

The logo 'CWR' is centered on the page, with a sunburst graphic consisting of numerous thin white lines radiating outwards from behind the letters. The background is a solid blue color.

**CWR**

Reports & Consolidated  
Financial Statements

FOR THE YEAR ENDED 31 AUGUST 2015

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COMPANY REGISTRATION NUMBER: 1990308

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## REFERENCE AND ADMINISTRATIVE INFORMATION

**Charity name** CWR

**Charity registration number** 294387

**Company registration number** 1990308

### **Registered Office**

Waverley Abbey House  
Waverley Lane  
Farnham  
Surrey GU9 8EP  
UK

### **Directors and Trustees**

Stephen J. Bradley (Chair)  
Stephen P. Apted  
Robert G. Bennett  
Sean P. Gubb  
Derek Holbird  
David Rosser  
Graham Sopp  
Mervyn L.S. Thomas (Deputy Chair)

### **Chief Executive**

Michael Brooks

### **Bankers**

Barclays Bank plc  
Farnham Branch  
22 The Borough  
Farnham  
Surrey GU9 7NH

### **Auditors**

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

### **Solicitors**

Morrison's Solicitors  
Clarendon House  
Clarendon Road  
Redhill  
Surrey RH1 1FB

# purpose

The Directors, who are the Trustees of the Charity, present their report and the consolidated financial statements for the year ended 31 August 2015.

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DIRECTORS AND  
STRATEGIC REPORT

## Purpose and aim

The Charity's purpose is to benefit the public through the advancement of Christian faith and education worldwide, bringing about lasting change for good in people's lives through our Publishing and Training programmes. The charity's trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The aim of the Charity is to encourage people to *apply God's Word to everyday life and relationships*.

### Our Focus

- Our **Publications and Resources** – both dated and undated for all age groups, providing resources for individuals and groups across a variety of formats including print and media.
- Our **Training Programme** – offering courses at all levels from one-day seminars to postgraduate degree programmes in counselling. The variety of training offered caters for all audiences at our training centres, with a number of courses offered regionally in the UK and overseas.

29,000  
FREE COPIES OF  
OUR MATERIALS  
TO UK PRISONS

### Review of our work

The Charity reviews its goals and activities each year. This review looks at outcomes of our work during the period, including the benefits brought to those groups of people we set out to help. The review also ensures that our aims, objectives and activities remain focused on our stated purpose. As required by Section 4 of the Charities Act 2011, we give due regard to the guidance contained in the Charity Commission's *General Guidance on Public Benefit* when engaging in this review and in planning our future activities. In particular, the Trustees have considered how our planned activities will contribute to the objectives that they have set.

### Who used and benefited from our services?

- In this period, in excess of 1.1 million devotionals were printed, emailed or downloaded to help people around the world walk every day with Jesus.
- 29,000 free copies of our materials were made available to prisons and secure training facilities in the UK through our links with the Prison Chaplaincy Service. 27,000 copies were sent to prisons in Australia and New Zealand through our national distributor KIE.
- In 2015 CWR celebrated 50 years of ministry, which culminated in a national weekend of prayer; over 20,000 copies of a supporting booklet *Why Pray?* were distributed to communities by churches and groups taking part, providing an explanation and introduction to the Lord's Prayer.
- Without the financial and prayer support of our donors and supporters, much of the work of CWR would not be possible. As part of the celebration of 50 years of the Charity, our *Pay it Forward* campaign raised funds to continue to provide free and subsidised copies of our Bible reading notes and other resources to those in need.

“

*For many years, going back into the 90s, I have been a regular participant of the devotional EDWJ. As such I have been a grateful and humble receiver of Selwyn Hughes' truths, wisdom, love and encouragement, in the early days I would say life saving in nature. Then later his teaching through the Word brought healing nourishment, clarity and motivational food to my soul and spirit.*

# TRANSFORMED LIFE

4,000  
FREE BOOKS  
DISTRIBUTED TO  
ARMED FORCES  
MEMBERS

- 4,000 copies of *Faith on the Frontline* were distributed free of charge to members of the armed forces through military chaplains thanks to the generous support of our donors. Written by members of the military and reflecting on the unique challenges of combining faith with military service, we believe the daily devotional will help readers to engage with scripture at times of pressure during any stage or situation in life.

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DIRECTORS AND  
STRATEGIC REPORT

We give thanks for all that has taken place in the past year as we continue to build on the ministry heritage laid down by our Founder, the late Rev Dr Selwyn Hughes.

## Publications and Resources

CWR's publications continue to be requested, purchased, distributed and valued around the world for their practical guidance and down-to-earth teaching.

### MAJOR RELEASES/HIGHLIGHTS:

- *Eat, Pray, Share* – an exploration of Communion by Mick Brooks, based on an issue of *Every Day with Jesus*.
- *The Cactus Stabbers* – Jeff Lucas tells the stories of people he has met on his travels and explores some of the big and small questions that unite us all.
- *Coaching and Mentoring* – written by tutor Andy Peck, readers are encouraged to explore how to be a people-helper in two related but distinct ways – by coaching and by mentoring, utilising proven frameworks and case studies to provide practical support.
- *There Are No Ordinary People* – a popular new title from Jeff Lucas exploring a seemingly ordinary man called Barnabas and his role within the beginnings of the Early Church.
- Following the success of *40 Days with Jesus*, in 2015 CWR launched the popular tried and tested church programme from Dave Smith, *Transformed Life*. Offering resources for all ages, the programme takes the entire church through Ephesians 1–3 and looks at three of life's key questions:
  - Who am I?
  - Where do I belong?
  - What am I living for?

Internationally, we are able to support individuals and churches through a number of national distributors across the globe, the largest being KI Entertainment, which covers Australia and New Zealand. We also enjoy a particularly close relationship with FBFM in Nigeria, where the *Every Day with Jesus* Bible reading notes are printed in the tens of thousands locally and continue to be distributed primarily through small group meetings.

Many publications continue to be translated into other languages; for example, *Every Day with Jesus* is regularly translated into Sinhala and Tamil. In response to requests made, CWR is currently working with others on the translation of a number of major titles into Mandarin for sale and distribution in China, with other Asian languages close behind. It is believed that the growing church in China will benefit from the biblical application of these resources to help sustain the continuing development of churches there and in the South East Asia region.

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*I'm so thankful for the way God uses Selwyn Hughes even in death! I lost my 38-year-old first-born two years ago and up to now I have been questioning the goodness of God!!! Thank you Mick Brooks for presenting the Sept–Oct issue. It has gone a long way to ease my pain and not lose my faith!! God Bless you all.*

– A reader in Uganda





## FUTURE

A full publishing programme will continue as we produce various new products developed out of CWR's core teaching and training materials. In particular we aim to:

- Explore and build new avenues through which we can grow and expand our reach to the global Church through online resources and publications
- Reinvigorate and reinvent the format of the dated reading materials
- Support the church as a whole by developing more church programmes combining individual, small-group and whole-church resources.

## Training Programme

Waverley Abbey College (the Higher Education arm of CWR) welcomed 113 students at BA level and 31 at MA level who will train towards professional qualifications in counselling. Many alumni of Waverley Abbey College have gone on to have successful counselling practices and are found around the world, providing significant benefits and skills to many and varied communities. Our courses are in great demand as students identify with CWR's unique Waverley Framework of Human Functioning, as it assists them to provide support to a large number of people seeking such help.

In the UK, our BA Counselling degree – the first UK single honours counselling degree to be underpinned with a Christian worldview – continued successfully throughout 2014-15. A bursary fund is available to students once accepted on a course; £10,200 in bursary funding was made available in 2014-15 to enable a number of students to attend our counselling courses who would not otherwise be able to.

We offer our shorter, non-accredited courses and events both under the auspices of the college and directly within CWR, covering a full range of subjects from our Insight topics to assisting biblical and theological understandings, and a strong women's ministry thrives under the banner of *Inspiring Women*.

We delivered 1,177 hours of subsidised tuition and training at our centres in Surrey and Sussex to ensure courses remain accessible and affordable. We welcomed 1,737 attendees to our courses in Surrey and Sussex, including our popular *Inspiring Women* days, as well as receiving many more at a number of regional courses across the UK.

Internationally, CWR's commitment to serve the Church in Asia continued with further ministry visits during the year. We continue to be encouraged by the enthusiasm and commitment shown towards CWR's ministry based in Singapore, and with the positive reception for the Principles of Biblical Counselling courses and our seminar programme.

## FUTURE

We continue to aspire to reach more individuals through our higher education and short courses by:

- Continuing to develop the BA and MA modular counselling programmes in the UK and overseas
- Developing and obtaining accreditation for non-counselling HE courses in professional topics, including pastoral care and education
- Expanding the ministry activities in Asia through CWR Care and Counselling Asia
- Providing an increasing number of seminars and courses that can be delivered locally within churches and through partner organisations

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*The course expanded my faith with positive stories. I'm also finding new ways of reaching people and supporting them especially outside the church community.*

– Course attendee

1,177  
HOURS OF  
SUBSIDISED  
TUITION



## Conferencing

Both Waverley Abbey House and Pilgrim Hall are used as venues for our accredited and non-accredited training programmes in the UK. The venues are also available for conferencing clients who have to date been mainly Church groups, Christian charities and teams from local schools, local authorities and businesses.

Pilgrim Hall also offers its own programme of 'Country Breaks' for individuals and families, ranging from a post-festivities 'bargain break' in January to a festive 'Christmas house party' in December.

Overall, we welcomed around 6,789 guests to the two venues during the period, with 3,097 guests staying at least one night.

### FUTURE

We aim to use our venues to their full potential by:

- Maximising use of the venues for our core work of applying God's Word to everyday life and relationships
- Developing new uses for the sites including filming locations and outdoor performance spaces
- Supporting the wider community by providing conference accommodation for churches, charities and other groups

## FINANCIAL REVIEW

Principal funding streams for the Charity are the Training and Publishing activities as well as voluntary donations.

For the year up to 31 August 2015, the Charity recorded net outgoing resources of £249,034 (2014 – 8 months: £304,967) on total income of £3,403,868 (2014 – 8 months: £2,042,669) against expenses of £3,652,902 (2014 – 8 months: £2,347,636). The Board is aware that this is not sustainable and has commissioned and commenced a complete review of the Charity's activities and systems. Independent consultants have been engaged to facilitate this review. We are ever thankful to God for the tremendous support we receive from donors and partners, and will continue to ensure that every contribution is used to achieve the mission and ministry of CWR.

Details of all the different appeals made during the year, and the restricted funds we hold, are given in note 17 to the financial statements.

Cash increased during the year, ending with a balance of £1,360,375 (2014: £163,059).

The Charity received a loan of £1.25 million from a private individual supporter for a particular project which was subsequently cancelled. This loan is repayable on demand and shown as a loan within "Creditors – Amounts falling due within one year".

### RESERVES

Taking into account the tangible fixed assets and amounts falling due to creditors in more than one year, the free reserves as at 31 August 2015 were -£222,205 (2014: £136,334). This equates to approximately -6.4% pro-rata (2014: 4%) of our annual general fund expenditure. The Trustees recognise the importance of re-establishing a level of reserves sufficient to ensure the Charity's ability to withstand periods of fluctuating income and expenditure, and to fund future developments. They believe that one of the results of the review mentioned above must be to begin to rebuild the level of free reserves towards an acceptable level.

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*Thank you so much for your hospitality for our Headteacher's Retreat at Waverley Abbey House last week. You were so very helpful about even the smallest aspects of our stay and so gracious about the constant changes to who was eating which meals and staying overnight. It did get very complicated.*

6,789  
GUESTS TO  
OUR VENUES

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## STRUCTURE, GOVERNANCE AND MANAGEMENT

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DIRECTORS AND  
STRATEGIC REPORT

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### GOVERNING DOCUMENT

The organisation is incorporated as a charitable company, limited by guarantee and governed by its Memorandum and Articles of Association.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Directors should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 Charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and which enable them to ensure that the financial statements comply with applicable law. 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.

### DIRECTORS

Directors are appointed by the Board from among the Members of the Company. The Directors set out below held office for the whole of the period from 1 September 2014 to the date of this report, unless otherwise stated.

Stephen J. Bradley	(Chair of the Board)
Stephen P. Apted	
Robert G. Bennett	
Paul Bexon	(Retired 16 April 2015)
Sean P. Gubb	
Derek Holbird	(Appointed 6 February 2015)
Coleen R. Jackson	(Resigned 30 January 2015)
David Rosser	
Graham Sopp	(Appointed 6 February 2015)
Mervyn L.S. Thomas	(Deputy Chair)
Philip Tomes	(Resigned 8 March 2015)
Benjamin P. Turner	(Retired 16 April 2015)

### TRUSTEES

New Trustees are recruited through advertisement or personal recommendation to meet the skill needs of the organisation. Following an interview with two or three members of the Board and the Chief Executive, Trustees receive a copy of the Trustees' Handbook including a broad range of information covering the background and current activities of the charity and charity commission information on the responsibilities and eligibility of Trustees. Trustees agree to abide by the Codes and Policies set out in the Trustees' Handbook, complete a statement of their professional and personal business interests each year and sign the HM Revenue & Customs' Fit and Proper Persons declaration. Trustees are invited to an annual development day and appropriate courses run by the charity. Trustees give of their time voluntarily and receive no

remuneration from the Charity. Any expenses or fees for other services claimed from the Charity are set out in note 11 to the financial statements.

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DIRECTORS AND  
STRATEGIC REPORT

### RISK MANAGEMENT

The major risks to which the Charity are exposed are reviewed and scored for probability and impact. Risks, including Health and Safety issues, are formally reviewed each year; any new project or change is also assessed for risk during the period by management. A schedule of the current controls, further action required to regulate and mitigate those risks and the person responsible at an operational level is monitored and amended as appropriate. A business continuity plan is in place and is reviewed at regular intervals.

### ORGANISATIONAL STRUCTURE

The ministry of CWR was founded by the late Rev Dr Selwyn Hughes in 1965. The members of the Board of Directors, who are the charitable Trustees of CWR, have the ultimate responsibility for directing the affairs of the Charity, ensuring that it is solvent, well-run and delivers its charitable outcomes.

Formal Board meetings are held three times a year, with additional meetings being called when necessary. The Board is assisted in its work by four Advisory Groups, which cover: Governance, Finance, Ministry (publishing and short courses) and Waverley Abbey College. A minimum of two Trustees are members of each Advisory Group, one of whom acts as the Chair with staff members and advisors invited as appropriate.

Responsibility for carrying out the day-to-day management of the Charity is delegated by the Trustees to the Chief Executive, Michael Brooks, who is a member of all the Advisory Groups and who also attends Board meetings. The Trustees continue to appreciate the outstanding leadership of the Chief Executive and also the work of his management team and staff.

### STAFF

Regular staff communication meetings continue across the Charity to share news and vision updates with staff. All new members of staff complete the Charity's induction process. An Appraisal and Individual Development Plan is prepared annually for all members of staff under the auspices of the HR department.

## Statement as to disclosure of information to auditors

We have taken all the necessary steps to make ourselves, as Directors, aware of any relevant audit information and to establish that the auditors are aware of that information.

As far as the Directors are aware, there is no relevant audit information of which the Charity's auditors are unaware.

The auditors, Mazars LLP, have signified their willingness to continue in office, and a resolution to reappoint them as independent auditors to the Charity and to authorise the Directors to fix their remuneration will be proposed at the annual general meeting.

Approved by the Board on: 16/5/16

Signed on its behalf by:



R. G. Bennett, Director



# Independent auditor's report to the members of CWR

We have audited the consolidated financial statements of CWR for the year ended 31 August 2015, which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash flow Statement 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).

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INDEPENDENT AUDITOR'S REPORT

## RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, the Trustees (who are also the Directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and 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 (APB's) Ethical Standards for Auditors. This report is made solely to the Charity's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Members as a body for our audit work, for this report, or for the opinions we have formed.

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

## OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Charity and of the Group's affairs as at 31 August 2015 and of the Group's incoming resources, including its income and expenditure, 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 Companies Act 2006.

## OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial period 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.



**Alistair Fraser (Senior Statutory Auditor)**  
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor  
Times House, Throwley Way, Sutton, Surrey SM1 4JQ

Date 18 May 2016

# Consolidated statement of financial activities for the year ended 31 August 2015

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	Notes	General funds £	Restricted funds £	Year to 31 August 2015 Total funds £	8 mths to 31 August 2014 Total funds £
<b>Incoming resources from generated funds</b>		641,239	280,768	922,007	402,796
Voluntary income					
Activities for generating income		422,854	-	422,854	273,506
Investment income		5,150	37	5,187	538
<b>Incoming resources from charitable activities</b>		1,225,028	-	1,225,028	881,298
Publications					
Training		825,073	-	825,073	471,918
<b>Other incoming resources</b>		3,514	205	3,719	12,613
<b>Total incoming resources</b>	<b>2</b>	<b>3,122,858</b>	<b>281,010</b>	<b>3,403,868</b>	<b>2,042,669</b>
<b>Resources expended</b>					
<b>Costs of generating income</b>					
Cost of generating voluntary income	<b>3</b>	191,568	32,686	224,254	111,318
Fundraising trading: Cost of goods sold and other costs	<b>4</b>	462,885	20,996	483,881	268,468
<b>Resources expended on charitable activities</b>					
Publications costs	<b>5</b>	1,488,077	97,280	1,585,357	1,058,038
Training costs	<b>6</b>	1,287,705	-	1,287,705	877,968
<b>Governance costs</b>	<b>7</b>	71,705	-	71,705	31,844
<b>Total resources expended</b>		<b>3,501,940</b>	<b>150,962</b>	<b>3,652,902</b>	<b>2,347,636</b>
Net incoming / (outgoing) resources before transfers		(379,082)	130,048	(249,034)	(304,967)
Transfers between funds	<b>17/18</b>	32,238	(32,238)	-	-
<b>Net movement in funds</b>		<b>(346,844)</b>	<b>97,810</b>	<b>(249,034)</b>	<b>(304,967)</b>
Balances brought forward at 1 September 2014		2,874,646	59,254	2,933,900	3,238,867
The Stapleford Centre	<b>19</b>	25,998	58,881	84,879	-
Balances carried forward at 31 August 2015	<b>17/18</b>	<b>2,553,800</b>	<b>215,945</b>	<b>2,769,745</b>	<b>2,933,900</b>

Incoming resources and resources expended all relate to continuing operations. The net movement in funds is calculated on the historical cost basis and reflects all recognised gains and losses.

The notes on pages 14 to 22 form part of these financial statements.

## Consolidated balance sheet at 31 August 2015

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	Notes	31 August 2015	31 August 2014
		£	£
<b>Fixed assets</b>			
Tangible assets	12	4,269,450	4,298,424
		<u>4,269,450</u>	<u>4,298,424</u>
<b>Current assets</b>			
Stocks	13	485,446	517,541
Debtors	14	749,041	657,057
Cash at bank and in hand		1,360,375	163,059
		<u>2,594,862</u>	<u>1,337,657</u>
<b>Creditors – Amounts falling due within one year</b>	15	(2,601,122)	(1,142,069)
<b>Net current (liabilities) / assets</b>		(6,260)	195,588
<b>Total assets less current liabilities</b>		<u>4,263,190</u>	<u>4,494,012</u>
<b>Creditors – Amounts falling due in more than one year</b>	16	(1,493,445)	(1,560,112)
<b>Net assets</b>		<u>2,769,745</u>	<u>2,933,900</u>
<b>Funds</b>			
Unrestricted	18	2,553,800	2,874,646
Restricted	17	215,945	59,254
		<u>2,769,745</u>	<u>2,933,900</u>

Approved by the Board on: 16/5/16

Signed on its behalf by



R. G. Bennett, Director

The notes on pages 14 to 22 form part of these financial statements.

# Balance sheet at 31 August 2015

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	Notes	£	31 August 2015 £	31 August 2014 £
<b>Fixed assets</b>				
Tangible assets	12		4,269,450	4,298,424
			<u>4,269,450</u>	<u>4,298,424</u>
<b>Current assets</b>				
Stocks	13	485,446		515,842
Debtors	14	784,505		692,006
Cash at bank and in hand		1,258,428		142,219
		<u>2,528,379</u>		<u>1,350,067</u>
<b>Creditors – Amounts falling due within one year</b>	15	<u>(2,593,962)</u>		<u>(1,139,444)</u>
<b>Net current (liabilities) / assets</b>			(65,583)	210,623
<b>Total assets less current liabilities</b>			<u>4,203,867</u>	<u>4,509,047</u>
<b>Creditors – Amounts falling due in more than one year</b>	16		<u>(1,493,445)</u>	<u>(1,560,112)</u>
<b>Net assets</b>			<u>2,710,422</u>	<u>2,948,935</u>
<b>Funds</b>				
Unrestricted	18		2,548,319	2,889,681
Restricted	17		162,103	59,254
			<u>2,710,422</u>	<u>2,948,935</u>

Approved by the Board on: 16/5/16

Signed on its behalf by

  
R. G. Bennett, Director

The notes on pages 14 to 22 form part of these financial statements.



## Consolidated cash flow statement for the year ended 31 August 2015

	Notes	Year ended 31 August 2015		8 months ended 31 August 2014	
		£	£	£	£
Net cash (outflow) from operating activities	23		(24,847)		(328,338)
Returns on investments and servicing of finance:					
Interest received		5,187		538	
Interest paid		(14,426)		(10,360)	
Net cash (outflow) from returns on investments and servicing of finance			(9,239)		(9,822)
Capital expenditure:					
Purchase of tangible fixed assets		(38,468)		(31,100)	
Proceeds from disposal of tangible assets		-		548	
Net cash (outflow) from capital expenditure			(38,468)		(30,552)
Net cash (outflow) before financing			(72,554)		(368,712)
Financing:					
The Stapleford Centre		84,879		-	
Loan received		1,250,000		-	
Loans repaid		(65,009)		(38,301)	
Net cash inflow / (outflow) from financing			1,269,870		(38,301)
Increase / (decrease) in cash	24		1,197,316		(407,013)

The notes on pages 14 to 22 form part of these financial statements.

# Notes to the consolidated financial statements for the year ended 31 August 2015

## Accounting policies

### 1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities', issued by the Charity Commission in March 2005. The Charity has taken advantage of the exemptions set out in Financial Reporting Standard 8 (FRS 8) from disclosing related party transactions with 100% owned subsidiaries.

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The financial statements consolidate those of the Charity with its wholly owned subsidiary companies, CWR Care and Counselling (Asia) Limited, CWR Trading Limited and The Stapleford Centre Limited on a line by line basis. The Stapleford Centre Limited has been consolidated for the first time in 2015 (notes 17 and 19). The Charity's deficit for the year was £240,874 (2014 - 8 months: deficit £309,422). In accordance with paragraph 397 of SORP 2005, no separate SOFA has been presented for the charity alone.

The Trustees have considered the basis of preparation of the financial statements and consider that it is appropriate to prepare the financial statements on the going concern basis. The Trustees have carefully considered the forecasts for the next twelve months and CWR can meet its liabilities for at least twelve months from the date of signing.

### 1.2 INCOMING RESOURCES

Donations are credited to the Statement of Financial Activities as received, except that provision is made for income tax recoverable in respect of donations received under Gift Aid.

Most subscriptions received and some training course fees relate partly to the following year. The amount credited to the Statement of Financial Activities is that relating to the year ended 31 August 2015 and the balance is carried forward.

### 1.3 ALLOCATION OF COSTS

Costs of charitable activities of the Charity comprise expenditure directly relating to the objects of CWR. It includes the direct cost of publications and courses, staff, depreciation, premises and other appropriate costs.

Support costs comprise costs incurred directly in support of expenditure on the objects of CWR. It includes appropriate staff and overhead costs. These costs are apportioned on the bases of staff numbers and computer usage in each area of activity.

Costs of generating voluntary income comprise expenditure incurred in encouraging financial support of CWR.

Governance costs comprise costs which do not fall under any other expenditure categories and which relate to constitutional or statutory requirements.

Costs are apportioned to restricted funds as they are incurred in generating and fulfilling the requirements of these funds.

### 1.4 FUNDS

Following the requirements of the Statement of Recommended Practice, all funds of CWR have been analysed over the different types of funds, which are:

#### UNRESTRICTED FUNDS

Unrestricted funds are those funds not subject to any restrictions regarding their use and are available for use as the Trustees decide. Designated funds are part of unrestricted funds that have been set aside for certain future expenditure.

## RESTRICTED FUNDS

Restricted funds are those where the donor has imposed restrictions on how the fund may be used but which do not prevent the fund being spent. The purpose of any restricted funds is noted in the financial statements.

### 1.5 DEPRECIATION

Depreciation is calculated to write off the cost of fixed assets in use at the balance sheet date on a straight line basis over their estimated useful lives as follows:

- Freehold property: 100 years
- Windows, doors and electrical work: 10 years
- Computers, office and kitchen equipment: 3–5 years

### 1.6 STOCKS

Stock and work in progress is valued at the lower of cost and estimated net realisable value.

### 1.7 FOREIGN CURRENCY

Assets expressed in foreign currency and sales transactions to be settled in foreign currency are translated into sterling at an average exchange rate for the period, since in the opinion of the Directors the amounts involved are insignificant except for monetary assets that are translated at the rate ruling at the balance sheet date. Differences arising on the translation of such items are dealt with in the Statement of Financial Activities.

### 1.8 LEASES

Operating leases – Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

### 1.9 PENSION COSTS

The Charity operates a defined contribution pension scheme. Contributions payable to this pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

## 2 INCOMING RESOURCES

The incoming resources and movement in funds are attributable to the principal activity of contributing to the spiritual growth of Christians throughout the world by publishing Bible materials, and teaching and training through seminars and courses.

The whole of the income arises in the UK with the exception of overseas course fees, sales and royalties of £241,896 (2014: £180,258).

## 3 COST OF GENERATING VOLUNTARY INCOME

	Year ended 31 August 2015 £	8 months ended 31 August 2014 £
Salaries	23,982	11,276
Printing appeals	15,040	2,711
Distribution and postage	22,538	8,809
Fulfilment and other costs	6,728	6,076
Support costs	62,185	25,796
Support salaries	93,781	56,650
	224,254	111,318

**4 FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

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	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Salaries	90,258	46,491
Food expenses	59,577	41,467
Repairs and maintenance	59,978	30,403
Heating	6,825	3,424
Other costs	48,895	22,059
Support costs	123,606	98,344
Support salaries	94,742	26,280
	<u>483,881</u>	<u>268,468</u>

**5 PUBLICATIONS COSTS**

	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Publications salaries	331,940	191,325
Cost of publications	334,432	238,598
Sales and marketing expenses	157,640	99,384
Other costs	5,385	4,161
Distribution costs	239,913	168,648
Support costs	196,855	129,644
Support salaries	319,192	226,278
	<u>1,585,357</u>	<u>1,058,038</u>

**6 TRAINING COSTS**

	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Training salaries	396,128	263,986
Marketing expenses	30,830	11,066
Repairs and maintenance	60,888	38,581
Food expenses	32,181	23,941
Course and events activity costs	232,942	133,603
Other costs	39,043	18,791
Support costs	138,254	105,473
Support salaries	357,439	282,527
	<u>1,287,705</u>	<u>877,968</u>

**7 GOVERNANCE COSTS**

	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Auditors' remuneration: audit fees	10,500	8,457
other services	5,204	-
Governance costs	2,572	1,771
Support costs	5,990	2,529
Support salaries	47,439	19,087
	<u>71,705</u>	<u>31,844</u>



**8 SUPPORT AND OTHER COSTS**

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	Costs of generating voluntary income	Fundraising trading costs	Publication costs	Training costs	Governance costs	Total Year ended 31 August 2015	Total 8 months ended 31 August 2014
	£	£	£	£	£	£	£
Support and other costs include the following:							
Staff costs	93,781	94,742	319,192	357,439	47,439	912,593	610,822
Administration and insurance	5,695	34,793	29,582	24,316	1,557	95,943	63,492
Bank charges and interest payable	7,767	3,515	19,737	11,426	151	42,596	25,496
Depreciation	20,215	-	28,345	18,882	-	67,442	45,535
Office and equipment maintenance	12,536	60,974	64,432	51,676	3,205	192,823	136,125
Distribution, stationery and printing	2,294	13,877	11,762	9,726	621	38,280	36,532
Other support costs	13,678	10,447	42,997	22,228	456	89,806	54,606
	<u>155,966</u>	<u>218,348</u>	<u>516,047</u>	<u>495,693</u>	<u>53,429</u>	<u>1,439,483</u>	<u>972,608</u>

**9 RESOURCES EXPENDED**

	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Resources expended include the following:		
Interest payable: Mortgage	14,426	10,360
Depreciation of owned tangible fixed assets	67,442	45,535
Hire of other assets - operating leases	<u>17,731</u>	<u>10,676</u>

**10 STAFF COSTS**

	Year ended 31 August 2015	8 months ended 31 August 2014
	£	£
Salaries and wages	1,499,098	970,030
Social security costs	117,758	74,298
Other pension costs	<u>138,045</u>	<u>79,572</u>
	<u>1,754,901</u>	<u>1,123,900</u>

The number of employees during the year, calculated on a full-time equivalent basis, and total number of Directors at the year end, was:

	Number	Number
Directors	8	10
Management	4	4
Ministry and Support	55	55
Accounting	<u>3</u>	<u>3</u>
	<u>70</u>	<u>72</u>

One employee received remuneration within the range £60,001 to £70,000 in 2015 (2014: one). Pension contributions of £5,685 (2014: £5,225) were paid on behalf of this employee for the year/period.

## 11 DIRECTORS AND RELATED PARTIES

Of the Directors who served during the year, none (2014: none) received any remuneration for their services as Directors. Payments amounting to £806 were made to reimburse Directors for travelling expenses during the year (2014: £29). During the year two Directors were paid £4,050 and £7,200 respectively (2014: £4,800 and £2,382) for work in developing Waverley Abbey College and advancing the ministry in Asia for the benefit of the Charity. The Charity Commission has given approval for these arrangements.

The Charity has unsecured loans of £2.25m from one of the directors of its subsidiary CWR Care and Counselling (Asia) Limited (notes 15 and 16).

## 12 TANGIBLE FIXED ASSETS

	Freehold property £	Office furniture and equipment £	Total £
<b>Group and Charity</b>			
<b>Cost</b>			
At 1 September 2014	4,728,859	494,327	5,223,186
Additions	-	38,468	38,468
At 31 August 2015	4,728,859	532,795	5,261,654
<b>Depreciation</b>			
At 1 September 2014	468,518	456,244	924,762
Charge for the year	45,911	21,531	67,442
At 31 August 2015	514,429	477,775	992,204
<b>Net book values</b>			
At 31 August 2015	4,214,430	55,020	4,269,450
At 31 August 2014	4,260,341	38,083	4,298,424
Depreciation rates per annum	1% to 10% on property additions	20% to 33.3%	

The tangible fixed assets are all held for charitable purposes.

## 13 STOCKS

	31 Aug 2015 Group £	31 Aug 2015 Charity £	31 Aug 2014 Group £	31 Aug 2014 Charity £
Work in progress	26,555	26,555	45,496	45,496
Publications for sale	458,891	458,891	472,045	470,346
	<u>485,446</u>	<u>485,446</u>	<u>517,541</u>	<u>515,842</u>

## 14 DEBTORS

	31 Aug 2015 Group £	31 Aug 2015 Charity £	31 Aug 2014 Group £	31 Aug 2014 Charity £
Due within one year:				
Trade debtors	669,699	669,699	582,399	582,399
Other debtors	29,768	29,627	44,134	43,478
Balances due from group companies	-	35,605	-	35,605
Prepayments and accrued income	49,574	49,574	30,524	30,524
	<u>749,041</u>	<u>784,505</u>	<u>657,057</u>	<u>692,006</u>

**15 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 Aug 2015	31 Aug 2015	31 Aug 2014	31 Aug 2014
	Group	Charity	Group	Charity
	£	£	£	£
Commercial mortgage	56,386	56,386	55,008	55,008
Bank and short-term loans	1,272,108	1,272,108	-	-
Trade creditors	190,387	190,387	127,334	127,334
Income in advance	944,071	944,071	852,926	852,926
Taxation and social security	30,608	30,608	30,322	30,322
Other creditors and accruals	107,562	100,402	76,479	73,854
	<u>2,601,122</u>	<u>2,593,962</u>	<u>1,142,069</u>	<u>1,139,444</u>

**16 CREDITORS – AMOUNTS FALLING DUE IN MORE THAN ONE YEAR**

	31 Aug 2015	31 Aug 2014
	£	£
<b>Group and Charity</b>		
Commercial mortgage, repayable		
In one to two years	57,767	56,386
In three to five years	182,179	177,712
After more than five years	253,499	315,734
Income in advance	-	280
Loans	1,000,000	1,010,000
	<u>1,493,445</u>	<u>1,560,112</u>

The Commercial Mortgage (notes 15 and 16) is secured by a charge on a freehold property and will be repaid over 20 years from June 2005. The rate of interest on the mortgage is 2% above base rate.

A private loan of £1 million was received for a minimum period of 3 years with no interest payable during the period ended 31 August 2014 or the year ended 31 August 2015.

**17 RESTRICTED FUNDS**

Group	Prison Outreach fund	Pilgrim Hall fund	Faith on Frontline appeal	Pay It Forward appeal	Singapore & other grants	Cross Reference project	Total restricted funds
	£	£	£	£	£	£	£
Balance at 31 August 2014	43,448	15,806	-	-	-	-	59,254
From Stapleford	-	-	-	-	-	58,881	58,881
Incoming resources	162	330	54,469	46,807	133,000	46,242	281,010
Resources expended	(18,909)	(17,765)	(20,642)	(12,752)	(29,613)	(51,281)	(150,962)
Transfers (to) / from general fund	-	1,629	(33,827)	-	(40)	-	(32,238)
Balance at 31 August 2015	<u>24,701</u>	<u>-</u>	<u>-</u>	<u>34,055</u>	<u>103,347</u>	<u>53,842</u>	<u>215,945</u>

## Charity

	Prison Outreach fund	Pilgrim Hall fund	Faith on Frontline appeal	Pay It Forward appeal	Singapore & other grants	Total restricted funds
	£	£	£	£	£	£
Balance at 31 August 2014	43,448	15,806	-	-	-	59,254
Incoming resources	162	330	54,469	46,807	133,000	234,768
Resources expended	(18,909)	(17,765)	(20,642)	(12,752)	(29,613)	(99,681)
Transfers (to) / from general fund	-	1,629	(33,827)	-	(40)	(32,238)
Balance at 31 August 2015	24,701	-	-	34,055	103,347	162,103

All restricted fund balances are held within cash at bank.

The Prisons Outreach appeal at Christmas 2009 funded the duplication and distribution of 3,000 copies of the audio book of *One Step Beyond* by Gram Seed to UK prisoners, as well as subsidising CWR's ongoing ministry of distributing our regular Bible-reading notes into HM Prisons. The fund now allows tens of thousands of CWR resources to be distributed free of charge.

The Pilgrim Hall appeal in 2011 was for the purchase and development of Pilgrim Hall in East Sussex to establish a Christian college of education, leading ultimately to a Christian university. This has been successful, with part of the funds used towards the purchase price and the balance remaining to be used to renovate and improve the facilities at Pilgrim Hall.

The Christmas 2014 appeal successfully raised funds to provide 5,000 free copies of the daily devotional book *Faith on the Frontline* to be placed in the hands of service men and women in the Armed Forces and their families. The distribution was facilitated by the Armed Forces' Christian Union and military chaplains across all branches of the military.

The Pay It Forward appeal was launched at Easter 2015 to celebrate 50 years of CWR providing Bible reading notes and training to individuals and groups around the world. The aim of this appeal is to provide our printed resources for even more who need them most, open our courses to more people and develop new initiatives to build on our 50 year heritage across the globe.

The Singapore grant is an exciting ongoing project to fund the translation and printing of key CWR titles in Mandarin and other languages for distribution to churches and individuals in China and other countries across South East Asia.

The Cross Reference Project operates under The Stapleford Centre, which CWR took control of in September 2014 and was consolidated into CWR for the first time in 2015. This project is funded by a grant from the Bible Society to provide a free web-based resource that targets the requirements of A Level English students by providing materials to students and teachers explaining allusions to the Christianised Western worldview permeating English Literature.

As stated in all appeals literature, any surplus funds remaining after projects have been fulfilled and completed are transferred for use in the ongoing operations of the charity.



## 18 UNRESTRICTED FUNDS

21

	Group £	Charity £
Balance at 1 September 2014	2,874,646	2,889,681
The Stapleford Centre	25,998	-
Incoming resources	3,122,858	2,723,648
Resources expended	(3,501,940)	(3,097,248)
Transfer between funds	32,238	32,238
Balance at 31 August 2015	<u>2,553,800</u>	<u>2,548,319</u>

## 19 SUBSIDIARY COMPANIES

Subsidiary companies	Activities	% of capital held	Net assets/(liabilities) at		Surplus/(deficit) for the year ended	
			31 Aug 2015 £	31 Aug 2014 £	31 Aug 2015 £	31 Aug 2014 £
CWR Care and Counselling Asia Limited (a company incorporated in Singapore)	Training	100% subsidiary	(16,585)	(15,034)	(1,551)	(363)
CWR Trading Limited (a company incorporated in the UK)	Conferencing and events	100% subsidiary	-	-	-	-
The Stapleford Centre Limited (a company incorporated in the UK)	Education and training	100% subsidiary	75,908	-	(8,971)	-
Waverley Abbey College Limited (a company incorporated in the UK)	Education and training	100% subsidiary	-	-	-	-

On 1 September 2014, all the directors of The Stapleford Centre Limited resigned and were replaced by all the directors of CWR, thereby passing effective control to the Charity. The company's reserves of £84,879, which equalled their fair value, were incorporated into those of CWR on the date control passed.

## 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

	Unrestricted £	Restricted £	Total funds 31 Aug 2015 £	Total funds 31 Aug 2014 £
Tangible fixed assets	4,269,450	-	4,269,450	4,298,424
Cash at bank	1,144,430	215,945	1,360,375	163,059
Other current assets	1,234,487	-	1,234,487	1,174,598
Current liabilities	(2,601,122)	-	(2,601,122)	(1,142,069)
Long-term liabilities	(1,493,445)	-	(1,493,445)	(1,560,112)
	<u>2,553,800</u>	<u>215,945</u>	<u>2,769,745</u>	<u>2,933,900</u>

## 21 PENSION COMMITMENTS

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 £138,045 for the year ended 31 August 2015 (period ended 31 August 2014: £79,572). As at 31 August 2015, contributions due for payment amounted to £11,926 (2014: £10,744).

## 22 OTHER FINANCIAL COMMITMENTS

On 31 August 2015, the Group was committed to making the following annual payments under non-cancellable operating leases:

	31 Aug 2015 £	31 Aug 2014 £
Operating leases which expire:		
Within one year	-	-
In two to five years	20,487	21,361
	<u>20,487</u>	<u>21,361</u>

**23 RECONCILIATION OF NET MOVEMENT IN FUNDS FOR THE YEAR / PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

22

	Year ended 31 August 2015 £	8 months ended 31 August 2014 £
<b>Group</b>		
Net (outgoing) resources for the year	(249,034)	(304,967)
Interest received	(5,187)	(538)
Interest payable	14,426	10,360
Depreciation charges	67,442	45,535
Decrease / (increase) in stock	32,095	(1,339)
(Increase) in debtors	(91,984)	(283,097)
Increase / (decrease) in creditors	116,531	(45,853)
Increase in income in advance	90,864	251,561
Net cash (outflow) from operating activities	<u>(24,847)</u>	<u>(328,338)</u>

**24 ANALYSIS OF CHANGES IN CASH DURING THE YEAR**

	2015 £	2014 £
<b>Group</b>		
Balance as at 1 September / January	163,059	570,072
Net increase / (decrease) in cash	<u>1,197,316</u>	<u>(407,013)</u>
Balance as at 31 August	1,360,375	163,059