A debate on Reachout Trust Forum here: <u>http://tiny.cc/Wg4AM</u> led me to set down in more detail my findings from the UK Charity Commission Website with respect to the trusts governing New Frontiers and Terry Virgo's home church, the Church of Christ the King, where he is an elder at the time of writing. The aim of this was to provide support for my assertion in that debate that accountability in NewFrontiers works only "upwards" and not "downwards", that the apostolic team effectively control the organisation and that there are insufficient checks and balances in this system.

# **The Clarendon Trust**

The trust governing CCK is the Clarendon Trust. This trust is of interest because over one fifth of its total income is a grant from New Frontiers International Trust Limited "for staff resources and overheads", and Clarendon Trust pays a gross salary of between  $\pounds$ 60k and  $\pounds$ 70k to a non-designated individual.

The 2006 accounts of the Clarendon Trust, the most recently available at the time of writing, can be found here: <u>http://tinyurl.com/39m8jw</u>

### **Appointment of trustees of the Clarendon Trust:**

The report states that

"Potential new trustees are recommended by the Elders of the church and are appointed if considered suitable following interview by the existing trustees"

This makes it clear that the elders of the church effectively control the nomination of the trustees. As of the time of writing, one of these elders is also a trustee; another is Terry Virgo.

#### Salaries paid by the Clarendon Trust

In 2006, the charity employed two people with annual gross salary of between £50k and £60k and one with a gross salary of between £60k and £70k. Two of these people are trustees. The other two trustees earn less than this, which leaves one other un-named, salaried person on a higher salary than the other two. This person is not named, but I think it's a fair guess that this is Terry Virgo (the then senior pastor's salary is stated elsewhere).

Meanwhile, in its 2006 report available here: <a href="http://tinyurl.com/23gpye">http://tinyurl.com/23gpye</a>, the New Frontiers International Trust states that

"No remuneration was paid or expenses reimbursed to any of the directors who held office during the year. No employee received emoluments, including pension contributions, for the year in excess of £60,000."

I would like to reiterate that I am not making a judgement either way about the level of this salary, but attempting to point out that it would seem that a casual reading of NewFrontiers' accounts does not enable the reader to establish the level of earnings of its leader since these are paid by a trust which receives a significant grant from New Frontiers, and that, incidentally, these earnings appear to be in excess of the figures stated in the NewFrontiers report.

# **The New Frontiers International Trust Limited**

### **Appointment of trustees**

The 2003 report (available here: http://tinyurl.com/2sy7e9 ) unequivocally states that "The power of removal and appointment of trustees is vested in the Apostolic Team". This phrase has disappeared from subsequent reports. My guess is that this is because this statement is in danger of infringing charity law. Since then, to my mind it is no longer clear how the decisions to appoint and remove trustees are made and by whom.

The 2006 report states that "The board of directors, who meet four times a year, are responsible for ultimate strategic decisions, having regard to advice from the executive directors. Directors are appointed by the members at the Annual General Meeting" but does not say how the directors are appointed or who the members are; these details presumably feature in the Memorandum and Articles of the registered company. I don't know if these are publicly available.

The 2006 report states that "The directors delegate the running of the charity to the Apostolic Core Team" and that the directors include four members of the "apostolic core team". Terry Virgo is an executive director.

What is clear is that until at least 2003, publicly available records show that the apostolic team had explicit ultimate authority in NewFrontiers, including authority over the trustees. While this is no longer explicit, nothing in other readily available material contradicts this way of thinking, and I am not aware of any change in the theological understanding of NewFrontiers in this respect since that time.

December 2007 (links updated and minor typos corrected January 2008)

Posted at: <a href="http://eutychus.free.fr/nf%20charity%20statements.pdf">http://eutychus.free.fr/nf%20charity%20statements.pdf</a>