

Registered number: 02564320
Charity number: 1008196

OPERATION MOBILISATION

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



OPERATION MOBILISATION
(A Company Limited by Guarantee)

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OPERATION MOBILISATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

| | |
|---|--|
| Trustees | Amos Fatokun Paul Lindsay Geffrey Meyer, Deputy Chairperson Kathryn Myers David Ost, Chairperson 1 March 2023 onwards (appointed 1 March 2023) Michael Wildsmith Michael Young, Chairperson to 1 March 2023, Company Secretary |
| Company registered number | 02564320 |
| Charity registered number | 1008196 |
| Registered office | The Quinta Weston Rhyn Shropshire SY10 7LT |
| Chief executive officer | Matthew Skirton |
| Independent auditors | WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG |
| Bankers | National Westminster Bank PLC Suite 5 Prospect House Belle Vue Road Shrewsbury SY3 7NR |
| Solicitors | Wrigleys 19, Cookridge Street Leeds LS2 3AG |
| Director of Strategic Partnerships | Rob Scoulding (resigned August 2022), Chris Lawley (appointed December 2022) |
| Director of People in Mission | Andrew Berry |
| Director of Operations | Jaco Swart |
| Director of Community | Kevin Boyce |

OPERATION MOBILISATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 January 2022 to 31 December 2022. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company'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 (FRS102) (effective 1 January 2019).

Background

Operation Mobilisation (OM) in the UK is part of an international Christian mission movement also known internationally as Operation Mobilisation. This report is concerned with the operation of the UK charitable company which works in partnership with other OM entities around the world. For the sake of clarity, future references to the wider OM organisation is termed "OM Worldwide" whilst the UK charitable company is simply termed "Operation Mobilisation" or "OM UK".

OM Worldwide was established in 1957 and now works in over 120 countries and on board the OM Ships, Logos Hope and Doulos Hope. Overall, there are over 4,500 workers from 128 nationalities, 51.2% of whom are serving outside their passport country. There are over 390 workers from the UK working in approximately 50 different countries.

OM UK works in the UK involving ongoing partnerships with churches, agencies, and individuals. OM UK wants to see Christians partnering with OM through the following three objectives: Inspire, Equip, Connect.

The vision of OM UK, in collaboration with other OM teams, Fields and Areas, is focused on seeing vibrant communities of Jesus followers (VCJF) established in the least reached areas across the world.

Objectives and activities

a. Policies and objectives

Operation Mobilisation's charitable objectives, as set out in the Memorandum of Association, are to do the following in any part of the world:

- The advancement of education (particularly for the improvement of literacy and vocational skills) for the benefit of all people;
- The direct relief of sickness and poverty by assisting sick or necessitous persons;
- The advancement of health; and
- The advancement of the Christian religion.

The principal activities carried out by OM are:

- The advancement of the Christian faith within the UK by equipping people for service in the UK and around the world; "education and the advancement of the Christian faith";
- Support for personnel from the UK working with overseas partners, and carrying out activities to promote the advancement of the Christian faith, relief work, education and the advancement of health; "support for overseas partners";
- Fundraising to provide grants to promote the advancement of the Christian faith, relief work, education, and the advancement of health; "direct payments"; and
- Compliance with legislative requirements associated with carrying out those Charitable purposes for the public benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

OM Worldwide which includes OM UK, is committed to the five outcomes that are being pursued as part of the strategic objectives. These are:

- Mobilising boldly

We encourage and equip Jesus followers to live and work in communities where the gospel is not known, establishing credible, authentic relationships in Jesus' name.

- Engaging deeply

We demonstrate God's love for the whole person—mind, body and spirit—through education, medical care, vocational training, anti-trafficking initiatives, disaster relief and more.

- Sowing widely

We take every opportunity to provide a clear gospel presentation, using the right channels to touch the right hearts at the right time.

- Discipling radically

We walk alongside people who have shown an interest in God's word, studying the Bible, developing local leaders, encouraging sustainability and promoting multiplication.

- Giving generously

We celebrate partners who make our mission possible! God works through generous financial gifts, enabling Jesus followers to take the gospel to the nations, seeing lives and communities transformed through God's love

Within the UK, Operation Mobilisation seeks to work alongside the church to minister to diaspora communities. We work alongside the church to advance the Christian faith among the least reached communities living in the UK. The three words that best encapsulate our strategic goals are:

- To inspire

- To equip

- To connect

Our long-term strategy is to develop ongoing relationships with churches, agencies and individuals which:

- encourage and support them in their Christian faith;
- assist in their education concerning various worldwide situations, focusing on methods of supporting the poorest, most vulnerable and exploited in society;
- deliver well-prepared opportunities for volunteers to take part in projects which transform lives and communities; and
- assist in raising funds to support the charitable work of OM Worldwide.

c. Social investment and public benefit policies

The Board of Trustees is committed to ensuring that all the activities that are undertaken are aligned with the defined objects stated in the founding documents of Operation Mobilisation. The Trustees have taken note of the Charity Commission's guidelines on both the social investment and public benefit requirements. This report details what has been undertaken over the course of the year to meet these requirements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report

Achievements and performance

a. Main achievements of the Charity

PARTNER GENEROSITY

The first quarter of 2022 saw the start of the war in Ukraine. The world watched as Ukrainians, in desperation, left their homes, and others waited in hope of change. This crisis led OM in the UK to send an appeal to our partners in the hope of, in a small way, easing the situation. The result of the appeal was unprecedented – our partners gave generously and selflessly (a total of £943,428 in 2022) and continue to do so. Not only are we working in Ukraine with people affected by the war, but our teams in neighbouring countries, together with volunteers from around the world, have provided assistance to many people fleeing the war-torn country.

During the year it came to our attention that many OM workers were struggling to put food on the table – this was as a result of the war in the Ukraine causing a major food crisis. Funds were allocated to the OM Global Food Security fund and to National worker funds, from which OM workers are assisted both financially and with food parcels. In August OM UK assisted with funding towards relief for families affected by the devastating floods in Pakistan.

We have seen significant interest and giving towards an additional vessel for the Ships ministry – the Doulos Hope, purchased in May 2022.

We continue to nurture our relationships with our partners, and to steward their giving carefully. Work is ongoing designing and delivering campaigns that will enable more funds to be raised for undesignated use.

PARTNER ENGAGEMENT

In 2021 we launched a new strategy document which identified three key strategic audiences:

- young disciples(16-30s);
- church leaders/ influencers; and
- faithful supporters.

Our key message for all of the above is that we want people to "Live Out Love", encouraging British Christians to live out a lifestyle that reflects the love of God at home, at work, and around the world.

As part of this strategy, we made the OM website more appealing to the younger audience that we are seeking to engage with.

Our 2021 Christmas appeal with the message of *Live Out Love* took the simple question of 'how will you live out love this Christmas?' We also included a bookmark of key prayer points, one for each month of the year. These have been well received by supporters.

Building on the 2021 strategic review, the Partner Relationship team continued to strengthen relationships with church leaders and influencers within the key communities of students and young people. Work continued to develop a suite of resources for leaders to enable them to encourage British Christians to consider how they might live out God's love amongst the least reached. A number of digital training events were held which were well received, and these will be further developed in 2023.

PARTNER JOURNEY

The Partner Journey team continued to build and develop our support for both individual and church partners of OM in the UK. There were more opportunities to take meetings at churches with 130 meetings being taken by representatives of OM though the year.

OM UK sought to engage and inspire those who connect with OM, including new donors and subscribers. Just over 300 contact cards were received and processed from meetings and events in 2022. The team also dealt with just under 600 individual enquiries in 2022.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

OM UK continued to ensure that the capturing and maintaining of partner data is in line with GDPR guidelines. OM UK also established processes to ensure that OM engages appropriately with partners in potentially vulnerable circumstances.

The events celebrating 60 years of OM in the UK held around the UK saw just over 800 attending in person. These were an opportunity to connect with our longstanding and faithful partners as well as OM alumni who have served with OM in different parts of the world.

Our OM in the UK representatives around the country (England, Wales, London, Scotland and N. Ireland) continue to develop long term relationships with seminaries, churches, other like-minded organisations and individuals. We are involved in conducting meetings and participating in planned events.

MISSION OPPORTUNITIES

SHORT TERM

In 2022, OM in the UK engaged with partners in short and longer-term mission opportunities in the UK and abroad.

We launched our first TeenStreet UK event in Ledbury, hosting 71 teens and 38 adults who enjoyed a week of fun and discipleship.



We sent 118 Brits on short-term outreaches to 18 countries, the most common short-term destinations being serving onboard Logos Hope and serving refugees in Serbia and Poland. We also had 5 participants complete our Disaster Response Training.

LONG TERM MISSION PERSONNEL

There are 360 adults who identify OM in the UK as their 'sending office'. We saw 32 new people join our worldwide work (including in the UK) in 2022. Our personnel team deals with enquires, applications, orientation as well as on field and re-entry care of long-term mission workers.

DISCIPLE MAKING MINISTRIES IN THE UK

We have 40 workers based in London, Birmingham, Coventry, and Wolverhampton. They continue to focus their ministries to see vibrant communities of Jesus followers established amongst the least reached, often in partnership with other churches and likeminded organisations. Ministries include helping to run friendship centres (offering classes in English, computer, literacy, administrative help), hosting Bible studies, public book tables, food banks as well as establishing new churches.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

EQUIPPING MINISTRIES

We ran a successful 'in person' Reach program for the final 3 months of 2022. We also ran our English Language Community Outreach (ELCO) program during the year in person and on online. Many of these participants go on to serve in different locations around the world either with OM Worldwide or other organisations.

CARING FOR OUR STAFF

Operation Mobilisation recognises the importance of creating an environment where all personnel can continue to grow to optimise their potential in the workplace. There are various training programs and life skills modules that personnel can participate in to further their own knowledge and experience.

Throughout the year we continued with our regular prayer & encouragement times (both online and in teams) including our 'Wednesday in the Word' morning Bible study and Thursday Prayer Meetings. We also continued to join in with OM International's monthly day of prayer and fasting. The purpose of these activities is to enhance our spiritual awareness as well as building team unity and identity in the various centres across the UK.

b. Fundraising activities and income generation

OM in the UK raises funds through mailings, appeals, individual support raising and by approaching trusts. We hold consent or have legitimate interest to contact the parties that receive our mailings and aim to comply fully with GDPR requirements. As part of our compliance with GDPR we ensure that people only receive the information they want.

If a partner requests their data to be deleted, or if a partner is suspected of being vulnerable, OM ensures that partner does not receive solicitations for funds. They would then only receive information and updates about areas or projects they have requested.

Our missionaries approach their own friends, families and churches to raise financial support. We also apply to trusts to support specific projects. All people serving with OM for more than a month receive training on how to raise funds for their mission work as part of the joining and orientation process. They are encouraged to have an online fundraising page, the content for which is checked and monitored by our fundraising and marketing teams. Once they are serving with us, they are requested to send copies of their newsletters and updates to our personnel department who can monitor any information about their fundraising requests.

Fundraising for the work of OM in other countries is carried out through OM in the UK and we send out newsletters to donors in the UK who support our work overseas. We therefore monitor communications for both the solicitation of funds and reporting back on the use of funds.

During the year, we did not use external professional fundraisers, nor have we ever used lists of contacts supplied by third parties. We aim to comply with the Fundraising Regulator's Code of Fundraising Practice. During 2022, we received no complaints regarding our fundraising practices.

OM UK sends a maximum of six mailings to any individual per year unless they have elected to subscribe to specific mailings. As part of our data retention policy, we regularly review the data held and remove those parties who no longer meet the criteria for holding their details.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic report (continued)

Achievements and performance (continued)

c. Investment policy and performance

The Trustees have powers to invest surplus funds in investments, securities and property as they think fit, subject to the provisions of any relevant legislation. This policy is reviewed periodically by the Board using professional advice where appropriate.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserve policy states that a Free Reserve equivalent of between three- and six-months operating expenditure be kept. The average monthly operating expenditure in 2022 was two hundred and thirty thousand pounds. Based on this figure OM UK is currently meeting its reserve policy. This is required to allow for the uncertain timing of income together with the size and complexity of the organisation. OM UK currently holds adequate reserves as per this policy.

| | |
|--------------------------------|-------------------------|
| Total Funds | <u>5,200,564</u> |
| Restricted Funds | <u>820,064</u> |
| Unrestricted Funds | <u>4,380,500</u> |
| Designated | 2,911,371 |
| Undesignated Reserves | 1,469,129 |
| Free Reserves | <u>1,001,787</u> |
| Undesignated Reserves | 1,469,129 |
| minus Unrestricted investments | 467,342 |

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

c. Principal risks and uncertainties

Management has a Risk Management Strategy that is regularly reviewed. Some of the potential risks that are assessed include the following:

- Ongoing Covid disruptions
- Possible critical incidents
- Possible critical system or equipment failures
- Potential negative changes in operating income and expenditure
- Failure to comply with legislative as well as operational requirements
- Possible lack of resource requirements including key staff

d. Principal funding

Our principal source of funding is gifts and donations from individuals, churches and organisations. (96%)

Structure, governance and management

a. Constitution

Operation Mobilisation is registered as a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

c. Organisational structure and decision-making policies

The Board of Trustees is responsible for ultimate strategic decisions, having regard to International Policy under the Joint Ministries Agreement (JMA) (see page 9) and advice from senior management. As charity Trustees, they receive no remuneration for their services. All the Members of the Board are non-executive.

The Board normally meets four times a year and is assisted by a Finance and General Purposes Committee consisting of two Board members (one of whom is Chairman of the Committee), the Chief Executive Officer (also known as the UK Director) and members of the UK Executive comprising key management personnel.

The Trustees approve the strategic goals set for each year. These goals are reviewed and assessed regularly by the UK Executive and Trustees as part of the process of setting goals for the next and subsequent years. Day to day operational decisions are taken by the UK Executive headed by the CEO, Matthew Skirton.

Operation Mobilisation operates annual planning and budgeting systems. The annual strategy statement is approved along with the consequential budget by the Board of Trustees. Performance against the strategic goals is reviewed by the Board, including any proposed changes to the strategic goals and any major capital investments. There is a financial reporting system which compares results to the goals, with quarterly reports to the Board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Potential new Trustees are invited to attend several meetings before any decision is taken on their appointment and are provided with suitable material to give them background to the organisation. This includes the Memorandum and Articles of Association. Trustees are also notified of developments in the charity sector by the Finance and General Purposes Committee.

e. Pay policy for key management personnel

The Trustees consider the Board of Trustees, and the Executive Leadership team (as detailed on page 1) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charitable company on a day-to-day basis. All Trustees give of their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 12 and 26 to the accounts.

The pay of the senior staff is reviewed annually by the Board. OM UK strives towards benchmarking pay against other similar mission organisations.

f. Related party relationships

The charitable company shares the core values of an international partnership operating in over 110 countries worldwide, also known as "Operation Mobilisation". It is a signatory to a "Joint Ministries Agreement" (JMA) which sets out the ways in which the various constituent parts shall work together. In this report, this "international partnership" is called "Operation Mobilisation Worldwide" (or "OM Worldwide") and the charitable company is called "Operation Mobilisation" or "OM UK".

The charitable company is a member of the Evangelical Alliance and Global Connections.

g. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

h. Trustees' indemnities

Trustee members are covered under OM UK's general insurance policy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

In 2023 OM UK plans to build on the momentum of activities restarted in 2021 after the covid lock down. An increase in activities, events and number of participants are projected for the coming period. OM UK's goals for the future periods includes:

- Continue to develop our relationships with individuals, churches and other organisations through different initiatives to fulfil our strategic goals of seeing the least reached engaged with the Gospel message.
- See increased numbers of people being involved in short and long-term mission opportunities in the UK and abroad.
- Work with OM International to develop our Partner Generosity team to increase resources for world mission.
- Continue to grow our youth focused activities such as Teenstreet, Reach program and Race across Europe.
- Implement the new OM Management system which consist of a new CRM, accounting software and HR system to increase our efficiency.
- Modernisation of Halesowen training centre.
- Recruit key staff across key ministry areas.
- Continue to enhance OM UK's GDPR and other compliance related processes.
- We plan to produce three editions of the Global magazine and Heartbeat prayer guides and distribute each edition to over ten thousand partners.



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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006. 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.

Disclosure of information to auditors

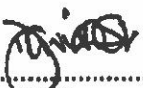
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
David Ost
(Chair of Trustees)

Date:

6. 9. 2023

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPERATION MOBILISATION

Opinion

We have audited the financial statements of Operation Mobilisation (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPERATION MOBILISATION
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPERATION MOBILISATION
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Charitable Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax Compliance Regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Charitable Company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the statements.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatements, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OPERATION MOBILISATION
(CONTINUED)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of:
WR Partners

Chartered Accountants
Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:

25th September 2023

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | 8,116,953 | 2,912,802 | 11,029,755 | 9,743,928 |
| Charitable activities | 5 | 100,766 | 384,922 | 485,688 | 272,544 |
| Investments | 6 | 17 | 23,730 | 23,747 | 16,581 |
| Total income | | 8,217,736 | 3,321,454 | 11,539,190 | 10,033,053 |
| Expenditure on: | | | | | |
| Raising funds | 7 | - | 414,994 | 414,994 | 349,584 |
| Charitable activities | 8 | 8,154,404 | 2,683,916 | 10,838,320 | 10,132,342 |
| Total expenditure | | 8,154,404 | 3,098,910 | 11,253,314 | 10,481,926 |
| Net income/(expenditure) before net (losses)/gains on investments | | 63,332 | 222,544 | 285,876 | (448,873) |
| Net (losses)/gains on investments | | - | (7,186) | (7,186) | 393 |
| Net income/(expenditure) | | 63,332 | 215,358 | 278,690 | (448,480) |
| Transfers between funds | 20 | (167,690) | 167,690 | - | - |
| Net movement in funds | | (104,358) | 383,048 | 278,690 | (448,480) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 924,422 | 3,997,452 | 4,921,874 | 5,370,354 |
| Net movement in funds | | (104,358) | 383,048 | 278,690 | (448,480) |
| Total funds carried forward | | 820,064 | 4,380,500 | 5,200,564 | 4,921,874 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 40 form part of these financial statements.

OPERATION MOBILISATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02564320

BALANCE SHEET
AS AT 31 DECEMBER 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 2,496,326 | 2,565,903 |
| Investments | 15 | 17,342 | 24,529 |
| Investment property | 14 | 450,000 | 450,000 |
| | | <u>2,963,668</u> | <u>3,040,432</u> |
| Current assets | | | |
| Stocks | 16 | 18,179 | 21,026 |
| Debtors | 17 | 359,185 | 589,616 |
| Cash at bank and in hand | | 2,344,851 | 1,744,617 |
| | | <u>2,722,215</u> | <u>2,355,259</u> |
| Creditors: amounts falling due within one year | 18 | <u>(250,708)</u> | <u>(225,369)</u> |
| Net current assets | | 2,471,507 | 2,129,890 |
| Total assets less current liabilities | | <u>5,435,175</u> | <u>5,170,322</u> |
| Creditors: amounts falling due after more than one year | 19 | (234,611) | (248,448) |
| Total net assets | | <u><u>5,200,564</u></u> | <u><u>4,921,874</u></u> |

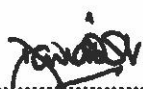
OPERATION MOBILISATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02564320

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

| | Note | 2022 £ | 2021 £ |
|----------------------|------|------------------|------------------|
| Charity funds | | | |
| Restricted funds | 20 | 820,064 | 924,422 |
| Unrestricted funds | 20 | 4,380,500 | 3,997,452 |
| Total funds | | <u>5,200,564</u> | <u>4,921,874</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
David Oet
(Chair of Trustees)

Date: 6. 9. 2023

The notes on pages 20 to 40 form part of these financial statements.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-----------|-----------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 22 | 648,355 | 466,649 |
| Cash flows from investing activities | | | |
| Dividends, interests and rents from investments | | 5,747 | 582 |
| Proceeds from the sale of tangible fixed assets | | - | 530 |
| Purchase of tangible fixed assets | | (53,868) | (50,674) |
| Net cash used in investing activities | | (48,121) | (49,562) |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | - | - |
| Change in cash and cash equivalents in the year | | 600,234 | 417,087 |
| Cash and cash equivalents at the beginning of the year | | 1,744,617 | 1,327,530 |
| Cash and cash equivalents at the end of the year | 23 | 2,344,851 | 1,744,617 |

The notes on pages 20 to 40 form part of these financial statements

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Operation Mobilisation is a Charitable Company limited by Guarantee and was incorporated on 12 February 1992. The company is registered in England and Wales. The objectives of the Charity are listed on page 2 of the annual report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Operation Mobilisation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the Charity operates.

2.2 Going concern

The Trustees have reviewed the Charity's financial position and are encouraged by the ongoing level of giving and the improvement in the free reserves position. With the recognition of the Charity's net current asset position, the directors have confidence that the Charity has adequate resources to remain in operation for at least the next twelve months and can continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Gifts in kind donated for distribution are included at an estimated valuation, provided the value is quantifiable.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes cost incurred in motivating individual partners to donate to the work of Operation Mobilisation Worldwide.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, and comprises the following:

- **Direct Payments** - This represents amounts given to support OM's work worldwide by (a) UK supporters and (b) OM from its own resources.

- **Support for Overseas Partners** - The amount detailed here includes the cost to the UK National Office of support for UK personnel (including those overseas) in the areas of personnel, finance etc. It also includes expenditure incurred in education and informing supporters of OM's work worldwide and the general public on the work of the charity. It includes such things as regular prayer letters, project information sheets, advertising and the costs associated with developing and implementing these.

- **Education and the Advancement of the Christian Faith** - This represents expenditure by our training bases in Birmingham and London on evangelistic and training activities within the UK.

All expenditure is inclusive of irrecoverable VAT.

2.5 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 institution with whom the funds are deposited.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling for the month of the transaction.

These rates (provided by the International Finance Office) are used in Operation Mobilisation worldwide.

Exchange gains and losses are recognised in the Statement of Financial Activities.

2.7 Taxation

The Charity 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 charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £300 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|------------------------------|---|--|
| Freehold property | - | 2% on purchases, 6.7% on renovations |
| Long-term leasehold property | - | 3% /10% on renovations, lease purchases written off over the remainder of the lease - maximum 50 years |
| Motor vehicles | - | 20% - 50% |
| Fixtures and fittings | - | 33% for computer equipment, 20% for the remainder |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 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 the 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 presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments comprise investment property, donated shares and longer term cash deposits. Cash deposits are included at the year-end balance in the relevant bank account. Investment property is valued using a directors' estimate of the market value, supported by professional valuations as appropriate. Shares are reviewed annually through online stock exchange websites.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 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.

2.13 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 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 in the Statement of Financial Activities as a finance cost.

2.14 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.15 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.16 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.

2.17 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.

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 is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Critical accounting estimates and areas of judgment

In applying the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Critical accounting estimates and assumptions:

The critical accounting judgements that the Trustees have made in the process of applying the charity's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Critical areas of judgment:

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment in relation to assets, the Trustees have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Income recognition

Operation Mobilisation accounts for monies received as donations on behalf of other OM entities worldwide as income and matching expenditure as the money is transferred via OM worldwide's international transfer system. The Trustees have referred to the guidance in the 2019 Statement of Recommended Practice (FRS 102) when determining whether to account for these transactions as agent or principal and consider Operation Mobilisation to be acting as principal.

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from donations and legacies

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | | | | |
| Income from Overseas Supporters | 1,326,840 | 476,073 | 1,802,913 | 1,932,062 |
| Income from OM Fields Overseas | - | 518,049 | 518,049 | 431,680 |
| Income from UK Supporters for Fields Overseas | 4,827,729 | - | 4,827,729 | 4,775,491 |
| Income for Relief & Development work | 1,922,765 | - | 1,922,765 | 764,260 |
| Subtotal detailed disclosure | 8,077,334 | 994,122 | 9,071,456 | 7,903,493 |
| Legacies | 39,619 | 526,611 | 566,230 | 503,162 |
| Similar incoming resources | - | 1,392,069 | 1,392,069 | 1,337,273 |
| Subtotal | 39,619 | 1,918,680 | 1,958,299 | 1,840,435 |
| | 8,116,953 | 2,912,802 | 11,029,755 | 9,743,928 |
| Total 2021 | 7,076,584 | 2,667,344 | 9,743,928 | |

5. Income from charitable activities

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Literature and Other Sales | 5,793 | 2,386 | 8,179 | 3,412 |
| Services to Overseas Partners | 150 | 29,095 | 29,245 | 21,470 |
| Other | 94,823 | 353,441 | 448,264 | 247,662 |
| | 100,766 | 384,922 | 485,688 | 272,544 |
| Total 2021 | 53,326 | 219,218 | 272,544 | |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Investment income

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Rental Income | - | 18,000 | 18,000 | 16,000 |
| Interest Income | 17 | 5,730 | 5,747 | 581 |
| | <u>17</u> | <u>23,730</u> | <u>23,747</u> | <u>16,581</u> |
| <i>Total 2021</i> | <u>103</u> | <u>16,478</u> | <u>16,581</u> | |

7. Expenditure on raising funds

Costs of raising voluntary income

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--------------------|------------------------------------|-----------------------------|-----------------------------|
| Ministry | 2,821 | 2,821 | 251 |
| Administration | 18,420 | 18,420 | 5,683 |
| Personnel | - | - | 38,628 |
| Travel | 33,540 | 33,540 | 11,709 |
| Communication | 44,878 | 44,878 | 58,048 |
| Other | 2,665 | 2,665 | 194 |
| Wages and salaries | 312,670 | 312,670 | 235,071 |
| | <u>414,994</u> | <u>414,994</u> | <u>349,584</u> |
| <i>Total 2021</i> | <u>349,584</u> | <u>349,584</u> | |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|--|--|--|-----------------------------|-----------------------------|
| Education and the Advancement of the Christian Faith | 139,974 | 1,158,791 | 1,298,765 | 1,214,718 |
| Support for Overseas Partners | 1,422,458 | 1,416,141 | 2,838,599 | 2,627,800 |
| Direct Payments | 6,591,972 | 108,984 | 6,700,956 | 6,289,824 |
| | <u>8,154,404</u> | <u>2,683,916</u> | <u>10,838,320</u> | <u>10,132,342</u> |
| <i>Total 2021</i> | <u><u>7,457,963</u></u> | <u><u>2,674,379</u></u> | <u><u>10,132,342</u></u> | |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|--|---------------------------------------|---------------------------------------|
| Education and the Advancement of the Christian Faith | 1,298,765 | 1,298,765 | 1,214,718 |
| Support for Overseas Partners | 2,838,599 | 2,838,599 | 2,627,800 |
| Direct Payments | 6,700,956 | 6,700,956 | 6,289,824 |
| | <u>10,838,320</u> | <u>10,838,320</u> | <u>10,132,342</u> |
| <i>Total 2021</i> | <u><u>10,132,342</u></u> | <u><u>10,132,342</u></u> | |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Education and the Advancem- ent of the Christian Faith 2022 £ | Support for Overseas Partners 2022 £ | Direct Payments 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------------|--|--|---------------------------------|-----------------------------|-----------------------------|
| Staff costs | 766,357 | 1,235,527 | - | 2,001,884 | 1,996,836 |
| Ministry | 42,055 | 642,586 | - | 684,641 | 510,097 |
| Administration | 182,723 | 350,390 | - | 533,113 | 459,002 |
| Personnel | 92,780 | - | - | 92,780 | 69,613 |
| Travel | 50,093 | 108,693 | - | 158,786 | 66,053 |
| Communication | 44,242 | 63,930 | - | 108,172 | 118,485 |
| Grants | - | - | 6,700,956 | 6,700,956 | 6,289,824 |
| Professional Fees inc Audit | 10,671 | 18,854 | - | 29,525 | 35,666 |
| Other | 109,844 | 418,619 | - | 528,463 | 586,766 |
| | <u>1,298,765</u> | <u>2,838,599</u> | <u>6,700,956</u> | <u>10,838,320</u> | <u>10,132,342</u> |
| <i>Total 2021</i> | <u>1,214,718</u> | <u>2,627,800</u> | <u>6,289,824</u> | <u>10,132,342</u> | |

Governance costs are included within the total resources expended as shown above. These totaled £48,693 in 2022 (2021: £49,698)

10. Auditors' remuneration

| | 2022 £ | 2021 £ |
|--|--------------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 24,900 | 22,680 |
| Fees payable to the Charity's auditor in respect of: | | |
| All non-audit services not included above | <u>2,400</u> | <u>-</u> |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Staff costs

| | 2022 | 2021 |
|--|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,081,439 | 2,018,565 |
| Social security costs | 154,931 | 138,521 |
| Contribution to defined contribution pension schemes | 78,184 | 74,821 |
| | 2,314,554 | 2,231,907 |

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

| | 2022 | 2021 |
|--|-------------|-------------|
| | No. | No. |
| Support to other missions | 48 | 56 |
| Education and the Advancement of the Christian Faith | 48 | 47 |
| Fundraising and Governance | 26 | 29 |
| | 121 | 132 |

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

The key management personnel of the Charity comprise of the UK executive team of 5 people (2021: 5 people) looking after the day-to-day affairs of the charity. The total employee benefits of the key management personnel of the Trust were £174,732 (2021: £175,894).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, expenses totaling £1,591 were reimbursed or paid directly to 3 Trustees (2021 - £1,984 to 2 Trustees).

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets

| | Freehold property £ | Long-term leasehold property £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|---------------------------|---|------------------------|-------------------------------|------------|
| Cost or valuation | | | | | |
| At 1 January 2022 | 2,772,500 | 513,556 | 53,115 | 304,224 | 3,643,395 |
| Additions | - | - | 32,860 | 21,008 | 53,868 |
| Disposals | - | - | (3,470) | (27,546) | (31,016) |
| At 31 December 2022 | 2,772,500 | 513,556 | 82,505 | 297,686 | 3,666,247 |
| Depreciation | | | | | |
| At 1 January 2022 | 515,850 | 262,851 | 29,799 | 268,992 | 1,077,492 |
| Charge for the year | 61,050 | 16,985 | 13,881 | 30,337 | 122,253 |
| On disposals | - | - | (3,470) | (26,354) | (29,824) |
| At 31 December 2022 | 576,900 | 279,836 | 40,210 | 272,975 | 1,169,921 |
| Net book value | | | | | |
| At 31 December 2022 | 2,195,600 | 233,720 | 42,295 | 24,711 | 2,496,326 |
| At 31 December 2021 | 2,256,650 | 250,705 | 23,316 | 35,232 | 2,565,903 |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Investment property

| | Freehold investment property £ |
|---------------------|---|
| Valuation | |
| At 1 January 2022 | 450,000 |
| At 31 December 2022 | <u>450,000</u> |

The investment property is in North London and was previously used for our charitable purposes. However, this property was deemed to be surplus to our requirements from an operational point of view in 2017 and has been reclassified by the Trustees as held for investment as of 1st January 2017, with a valuation of £450,000. The valuations were based on the Directors' estimate of the market value, supported by valuations provided by Estate Agents. This is rented out to generate an income for the Charity. Following a desktop review, the valuation was confirmed as shown above.

15. Fixed asset investments

| | Listed investments £ |
|--------------------------|----------------------------|
| Cost or valuation | |
| At 1 January 2022 | 24,529 |
| Revaluations | (7,187) |
| At 31 December 2022 | <u>17,342</u> |
| Net book value | |
| At 31 December 2022 | 17,342 |
| At 31 December 2021 | <u>24,529</u> |

16. Stocks

| | 2022 £ | 2021 £ |
|------------------|---------------|---------------|
| Goods for resale | <u>18,179</u> | <u>21,026</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Debtors

| | 2022 £ | 2021 £ |
|-------------------------------------|----------------|----------------|
| Due after more than one year | | |
| Other debtors | 41,173 | 60,679 |
| | <u>41,173</u> | <u>60,679</u> |
| Due within one year | | |
| Other debtors | 284,568 | 504,848 |
| Prepayments and accrued income | 33,444 | 24,089 |
| | <u>359,185</u> | <u>589,616</u> |

Included in debtors are beneficial loans as follows:

| | 2022 £ | 2021 £ |
|---------------------|---------------|---------------|
| Due within one year | 17,929 | 20,962 |
| Due after one year | 41,173 | 60,679 |
| | <u>59,102</u> | <u>81,641</u> |

The above loans have been made in furtherance of the objectives of Operation Mobilisation. These are generally low interest or interest free loans with variable repayment terms as agreed with individuals.

18. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 56,405 | 51,018 |
| Other taxation and social security | 40,557 | 35,639 |
| Other creditors | 128,846 | 56,033 |
| Accruals and deferred income | 24,900 | 82,679 |
| | <u>250,708</u> | <u>225,369</u> |

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19. Creditors: Amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|----------|----------------|----------------|
| Loans | 53,100 | 53,100 |
| Accruals | 181,511 | 195,348 |
| | <u>234,611</u> | <u>248,448</u> |

The Accruals figure is the Re-Entry Reserve, which is to provide for any allowances given to individuals from the UK after the agreement schedule. However, the amount provided here is likely to be paid out between nil and 25 years.

20. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2022 £ |
|---------------------------------|--------------------------------------|------------------|--------------------|--------------------------|-------------------------|---|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Asset Fund | 2,351,049 | - | - | (61,943) | - | 2,289,106 |
| UKNO | 308,405 | 245,510 | (103,610) | 171,960 | - | 622,265 |
| | <u>2,659,454</u> | <u>245,510</u> | <u>(103,610)</u> | <u>110,017</u> | <u>-</u> | <u>2,911,371</u> |
| General funds | | | | | | |
| General Funds | 1,337,998 | 3,075,944 | (2,995,300) | 57,673 | (7,186) | 1,469,129 |
| Total Unrestricted funds | <u>3,997,452</u> | <u>3,321,454</u> | <u>(3,098,910)</u> | <u>167,690</u> | <u>(7,186)</u> | <u>4,380,500</u> |

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20. Statement of funds (continued)

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2022 £ |
|---------------------------------------|--------------------------------------|-------------------|---------------------|--------------------------|-------------------------|---|
| Restricted funds | | | | | | |
| UK Supporters for Fields overseas | - | 3,912,636 | (3,912,636) | - | - | - |
| Relief of Sickness & Poverty UK | 133,310 | 1,413,978 | (1,457,732) | 13 | - | 89,569 |
| Special Projects | 282,228 | 1,868,364 | (1,833,784) | (56,125) | - | 260,683 |
| UKNO restricted - appeals | 92,730 | 377,542 | (404,889) | (8,513) | - | 56,870 |
| UKNO restricted - short term missions | 339 | 75,967 | (71,665) | - | - | 4,641 |
| UKNO restricted - other | 200,336 | 207,054 | (111,503) | (95,401) | - | 200,486 |
| Relief of Sickness & Poverty | - | 362,195 | (362,195) | - | - | - |
| Asset Fund | 215,479 | - | - | (7,664) | - | 207,815 |
| | <u>924,422</u> | <u>8,217,736</u> | <u>(8,154,404)</u> | <u>(167,690)</u> | <u>-</u> | <u>820,064</u> |
| Total of funds | <u>4,921,874</u> | <u>11,539,190</u> | <u>(11,253,314)</u> | <u>-</u> | <u>(7,186)</u> | <u>5,200,564</u> |

OPERATION MOBILISATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2021 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Balance at 31 December 2021 £</i> |
|---------------------------------------|--|--------------------------|----------------------------|-----------------------------------|--|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Asset Fund | 2,412,753 | - | - | (61,704) | 2,351,049 |
| UKNO | 335,949 | 11,366 | (117,516) | 78,606 | 308,405 |
| | <u>2,748,702</u> | <u>11,366</u> | <u>(117,516)</u> | <u>16,902</u> | <u>2,659,454</u> |
| General funds | | | | | |
| General Funds | 1,279,361 | 2,891,675 | (2,906,428) | 73,390 | 1,337,998 |
| Total Unrestricted funds | <u>4,028,063</u> | <u>2,903,041</u> | <u>(3,023,944)</u> | <u>90,292</u> | <u>3,997,452</u> |
| Restricted funds | | | | | |
| UK Supporters for Fields overseas | - | 3,588,438 | (3,588,438) | - | - |
| Relief of Sickness & Poverty UK | 60,779 | 764,260 | (691,729) | - | 133,310 |
| WACA | 473,257 | - | (477,279) | 4,022 | - |
| Special Projects | 354,722 | 2,071,571 | (2,108,725) | (35,340) | 282,228 |
| UKNO restricted - appeals | 45,911 | 499,349 | (457,162) | 4,632 | 92,730 |
| UKNO restricted - short term missions | 4,042 | 44,193 | (46,342) | (1,554) | 339 |
| UKNO restricted - other | 170,552 | 162,202 | (88,308) | (44,110) | 200,336 |
| Asset Fund | 233,028 | - | - | (17,549) | 215,479 |
| | <u>1,342,291</u> | <u>7,130,013</u> | <u>(7,457,983)</u> | <u>(89,899)</u> | <u>924,422</u> |
| Total of funds | <u><u>5,370,354</u></u> | <u><u>10,033,054</u></u> | <u><u>(10,481,927)</u></u> | <u><u>393</u></u> | <u><u>4,921,874</u></u> |

OPERATION MOBILISATION
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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

DESIGNATED FUNDS

The income funds of the Charity include the following designated funds that have been set aside out of unrestricted funds held by the Trustees for specific purposes:

- Designated Asset Fund – represents funds that are tied up in fixed assets. The utilisation of these funds is commensurate with the change in the total value of fixed assets during the year due to acquisitions, disposals and depreciation.
- Other - monies allocated for specific projects by the Trustees.

RESTRICTED FUNDS

The restricted funds of the Charity consist of certain income for which there is a restriction on their use and are detailed as follows:

- UK Supporters for Fields Overseas – monies received for OM's work overseas and transferred directly to them.
- Relief of Sickness and Poverty – monies raised in the UK and overseas specifically for the relief of sickness and poverty worldwide.
- WACA – monies held in the UK for the work of WACA, an OM overseas field. WACA is now being managed by another charity based in Switzerland and the funds were transferred to this legal entity 1st January 2021.
- Special Projects – gifts raised and distributed by the charity's founder. Following the death of George Verwer, the founder, this fund will be wound up by the end of September 2023.
- UK National Office restricted appeals – funds raised by UK national office as a result of specific appeals.
- UK National Office restricted Short Term Missions – funds received from participants to cover the cost of their short-term missions experience.
- UK Other – funds held in relation to evangelism and outreach projects.
- Asset funds – monies tied up in assets for the restricted funds. As above, the utilisation of reserves reflects the movement in value of assets in the year.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 207,815 | 2,288,511 | 2,496,326 |
| Fixed asset investments | - | 17,342 | 17,342 |
| Investment property | - | 450,000 | 450,000 |
| Debtors due after more than one year | - | 41,173 | 41,173 |
| Current assets | 612,249 | 2,068,793 | 2,681,042 |
| Creditors due within one year | - | (250,708) | (250,708) |
| Creditors due in more than one year | - | (234,611) | (234,611) |
| Total | 820,064 | 4,380,500 | 5,200,564 |

Analysis of net assets between funds - prior year

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 215,479 | 2,350,424 | 2,565,903 |
| Fixed asset investments | - | 24,529 | 24,529 |
| Investment property | - | 450,000 | 450,000 |
| Debtors due after more than one year | - | 60,679 | 60,679 |
| Current assets | 708,943 | 1,585,637 | 2,294,580 |
| Creditors due within one year | - | (225,369) | (225,369) |
| Creditors due in more than one year | - | (248,448) | (248,448) |
| Total | 924,422 | 3,997,452 | 4,921,874 |

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 278,690 | (448,480) |
| Adjustments for: | | |
| Depreciation charges | 122,253 | 123,971 |
| Gains/(losses) on investments | 7,187 | (393) |
| Dividends, interests and rents from investments | (5,747) | (581) |
| Loss on the sale of fixed assets | 1,192 | 6,050 |
| Decrease in stocks | 2,847 | 1,411 |
| Decrease in debtors | 230,431 | 695,986 |
| Increase in creditors | 11,502 | 88,685 |
| Net cash provided by operating activities | 648,355 | 466,649 |

23. Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Cash in hand | 289,315 | 1,319,325 |
| Notice deposits (less than 3 months) | 2,055,536 | 425,292 |
| Total cash and cash equivalents | 2,344,851 | 1,744,617 |

24. Analysis of changes in net debt

| | At 1 January 2022 £ | Cash flows £ | At 31 December 2022 £ |
|--------------------------|------------------------------|-----------------|--------------------------------|
| Cash at bank and in hand | 1,744,617 | 600,234 | 2,344,851 |
| Debt due after 1 year | (53,100) | - | (53,100) |
| | 1,691,517 | 600,234 | 2,291,751 |

