

Charity number: 1081204

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Chanter, Browne & Curry

Chartered Accountants

1 Plato Place

72-74 St Dionis Road

London SW6 4TU.

THE LIVING STONES OF THE HOLY LAND TRUST
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THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their annual report with the financial statements of the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019) - (Charity SORP (FRS 102) Revised).

Objectives and activities for the public benefit

Our aims

The objects of the charity are set out in the charity's trust deed and are summarised as follows:-

- to advance education about Christianity in the Holy Land and other related subjects; and
- to relieve persons who are in conditions of need in the Holy Land.

The Holy Land, for the purposes of the registration of the charity, comprises Israel, the Palestinian areas of the West Bank and Gaza, Jordan and the neighbouring countries which include Lebanon, Syria, Egypt, Turkey and Iraq.

Our objectives

The objectives of the charity are set to reflect its community aims. Each year the trustees review the charity's objectives and activities to ensure they continue to reflect the aims of the charity. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on the advancement of religion for the public benefit.

Achievements and Performance

Overview

The year from April 2019 to March 2020 has been a busy and productive year for 'Living Stones'. It has also been a period of change, of growth and of development. It also has been a controversial year with some deep feelings about issues of viability and financial uncertainty surfacing and being closely examined, perhaps for the first time. As with all such challenges, they can either be destructive or transformational. We have been blessed with positive energy arising from the ashes of our disagreements. This report reviews the exciting developments in the year in more detail.

Yearbook

The 2019 Yearbook, a collection of essays on contemporary Christian religious and political thought in the Middle East, focused on the theme of significant contributions to Christian witness in the region and to issues of interdenominational and inter faith communion. A remarkable collection of essays from a range of scholars, indigenous and international. The Yearbook is in its seventh year of publication and all articles over this whole period are now available on the website www.livingstones.ngo. Our thanks for the hard work and expertise of the editorial team and managing editor, Len Harrow.

Scholarships

£10,500 of scholarships have been awarded in this financial year from the Michael Prior Fund, held by the Trust for that purpose. The distribution this year was shared by seven recipients. It is rewarding to notice that several of our supported postgraduates over the years are now in senior positions in the Holy Land and elsewhere. This confirms our strategy of making a contribution to addressing the gap in middle management within the Christian community in the Middle East and helping to strengthen the structures of these indigenous communities. Our thanks to Dr. Duncan Macpherson and Dr. Lesley Dawson for their leadership of this group.

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and Performance (continued)

Theology Group

The Theology Group is an engine of Living Stones being a place where new perspectives and new ideas are generated by invited speakers for clarification and discussion. Speakers are scholars interested in the present dynamic of Christian communities in the Middle East and first-hand accounts from visiting Church leaders working there. These fora provide an essential element of keeping up to date in our strategy and programme in this fast-changing unstable environment. Our thanks to David Derrick for his chairmanship.

Pilgrimage

Jo Simister provided the opportunity for a Living Stones pilgrimage in January 2020 in association with the Derby City Deanery where she now works. Partnerships are key to the future of pilgrimage and bring a wider range of individuals together to experience the lives of the Palestinian community in the context of Israel/Palestine. We are very thankful to Jo, Lesley Dawson and others who have created a model of pilgrimage which more closely meets our aims. We will be exploring such partnerships in Palestine/Israel and further afield in the Middle East in the future.

Partnerships

To reemphasise the importance of partnerships now and in the future, our membership of British Palestine Friendship and Twinning Network has been a joy and continued through 2019-20. Lesley Dawson attended the network conference in Nablus and Sebastiya in April 2019. We keep in close touch with Sabeel-Kairos and are and will continue to seek opportunities to work together with other organisations with similar aims. We were blessed with a robust and vigorous dialogue with Embrace in 2019 about a possible merger and were grateful to Embrace for the occasion and hope that we will continue to seek opportunities to work together. Our thanks to Dr Cyril and Felicity Young for their guidance.

Michael Prior Memorial Lecture

Chris Doyle, of CAABU, was invited to give the Michael Prior Memorial Lecture this year just before AGM Business and he spoke to the title 'An Unholy Mess' offering an analysis of current conflicts in the Middle East. CAABU is another organisation whose life and work has rubbed alongside 'Living Stones' for many a year.

AGM 2019

The AGM was the time when the protracted conversations among Trustees about the viability of 'Living Stones' came to a head. Concerns had been expressed about the decline in membership, subscriptions, and donations despite the activity. Some existing Trustees were facing health issues and we were lacking the management infrastructure to be confident about sustainability. Two options were on the table; merger or continuation with a 'slimmed down' version of Living Stones. One of the central issues was the Michael Prior Fund as a restricted fund and its future.

When it came to a vote, the continuation of Living Stones as a separate registered charity, with the Michael Prior Fund central to its work, obtained the majority vote. A new Trustee body was appointed with the 'slim down' brief on administration and necessary meetings. Our thanks to our chair last year, Dr. David Toorawa for his leadership.

Post AGM Strategy

Once appointed the new Trustee body set about a complete review of the structure and programme of Living Stones with the single minded purpose of supporting Christian communities in the Middle East; celebrating their history, providing a contemporary voice to the indigenous Christian community and helping with the development of the skills and knowledge that it seeks in providing necessary management and infrastructure. We have been blessed with gifted and enthusiastic Trustees who are keen to move Living Stones forward and our thanks go to the leaders and team members of each of our groups; Governance, Scholarships, Conferences and MP Lecture, Publicity and Promotion, Theology, Yearbook, Pilgrimage and Partnerships.

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and Performance (continued)

In the new year, appointments were made of a Research Consultant and a Finance Officer on part time contracts. The website, the brainchild of Matthew Taylor who had highlighted several issues that needed attention, was completely restructured by Rev. Stephen Sizer in conjunction with Matthew. We are grateful to Matthew for his long-term service as webmaster and for his skill and advice in this transition.

The Corona Virus needs at least a mention as it began a period when Zoom meetings became the pattern and inspirational thinking about technological solutions to communication came to the fore. The new Trustee body is positive, affirming, and excited about the future of Living Stones and its contribution to Middle East Christian communities. Hopefully, next year's report should illustrate the outcome.

Financial review

The attached financial statements summarise the charity's transactions for the year ended 31 March 2020.

Total income for the year at £6,274 was less than last year (2019: £7,317). Total expenditure at £16,657 was also less than last year (2019: £18,881). This decrease in income and expenditure resulted in a deficit before other recognised gains and losses of £10,383 (2019: deficit £11,564).

Total funds at the year end amounted to £91,007 (2019: £103,755), being unrestricted funds of £4,891 (2019: £7,125) and restricted funds of £86,116 (2019: £96,630).

Principal Funding Sources

The charity's principal sources of funding are:-

- (1) Membership subscriptions;
- (2) Donations;
- (3) Contributions to The Michael Prior Memorial Educational Fund.

Investment Policy

The Trust Deed authorises the trustees to make and hold investments using general funds of the charity. The charity held its investment in the COIF Charities Investment Fund throughout the year. By 31 March 2020, the value of this fund was £88,656 (2019: £103,521). The trustees noted that the diminution of the fund value was partly due to a much bigger demand on scholarship funds in 2019-20 and partly because of fluctuations in the market in relation to leaving the European Union and the beginning of the Corona Virus pandemic. We will hope for some bounce back in investment value later in 2020 and encourage our friends and supporters to give as generously as they can to support our work.

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level which equates to approximately twelve months unrestricted expenditure. This provides sufficient funds to cover management, administration, and support costs.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining unrestricted reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

THE LIVING STONES OF THE HOLY LAND TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Structure, Governance and Management

Governing document

The Living Stones Of The Holy Land Trust was formed in 1986, and became a registered charity in May 2000. The charity is a public benefit entity established in England under a trust deed dated 20 May 2000.

Recruitment and Appointment of Trustees

The Trust Deed of the Charity requires that Trustees are normally appointed at the AGM of the Trust. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Trustee induction

The trustees receive documents relating to the rules and obligations of trustees as set out by the Charity Commission and are supported appropriately.

Organisational structure

The charity has an Honorary President appointed for an indefinite period at an AGM.

There is a Chairperson, one Vice Chair and an Honorary Treasurer. These officers and the other Trustees are appointed at the AGM and normally serve for a year at a time. There is no maximum period of service.

Trustees form the Executive Committee which consists of between nine and fifteen members.

All current officers were appointed at the AGM on 16th November 2019.

THE LIVING STONES OF THE HOLY LAND TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Reference and administrative information

President	Professor Mary Grey
Chair person	Colin South
Vice Chair	Rev Deacon Dr Duncan Macpherson
Honorary Treasurer	Michael Doherty (until 15th January 2020) (Responsibilities taken over by the Chair Person until next AGM)
Trustees	Rev Dr Andrew Ashdown Michael Doherty Philip Francis Len Harrow Catharine Langrish Genevieve Macklin Rev Deacon Dr Duncan Macpherson Aziz Nour (until 15th January 2020) Rev Dr Stephen Sizer Colin South
Charity number	1081204
Registered office	c/o 22 Ebenezer Close Witham Essex CM8 2HX.
Independent Examiner	Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU.
Accountants	Elizabeth Sanders Limited 25 Gordon Road Windsor Berkshire SL4 3RG.
Bankers	Santander UK PLC Customer Service Centre Bootle, Merseyside L30 4GB.
Investment Managers	CCLA Investment Management Ltd COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET.

THE LIVING STONES OF THE HOLY LAND TRUST
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and 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.

This report was approved by the trustees on 23 September 2020 and is signed on their behalf.



.....
Colin South
Chair Person

THE LIVING STONES OF THE HOLY LAND TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on my examination of the financial statements of the above charity for the year ended 31 March 2020, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes on pages 10 to 12.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

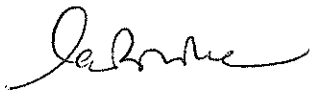
I report in respect of my examination of the Trust's financial statements carried out under section 145 of the Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me reasonable cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the financial statements did not accord with the accounting records; or
- the financial statements did not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



.....
P.G. Browne FCA CTA

Chanter, Browne & Curry
Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

Date: 23 September 2020.

THE LIVING STONES OF THE HOLY LAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds £	2020 Restricted funds £	Total £	2019 Total £
INCOME					
Donations	1.2 2	3,108	-	3,108	3,800
Investment income	3	-	3,166	3,166	3,517
Total income		3,108	3,166	6,274	7,317
EXPENDITURE					
Charitable activities	1.3 4	5,342	11,315	16,657	18,881
Total expenditure		5,342	11,315	16,657	18,881
Net income/(expenditure)		(2,234)	(8,149)	(10,383)	(11,564)
Other recognised gains and losses					
Gains/(losses) on revaluation of investment assets	5	-	(2,365)	(2,365)	8,288
Net movement in funds for the year		(2,234)	(10,514)	(12,748)	(3,276)
Total funds brought forward		7,125	96,630	103,755	107,031
Total funds carried forward		4,891	86,116	91,007	103,755

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

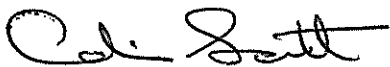
The notes on pages 10 to 12 form an integral part of these financial statements.

THE LIVING STONES OF THE HOLY LAND TRUST

BALANCE SHEET AT 31 MARCH 2020

	Notes	2020		2019	
		Total funds		Total funds	
		£	£	£	£
Fixed assets					
Investments	5		88,656		103,521
Current assets					
Debtors	6		50		600
Cash at bank			4,353		1,143
			<u>4,403</u>		<u>1,743</u>
Creditors: amounts falling due within one year	7		<u>2,052</u>		<u>1,509</u>
Net current assets			2,351		234
Net assets			<u>91,007</u>		<u>103,755</u>
Funds of the charity					
Restricted income funds	8, 9		86,116		96,630
Unrestricted income funds	8		4,891		7,125
			<u>91,007</u>		<u>103,755</u>

Approved by the trustees and signed on their behalf:-



.....
Colin South
Chair Person

Date: 23 September 2020

The notes on pages 10 to 12 form an integral part of these financial statements.

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS

AT 31 MARCH 2020

1 Accounting policies

1.1 Basis of accounting

The charity is a public benefit entity established in England under a trust deed dated 20 May 2000.

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) (second edition - October 2019) - (Charity SORP (FRS 102) Revised), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated.

1.2 Income

Income is included in the Statement of Financial Activities when:-

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Subscriptions, donations and legacies are recorded as income in the accounting period in which they are received, except where the donor specifies that they should be used for a specific period.

Investment income is included in the accounts when receivable.

1.3 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

2 Income from donations

	Unrestricted funds	2020 Restricted funds	Total	2019 Total
	£	£	£	£
Subscriptions and donations	3,071	-	3,071	3,202
Gift Aid receivable	37	-	37	598
	<u>3,108</u>	<u>-</u>	<u>3,108</u>	<u>3,800</u>

3 Investment income

	Unrestricted funds	2020 Restricted funds	Total	2019 Total
	£	£	£	£
Dividends received	<u>-</u>	<u>3,166</u>	<u>3,166</u>	<u>3,517</u>

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AT 31 MARCH 2020

4 Expenditure on charitable activities

	Unrestricted funds	2020 Restricted funds	Total	2019 Total
	£	£	£	£
Activities undertaken directly and support costs				
Co-ordinator	297	297	594	5,298
Printing, postage and stationery	518	518	1,036	2,194
Subscriptions	100	-	100	87
Travel costs	260	-	260	264
Secretarial expenses	-	-	-	73
Scholarships paid	-	10,500	10,500	9,500
Pilgrimage	1,650	-	1,650	-
AGM and other meetings	375	-	375	240
Database/website/bank charges	90	-	90	125
	<u>3,290</u>	<u>11,315</u>	<u>14,605</u>	<u>17,781</u>
Governance costs				
Accountancy fees	1,092	-	1,092	-
Independent examiner's fee	960	-	960	1,100
	<u>2,052</u>	<u>-</u>	<u>2,052</u>	<u>1,100</u>
	<u>5,342</u>	<u>11,315</u>	<u>16,657</u>	<u>18,881</u>

No staff were employed by the charity during the two years ended 31 March 2020.

No remuneration was paid to trustees in the two years ended 31 March 2020.

5 Fixed asset investments

	Unrestricted funds	2020 Restricted funds	Total	2019 Total
	£	£	£	£
COIF Charities Investment Fund:-				
Market value at start of the year	-	103,521	103,521	107,233
Additions in year	-	-	-	-
Sales in year	-	(12,500)	(12,500)	(12,000)
Revaluation	-	(2,365)	(2,365)	8,288
Market value at year end	<u>-</u>	<u>88,656</u>	<u>88,656</u>	<u>103,521</u>

6 Debtors

	Unrestricted funds	2020 Restricted funds	Total	2019 Total
	£	£	£	£
Gift Aid receivable	<u>50</u>	<u>-</u>	<u>50</u>	<u>600</u>

THE LIVING STONES OF THE HOLY LAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AT 31 MARCH 2020

7 Creditors: amounts falling due within one year

	Unrestricted funds £	2020 Restricted funds £	Total £	2019 Total £
Accruals	2,052	-	2,052	1,100
Other creditors	-	-	-	409
	<u>2,052</u>	<u>-</u>	<u>2,052</u>	<u>1,509</u>

8 Statement of income funds

	Unrestricted funds £	Restricted funds £	Total £
At 1 April 2019	7,125	96,630	103,755
Incoming resources	<u>3,108</u>	<u>3,166</u>	<u>6,274</u>
	10,233	99,796	110,029
Resources expended	<u>(5,342)</u>	<u>(11,315)</u>	<u>(16,657)</u>
	4,891	88,481	93,372
Gain/(loss) on revaluation of investment assets	-	(2,365)	(2,365)
At 31 March 2020	<u>4,891</u>	<u>86,116</u>	<u>91,007</u>

9 Restricted funds

Restricted funds comprise the Michael Prior Memorial Educational Fund, which was set up with an initial legacy of £100,000 in 2005. The fund has since been increased by various donations. The aim of the fund is to promote the study of Christian and Holy Land studies among Palestinian people.