



ALBANIAN EVANGELICAL MISSION

Charity Registration Number: 1036807

Annual Report and Financial Statements

For the year ended 31 March 2023

Tandem Accounting
Chartered Accountants
17 Heathville Road
London N19 3AL

ALBANIAN EVANGELICAL MISSION

Annual Report and Financial Statements For the year ended 31 March 2023 Contents

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ALBANIAN EVANGELICAL MISSION

Legal & administrative information For the year ended 31 March 2023

Charity Name	Albanian Evangelical Mission												
Charity Registration no.	1036807. The Charity was registered with the Charity Commission on 25 April 1994												
Registered Office	The Old Stables, Church Walk, High St, Ixworth, Bury St Edmunds, Suffolk. IP31 2HH												
Governing Document	The Charity's governing document is the Declaration of Trust dated 10 March 1994 as amended by supplemental deed dated 25 July 2002.												
Objectives	<p>The objectives of Albanian Evangelical Mission are stated as follows:</p> <p>A. The advancement of the Christian religion amongst Albanians.</p> <p>B. The relief of persons in conditions of hardship or who are aged or sick amongst Albanians.</p>												
Trustees	<p>The Trustees who served during the year and who were serving at the date of this report were:</p> <table><tr><td>Dr Graham Eldridge</td><td></td></tr><tr><td>Rev Peter Cresswell</td><td>Chairman</td></tr><tr><td>Mr Andrew Jones</td><td>Treasurer</td></tr><tr><td>Mr Mark Jackson</td><td></td></tr><tr><td>Mrs Anne Jones</td><td></td></tr><tr><td>Mr Paul Stark</td><td></td></tr></table>	Dr Graham Eldridge		Rev Peter Cresswell	Chairman	Mr Andrew Jones	Treasurer	Mr Mark Jackson		Mrs Anne Jones		Mr Paul Stark	
Dr Graham Eldridge													
Rev Peter Cresswell	Chairman												
Mr Andrew Jones	Treasurer												
Mr Mark Jackson													
Mrs Anne Jones													
Mr Paul Stark													
Key Management Personnel	Those in charge of directing, controlling, running and operating the Charity on a day to day basis are the Trustees together with Paul Davies the Director of Ministry.												
Bankers	Barclays Bank 1 Churchill Place London E14 5HP												
Independent Examiner	John Helm ACA Tandem Accounting Limited 17 Heathville Road London N19 3AL												

ALBANIAN EVANGELICAL MISSION

Annual Report of the Trustees For the year ended 31 March 2023

The Trustees submit their annual report and the financial statements of the Albanian Evangelical Mission (“the Charity”) for the year ended 31 March 2023. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

I. Structure, Governance & Management

I.1. Trustees

Individuals who share the aims and objectives of the charity are invited to serve as trustees provided they also have the necessary experience to fulfil their duties as trustees.

The induction process for any individual newly-appointed to the board of Trustees comprises an initial meeting with at least two of the Trustees (whenever possible one of these two Trustees being the Chair) and receipt of copies of:

- the Trust Deed
- the most recent financial statements
- the Charity Commission’s guidance ‘The Essential Trustee’.

The Trustees meet at regular intervals (currently twice per annum) to consider the direction of the charity and to review its financial position. Current reports of income and expenditure are presented for consideration by the trustees as a body.

The Trustees have appointed an executive director to carry out the trustees’ strategy, aims and objectives. The director is required to report on progress to the trustees at each trustees meeting. The Trustees meet bi-annually to discuss a full range of matters relating to strategy, project work, recruitment, finance and general administration.

I.2 Risk Management

The Trustees acknowledge that they have a responsibility for the identification and proper management of risks faced by the Charity in achieving its primary aims. The Trustees have therefore assessed the major risks to which the Charity is exposed, in particular those relating to the specific operational areas of the Charity and its finances. The Trustees believe that, by monitoring reserve levels, by developing controls over key financial systems, and by having the operational risks faced by the Charity reviewed, they have established systems and procedures to mitigate those risks.

2. Activities & Public Benefit

The Charity’s objectives benefit the public through:

- The encouragement of Charity communities which in turn practise care, compassion and honesty within their wider communities.
- The provision of activities which benefit the wider community such as children’s clubs and summer camps.
- The provision, where appropriate, of community facilities such as a children’s safe house.

The trustees’ of AEM take the ongoing witness to the truth of the Christian gospel and the encouragement of church life amongst Albanian people to be their priorities. They also accept the responsibility of supporting Albanian churches in their desire to foster community and relieve suffering from poverty and neglect in their localities. In keeping with these aims they believe it proper to maintain a small organisation in the UK with the primary role of informing and encouraging links between UK churches and their Albanian counterparts.

ALBANIAN EVANGELICAL MISSION

Annual Report of the Trustees For the year ended 31 March 2023

3. Achievements and Performance

In keeping with the above aims, during the period April 2022 to March 2023, AEM Trustees have: -

- financially supported, primarily from restricted funds, three missionary families in south and central Albania. One of these families was in the process of transitioning to the UK and their service in Albania was deemed to be completed by September 2022. In addition, we continue to channel financial support to a retired missionary couple currently living in Canada.
- made grants to our sister organisation, registered in Albania as AEM-Misioni Ungjillor, to facilitate a permanent office in Tirana and the employment of an administrator. In addition, AEM funded the full-time employment of one church leader via AEM-Misioni Ungjillor (this arrangement changed in January 2023 so that he is now employed by the church in which he works; our preferred pattern).
- made further grants, reviewed on an annual basis, and drawn from both restricted gifts and general funds in support of seventeen church workers and national missionaries in Albania and Kosova, as well as the provision of suitable buildings and vehicles for church activities. It is current practice, where possible, to provide grants to churches from our General Fund to augment the gifts received through us, by our Albanian partners, from UK based churches and individuals. This allows partner churches to make local decisions about their needs (including staff and buildings – the most significant expense of most churches).
- undertaken monitoring and support visits to Albania and Kosova. It remains the policy of the mission to encourage the work and life of our partner churches and organisations through regular visits to the region. Officers and/or trustees of the mission visited on eight separate occasions during the period with all in-country partners being seen in-situ at least once.
- employed one part-time Finance Officer, a part-time UK Support Co-ordinator and a part-time Deputation and Communications Officer. Other UK-based roles have been performed on a voluntary basis. Funds continue to be deployed to facilitate the flow of information to UK churches and individuals through publications and digital media.

In addition to the above, AEM Trustees have made grants in support of ministry projects and church-based activities encompassing the following:

- Provision of summer camps and year-round outreach activities involving children, youth and university/college students.
- Preparation and publication of literature, including books, flyers, newspapers and calendars, useful to missionaries and churches in their outreach and the encouragement of church life.
- Conferences and seminars organised by AEM and its associates for the encouragement and training of workers.

Finally, we continue to advise our UK supporters of humanitarian needs identified by our Albanian and Kosovan partners. In consequence, we've been able to forward restricted gifts in support of a Boys' Residential Home in Maliq (S.E.Albania), now controlled and run by 'Hands of Providence', a registered charitable foundation in Albania. Funds are additionally sent in support of a children's 'Day Centre' in nearby Libonik. AEM also partners with the registered Albanian, Christian charity 'Light for the Blind' (Dritë për të Verbërit) and supports its work from both restricted and general funds. Currently this support takes the main form of an annual salary payment to the charity's executive officer. We have also forwarded restricted gifts aimed at assisting the payment of medical expenses in urgent cases.

ALBANIAN EVANGELICAL MISSION

Annual Report of the Trustees For the year ended 31 March 2023

4. Financial Review

Funding for the Charity comes mainly from donations from churches and individuals.

4.1 Financial Activity and Financial Position

The Statement of Financial Activities and Balance Sheet can be found on pages 8 and 9 respectively. The Charity's reserves decreased by £38,278 during the year (2022 increased by £6,202). The balance sheet shows total net assets of £90,488 (2022: £128,766).

Included in total funds are amounts totalling £16,846 (2022: £12,722) which are restricted. These monies have either been raised for, and their use restricted to, specific purposes, or they comprise grants subject to grantor imposed conditions. Full details of these restricted funds can be found in note 8 to the accounts together with an analysis of movements in the year.

4.2 Reserves Policy

The Trustees have examined the requirements for free reserves, ie those unrestricted funds not invested in tangible fixed assets. The Trustees consider that, given the nature of the Charity's funding, free reserves should be equivalent to approximately 6 months' worth of unrestricted routine expenditure in order to provide sufficient flexibility to cover temporary shortfalls in income and allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 March 2023 the Charity had net free reserves of £73,642 (2022: £116,044) as follows:

	2023 £	2022 £
Total reserves	90,488	128,766
Less: restricted funds	(16,846)	(12,722)
Free reserves	73,642	116,044
Free reserves requirement:		
6 month's budgeted routine expenditure	50,000	50,000
Designated for the building of a boys' refuge home	806	4,314
Free reserves	50,806	54,314

Trustees are aware that they are currently holding reserves well above the previous norm, the result of significant legacies and also a policy of reserving some funds to meet future employment needs. It is anticipated that the reserve held will gradually return to parity as and when appointments are made.

5. Plans for Future Periods

The mission's spending policies and plans for reserve funds remain fundamentally unchanged.

ALBANIAN EVANGELICAL MISSION

Annual Report of the Trustees For the year ended 31 March 2023

6. Responsibilities of Trustees for the Financial Statements

The Trustees are responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the Charity will continue.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included in the Charity's website.

7. Approval

The report of the Trustees was approved by the Trustees on 05 October 2023 and signed on their behalf by:



Peter Cresswell
Trustee

ALBANIAN EVANGELICAL MISSION

Report of the Independent Examiner to the Trustees of Albanian Evangelical Mission

I report on the financial statements of Albanian Evangelical Mission for the year ended 31 March 2023, set out on pages 8 to 15.

This report is made solely to the Trustees in accordance with section 145 of the Charities Act 2011 ("the Act"). My independent examination has been undertaken so that I might state to the Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the Trust and the Trustees for my independent examination, for this report, or the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees considers that an audit is not required for this year (under section 144(2) of the Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the Act);
- To follow the procedures laid down in the General Direction given by the Charity Commission (under section 145(5)(b) of the Act); and
- To state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the church as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts 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 accounts to be reached.



John Helm ACA
23 October 2023

ALBANIAN EVANGELICAL MISSION

Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Income from:	2						
Donations and legacies		95,930	101,096	197,026	95,936	93,907	189,843
Investments		189	-	189	66	-	66
Other		53	-	53	2,059	5,948	8,007
Total Income		96,172	101,096	197,268	98,061	99,855	197,916
Expenditure on:	3						
Raising funds		8,509	-	8,509	3,559	-	3,559
Charitable activities		130,065	96,972	227,037	87,229	100,926	188,155
Total Expenditure		138,574	96,972	235,546	90,788	100,926	191,714
Net gains/(losses) on investments		-	-	-	-	-	-
Net income/(expenditure)		(42,402)	4,124	(38,278)	7,273	(1,071)	6,202
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
Net movement in funds		(42,402)	4,124	(38,278)	7,273	(1,071)	6,202
Total funds brought forward		116,044	12,722	128,766	108,771	13,793	122,564
Total funds carried forward		73,642	16,846	90,488	116,044	12,722	128,766

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Balance Sheet As at 31 March 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Fixed Assets					
Tangible Assets	4	259	-	259	-
		259	0	259	0
Current Assets					
Debtors	5	4,877	-	4,877	2,186
Cash At Bank And In Hand		70,404	16,846	87,250	127,422
		75,281	16,846	92,127	129,608
Creditors - Amounts Falling Due Within One Year	6	1,898	-	1,898	842
Net Assets		73,642	16,846	90,488	128,766
Represented By:					
Unrestricted Income Funds	7	73,642	-	73,642	116,044
Restricted Funds	8	-	16,846	16,846	12,722
Total Funds		73,642	16,846	90,488	128,766

The financial statements were approved by the Trustees on 05 October 2023 and signed on their behalf by:



Andrew Jones
Trustee

ALBANIAN EVANGELICAL MISSION

Notes to the Financial Statements For the year ended 31 March 2023

I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

The Charity meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

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

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The Charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs in fulfilling the Charity's principal objects, as outlined in the Report of the Trustees. These include grants payable and governance costs:

- Grants payable are payments made to third parties in furtherance of the Charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charity.
- Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

The Charity contributes to one employee's personal pension plan. This is a defined contribution scheme, the assets of which are held separately from those of the Charity. The cost in the accounts is the amount of contributions paid and payable during the year.

Tangible Fixed Assets

The cost of equipment, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as four years.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

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Notes to the Financial Statements For the year ended 31 March 2023

I. Accounting Policies (continued)

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 opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. Income

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Voluntary income				
Donations	90,645	92,926	183,571	189,843
Gift Aid	5,285	8,170	13,455	8,007
	<u>95,930</u>	<u>101,096</u>	<u>197,026</u>	<u>197,850</u>
Investment income				
Bank Interest	189	-	189	66
Other	53	-	53	-
	<u>96,172</u>	<u>101,096</u>	<u>197,268</u>	<u>197,916</u>

ALBANIAN EVANGELICAL MISSION

Notes to the Financial Statements For the year ended 31 March 2023

3. Expenditure

3a. Expenditure on Raising Funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Travel	6,962	-	6,962	2,616
Conferences	108	-	108	-
Newsletters	1,111	-	1,111	943
Promotion	211	-	211	-
Literature	117	-	117	-
	8,509	0	8,509	3,559

3b. Expenditure on Charitable Activities

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
Direct charitable expenditure				
Grants & donations (see note 3c)	97,562	96,928	194,491	172,143
Travel overseas	4,757	-	4,757	606
Staff costs (apportioned)	-	-	-	-
	102,319	96,928	199,248	172,749
Support costs				
Staff costs	24,283	-	24,283	12,161
Postage, stationery & printing	215	-	215	123
Bank charges	936	44	979	1,047
Telephone & communications	129	-	129	-
Insurance	495	-	495	478
Payroll & accountancy	440	-	440	344
Depreciation	86	-	86	105
Office sundries	202	-	202	248
	26,786	44	26,829	14,506
Governance costs				
Independent examination	960	-	960	900
	130,065	96,972	227,037	188,155

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Notes to the Financial Statements For the year ended 31 March 2023

3c. Grants and donations

	No of separate payments	Total 2023 £	No of separate payments	Total 2022 £
To individuals	69	102,514	51	59,293
To organisations	47	91,977	70	112,850
	116	194,491	121	172,143

3d. Staff costs

Included within expenditure are the following staff costs of 3 (2022: 2) employed individuals:

	2023 £	2022 £
Gross salary	23,372	11,710

4. Tangible Fixed Assets

Cost

At 1 April 2022
Additions
Disposals

At 31 March 2023

Depreciation

At 1 April 2022
Charge for Year
Disposals

At 31 March 2023

Net Book Value

At 31 March 2023

At 31 March 2022

Total £
419
345
-
764
419
86
-
505
259
0

All of the fixed assets are used for charitable purposes.

ALBANIAN EVANGELICAL MISSION

Notes to the Financial Statements For the year ended 31 March 2023

5. Debtors

	2023 £	2022 £
Prepayments	-	-
Tax recoverable	4,877	2,186
	<u>4,877</u>	<u>2,186</u>

6. Creditors - Amounts Falling Due Within One Year

	2023 £	2022 £
Other creditors including taxation and social security	38	-
Accruals	1,860	842
	<u>1,898</u>	<u>842</u>

7. Unrestricted Funds

7a Current year

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
General Fund	111,730	96,172	(135,066)	-	72,836
Designated Fund – boys' refuge home	4,314	-	(3,508)	-	806
	<u>116,044</u>	<u>96,172</u>	<u>(138,574)</u>	<u>0</u>	<u>73,642</u>

7b Prior year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
General Fund	93,036	98,061	(79,367)	-	111,730
Designated Fund – boys' refuge home	15,735	-	(11,421)	-	4,314
	<u>108,771</u>	<u>98,061</u>	<u>(90,788)</u>	<u>0</u>	<u>116,044</u>

ALBANIAN EVANGELICAL MISSION

Notes to the Financial Statements For the year ended 31 March 2023

8. Restricted Funds

8a Current year	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Churches	851	5,200	(5,750)	-	301
Local workers	1,029	31,519	(27,332)	-	5,216
Missionaries	10,457	41,416	(40,544)	-	11,329
Other projects	385	22,961	(23,346)	-	0
	12,722	101,096	(96,972)	0	16,846

8b Prior year	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Churches	1,561	6,932	(7,642)	-	851
Local workers	1,405	17,479	(17,855)	-	1,029
Missionaries	10,597	49,659	(49,799)	-	10,457
Other projects	230	25,785	(25,630)	-	385
	13,793	99,855	(100,926)	0	12,722

Descriptions of the restricted funds are as follows:

Churches: income received specifically for Churches in Albania and Kosova

Local workers: income received specifically for local workers in Albania and Kosova

Missionaries: income received specifically for missionaries working in Albania and Kosova

Other projects: income received specifically for other projects in Albania and Kosova

9. Related Party Transactions

The number of trustees and key management personnel who were paid travel and out of pocket expenses on charity business was 3: £10,567 (2022: 2: £4,847).

The Trustees gave a total of £4,730 (2022: £4,470) to the charity during the year.