries are transmitted directly (with no deductions) on a monthly basis. The Trustees allocate gifts at their discretion each month from their undesignated funds to all mission partners listed on the Daily Prayer Guide. Funds are also transmitted to short term partners as well. The amount of the gift is determined by the marital status of the mission partner, the size of their family & the UN cost of living index in the country in which they are based.

Gifts are also made in the following circumstances:

- One off and fellowship gifts using the delegated authorities given to the Directors
- Bi-annual gifts to various individuals/ministries agreed by the Trustees
- Ad-hoc gifts in response to disaster situations as the need arises.
- Strategic projects – Key ministry areas of indigenous workers are supported by Echoes international for a stated period (normally between 3-5 years) to help equip them in establishing their work. Overall, we are supporting 95 different projects in 33 countries, amounting to a sum of just under £500k each year. In 2020 4 new projects were started in 7 different countries. Projects covering:
 - support for medical ministries in Egypt and Lebanon
 - support for migrant ministry in Greece
 - provision of discipleship in Madagascar
 - support of Eastern European church leaders

Financial review –

Total funds held on the balance sheet at 31st December 2020 were £7.6m (2019: £8.6m), of which £1.3m (2019: £1.5m) relates to Restricted Funds and Endowment Funds. The remainder of the reserves relate to the charity's long-term expenditure requirements. The reduction in funds is in line with the strategy referred to earlier.

Gift income was £5.0m (2019: £4.5m). There was a 23% decrease in gift income from Assemblies. Income from Legacies increased by 181% while gifts from Individuals and Trusts were in line with 2019. The level of Restricted gifts decreased to 64% (2019: 77%) of total gift income. One of the biggest impacts on the charity from a Covid19 perspective is the reduction in giving from Assemblies. The postponement of services and moving on-line for many has resulted in a reduction in giving to cross-cultural mission through Echoes International.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Total charitable distributions, in the form of grants made to institutions and individuals amounted to £5.2m (2019: £5.6m), as shown in note 5 to the financial statements. Overall, total charitable expenditure decreased by £0.5m from £6.8m in 2019 to £6.3m in 2020 mainly because of the fall in Restricted gifts.

As part of the charity's pastoral responsibilities and networking with global mission groups, and sending churches, travel by Trustees and Executive Directors amounted to £0.01m during the year (2019: £0.04m). The significant decrease is due to Covid-19 restrictions.

The number of mission partners on the Daily Prayer Guide at the end of 2020 was 185 (2019: 181). These partners serve in 34 countries. There are also links with other Institutions and individuals in a number of other countries.

Investment policy and performance –

The Trustees have the power to invest all amounts not needed for immediate working capital. During 2020, Rathbones continued to manage the investment portfolio. In line with the investment policy approved by the Board during the year, these funds are invested, with Medium Risk profile, in a range of companies and funds designed to achieve a balance of capital growth and income.

The main portfolio had investments with a cost of £6.1m (2019: £7.0m) at the year-end. This portfolio was valued at £6.8m (2019: £7.5m) at 31st December 2020. A further £0.02m was held in cash on investment at the year end. During the year, £0.9m (2019: £1.9m) was withdrawn from investments to help fund the charities activities.

The A H Boulton Fund portfolio had investments with a cost of £0.1m (2019: 0.1m) at the year-end. This portfolio was valued at £0.1m (2019: £0.1m) at 31st December 2020. In 2019, this Fund was adjusted back to its Permanent Endowment of £0.1m and the remainder of the investments realised and distributed to General Funds.

The Mrs H Maclean Fund and the Ramsden Trust portfolios had investments with a cost of £0.03m and £0.05m respectively at the end of 2020 and a cost of £0.03m and £0.06m respectively at the 2019 year-end. These portfolios were valued at £0.04m and £0.05m respectively at 31st December 2020 and £0.03m and £0.06m respectively in 2019. The investments in these Funds, together with the Boulton Fund, are held in a general investment trust managed by Rathbones.

Reserves policy -

The two regulators for Scotland and England and Wales expect Trustees to decide, publish, implement and monitor their charity's reserves policy so that they can comply with their legal duties to:

- act in the interests of their charity and its beneficiaries
- protect and safeguard the assets of their charity
- act with reasonable care and skill
- ensure their charity is accountable.

In practice, this means that Trustees should develop a reserves policy that:

- fully justifies and clearly explains keeping or not keeping reserves;
 - identifies and plans for the maintenance of essential services for beneficiaries;
 - reflects the risks of unplanned closure associated with the charity's business model, spending commitments, potential liabilities and financial forecasts;
 - helps to address the risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers. We publish the reserves policy (even if not required to by law) and ensure it is tailored to the charity's circumstances – it should not be just a standard form of wording. It
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

should explain to funders, beneficiaries, the public and the Commission exactly what reserves are kept (or not kept) for and when they are to be used.

In addition to setting the reserves policy for Echoes International, it also details actions which will be taken to ensure the approach is re- assessed annually, taking into consideration associated risks, potential funding changes and financial climates.

For 2020 the Trustees decided to keep the following specific levels of reserve across six operational areas:

	Operational area	Reserve level to be held	Minimum reserve level
1	Office and Operating Expenses	1 year's equivalent expenses will be retained	£1.11m
2	Discretionary Allocation - Mission Workers	2 years equivalent expenses	£2.43m
3	Other Mission Support	1 year's normal allocation	£0.17m
4	Disaster and poverty relief	£250,000 to be held	£0.25m
5	Strategic projects	2 years allocation to be retained	£1.03m
6	Capital requirements	£200,000 to be held	£0.2m
	Total		£5.19m

During the year, the reserve level was above the stated minimum at all times.

The rationale for each fund is detailed in the charity reserves policy which is held on our website - www.echoesinternational.org.uk/reserves-policy. Accessing the charity's reserves will only be approved once discussed and agreed at the relevant Trustee Meeting – where this need is highlighted.

Actual total funds as at 31 December 2020 were £7.6m (2019: £8.6m), of which £1.3m (2019: £1.5m) was held in restricted and endowment funds which are not available for the general purposes of the charity. In setting the reserve levels the Trustees have designated funds to ensure these are available should the need arise. Unrestricted funds in our reserve sit at a total of £6.3m.

The unrestricted funds of the charity at 31 December 2020 of £6.3m (2019: £7.1m) represented an excess of £1.1m (2019: £1.7m) over the total level of reserves identified in the reserves policy. These funds are available for the general purposes of the charity and are over and above the designated reserves identified above.

These movements in balances are consistent with the 3-year strategy of the charity.

Going concern -

In accordance with our 3-year strategy for 2018-2020 and the revised strategy for 2021-2023, the Trustees consider the resources available to the charity as well as the forecast income and expenditure for the forthcoming periods. Based on this analysis, and through the setting and holding of reserves in line with the policy set out above, the Trustees have a reasonable expectation that the charity will continue in operation for at least twelve months from the date of the approval of the financial statements. The Trustees have therefore adopted the going concern basis of accounting in the preparation of the financial statements, as set out in the Accounting Policies.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Risk management -

During 2020 the Trustees have managed the main risks facing the charity and they have delegated the task of managing these risks to the Audit and Risk Committee. The committee comprised of 3 Trustees with the Operations Director attending these meetings which are held every 3 months. The Risk Control Framework is discussed at each Trustee Meeting to ensure all risks are managed and the Trustees are kept up to date with any issues facing the charity.

The main risks facing the charity have been identified and categorised as:

- Reputational
- Financial
- Health and safety
- Compliance
- Strategic
- Operational

A number of specific risks have been identified within each of these classifications and the controls and actions to mitigate our risks are overviewed by the Audit and Risk Committee and mainly delivered and managed by the Executive Team.

The changing trend of giving from churches, individuals, legacies and trusts is also something which is monitored across the charity from an on-going risk perspective. The reserves policy, our strategic plan and annual financial plan takes these trends into consideration. These items are discussed at Trustee Meetings and actions taken accordingly where necessary.

We remain a faith-based charity reliant on God who is faithful. Whilst we take steps (detailed above) to ensure we are transparent and accountable to the regulators and charity law requirements; we are always conscious that the resources we have are His. We are stewards of what He has provided.

Plans for the future -

The Trustees of Echoes International remain committed to the strategic aims of the charity established in 2017 as part of the merger. The end of 2020 was used to agree our revised strategic journey for the next 3 years DV. The Trustees and all associated with Echoes International seek the Lord's guidance in all we do.

Structure, governance and management

Constitution

The constitution of the charity was approved in 2017 by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator (OSCR). This provides the charity with a framework and guidelines for the Trustees to administer the charity. We continue to be a mission Service Group who work for the worldwide furtherance of the Christian Gospel.

Method of appointment or recruitment of Trustees

The Trustees of Echoes International recognise the importance of a diversified Board with a good spread of capabilities and experience in relation to the Mission Service Group. We have identified the skills and capabilities required and will use the established process to appoint new Trustees as the opportunity arises. When new Trustees are needed the Chair and Vice Chair will approach individuals identified through various sources. They will be interviewed and asked to attend Board Meetings to establish their qualifications, their fit with the Board and their comfort with the workings of the Trust. After this process and if both parties feel it is appropriate to proceed, the formal appointment will be made following the Board's endorsement.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Policies adopted for the induction and training of Trustees

New Trustees will be provided with the various documents which detail the Trust's Vision, Values, Strategy and Constitution. Information with regard to Trustee responsibilities as expected by the Charity Commission will also be reviewed. We will provide training with regard to Safeguarding and they will be subject to an enhanced police check. Police checks and personal references are taken up for the Trustees during the recruitment process.

Key management personnel remuneration

The Board of Trustees are responsible for the running of the charity and meet regularly (normally every 2 months) to ensure the Strategic, Financial, Risk and Operational decisions are made timeously. The Chairman and Trustees are volunteers and give of their time freely. The operational day to day running of the charity is delegated by the Board to the General Director and his Executive Team – this team were the Missions Director and the Operations Director during 2020.

Details of remuneration are disclosed in notes 10 and 11. The Board of Trustees is responsible for reviewing and approving levels of remuneration for the Executive Directors.

Organisational structure and decision making

Details of the Trustees currently in office, together with other reference information, are shown on page 1. The Trustees who served during the period from 1 January 2020 to the date the financial statements were approved were as follows:

Mr Paul Young	Chair
Mr John Gamble	Vice Chair to 26 January 2021
Mr David Brown	
Dr John Henry Burness	(retired 19 May 2020)
Mr James McGregor	
Mr Hugh Mitchell	
Mr Simon Prince	Vice Chair from 26 January 2021
Mr Alan Smith	
Mr Stephen Shaw	
Miss Sharon Durrant	(appointed 23 March 2021)
Miss Fiona McPhail	(appointed 23 March 2021)

The Executive Directors in 2020 were –

Mr John Aitken	General Director
Mr Rupert Abbott	Mission Director
Mr Jim Armstrong	Operations Director

At the end of 2020 John Aitken stepped down from the role of General Director. After a recruitment process Jim Armstrong was appointed by the Trustees to the role of General Director. John has kept working with the charity as the Partnership Executive. Rupert Abbott continues as Mission Director.

The revised strategy required a change of operating model for Echoes International and this was completed for the beginning of 2021.

The Trustees, Executive Directors and other non-voting members attend Trustee meetings approximately every 2 months and annually for a strategic planning meeting.

Accountability is maintained through robust Board reporting by the Executive team including financial, risk, operational and reputational reporting. Bi-annual meetings take place with our Advisory Council who are able to give us an external view of the operations for Echoes International.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Delegated authorities have been put in place to allow the day to day running of the charity and a financial plan is established for Income, Giving and operational expenses. These positions are monitored at Board Meetings and all aspects of control and performance are transparent to the Trustees during these meetings.

Financial Software provides our management accounts which are viewed by the Trustees at their meetings. All our IT and software requirements are maintained by an external 3rd party and this gives us full resilience in the event of a major incident. They routinely visit to address operational issues and the Operations Director meets with the Senior Management of the IT company to ensure all service levels and risks are managed according to the contract in place. In addition, in 2018 we established a CRM and SharePoint filing system to provide further resilience and making sure all records and files are held in a paperless system. The IT system used is cloud based and backed up daily.

Our websites are all maintained along with our Social Media platforms – we have policies in place for our communication strategy to ensure nothing is communicated which would impact the reputation of the charity.

All e-transactions are made securely. Our access to IT and Internet Banking is fully encrypted and accessed via 2-factor authentication.

We continue to make no charges for the transmitting of funds. Nothing is deducted from gifts towards the running of the charity. It would be our hope and prayer that Operating expenses are normally met from specific gifts made towards our expenses, investment income and a % of all unrestricted legacies received in the year. We do not engage in any fundraising activity. Our sustainability is dependent on a faithful God.

In addition to the above sources of funds for operational expenses, the Trustees agreed to use a further £0.4m of discretionary reserves for the operational expenses of the charity in 2020. This was to allow them to support their 3-year strategy and see a renewed enthusiasm for mission from UK churches.

Relationships with other organisations

Trustees are required to disclose relevant interests, and these are noted on a register and kept by the Board. In accordance with the Charity's policy, Trustees withdraw from decisions where a conflict of interest exists.

The Trustees' Report was considered and approved by the Trustees at their meeting on 21 June 2021 and subsequently signed on their behalf by:

Paul Young

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Paul John Young, Chairman

22 / 06 / 2021
Date:

ECHOES INTERNATIONAL

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees 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).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of its constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ECHOES INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ECHOES INTERNATIONAL FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Echoes International (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

ECHOES INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ECHOES INTERNATIONAL (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- proper and adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

ECHOES INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ECHOES INTERNATIONAL (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Extent to which an audit is considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Based on our understanding of the charity, we determined that the principal risks of non-compliance with laws and regulations related to UK charity legislation, specifically the Charities Act 2011 and the Charity and Trustee Investment (Scotland) Act 2005, and UK employment legislation (including health and safety in the workplace). We have considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements. We have also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities (Accounts and Reports) Regulation 2008 and the Charities Accounts (Scotland) Regulations 2006.
- All engagement team members were briefed on relevant laws and regulations and potential fraud risks at the planning stage of the audit. However, the primary responsibility for the prevention and detection of fraud rests with the trustees.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the timing of recognition of donation and/or legacy income, as well as any restrictions on the purpose of that income which might affect recognition. We also considered the risk of the posting of inappropriate journal entries in respect of the manipulation of income or expenditure.
- Audit procedures performed by the engagement team included:
 - Evaluation of the design and implementation of the controls established by management and the trustees to prevent and detect irregularities.
 - Enquiry of management and the trustees in respect of actual and potential fraud, actual and potential litigation and claims, and any instances of non-compliance with applicable laws and regulations. These enquiries included management's and trustees' own identification and assessment of the risk of fraud and where fraud may be most likely to occur.
 - Inspection of minutes from meetings held by management and trustees for any reference to breaches of laws and regulations.
 - Inspection of legal fees incurred in the year under audit for any indication of actual and/or potential litigation and claims against the charity, and/or indications of non-compliance with applicable laws and regulations.
 - Obtaining an understanding and inspecting evidence for the assumptions and judgements made by management in the timing of recognition of donation and legacy income.
 - Identifying and testing journal entries, including those relating to income and expenditure, with a focus on manual journal entries above our performance materiality assessment as well as journals meeting other predefined criteria such as journals containing round sum amounts that could be an indicator of management override of controls.
 - Inspection of the financial statement disclosures for compliance with applicable charity law and the financial reporting framework.

ECHOES INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ECHOES INTERNATIONAL (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

The report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP

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Johnston Carmichael LLP

**Chartered Accountants
Statutory Auditor**

22 / 06 / 2021

Date:

227 West George Street
GLASGOW
G2 2ND

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ECHOES INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income from endowments from:						
Donations and legacies	2	1,793,723	3,224,788	-	5,018,511	4,456,482
Charitable activities	3	53,506	-	-	53,506	26,957
Investment income	4	173,551	1,226	-	174,777	271,163
Other income		5,642	-	-	5,642	28,320
Total income and endowments		2,026,422	3,226,014	-	5,252,436	4,782,922
Expenditure on:						
Charitable activities	5	2,870,583	3,408,635	-	6,279,218	6,812,563
Total expenditure		2,870,583	3,408,635	-	6,279,218	6,812,563
Net (expenditure) before investment gains/(losses)		(844,161)	(182,621)	-	(1,026,782)	(2,029,641)
Net gains / (losses) on investments		36,835	1,992	7,530	46,357	939,011
Net (expenditure)/income	9	(807,326)	(180,629)	7,530	(980,425)	(1,090,630)
Transfers between funds		(39,431)	39,431	-	-	-
Net movement in funds		(846,757)	(141,198)	7,530	(980,425)	(1,090,630)
Reconciliation of funds:						
Total funds brought forward		7,148,518	1,311,461	145,329	8,605,308	9,695,938
Total funds carried forward		6,301,761	1,170,263	152,859	7,624,883	8,605,308

ECHOES INTERNATIONAL

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12	652,527		584,879	
Investment property		41,000		41,000	
Total tangible assets			693,527		625,879
Investments	14		7,065,175		7,752,175
			7,758,702		8,378,054
Current assets					
Debtors	15	96,572		127,331	
Cash at bank and in hand		464,351		670,671	
		560,923		798,002	
Creditors: amounts falling due within one year	16	(694,742)		(570,748)	
Net current assets/(liabilities)			(133,819)		227,254
Net assets			7,624,883		8,605,308
Charity funds					
Endowment funds	18	152,859		145,329	
Restricted funds	18	1,170,263		1,311,461	
Unrestricted funds	18				
- General funds		806,032		1,668,842	
- Designated funds		5,495,729		5,479,676	
Total unrestricted funds			6,301,761		7,148,518
Total funds			7,624,883		8,605,308

The financial statements were approved by the Trustees on 21 June 2021 and signed on their behalf by:

Paul Young

22 / 06 / 2021

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Paul John Young, Chairman

The notes on pages 20 to 38 form part of these financial statements

English Charity No: 1173851
Scottish Charity No: SC047797

ECHOES INTERNATIONAL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	20	<u>(1,031,976)</u>	<u>(1,941,345)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		174,777	271,163
Purchase of tangible fixed assets		(107,894)	(43,445)
Sale of investments		1,907,719	3,513,116
Purchase of investments		(1,158,831)	(1,761,541)
Proceeds from sale of tangible fixed assets		-	482
Movement in cash held as investment		9,885	364,189
Net cash provided by investing activities		<u>825,656</u>	<u>2,343,964</u>
Change in cash and cash equivalents in year		(206,320)	402,619
Cash and cash equivalents brought forward		670,671	268,052
Cash and cash equivalents carried forward	21	<u>464,351</u>	<u>670,671</u>
Relating to:			
Bank balances and short-term deposits		<u>464,351</u>	<u>670,671</u>

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

1 Accounting policies

1.1 General information

Echoes International is a charitable incorporated organisation, registered with the Charity Commission in England and Wales (charity number 1173851) and in Scotland with OSCR (charity number SC047797). The registered office is 124 Wells Road, Bath, BA2 3AH. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.2 Basis of preparation of financial statements

Echoes International constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities (Accounts and Reports) Regulations 2008.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 ("the Charities SORP"), rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments and investment property and fair value. The principal accounting policies adopted are set out below.

The financial statements are prepared in £ sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.3 Going concern

At the time of approval of these financial statements, the Trustees have considered the resources available to the charity as well as the forecast income and expenditure for at least 12 months from the date of approval. Based on this analysis the Trustees have a reasonable expectation that the charity will continue in operation for at least twelve months from the date of the approval of the financial statements and have not identified a material uncertainty in relation to the going concern position of the charity. The Trustees have therefore adopted the going concern basis of accounting in the preparation of the financial statements.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

1 Accounting policies (continued)

The charity holds two endowment funds, which are those resources received by the charity which represent capital. One of the funds is a permanent endowment, while the other fund is expendable. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund. Investment income, gains and losses (other than endowment fund income) are allocated to the appropriate fund.

1.5 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 measured reliably.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income recognition is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that the estate has been finalised and notification has been made by the executor(s) that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs comprise staff and other costs incurred directly as a result of the charity making grants and allocations, the publication of the magazine and the support of missionaries and projects. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. These costs include costs related to the statutory audit and Trustees' meetings.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

1 Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £300 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual values, over their expected useful lives on the following basis:

Freehold property	2% straight line
Fixtures and fittings	15 – 33% reducing balance + 25% straight line
Computer equipment	33.33% straight line
Freehold property improvements	10% straight line

1.8 Investment properties

Investment property, which is held to earn rentals, is measured at fair value at each reporting date with changes in value recognised in the Statement of Financial Activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'gains/(losses) on investments' in the Statement of Financial Activities.

1.10 Interest receivable

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

1.11 Debtors

Other debtors are recognised at the settlement amount after any trade discount offered.

1.12 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 acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or at the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

1 Accounting policies (continued)

1.14 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.15 Employee benefits

The cost of employee benefits, including any unused holiday entitlement, is recognised in the period in which the employee's services are received.

1.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.17 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. The charity is registered with HMRC as a charity.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty

Depreciation

The depreciation of tangible fixed assets is a key area of estimation. The useful life and residual value of fixed assets is considered, and a depreciation rate applied accordingly. Details of the depreciation policies applied can be found in the accounting policies section of the notes to the financial statements. The depreciation charge for the year amounts to £40,246 (2019: £32,025). The carrying value of tangible fixed assets at the year-end to which depreciation applies amounts to £652,527 (2019: £584,879).

2 Income from donations and legacies

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Assembly gifts	59,764	682,906	742,670	965,072
Other collective gifts	13,107	451,122	464,229	648,946
Individual gifts	212,345	1,184,941	1,397,286	1,412,157
Trusts	158,432	756,364	914,796	896,587
Legacies	1,350,075	149,455	1,499,530	533,720
Total donations and legacies	1,793,723	3,224,788	5,018,511	4,456,482
Total 2019	966,597	3,489,885	4,456,482	

3 Income from charitable activities

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Publishing	53,506	-	53,506	26,957
	53,506	-	53,506	26,957
Total 2019	26,957	-	26,957	

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

4 Investment income

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
	£	£	£	£
Rental income	1,948	-	1,948	2,006
Dividend income	171,069	1,160	172,229	267,836
Bank interest	534	66	600	1,321
	<u>173,551</u>	<u>1,226</u>	<u>174,777</u>	<u>271,163</u>
Total 2019	<u>269,520</u>	<u>1,643</u>	<u>271,163</u>	

5 Charitable expenditure

	Unrestricted funds 2020	Restricted funds 2020	Total 2020	Restated Total 2019
	£	£	£	£
Grants to organisations (note 6)	780,401	1,262,234	2,042,635	1,900,711
Grants and allocations to individuals	1,084,878	2,106,602	3,191,480	3,724,584
Publishing, mobilisation & equipping	201,574	5,550	207,124	221,482
Support costs (note 7)	781,897	34,249	816,146	925,293
Governance costs (note 8)	21,833	-	21,833	40,493
Total	<u>2,870,583</u>	<u>3,408,635</u>	<u>6,279,218</u>	<u>6,812,563</u>
Total 2019	<u>3,106,976</u>	<u>3,705,587</u>	<u>6,812,563</u>	

During 2020 the Trustees have reviewed the classification of costs and identified £95,293 of costs that were previously included in support costs and then allocated to charitable expenditure which should have been directly allocated to publishing, mobilisation & equipping. The 2019 comparatives for publishing, mobilisation & equipping and support costs have been restated to provide consistency in presentation following this reclassification.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

6 Material grants to organisations (> £50,000 in current or prior year)

	2020	2019
	£	£
Chitokoloki Hospital	78,563	83,781
Christian Mission Charitable Trust (CMCT)	65,385	24,661
Gospel Literature Outreach (GLO)	59,593	80,348
*SRG	15,000	77,264
Gospel Fellowship Trust of India	54,549	52,618
Total of smaller grants paid to other organisations	<u>1,769,545</u>	<u>1,582,039</u>
	<u>2,042,635</u>	<u>1,900,711</u>

*Grants awarded to this organisation were specifically for the purpose of disaster and poverty relief. Grants to other organisations are made in line with the policy described in the Trustees' Report.

7 Support costs

	2020	Restated 2019
	£	£
Staff costs	505,960	485,432
Rates, light, heat and insurance	25,008	18,122
Cleaning, decorating and repairs	24,329	23,572
Travelling – Trustees	966	4,225
Travelling – Other	8,566	31,924
Printing, telephone, stationery and advertising	16,937	21,349
Equipment renewals and maintenance	52,407	83,030
Professional fees	84,417	117,747
Bank charges	12,157	13,510
Sundry expenses	45,153	94,357
Depreciation	40,246	32,025
	<u>816,146</u>	<u>925,293</u>

8 Governance costs

	2020	2019
	£	£
Auditor's remuneration	16,680	20,100
Auditor's non-audit services	377	3,875
Trustee meetings	3,005	10,224
Advisory group	1,378	4,141
Legal fees	-	1,451
Board of reference	-	702
Strategic planning	393	-
	<u>21,833</u>	<u>40,493</u>

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

9 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets:		
Owned by the charity	40,246	32,025
Auditor's remuneration – audit	16,680	20,100
Auditor's remuneration – other services	21,414	33,072
Operating lease rentals	19,502	12,432

Other services provided by the auditor in the current year include taxation compliance services totalling £nil (2019: £5,490) and other financial services of £21,414 (2019: £27,582).

10 Staff costs

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	422,883	408,912
Social security costs	38,480	35,356
Pension contributions	44,597	41,164
	505,960	485,432

The average number of persons employed by the charity during the year was as follows:

	2020	2019
	No	No
Administration	21	18

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel include the Trustees and Executive Directors. The total employee benefits of the key management personnel of the charity were £141,209 (2019: £137,477). Trustees are not remunerated (see note 11).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £44,597 (2019: £41,164).

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

11 Trustee remuneration and expenses

No trustees were remunerated during the current or prior years and no pension contributions were made by the charity to its defined contribution scheme in respect of any trustees.

The following expenses were incurred on behalf of, or reimbursed to, eight trustees (2019: 9 trustees):

	2020	2019
	£	£
Meals/hotels	899	2,218
Travel (including overseas)	3,850	13,727
Sundry	69	25
	<u>4,818</u>	<u>15,970</u>

12 Tangible fixed assets

	Freehold Property £	Fixtures & Fittings £	Computer Equipment £	Freehold Property Improvements £	Total £
Cost					
At 1 January 2020	766,118	30,106	110,159	24,659	931,042
Additions	-	-	107,894	-	107,894
Disposals	-	-	(3,245)	-	(3,245)
At 31 December 2020	<u>766,118</u>	<u>30,106</u>	<u>214,808</u>	<u>24,659</u>	<u>1,035,691</u>
Depreciation					
At 1 January 2020	245,152	19,768	77,709	3,534	346,163
Depreciation charge	15,322	2,513	19,951	2,460	40,246
Disposals	-	-	(3,245)	-	(3,245)
At 31 December 2020	<u>260,474</u>	<u>22,281</u>	<u>94,415</u>	<u>5,994</u>	<u>383,164</u>
Net book value					
At 31 December 2020	<u>505,644</u>	<u>7,825</u>	<u>120,393</u>	<u>18,665</u>	<u>652,527</u>
At 31 December 2019	<u>520,966</u>	<u>10,338</u>	<u>32,450</u>	<u>21,125</u>	<u>584,879</u>

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

13 Investment property

	Freehold Investment Property £
Valuation	
At 31 December 2020 and 31 December 2019	<u>41,000</u>

The valuation was initially based on an independent professional valuation of fair value. The Trustees are satisfied that there has been no material change in this fair value in the current and prior year.

14 Investments

	Total £
Market value	
At 1 January 2020	7,752,175
Purchase of investments	1,158,831
Gift in specie	25,416
Sale of investments	(1,907,719)
Realised and unrealised gains/(losses)	46,357
Movement in cash held	(9,885)
At 31 December 2020	<u>7,065,175</u>
Historical cost	<u>6,311,864</u>

Investments at market value comprise:

	2020 £	2019 £
Listed investments	7,042,015	7,728,494
Cash held as part of investment portfolio	23,160	23,681
	<u>7,065,175</u>	<u>7,752,175</u>

Material investments

At the year end, the charity had the following spread of listed investments by nature.

	2020 £	2019 £
Fixed interest	1,524,048	2,185,381
UK equities	1,923,283	2,456,222
Overseas equities	2,088,589	2,217,630
Alternative holdings	1,506,095	869,261
	<u>7,042,015</u>	<u>7,728,494</u>

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

15 Debtors

	2020	2019
	£	£
Other debtors	32,970	46,032
Prepayments and accrued income	22,712	67,803
Tax recoverable	40,890	13,496
	<u>96,572</u>	<u>127,331</u>

16 Creditors

	2020	2019
	£	£
Trade creditors	137,279	171,595
Other taxation and social security	10,074	21,477
Other creditors	450,091	267,959
Accruals and deferred income	97,298	109,717
	<u>694,742</u>	<u>570,748</u>

17 Financial instruments

	2020	2019
	£	£
Financial assets		
Measured at fair value through profit or loss	<u>7,042,015</u>	<u>7,728,494</u>

Financial assets measured at fair value through profit or loss comprise fixed asset listed investments, whose fair value is determined using quoted market prices in an active market.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds

(a) Statement of funds – current year	Reserve category*	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/(Losses) £	Balance at 31 December 2020 £
Unrestricted funds							
General funds (merger of funds)	1	2,225,123	226,135	(752,329)	(892,897)	-	806,032
Echoes of Service – legacy charity fund	1	1,743	172,136	(1,632)	(172,200)	-	47
Interlink – legacy charity fund	1	10,661	5,100	(302)	(5,000)	-	10,459
Investment property	1	41,000	-	-	-	-	41,000
Publishing department	1	4,691	57,385	(149,864)	140,431	-	52,643
Realised gains/(losses)	1	147,057	-	-	(57,460)	(89,597)	-
Unrealised revaluation gains/(losses)	1	385,222	-	-	193,741	126,432	705,395
A H Boulton fund	1	2,020	2,275	(630)	(2,995)	-	670
Mrs H Maclean Trust	1	1,325	699	-	(921)	-	1,103
Missionary work	2	496,115	1,495,064	(1,087,328)	-	-	903,851
MW transition fund	2	53,000	-	(155,600)	102,600	-	-
Legacy equalisation	2	2,000,000	-	-	-	-	2,000,000
Medical	3	50,000	1,780	(111,759)	109,979	-	50,000
Special projects	3	90,561	-	-	-	-	90,561
Ministry support	3	10,000	30	(66,684)	66,654	-	10,000
Training	3	20,000	-	(109,528)	109,528	-	20,000
National worker	3	40,000	150	(100,439)	100,289	-	40,000
Poverty and relief fund	4	250,000	65,668	(101,253)	35,585	-	250,000
Strategic initiative fund	5	1,120,000	-	(158,761)	158,761	-	1,120,000
Equipment and maintenance	6	200,000	-	(74,474)	74,474	-	200,000
		7,148,518	2,026,422	(2,870,583)	(39,431)	36,835	6,301,761

*Category of reserve relates to the six operational areas for reserves described in the charity's reserves policy, as described in the Trustees' Report.

Transfers are to/from the General Funds and relate to designations, or release of designation, by the Trustees or where funds are transferred to a restricted fund to cover a deficit in fund balance. £1.11m of the general funds are designated as a minimum reserve balance for category 1 per the reserves policy. Other designated funds consist of categories 2 through 6.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds (continued)

(a) Statement of funds – current year (cont.)

Endowment funds	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/ (Losses) £	Balance at 31 December 2020 £
Mrs H Maclean Trust	34,161	-	-	-	1,770	35,931
A H Boulton fund	111,168	-	-	-	5,760	116,928
	145,329	-	-	-	7,530	152,859

Restricted funds	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/ (Losses) £	Balance at 31 December 2020 £
Missionary	3,860	1,611,511	(1,611,509)	-	-	3,862
Property	524,266	-	(15,922)	15,965	-	524,309
Personal needs	2,452	1,502,084	(1,503,214)	-	-	1,322
Beneficiary holding	470,390	41,785	(102,811)	13,624	-	422,988
Suspense	15,658	43,978	-	-	-	59,636
Missionaries' Children fund	84,713	13,109	(38,798)	(1,250)	-	57,774
First Serve	2,707	12,257	(22,842)	15,000	-	7,122
Relief	117,475	-	(112,039)	-	-	5,436
Ramsden Fund	55,245	1,160	(1,500)	(3,908)	1,992	52,989
Missionary Furlough Fund	34,695	130	-	-	-	34,825
	1,311,461	3,226,014	(3,408,635)	39,431	1,992	1,170,263
Total of funds – 31 December 2020	8,605,308	5,252,436	(6,279,218)	-	46,357	7,624,883

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds (continued)

Unrestricted and designated funds

General	Monies designated to enable the trustees to administer the ongoing objectives of the charity.
Investment property	Properties bequeathed under terms of donor's will but subject to "reversionary interest".
Missionary work	Monies received for general disbursement for "The Lord's Work Overseas".
Medical	Monies to purchase medical supplies and equipment in hospitals and clinics.
Legacy equalisation	Monies designated by the Trustees to act as a "reserve" to supplement giving under the above category, missionary work unrestricted, should that important category of gift income decline.
Special projects	A fund set up to provide funding for all activities associated with the merger between Echoes of Service and Interlink from 1 January 2018.
MW transition fund	Monies received from third parties to augment the amounts held by insurers, on behalf of mission workers, to await their return from overseas.
Strategic Initiatives	Monies set aside for the strategic funding of mission projects globally, normally over a 3-year period. The fund is used for projects outside of the course of regular gifts and finance provided by Echoes International and is limited to those within the Brethren movement or those with substantial links to the movement.
Equipment and maintenance	Monies designated by the Trustees for the upkeep of the office property and capital expenditure on equipment.
Publishing department	Monies designated by the Trustees as a "reserve" used for the publishing of books/fact files and production of the Daily Prayer Guide and Echoes magazine.
Realised gains / revaluations	Details the cumulative gains/losses of the investment portfolio administered by Hargreaves Lansdown.
Ministry support	Monies designated by the Trustees for a variety of Christian ministries including literature work, production and distribution of vernacular Bibles and Bible study aids, radio broadcasting and other associated activities.
Poverty and relief	Monies designated by the Trustees to provide financial help in situations of property relief and hardship.
Training	Monies designated by the Trustees to enable Bible colleges training establishments to provide national workers with training in preparation for and continuance in Christian service.
National worker	Monies designated by the Trustees to enable National Service Agencies to distribute monies amongst their own indigenous Christian workers.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds (continued)

Unrestricted and designated funds (cont.)

Mrs H Maclean Trust The Trust having been set up for the benefit of Echoes of Services – see also endowment fund element below.

A H Boulton Fund The Fund having been set up for the benefit of Echoes of Services – see also endowment fund element below.

Endowment funds

Mrs H Maclean Trust The Trust having been set up for the benefit of Echoes of Services – the endowment fund is an expendable endowment.

A H Boulton Fund The Fund having been set up for the benefit of Echoes of Services – the endowment fund element below is a permanent endowment.

Restricted funds

Missionary Monies donated for mission workers “ministry / work”.

Property Established for the purchase and refurbishment of offices at 124 Wells Road, Bath.

Personal needs Monies donated for mission worker’s “personal needs”.

Beneficiary holding Monies awaiting distribution instructions from named beneficiary.

Suspense Monies awaiting donor’s disbursement instructions.

**Missionaries’
Children’s fund** The aim of this fund is to support the children of mission workers commended from UK assemblies to help with the educational expenses incurred, until further education, while their parents are serving on the mission field.

First serve Monies received for the First Serve gap year programme.

Relief Monies donated to assist in relief operations following natural disasters: earthquake, famine, fire and flood.

Ramsden Fund For the provision of accommodation where appropriate and other needs of missionaries while on leave or residing in the UK.

**Missionary Furlough
Fund** The provision of gifts to missionaries on furlough in the UK.

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds (continued)

(b) Statement of funds – prior year	Reserve category*	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds							
General funds (merger of funds)	1	3,699,531	165,572	(654,077)	(985,903)	-	2,225,123
Echoes of Service – legacy charity fund	1	3,752	275,328	(277,337)	-	-	1,743
Interlink – legacy charity fund	1	10,510	37,717	(37,566)	-	-	10,661
Investment property	1	41,000	-	-	-	-	41,000
Publishing department	1	1,151	29,878	(146,338)	120,000	-	4,691
Realised gains	1	-	-	-	-	147,057	147,057
Unrealised revaluation gains/(losses)	1	(391,122)	-	-	-	776,344	385,222
A H Boulton fund	1	197,962	4,394	(953)	(199,383)	-	2,020
Mrs H Maclean Trust	1	1,839	858	-	(1,372)	-	1,325
Missionary work	2	746,608	720,081	(970,574)	-	-	496,115
MW transition fund	2	53,000	-	(285,600)	285,600	-	53,000
Legacy equalisation	2	2,000,000	-	-	-	-	2,000,000
Medical	3	65,000	1,209	(117,120)	100,911	-	50,000
Special projects	3	94,307	-	(3,746)	-	-	90,561
Ministry support	3	9,480	11,100	(72,250)	61,670	-	10,000
Training	3	19,328	60	(109,887)	110,499	-	20,000
National worker	3	11,885	15,909	(141,709)	153,915	-	40,000
Poverty fund	4	250,615	6,777	(12,500)	5,108	-	250,000
Strategic initiative fund	5	1,074,742	3,000	(180,844)	223,102	-	1,120,000
Equipment and maintenance	6	200,000	-	(96,475)	96,475	-	200,000
		8,089,588	1,271,883	(3,106,976)	(29,378)	923,401	7,148,518

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

18 Statement of funds (continued)

(b) Statement of funds – prior year (cont.)

Endowment funds	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/ (Losses) £	Balance at 31 December 2019 £
Mrs H Maclean Trust	30,191	-	-	-	3,970	34,161
A H Boulton fund	105,000	-	-	(622)	6,790	111,168
	135,191	-	-	(622)	10,760	145,329
Restricted funds	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/ (Losses) £	Balance at 31 December 2019 £
Missionary	293	1,801,535	(1,839,642)	41,674	-	3,860
Property	540,188	-	(15,922)	-	-	524,266
Personal needs	2,828	1,496,666	(1,512,042)	15,000	-	2,452
Beneficiary holding	455,039	75,266	(59,915)	-	-	470,390
Suspense	42,332	-	-	(26,674)	-	15,658
Missionaries' Children fund	87,005	42,076	(44,368)	-	-	84,713
First Serve	17,990	23,627	(38,910)	-	-	2,707
Relief	237,245	69,992	(189,762)	-	-	117,475
Ramsden Fund	53,702	1,719	(5,026)	-	4,850	55,245
Missionary Furlough Fund	34,537	158	-	-	-	34,695
	1,471,159	3,511,039	(3,705,587)	30,000	4,850	1,311,461
Total of funds – 31 December 2019	9,695,938	4,736,629	(6,766,270)	-	939,011	8,605,308

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

19 Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	128,218	524,309	-	652,527
Investments	5,874,045	1,038,271	152,859	7,065,175
Investment property	41,000	-	-	41,000
Current assets	503,149	57,774	-	560,923
Creditors due within one year	(244,651)	(450,091)	-	(694,742)
	<u>6,301,761</u>	<u>1,170,263</u>	<u>152,859</u>	<u>7,624,883</u>

Analysis of net assets between funds – prior year

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Endowment Funds 2019 £	Total Funds 2019 £
Tangible fixed assets	60,613	524,266	-	584,879
Investments	6,880,675	726,171	145,329	7,752,175
Investment property	41,000	-	-	41,000
Current assets	713,289	84,713	-	798,002
Creditors due within one year	(547,059)	(23,689)	-	(570,748)
	<u>7,148,518</u>	<u>1,311,461</u>	<u>145,329</u>	<u>8,605,308</u>

20 Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the year (as per Statement of Financial Activities)	(980,425)	(1,090,630)
Adjustment for:		
Depreciation charges	40,246	32,025
Losses/(gains) on investments	(46,357)	(939,011)
Dividends, interest and rents from investments	(174,777)	(271,163)
Gift of investments in specie	(25,416)	-
Decrease/(increase) in debtors	30,759	(15,900)
(Decrease)/increase in creditors	123,994	343,334
Net cash used in operating activities	<u>(1,031,976)</u>	<u>(1,941,345)</u>

ECHOES INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

21 Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	464,351	670,671
Total	464,351	670,671

22 Operating lease commitments

At 31 December 2020, the total of the charity's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	£	£
Amounts payable:		
Within one year	19,502	20,444
Between one and five years	19,502	40,888
	39,004	61,332

23 Post balance sheet events

The Trustees have not identified any post balance sheet events requiring either adjustment or disclosure within the financial statements.