

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales · Charity number 1058226

Details

Other names	M A F EUROPE, MAF EUROPE, MISSION AVIATION FELLOWSHIP EUROPE
Status	Registered
Legal form	Charitable company
Company number	03144199
Registered	1996-09-24
Register	View on the Charity Commission register

Contact

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Activities

Objects: TO ADVANCE THE CHRISTIAN FAITH BY SUCH MEANS AS THE CHARITY SHALL DETERMINE FROM TIME TO TIME BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING BY SUPPORTING AND ENCOURAGING THE WORK OF NATIONAL CHURCHES, MISSIONS AND RELIEF AND DEVELOPMENT AGENCIES IN DEVELOPING COUNTRIES SO THAT THE LOVE OF CHRIST IS SHARED IN WORD AND BY PRACTICAL MEANS IN:- (1) THE PROVISION OF AIR AND OTHER APPROPRIATE TRANSPORT (2) LINKING PEOPLE WITH INFORMATION QUICKLY AND EASILY (3) SUPPLYING GOODS AND SERVICES ECONOMICALLY AND EFFICIENTLY (4) SUCH OTHER MEANS BEING CHARITABLE AS THE CHARITY SHALL DETERMINE

Activities: MAF International uses light aircraft transform the lives of some of the world's most isolated people in need. Working in partnership with hundreds of other Christian and humanitarian organisations, MAF International delivers help, hope and healing to remote and inaccessible communities in the developing world.

Classification

- **How:** Provides Services
- **What:** The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- Afghanistan
- Australia
- Bangladesh
- Burma
- Canada
- Chad
- East Timor
- Finland
- Guinea
- India
- Kenya
- Liberia
- Madagascar
- Mongolia
- Nepal
- Netherlands
- New Zealand
- Norway
- Papua New Guinea
- Philippines
- Singapore
- South Africa
- South Sudan
- Switzerland
- Tanzania
- Uganda
- United States
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£44,840,268	£35,774,072	£89,816,470	545
2023-12-31	£37,548,998	£34,791,347	£77,854,435	512
2022-12-31	£36,255,704	£29,768,833	£77,144,650	537
2021-12-31	£27,824,503	£27,415,351	£62,926,387	547
2020-12-31	£29,569,107	£27,138,317	£62,753,318	543

Trustees

Name	Role	Appointed
Alastair Ralph Gunn		2019-09-21
JEAN AHUMUZA MUTABAZI		2025-01-01
Soren Filbert		2022-11-07

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales - Charity number 1058226

Accounts



MISSION AVIATION FELLOWSHIP INTERNATIONAL

(Company limited by guarantee and not having a share capital)

Company Number 3144199

Registered Charity Number 1058226

Financial Statements for the year ended 31 December 2024

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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FOR THE YEAR ENDED 31 DECEMBER 2024**

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The trustees, who are also the directors, of Mission Aviation Fellowship International (“MAF International”) and its subsidiaries, have pleasure in presenting their Annual Report, Strategic Report and Financial Statements for the year ended 31 December 2024.

MESSAGE FROM OUR CHAIR

Looking back on almost 80 years of MAF’s history, the Lord has been gracious to our vision “To see isolated people changed by the love of Christ” and our mission, “Serving together to bring help, hope, and healing through aviation.” We can see through many years of ups and downs how God has been working. Whilst every year is significant to our history, some years are particularly transformative. I believe 2024 was one of those years. In September, the leadership of all MAF International entities came together and agreed upon a ‘Resolution of Integration’ – a commitment for all our separate parts in the nations that make up the MAF International family to become one whole organisation in unity.

It was collectively agreed that in order to grow and succeed in reaching more isolated people, we needed radical change to our current structure. This was a blessed milestone in MAF’s history, and we now embark on a long-term journey of change to make this a reality. When we come together as one, we are able to have more impact – which means that more children can receive life-changing surgery, evangelists can spread the Good News of Jesus and students can continue to access education.

2024 was a year of financial challenge and we look to our resourcing teams to increase our income in a difficult fundraising landscape, never taking for granted those who support our work financially. We are grateful for the prayers and support that undergird our ministry and pray for an abundance of resources, the integration process, the whole MAF family, and for all the isolated people that we serve.

Søren Filbert

Chair of the Board of Trustees, MAF International

REFLECTION BY THE CEO

I know without a doubt that the heart of any organisation is its people. I am so thankful for our staff who work around the globe to accomplish our mission and fulfil our vision. Because of their willingness to faithfully serve in often difficult settings, our aviation services brought help, hope and healing to remote and isolated communities providing a lifeline to the outside world.

To accomplish our mission, we work closely with many other organisations. I think of a flight in 2024 where we flew nine beautiful babies suffering with hydrocephalus from Juba, South Sudan, to the Cure Children’s Hospital in Uganda where they received life-changing medical treatment that brought healing to their bodies and hope to their mothers.

With no road into the village, MAF has been the lifeline for the school in Mougulu, Papua New Guinea. In 2024 the school graduated 23 students in its first ever graduation ceremony. Because of MAF, there is bright hope for a future.

There are many more stories of men and women, boys and girls being impacted physically and spiritually. Each very personal. Each deeply transformative. Each one lifechanging to those who were blessed by the services we provide. The work we undertake to reach isolated communities only happens because of numerous people who give financially, pray faithfully and work tirelessly to provide the resources we need to accomplish our mission. As Christians, motivated by God’s great love for us, we take great joy in serving those who face daily hardship and struggle. Whether carrying critical supplies into a remote community, or flying passengers who need medical attention, often fighting for their life, we cherish the ability to touch lives in a profound way. In these pages you will see some of the impact that together we have had in 2024.

Dave Fyock

CEO, MAF International

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

WHO WE ARE

We are a Christian charity who provides subsidised aviation services in parts of the world where surface travel is impossible or very difficult. We reach the unreached in some of the world's most remote and isolated areas, where people are cut off due to geographical barriers, conflict or the dangers of overland travel. Our flights continued to enable hundreds of organisations to overcome these challenges and bring help, hope and healing to people in spiritual and physical need. Ancillary services of flight training, aircraft maintenance, logistics services and other communication services are also provided.

Our **VISION** is to see isolated people changed by the love of Christ.

Our **MISSION** is to bring help, hope and healing through aviation.

Our **VALUES** are Witness, Impact, Partnership, Excellence, Stewardship and Care.

Our mission mandate starts with God's heart for mission - God's unconditional love for mankind, the church, society and all of creation. In 1984, the Anglican Consultative Council produced what is now known as the '**Five Marks of Mission**':

- To proclaim the good news of the Kingdom;
- To teach, baptise and nurture new believers;
- To respond to human needs by loving service;
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation; and
- To strive to safeguard the integrity of creation and to sustain the life of the earth.

MAF International's mission mandate is to bring help, hope and healing by proclaiming the gospel, teaching and discipling, showing compassion, seeking justice, and by caring for creation. To do this, all five elements of mission must be demonstrated in an integrated way.

We are privileged to have dedicated staff who use their skills in aviation and other fields to work with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

The MAF International Family

The MAF International Family is made up of MAF International operations, its 13 members and two provisional members, based in 15 countries around the world. We could not operate without the funding raised, and staff seconded, by MAF members (also known as resourcing groups). We also work closely with Mission Aviation Fellowship in the USA and MAF Canada, who are associate members. The MAF International members are detailed on page 16 under administrative information.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

OUR IMPACT

ACHIEVEMENTS AND PERFORMANCE

During 2024 we operated flight programmes in 11 countries, Northern Australia (Arnhem Land), Chad, Guinea, Kenya, Liberia, Madagascar, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda. Additionally, we operated a Maintenance and Flight Training Centre in Queensland, Australia, and provided technology services in Papua New Guinea (under the statutory name of Christian Radio Missionary Fellowship) and in Myanmar, where we hope to develop operations in country when the time is right. We continued to support the work of the Mission Aviation Training Centre (MATC) in the Netherlands.

Our operations and ministry vary within each programme and reflect the needs of the country, churches, missions, and non-government organisations (NGOs) that we serve. Our operational activities are summarised in the table below:

	2024	2023
Total hours flown	17,663	18,616
Number of flight legs	25,149	26,720
Unique⁽¹⁾ passengers	72,251	77,841
Distance (km)	3,534,078	3,739,677
Unique⁽¹⁾ cargo (kg)	1,852,797	1,902,138
Fleet size (including leased aircraft)	55	59
Staff	624	589
Destinations	564	533

⁽¹⁾ Unique is defined as passengers or cargo per flight (not per flight leg)

The type of work carried out is shown below:

	2024 (hours)	2023 (hours)
Faith and Hope	2,653	2,885
Medical and Health	2,852	2,962
Education	1,221	1,243
Development	10,937	11,525

OUR STRATEGIC PRIORITIES

During 2024, we continued to focus our work based on our three strategic pathways of our 2021-25 strategic plan:

Expanding our Horizons – to create opportunity for growth through strategic partnerships, institutional and corporate funding, new programmes, worldwide recruitment, capacity-building in our programme countries and new technology that stewards the environment and provides more economical transportation.

Investing in People – to retain staff longer as well as increase the numbers joining our work through a wellbeing strategy, an engineering apprentice and intern scheme, an increase in the number of instructor pilots, and a standardised management training plan to identify and grow management throughout the organisation.

Maximising Impact - to better evaluate and improve the way we perform our work, through the creation and implementation of a ministry impact tool, modernisation of our software tools, standardisation of our project management, and establish an innovation hub that invites creative thought to better serve our customers.

EXPANDING OUR HORIZONS

Increasing strategic partnerships

- *2024 plan* was for the Guinea programme to have a keen focus on partnership development; to partner with Mercy Ships in Madagascar to identify and transport patients to the ship; and to commence amphibious caravan operations in the Western Province of PNG to support the work of the Sustainable Development Program.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

- *2024 achievements* included that the Guinea programme introducing a bi-monthly newsletter to all our registered partners, holding a marketing event with representatives of 80 organizations more than 60 pastors, local authority staff and students to learn about our services. For Mercy Ships, we operated a total of 30 charter flights, accumulating 96 flight hours. The total number of passengers was 282, with the majority being from the patient selection teams and volunteers. An amphibious aircraft was moved to Papua New Guinea and work was undertaken to build floating docks and other necessary infrastructure. Various proving flights were also undertaken to identify landing locations and build user awareness of the float-plane service.
- *During 2025*, we plan to mature our operations in Guinea by expanding our services to development donors and organisations who work through in-country partners. In Arnhem Land, we plan to establish work supporting aero-medical retrieval services as well as with organisations preventing gender-based violence in remote communities.

Increasing institutional funding

- *2024 plan* was for development managers in our larger programmes to explore institutional donor projects with UN, embassy/donors, and humanitarian agencies; to seek accreditation with ACFID (Australian Council for International Development); and to apply for financial support to purchase an industry-leading flight simulator and infrastructure for a training base on Cairns airport.
- *2024 achievements* included our development managers building local agency relationships although these will take time to show results. We have been successful in the approval of the “Interaction” project supported by the Swiss Development Cooperation. We have received accreditation with ACFID, and the next steps are now in progress before we can apply for funding. Unfortunately, we were not successful in our application to the Queensland State Government for funding for the simulator.
- *During 2025*, country directors and strategic development managers in Papua New Guinea, South Sudan, Liberia, and Uganda will continue to explore institutional donor projects. As we embark on the integration of marketing and resourcing activities we aim to enable greater collaboration on projects suitable for institutional funding. The Interaction project will enable some essential funding for four MAF International programmes.

Establishing new programmes

- *2024 plan* included conducting feasibility work for the expansion of our services to the Autonomous Region of Bougainville (AROB) from Q4 2024; continuation of work with the Nagaland government working on steps towards setting up a remote aviation service in mountainous regions; and consideration of opportunities to expand MAF Technologies activities into Myanmar. In Arnhem Land, the plan included proposals for the provision of medevac retrieval and health outreach programs to be presented to the government in early 2024.
- *2024 achievements* included the success of the feasibility study for work in AROB with plans made to commence technologies services in early 2025, including the appointment of a launch team in December 2024. The construction of a few airstrips in mountainous areas of Nagaland has commenced.
- *During 2025*, the purchase of an amphibious aircraft will enable our ministry to expand to reach the isolated people on Lake Victoria, Uganda. Development of the local runway will prepare us for operating the new float plane. The AROB programme will commence technologies work which will pave the way to start flight operations in 2026. It is also planned that a small research team will travel to northern Kenya, Ethiopia and Somaliland to undertake a needs analysis within these countries.

Technical training of nationals from programme or neighbouring countries

- *2024 plans* included to trial an internship programme in Uganda to provide exposure to the aviation industry for a local pilot; in Chad, two national engineers to receive extended training and coaching inside and outside Chad; and in Guinea the planning of a capacity building project with the local CAA.
- *2024 achievements* included trialling the Ugandan pilot internship, which highlighted some regulatory and capacity issues so alternative solutions are being considered. The goal is still to have an internship programme that can enrol one national pilot per year. A Chadian national employee received intensive English language training in the USA and in Kenya alongside familiarisation in basic aircraft maintenance tasks. The plan to enable two of Guinean CAA staff members to access Joint Aviation and Training Organisation training in the Netherlands did not progress due to lack of funding.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

- *During 2025*, we plan to develop our national logistics manager in Madagascar for the role of Deputy Country Director; we will celebrate our first qualified South Sudan engineer returning to Juba, after several year training in Uganda; in Liberia, several staff members will be trained and coached in various roles, focusing on technical and flight operations; and a national Chadian employee will be to sponsored to travel to the United States to complete studies and exams for his mechanics certificate. We will also invest in training of staff from Central Aviation Services in Tanzania, to serve as our maintenance provider for our incoming C208.

Being prepared for new technology

- *2024 plans* included moving forward with the flight simulator project to utilise industry leading flight simulators. The project included for two flight training devices placed in strategic locations globally to provide improved training opportunities for all our pilots, reduce our environmental footprint and engage with the aviation industry.
- *2024 achievements* included one simulator on order and the infrastructure in the Netherlands built, generating excitement for how it will enable more impact in our programmes. Securing funding for the second simulator, to be based in Cairns, proved more problematic and so we remain in the planning phase.
- *During 2025*, the first of two advanced flight simulators will be delivered with the ready-for-training date set at 1 December 2025. A second simulator is planned to be installed in Australia in 2026 with fundraising and lobbying activities with the Queensland government continuing. Virtual Reality trainers are included in the product offering, bringing new immersive capabilities.

INVESTING IN PEOPLE

Investing in engineering

- *2024 plans* included the development of existing TechOps personnel and embedding processes to ensure the pipeline exists for all roles; we also planned to rollout LEAN methodology across all locations in 2024 after the successful trial in the Australian Aircraft Maintenance Organisation (AMO). In East Africa, with Kajjansi likely to become a regional maintenance hub, we planned a project to explore a regional AMO in the first quarter of 2024.
- *2024 achievements* included the completion of engineering competency framework with engineers working collaboratively across multiple countries to enhance efficiency and teamwork. Agreement was also reached for the future of the regional maintenance hub at Kajjansi following the completion of a feasibility study on a regional AMO in East Africa, which found a single authority model unviable.
- *During 2025* we will enable access to technical data to share institutional knowledge and facilitate its use for decision making. We will embed our competency framework worldwide, including supervision training to prepare engineers for senior positions, and continue to develop training schemes for engineers across the regions to provide the staff needed for the future.

Having an effective wellbeing strategy & establishing a spiritual life team

- *2024 plans* included maturing the people care strategy by extending care plans to local staff and implement spiritual care initiatives for all staff.
- *2024 achievements* included a review of role of people care in the critical incident response process as well as a number of targeted pastoral care visits to programmes and embedding some of the spiritual care initiatives within the people care strategy.
- *During 2025*, the people care strategy will focus on improved provision of wellbeing support for national staff, a system for providing wellbeing support for dependents, with a specific focus on launching a Third Culture Kids programme, and ongoing support for non-primary job holders.

Investing in learning and development

- *2024 plans* included the deepening of our partnership with MATC in the Netherlands and working with Prairie Aviation Training Centre (PATC) in Canada for them to be recognised as a Preferred Training Provider. We aimed to deliver a broader Just Culture training suitable for all our staff and to provide excellent security training (including Hostile Environment Awareness Training (HEAT)) in conjunction with Concillium, a Christian security training organisation.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

- *2024 achievements* included PATC being approved to deliver flight evaluations on our behalf. We continued to work with MATC on the co-development of competency-based training frameworks. Two Just Culture training courses were carried out helping us better understand Human Factors issues. Our safety reporting hit an all-time high, partly due to confidence in the systems working with a strong Just Culture. Three joint security training events were held with Concillium, incorporating elements of HEAT, and crisis contingency training was carried out in Uganda and South Sudan.
- *During 2025*, following the successful integrations of our talent mapping process, Learning and Development will develop a tiered Leadership Development Programme to train candidates for future roles within the organisation.

Increasing international staff from non-historic MAF groups

- *2024 plans* included steps to increase engagement and support of potential International Staff, including further development of centralised management and administration systems; initial exploration for an MAF presence in South Korea and development of existing support in Hong Kong. We also planned to work with our South Africa team to bring in new staff from a wide range of Southern African states, with 10 candidates in the current pipeline; and to draft a concept note for the creation of an East Africa Resourcing Centre.
- *2024 achievements* included holding our first orientation training programme in South Africa, with a range of staff from Southern Africa nations, destined for overseas service. The concept note for the creation of an East Africa Resourcing Hub was approved and development commenced. The promotion of MAF in Asia grew with local staff in four countries under centralised management and administration. Plans were agreed with MAF's Sydney-based team for support through their website, recruitment and data management systems. Staff were recruited for international service from India, Sri Lanka and Papua New Guinea and connections were established in South Korea.
- *During 2025*, the Asian resourcing hub aims to increase recruitment through centrally managed representation, systems and collaboration with other MAF groups to reach the Asian diaspora. The East Africa and South Africa resourcing hubs will focus on building upon their newly laid foundations to increase opportunities for fundraising, recruitment and staff support throughout the continent.

MAXIMISING IMPACT

Investing in modern, fit-for-purpose IT system

- *2024 plans* included honing the focus of our in-house software, leveraging our developers to ensure their dedicated attention for development, refactoring, bug fixes, UI improvements, and modernisation. At the same time, we intended to embrace innovative methodologies like low-code development, which will play a crucial role in integrating our diverse systems. We planned to complete the implementation of Insight, the new QSS database system, to enable us to monitor and analyse events and operational difficulties we encounter and aid improvements in our safety and quality performance. We also planned to develop a risk management system to pro-actively identify risks and manage the controls and mitigations we put in place.
- *2024 achievements* included successfully redirecting our development team to prioritise critical operational software, optimising their efforts on development, refactoring, and enhancements. A proof of concept for connecting cockpit and ground systems was completed, though additional work is needed to deliver a fully functional solution. Our low-code development initiative faced early setbacks due to challenges in finding qualified developers. We fully implemented Insight, including the integrated risk management system. The enhanced reporting system has led to our highest ever safety and quality reporting rates in 2024. By identifying problems sooner and bringing solutions to bear there has been a marked improvement in our Safety Performance Indicators.
- *During 2025* we will prioritise the extraction of operational data from systems to create tailored dashboards that support data-driven decision-making. Workday Adaptive Planning will go live in Q1 2025 to support long term budgeting, forecasting and scenario planning for the organisation. We will further develop our Risk Management System, to enable the organisation to see and understand its risks at an organisational, as well as operational, level and how these interact. An Environmental Management System will be developed, with initial application to support an accredited Carbon offset programme. We will be working further understand our environmental impact and find innovative solutions to enhance our creation care credentials.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Investing in Aviation Department

- *2024 plans* included the implementation of the revised competency-based training and assessment framework and the completed harmonisation and delivery of the shared flight operations manuals. We planned to work in collaboration with the IT department to develop the Pilot App. Working proactively across the MAF family, we aimed to improve the pilot recruitment process and work force planning, ensuring a predictable supply of pilots with the required experience and competence to join us.
- *2024 achievements* included the successful completion of the revision of the Pilot Competency Framework which will be used for the next 5 years. We developed a proof-of-concept (PoC) version of the Pilot App to see if it could pivot towards collaboration with existing enterprise operational software (Wingman). The PoC showed moderate success technically but the decision was made to not continue with it. A different software package will be identified instead. Recruitment processes for pilots were restructured to reduce duplication, improve visibility, and improve predictability. We have developed a pipeline which shows what pilots are applying and where they are in the process.
- *During 2025*, we will integrate flight training and checking within our network of systems to enhance the involvement of our Preferred Training Providers, freeing up resources in Flight Operations. This integration will streamline processes such as pilot selection, recruitment, and operational training, enabling faster entry of pilots into programmes. We will harmonise our Operations Manuals suite, creating centralised “parent” manuals and we plan to digitise pilot tasks to increase consistency, improve visibility, and minimise errors, enhancing efficiency and service delivery through better data collection and reporting.

Improving communications

- *2024 plans* included taking steps towards refreshing our branding and developing a more consistent voice, whilst navigating transparency and ethics, particularly when speed of communications is critical. We planned to revise and hone our internal communications to ensure purposeful and consistent messaging throughout the organisation and create new marketing material to keep our external image up-to-date with our activities.
- *2024 achievements* included our internal communications strategy delivering consistent messaging, although much of our thoughts around branding were overtaken by the intention of the MAF family to integrate into a single, functional organisation, One MAF. Through this process, branding, marketing and messaging will be aligned and integrated. Our Marketing Development Steering Team (MDST) has driven closer collaboration between operations and the fundraising efforts. Action teams were formed, with the oversight of the MDST, to develop a more consistent and purposeful approach to themes such as brand, story-telling and impact.
- *During 2025*, we will prioritise initiatives to strengthen organisational cohesion and growth. A key focus is supporting the integration of the MAF family of entities, ensuring alignment and shared vision. We will enhance our communications systems to improve quality and efficiency while developing targeted fundraising products to boost marketing impact. Additionally, we will create compelling materials to drive donor acquisition and engagement, strategic staff recruitment, and unified branding across all entities. These coordinated efforts aim to build a stronger foundation for expanding our reach and impact.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

PRINCIPAL RISKS AND UNCERTAINTIES

We believe that an effective risk management strategy is key to carrying out our mission. MAF International has a formal risk management process to assess risks and implement risk management strategies. The risk management process is supported with a range of risk management policies including Safety Management, Financial Crime, Code of Conduct, Safeguarding, and Whistleblowing policies. These policies are available on our intranet and available for all staff in every location with review and training scheduled via our learning management system.

The trustees review identified risks and uncertainties regularly to ensure risks are well managed through mitigation activities. The risks are classified into the following groups: Strategic & Enterprise; Governance & Management; Operational; Finance; Environmental & External; and Legal & Compliance. At the end of the financial year, the principal risks, together with the mitigation strategies, being taken to manage these risks were:

Risks	Mitigation strategies
Safeguarding: abuse or other harm to a child or vulnerable adult	We consider safeguarding to be of critical importance in all areas of operations and life. All leaders and managers have safeguarding as part of their key responsibilities and our HR team is responsible for awareness, training, monitoring and care. We require biennial training as well as review and signing of our safeguarding policy for all staff. This is hosted on our learning management system, to ensure compliance.
Mission drift: Actual or perceived drift from our core mission to bring help, hope and healing through aviation.	Our Board of Trustees, CEO and Executive Leadership Team (ELT) own our mission and are tasked with protecting the organisation from experiencing mission drift. Our strong vision and mission statements allow significant discussion across the organisation affirming many of the core elements of our organisation, alongside our Mission Mandate which supports how we express that mission. The impact measurement tools we have developed allow us new ways to monitor and evaluate our work.
Funding: Not able to secure a sustainable, financial model that ensures long-term financial stability and enables the organisation to deliver its mission	Our CEO and ELT engage regularly with senior management and trustee boards across the MAF family to focus on the medium and long-term funding needs for the organisation. During 2024, the MAF International family agreed to integrate so that we can deliver more impact long into the future. The Integration Steering Team has been formed and is working to deliver an integrated organisation, operating as One MAF International by the end of 2026. One of the workstreams is focussed on fundraising and how we grow our funding and build a sustainable model for the future.
People: Not recruiting, developing and retaining suitably experienced global talent to achieve our objectives	We have in-house initiatives such as our engineering training scheme and growth of resourcing hubs in Africa. We also expect our integration efforts to have significant impact into securing our pipeline of talent, with a workstream focussed on our People Lifecycle. Our <i>Growing Leaders</i> programme is helping us teach and train those in management or leadership roles. Talent management is also now in place to identify and grow suitable individuals for senior roles and country director positions. Our People Care function is now in place to provide wellbeing, spiritual life, and personal care plans for all staff.
Christian distinctiveness: Actual or perceived loss of our core Christian identity or ways of working	The Board of Trustees, CEO and ELT are responsible for ensuring the organisation stays true to our vision. We have a statement of faith and encourage daily prayer and worship practices across the organisation. Challenges to our Christian distinctiveness are discussed regularly by the Board and ELT and guidance is given across the organisation, and wider MAF family, as needed.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

OUR ENVIRONMENTAL IMPACT

MAF International is committed to care for creation to ensure long-term sustainability for the generations to come. Our ultimate beneficiaries are some of the people most affected by the impacts of climate change. Many live from the land, reliant on natural elements to provide reliable food and water. Their environment is being impacted by rising temperatures, increasing fires, floods and extreme weather.

Our global carbon footprint in 2022 was:

Category	2022 tCO ₂ e	2022 %
MAF's own flying	7,984	80.3
International travel	1,061	10.7
Energy	348	3.5
Local travel	312	3.1
Freight	168	2.4
Total	9,873	100

We have engaged Climate Stewards to compile numbers for 2024 and on an annual basis thereafter.

As an organisation bringing help, hope and healing to the world's most remote communities, we seek to ensure that the benefits of our life-changing work is accomplished with the least possible impact on the environment. Our environmental strategy includes:

- Minimising waste, reducing consumption and increasing the use of sustainable goods. This will include carbon-efficient methodologies such as solar panels, evaluating our supply chain, monitoring the development of sustainable aviation fuels (SAF) and carefully managing travel;
- Advocacy through engagement across all stakeholder groups, including staff and donors, and intentional work with customers focussed on creation care;
- Research and investment in new and future technologies including drones, electric aircraft and other carbon-friendly tools; and
- Meeting or exceeding regulatory compliance in every location.

Under The Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, MAF International is required to report our UK energy use, associated greenhouse gas emissions and information relating to energy efficient action.

The requirements for carbon and energy reporting have not been completed for the year ended 31 December 2024 because, as a global aviation organisation, only providing this information on UK non-aviation activities would seriously prejudice the readers' understanding of the actual energy used and greenhouse emissions produced by the organisation. We are working towards producing this information for the whole organisation on an annual basis to meet our internal commitment and Companies Act requirements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

STAKEHOLDER ENGAGEMENT

The trustees have taken due notice of the requirements laid out in section 172(1) of the Companies Act 2006. The trustees confirm their compliance with section 172(1) through appropriate delegation of authority to the Finance & Audit, Governance & Risk, and Safety & Security Committees, and also to the CEO, as laid out in the Board Governance Manual.

The six areas of section 172(1) are addressed as follows:

(a) the likely consequences of any decision in the long term,

The trustees approved the five-year strategic plan in 2019. In approving the plan, the trustees considered the long-term issues facing the organisation, the opportunities presented to further our mission and the consequences of not fulfilling the plan. The trustees listened carefully to stakeholders, both internally and externally, in preparation of the plan. During 2024, long-term plans for the wider MAF International family began to take shape as the concept of integrating all entities within the family were discussed and then approved at the AGM in September. This included long-term thinking all the way to MAF's 100th anniversary in 2045. As part of this work, the trustees met with every other board from all MAF's resourcing groups to listen carefully to concerns.

(b) the interests of the company's employees,

The trustees recognise that our staff are our most important asset. Concerns on staff welfare are regularly discussed and challenges given to management to care for our staff. A comprehensive staff engagement survey is carried out every five years, the latest being in 2023.

- i. Regular global email communications are circulated to all staff on critical matters, including leadership changes, strategic matters, new initiatives and changes in policy which affect them. In 2024, this specifically included communication on integration and what that means for all staff.
- ii. The CEO also hosts all staff calls once a quarter and the Operations Leadership Team engages in leadership conversations across the organisation, both of which encourage two-way communication between leadership and staff to hear and respond to feedback. Once a year, an annual leadership conference is held with directors from our programmes to delve deeper into key issues.
- iii. These communications between leadership and staff will include updates on financial and economic factors affecting the entity. For example, during 2024 the strategic imperative for integration to drive growth, with respect to our financial and funding outlook, was a key part of these conversations.

(c) the need to foster the company's business relationships with suppliers, customers, and others,

Our key business relationships are with our member groups (see more detail under f) donors, customers whom we fly, suppliers and our ultimate beneficiaries in the most isolated communities. We regularly carry out surveys with customers as well as ministry effectiveness reviews to ensure we understand the needs of our customers and the isolated communities we serve. By the end of 2024, we completed impact surveys in all our operational locations to strengthen key programme relationships and ensure we are meeting our customers' needs, and therefore the needs of the remote communities.

(d) the impact of the company's operations on the community and the environment,

As an aviation organisation, we are deeply aware of the impact on the environment of our work and services. We actively monitor developments in sustainable aviation and the environmental impact of the support services needed for our operations, see section on environmental impact. We intentionally work closely with the communities where we work to ensure engagement and understanding of MAF, listen to their needs and foster strong relationships.

(e) the desirability of the company maintaining a reputation for high standards of business conduct, and

We always engage with the highest level of integrity with all parties. All staff are trained on, and required to sign, our Code of Conduct and Safeguarding Agreement, which establish the requirement for integrity in all our operations. We also have a Whistleblowing Policy, including an independent hotline, to ensure staff and other external parties such as beneficiaries and suppliers can raise any concerns and that they are properly addressed.

(f) the need to act fairly, as between members of the company.

We continue to be grateful for our relationship with the members of MAF International, whose main function is to resource the operations in the provision of staff, funds and underpinning all our activities with prayer. We are aware of our interdependence on one another and seek to work for the mutual benefit and partnership of all parties within the MAF family. The Board of Trustees engages directly with the boards of the MAF International member groups. The ELT engages with members of the senior leadership teams in each MAF International member group.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

FINANCIAL REVIEW

The financial statements comply with the requirements of the governing documents, current statutory requirements and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Consolidated Statement of Financial Activities for MAF International for the year is set out on page 20. Total income for the year was USD 57,413,000 (2023: USD 46,639,000). 27% (2023: 33%) was generated by services provided, 70% (2023: 64%) was voluntary income including restricted gifts and intangible income (the value attributed to international staff seconded from members) and the remaining 3% (2023: 3%) from other sources.

The net movement in resources for the year before other gains and losses was a surplus of USD 11,608,000 (2023: a surplus of USD 3,425,000). The net surplus in revaluation reserve was USD 3,534,000 (2023:-surplus of USD 3,095,000), and, as with 2023, there was no movement on the defined benefits pension scheme. These movements together with other gains and losses, predominantly on foreign exchange transactions, resulted in a net movement in funds for the year of a surplus of USD 13,329,000 (2023: surplus of USD 5,764,000). This comprises a surplus of USD 8,214,000 on unrestricted general funds, a deficit on designated funds of USD 10,589,000 and a surplus on restricted funds of USD 15,704,000. This includes a transfer of USD 674,000 from restricted funds to designated funds following a review of previously restricted assets in accordance with the accounting policy 1q on page 25. Details of the designated funds are set out in the Notes to the Financial Statements (note 25), which includes a note of how the funds are expected to be used.

MAF International keeps its financial records in, and reports in, US dollars. As a result, there are unrealised gains and losses on currency translation which arise on the translation of the Papua New Guinea financial statements, as well as on our GBP, AUD and EUR deposits and other short-term assets and liabilities.

Reporting of pension provision

From 1999 to 2008, MAF International provided pensions for UK-based employees through "The MAF Europe UK Pension Scheme". The trustees have included pension information on this scheme in the format required by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

The scheme was closed to future service accrual at 29 February 2008. The scheme has 17 "deferred" members who will receive their pension, based on service up until that date, at their normal retirement date, together with 13 pensioner members. The actuarial review as at 1 January 2022 disclosed a funding surplus of GBP 125,000 (USD 151,000 at the December 2022 exchange rate) on assets of GBP 5,241,000 at that date. In June 2022, the trustees agreed to pursue a buy-out of the scheme. A buy-in was purchased on 31 May 2023 and the buy-out was completed in November 2024. The scheme was formally wound-up on 2 May 2025.

Note 28 shows that, as at 31 December 2024, comparing the present value of the scheme's future liabilities with the current value of the investments, there was a net asset of USD 228,000 (2023: USD 391,000). This has not been recognised in the financial statements because the directors believed it unlikely this asset would be fully recovered. The scheme's assets and liabilities are recorded in GBP and have been translated into USD for these statements. The net pensions asset before translation is GBP 182,000 (2023 – GBP 308,000).

In addition to the defined benefit scheme, MAF International makes contributions to defined contributions schemes or government schemes on behalf of its employees in accordance with normal practice or legal requirements in each country.

Financial position and reserves policy

The assets and liabilities of MAF International are set out in the balance sheet. All the assets were used to further the objects of the charity. The balance carried forward on unrestricted funds totals USD 63,167,000 (2023: USD 65,542,000); being USD 9,832,000 of general funds (2023: USD 1,618,000) and USD 53,335,000 of designated funds (2023: USD 63,924,000). The general funds form the charity's base reserve.

It is the Board's policy to reserve sufficient funds to ensure our ongoing operations. After deducting capital and revaluation reserves, the organisation seeks to hold fund for overhead expenditure to withstand peaks and troughs in cash flows as well as provision for unexpected costs or shortfalls in income. The organisation has reviewed the Charity Commission's guidelines regarding risk-based reserves; has analysed its key risks (as detailed above) and made sure there is sufficient financial provision for those risks with the base reserve. This includes the self-insurance coverage for the hulls of the aircraft, some other assets and the lives of some staff.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Once these factors have been taken into consideration, as at 31 December 2024 the Board approved a base reserve was agreed to be between USD 3,670,000 (2023: USD 3,250,000) and USD 9,750,000 (2023: USD 8,420,000), with the stipulation that if the reserves fell below the median level (USD 6,710,000), then management would take necessary action to ensure the reserves did not fall below the baseline.

Additionally, specific designated funds may be created by the Board to help ensure MAF International's effectiveness. As at 31 December 2024, two designated funds were held; the primary one is to support the strategic development of the organisation. The fund is for new initiatives, such as exploration of new centres or types of work, development of MAF International resourcing groups and the integration of MAF International family members into One MAF International. Details of the designated funds are set out in note 25.

Going concern

MAF International has USD 27,578,000 (2023 - USD 23,904,000) held in immediately accessible cash or short-term investments at 31 December 2024. Of this USD 8,255,000 (2023 - USD 8,333,000) is held for restricted purposes and the remaining cash is for use at the directors' discretion which is sufficient to cover the group's liabilities as they fall due for the foreseeable future. Three-year cash flow projections have been prepared, alongside confirmation of ongoing income from MAF member groups, and therefore these financial statements have been prepared on the basis that the charity is a going concern.

Fundraising

MAF International does not raise funds directly from the public and therefore is not registered with the Fundraising Regulator in the UK. We receive most donations from the MAF members that diligently work to support our activities. During the year USD 30,957,000 (2023: USD 22,115,000) was received from MAF groups and in addition USD 2,215,000 (2023: USD 1,481,000) was received from Institutional and corporate funders. A breakdown of the source of all the donations received is shown in note 3.

Grants

Grants are made to other MAF Members to support their development, as approved by the MDST, and to support staff who are working across MAF programmes. Members are required to submit a business plan with targets for growth to receive a grant. Grants for staff are agreed as needed with the CFO with reference to budgetary and staffing needs in the organisations. Larger grants in the year include USD 325,000 (2023: USD 283,000) to MAF Norway and USD 228,000 (2023: USD 54,000) to MAF South Africa.

In addition, a grant of USD 2,270,000 (2023: USD 1,518,000) was received from the European Government to support MAF US's work in central Asia and is passed on accordingly.

Other grants made are shown in note 6.

GOVERNANCE AND STRUCTURE

Articles of Association

MAF International's initial memorandum and articles of association were dated 23 December 1995. In September 2011, the memorandum and articles of association were replaced, and at a General Meeting of members revised, combined articles of association were adopted. These articles were further revised by some amendments at subsequent meetings.

Details of MAF International's subsidiaries are set out in note 30 to the Financial Statements.

Trustees

The MAF international Board is primarily a skills-based board, with appropriate consideration also made for diversity, including race, gender and geographical representation. A skills-gap analysis is completed every year and invitations for recommendations for new trustees are invited from members and the Board. If suitable candidates cannot be identified, a search agency may be used to support the recruitment and selection process.

Members of the Governance and Risk Committee, the Board Chair and the CEO will meet with potential new candidates, following which the leading candidate will be invited to observe a board meeting. If successful, that candidate will be placed before the members for nomination and appointment. Trustees are nominated and appointed by the members for a three-year term, in accordance with the Articles of Association. They may be reappointed for a further two terms if proposed and agreed by the members.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

In 2024 the Board met seven times. Details of the trustees, committee members, principal officers and advisors are set out at the end of this report. The Board is assisted by three subcommittees: a Safety & Security Committee, a Finance & Audit Committee, and a Governance & Risk Committee. The members of these subcommittees comprise board members and outside experts, where appropriate. The nominated safeguarding trustee reports directly to the Board.

The trustees govern the organisation and delegate the day-to-day running of the charity to the Chief Executive Officer and the ELT, listed on page 17, who are responsible for specific areas of the charity. The Board maintains a Governance Manual which, sets financial and operational parameters within which the CEO and ELT must manage the operations of MAF International.

Trustee Induction and Training

In the trustee induction programme, new trustees are provided with a copy of the Board Governance Manual as well as a copy of *CC3 The Essential Trustee*. They are required to attend a series of training sessions with the CEO and other executives to learn more about the work and how MAF International operates.

The trustees invest in ongoing training, through the invitation of specialists to train the Board on matters of interest, such as good governance, to ensure that the trustees invest in their own development and are kept abreast of best practice.

Public benefit

The trustees confirm that they have complied with their duty laid out in the Charities Act 2022 to have due regard to the public benefit guidance published by the UK Charity Commission. MAF International aims to benefit those living in some of the most isolated parts of the world. Our fleet of light aircraft can take emergency teams, healthcare professionals, Christian workers and supplies into these remote areas more quickly and efficiently than by any other means. As a result, our activities benefit two major groups: firstly, the charities, churches, and other organisations whose mission it is to reach these isolated communities, and secondly the communities themselves.

OUR PEOPLE

The CEO, together with the ELT, is responsible for the day-to-day management of MAF International's affairs and for implementing the policies and strategies set by the Board.

Remuneration of Executive Leadership

The trustees set the CEO's salary having considered his role and responsibilities, the size and nature of the charity, and comparisons with the salaries of others in the same sector in the UK. The salaries of the other members of the ELT are set by the CEO considering the country of residence of each. All ELT members receive the same cost of living rises as the organisation's other staff in their respective countries of service.

Volunteers

We have a small number of volunteers who assist in charitable activities overseas. The trustees and ELT are grateful for the time and effort these individuals contribute to MAF International's ministry. The time spent by such volunteers is not considered to be material in comparison to the total staff time and therefore no additional disclosure has been made.

Safeguarding

We are committed to providing a safe and trusted environment for our staff, volunteers and beneficiaries. We require the highest ethical and moral standards from all our staff and take misconduct seriously. We have written policies with which all staff must comply, including a code of conduct, non-harassment, anti-bullying, data protection and privacy, equal opportunity and just culture policies.

Additionally, we have a robust safeguarding policy in place, together with safeguarding standards for the protection of children and vulnerable adults, which require agreement from each member of staff every two years along with refresher training. Safeguarding risks are regularly reviewed by management and the trustees. Recruitment processes include questions for applicants and referees related to safeguarding, along with enhanced training for recruiters. Safeguarding officers have been appointed and trained for each MAF International location and all new staff for overseas roles must undergo a police check before acceptance is confirmed.

During 2024, there was one minor safeguarding issue reported to and investigated by MAF International. It did not require reporting to the Charity Commission.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Employment of Disabled People

Our policy and practice is to ensure equal opportunities in the recruitment, training and career development of disabled people on the basis of their aptitude and abilities required in their job role. We also work toward the retention and retraining of employees who have become disabled.

OUR SYSTEMS

Internal Control

The trustees have overall responsibility for ensuring that the charity has an appropriate system of internal controls. 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 financial crime, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable; and
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the trustees;
- regular consideration by the trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks; and
- minimum financial internal controls required are documented in a finance manual.

In addition, there is a financial internal audit function. It includes a schedule of audit visits to programmes on a rotational basis.

Standards, Quality and Flight Safety

We operate an aviation safety management system and a quality assurance programme. The aviation standards in the aviation manuals, for all our operations, are International Civil Aviation Organisation (ICAO) and/or local national aviation authority (NAA) compliant.

The purpose of the quality assurance programme in relation to aviation is to monitor achievement and continued compliance with the requirements of the local aviation authority and of MAF International and to ensure adequate procedures for the safe operation of aircraft. In addition to local quality managers, we also operate a central audit system where each programme's operations and maintenance compliance is monitored annually. Further, we use the 'Just Culture' methodology to ensure the right levels of accountability in the organisation.

The trustees have a sub-committee to regularly review safety standards throughout the organisation and to give oversight to the aviation safety management system.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the surplus or deficit of the group and charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

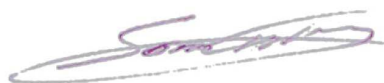
Statements as to Disclosure of Information to Auditors

So far as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Co-operation with Other Groups

MAF International works closely with other organisations involved with aviation support for church, mission and relief and development groups. MAF International has a close relationship with the independent MAF member groups in various countries.

Approved by the Board on 19 June 2025.



Søren Filbert
Chair

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEES

Peter Curtis (Chair) (until 21 September 2024)
Søren Filbert (Chair) (from 21 September 2024)
Rachel Gardner-Poole
Alastair Ralph Gunn
Ndabaethethwa Mazabani
Jean Mutabazi (from 1 January 2025)
Stephen Osei-Mensah
Dennis van der Sar
Carey Vanlalmuana

COMMITTEE MEMBERS

Finance and Audit Committee:

Alastair Ralph Gunn (Chair)
Carey Vanlalmuana
William Watson

Governance and Risk Committee:

Stephen Osei-Mensah (Chair)
Peter Curtis (until 21 September 2024)
Søren Filbert
Ndabaethethwa Mazabani

Safety and Security Committee:

Dennis van der Sar (Chair)
Stephen Osei-Mensah
Leighton Pittendrih-Smith

EXECUTIVE LEADERSHIP TEAM

David Fyock
Chief Executive Officer

Norman Baker III
Chief Operating Officer

Anna Beck
Chief Finance Officer and Company Secretary

Abraham Carel Bothma
Chief Human Resources Officer

Douglas Ring
Chief Information Officer

William Harding
International Development Director

MEMBERS

MAF Australia
MAF Denmark
MAF Finland
MAF France
MAF Germany
MAF Italy
MAF Netherlands
MAF New Zealand
MAF Norway
MAF South Africa
MAF Sweden
MAF Switzerland
MAF UK

PROVISIONAL MEMBERS

MAF Philippines
MAF Singapore

ASSOCIATE MEMBERS

MAF Canada
MAF USA

Registered Office, and principal place of business in UK
Operations Centre, Henwood, Ashford, Kent, TN24 8DH

Independent Auditor

Crowe U.K. LLP, 55 Ludgate Hill, London. EC4M 7JW

Principal Bankers

National Westminster Bank plc, Europa House, 49
Sandgate Road, Folkestone, Kent CT20 1RU

Solicitors

Stone King LLP, 16 St John's Lane, London EC1M 4BS

**ACCOUNTABILITY, ACCREDITATION AND
MEMBERSHIPS**

MAF International is a member of a number of organisations including EU-CORD, ACCORD, ACFID, Global Connections, the UN Global Logistics Cluster, the FCDO Rapid Response Facility, the Common Humanitarian Standards (CHS) Alliance and the Global Network of Civil Society Organisations for Disaster Reduction (GNDR).

In addition, MAF International is an observer member of Active Learning Network for Accountability Performance in humanitarian action (ALNAP) and recognises and upholds the Sphere standards.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL
FOR THE YEAR ENDED 31 DECEMBER 2024**

OPINION

We have audited the financial statements of Mission Aviation Fellowship International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Balance sheet, Statement of Cash flows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 December 2024 and of the group's income and expenditure, for the 31 December 2024 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustee's 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 or the group'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.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

- 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, 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.

Auditor's 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including internal specialists and component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Employment Legislation, Civil Aviation Authority Regulations, Taxation Regulation and Anti-fraud, Bribery and Corruption legislation. We also considered compliance with local legislation for the group's overseas operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the valuation of aircrafts and override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing of the valuation of aircrafts, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 24 June 2025

MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024				2023			
		Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total
		General	Designated	funds		General	Designated	funds	
USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
Income									
Donations	3	7,759	-	32,614	40,373	9,819	-	20,132	29,951
Charitable activities	4	14,644	665	-	15,309	14,665	860	-	15,525
Other		1,260	259	212	1,731	946	145	72	1,163
Total income		23,663	924	32,826	57,413	25,430	1,005	20,204	46,639
Expenditure									
Raising funds	5	299	-	-	299	547	-	-	547
Grants made	6	1,003	285	2,169	3,457	1,002	28	1,605	2,635
Charitable activities	7	21,404	4,861	15,784	42,049	22,345	3,767	13,920	40,032
Total expenditure		22,706	5,146	17,953	45,805	23,894	3,795	15,525	43,214
Net income/(expenditure) before transfers	9	957	(4,222)	14,873	11,608	1,536	(2,790)	4,679	3,425
Transfers between funds	25,26	9,075	(8,048)	(1,027)	-	(1,556)	3,804	(2,248)	-
Net income/(expenditure) before other recognised gains and losses		10,032	(12,270)	13,846	11,608	(20)	1,014	2,431	3,425
Net movement in revaluation reserves	25,26	-	1,676	1,858	3,534	-	2,196	899	3,095
Other losses		(1,818)	5	-	(1,813)	(712)	(9)	(35)	(756)
Net movement in funds		8,214	(10,589)	15,704	13,329	(732)	3,201	3,295	5,764
Balances brought forward		1,618	63,924	33,582	99,124	2,350	60,723	30,287	93,360
Balances carried forward		9,832	53,335	49,286	112,453	1,618	63,924	33,582	99,124

There were no recognised gains or losses in either year other than those included in the Statement of Financial Activities.

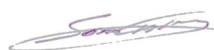
All income and expenditure derive from continuing activities in both years.

The notes on pages 24 to 52 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2024**

		Consolidated 2024	Consolidated 2023	Charity 2024	Charity 2023
	Note	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	11	130	142	130	142
Tangible fixed assets	12	86,080	75,129	36,790	32,939
Current assets					
Stocks	13	3,268	3,071	698	735
Debtors	14	5,721	7,015	3,406	4,819
Short-term deposits	15	618	3,402	-	-
Cash and cash equivalents	16	26,960	20,502	22,319	17,281
		<u>36,567</u>	<u>33,990</u>	<u>26,423</u>	<u>22,835</u>
Current liabilities					
Creditors	17	(5,786)	(6,668)	(4,866)	(3,950)
Provisions	19	(1,225)	(1,024)	(1,225)	(1,024)
		<u>(7,011)</u>	<u>(7,692)</u>	<u>(6,091)</u>	<u>(4,974)</u>
Net current assets		<u>29,556</u>	<u>26,298</u>	<u>20,332</u>	<u>17,861</u>
Debtors due after more than one year	14	48	539	48	539
Total assets less current liabilities		<u>115,814</u>	<u>102,108</u>	<u>57,300</u>	<u>51,481</u>
Creditors due after more than one year	18	(1,423)	(1,425)	(1,423)	(1,425)
Net assets excluding pension and deferred tax liabilities		<u>114,391</u>	<u>100,683</u>	<u>55,877</u>	<u>50,056</u>
Deferred tax liability	20	(1,938)	(1,559)	-	-
Net Assets including pension liability		<u>112,453</u>	<u>99,124</u>	<u>55,877</u>	<u>50,056</u>
Accumulated funds					
Unrestricted funds					
General		<u>9,832</u>	<u>1,618</u>	<u>7,385</u>	<u>1,151</u>
Designated revaluations reserves		7,132	5,635	2,533	2,152
Other designated funds		<u>46,203</u>	<u>58,289</u>	<u>21,759</u>	<u>28,278</u>
	25	<u>53,335</u>	<u>63,924</u>	<u>24,292</u>	<u>30,430</u>
Total unrestricted funds		<u>63,167</u>	<u>65,542</u>	<u>31,677</u>	<u>31,581</u>
Restricted funds					
Restricted revaluations reserves		3,630	1,773	1,509	558
Other restricted funds		<u>45,656</u>	<u>31,809</u>	<u>22,691</u>	<u>17,917</u>
Total restricted funds	26	<u>49,286</u>	<u>33,582</u>	<u>24,200</u>	<u>18,475</u>
Total funds	27	<u>112,453</u>	<u>99,124</u>	<u>55,877</u>	<u>50,056</u>

Approved by the directors on 19 June 2025 and signed on their behalf by



Søren Filbert, Chair

The notes on pages 24 to 52 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 USD'000	2023 USD'000
Net cash from operating activities	31	14,873	2,306
Cash flow from investing activities			
Purchase of tangible assets		(11,802)	(2,152)
Purchase of intangible assets		(44)	(25)
Proceeds from disposals of tangible assets		1,487	427
Interest received		593	283
Net cash used in investing activities		(9,766)	(1,467)
Effect of exchange rates on cash and cash equivalents		(1,433)	(451)
Net increase in cash and cash equivalents		3,674	388
Cash and cash equivalents at start of year		23,904	23,516
Cash and cash equivalents at the end of the year		<u>27,578</u>	<u>23,904</u>

The notes on pages 24 to 52 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES

Mission Aviation Fellowship International is a charitable company limited by guarantee and registered in England and Wales, registration number 3144199, and a registered charity number 1058226. The registered office is Operations Centre, Henwood, Ashford, Kent TN24 8DH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020), Charities SORP (FRS 102) and the Companies Act 2006.

MAF International meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of aircraft which are measured at fair value in accordance with the policy k below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

b Going concern

MAF International has USD 27,578,000 (2023 - USD 23,904,000) held in immediately accessible cash or short-term investments at 31 December 2024. Of this USD 8,255,000 (2023 - USD 8,333,000) is held for restricted purposes and the remaining cash is for use at the directors' discretion which is sufficient to cover the group's liabilities as they fall due for the foreseeable future. Three-year cash flow projections have been prepared, alongside confirmation of ongoing income from MAF member groups, and therefore these financial statements have been prepared on the basis that the charity is a going concern.

c Consolidation

The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet have been prepared by combining the data of MAF International, all of its subsidiary undertakings, see note 29. The charity has taken exemption from presenting its unconsolidated profit and loss account under Section 408 of the Companies Act 2006. The result for the charity only for the year was a surplus of USD 5,821,000 (2023 – surplus of USD 723,000).

d Foreign currencies

The functional and presentation currency of MAF International is US dollars as the primary currency used in the aircraft industry. However, income and costs also arise in other currencies due to operating jurisdictions. Other currencies have been translated to US dollars as follows:

Current assets and liabilities – closing rate at 31 December 2024
Other amounts - rate at date of transaction

The key exchange rates used to translate to USD were:

	31 December 2024	2024 Average	31 December 2023	2023 Average
GBP Sterling	1.2520	1.2804	1.2732	1.2421
Australian Dollar	0.6184	0.6631	0.6805	0.6631
Papua New Guinean Kina	0.2491	0.2591	0.2683	0.2791

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES (CONTINUED)

e Income

- (i) Donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.
- (ii) Donated services income comprises the estimated value to MAF International of the staff seconded for international service. The costs are borne by the seconding groups. An equal and opposite charge is recognised in charitable expenditure. In accordance with the Charities SORP (FRS 102), the time donated to MAF International by volunteers is not recognised.
- (iii) Income arising from charitable activities is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of credits and discounts allowed and value added taxes.
- (iv) Interest on funds held on deposit is included when receivable and can be measured reliably.

f Expenditure

- (i) Raising funds comprises a proportion of central overhead costs arising from staff and other costs attributable to this activity.
- (ii) Grants made comprises payments made to other MAF groups and similar organisations either in accordance with donor restrictions placed on the funds, or to support their development, or to enable them to fully finance the seconding of individual staff to our operations.
- (iii) Charitable activities comprise actual costs relating to the aircraft and other services together with local (overseas) overheads.
- (v) Support costs include functions that directly support the operations such as flight training, engineering, operations support and quality, safety and security. Support costs also include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds, grants made and charitable expenditure. The basis on which support costs have been allocated is set out in note 8.

g Employee benefits

- (i) Leave benefits, including holiday pay are recognised as an expense in the period in which the service is rendered.
- (ii) Pension payments to defined contribution pension schemes are recognised as an expense when they fall due.
- (iii) MAF international holds a defined benefit pension scheme which is closed to new members and further accrual since 2008. The amount recognised in the balance sheet at 31 December 2024 is USD Nil (2023 – USD Nil).
- (iv) Annually, an independent actuary is engaged to calculate the obligation arising under the scheme. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss.

h Operating leases

Operating lease rentals are charged to the Statement of Financial Activities in accordance with the term of the lease.

i Deferred tax

Local legislation requires MAF to be registered as a commercial company in Papua New Guinea, which potentially gives rise to taxation on operating activities. Any taxation liabilities arising from these activities are provided at rates ruling in the relevant accounting period and deferred taxation is provided where it is predicted that a liability may arise in the foreseeable future.

j Intangible fixed assets

Purchased and internally developed computer software which costs USD 3,000 or more is capitalised at cost and amortised over its estimated useful life, 5 to 10 years.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES (CONTINUED)

k Tangible fixed assets

Individual fixed assets costing USD 3,000 or more are capitalised at cost.

Depreciation is calculated as follows:

(i) Aircraft

Aircraft, where externally insured, are included at their insurance values. Other aircraft are valued at directors' valuation. Depreciation is charged to write off the expenditure over the aircraft's estimated useful life in the organisation, taking account of its age and estimated residual value. Aircraft lives range from 25 to 40 years and residual values from USD 100k to USD 600k.

Any increases in the net value are credited to expenditure to the extent that the aircraft has been previously impaired; the remaining gain is credited to the revaluation reserve within other comprehensive income. Any decreases are debited to the portion of the revaluation reserve associated to that aircraft until it is fully depleted and the remaining decrease is charged to expenditure.

When an aircraft has been purchased, and until it is brought into operational use, it is valued at the costs incurred to date. When it is planned that an aircraft will be sold, the net value of that aircraft is reduced to the expected sale proceeds.

(ii) Property

Depreciation is charged to write off expenditure on leasehold property equally over the length of the lease. Depreciation on other buildings is charged to write off the cost to their residual values over their expected economic lives. This is assessed country by country and ranges from 3 to 50 years. Depreciation on leasehold land is charged to write off the expenditure over the life of the lease. For assets in the course of construction depreciation is charged from the date which that facility becomes operational.

(iii) Equipment and vehicles

Depreciation is charged to write off the expenditure over an estimated useful life of 5 to 10 years.

l Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

m Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n Debtors

Trade and other debtors are initially measured at transaction value and are subsequently measured at the settlement amount due. Prepayments are valued at the amount prepaid.

o Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 value.

p Financial instruments

The organisation uses non-speculative foreign exchange contracts to reduce its exposure to foreign exchange risk, in line with the organisation's investment policy. These do not qualify as basic financial instruments. Foreign exchange contracts are initially recognised at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

q Funds

Unrestricted Funds – General comprise net accumulated surpluses. They are available for use to further the charitable objectives of the charity.

Unrestricted Funds – Designated are amounts that have been set aside by the trustees for specific objectives.

Restricted Funds are funds and assets subject to specific conditions imposed by donors. When assets are purchased with restricted funds the restriction is deemed to be satisfied after reporting to the donor on the use of those assets ceases. Such assets are then transferred to unrestricted designated funds.

r Related parties

In the case of some members of the senior leadership team, their spouse also has an employment or consultancy contract with the organisation. The trustees are of the opinion that these should be considered as related parties. The total remuneration paid is disclosed in note 10.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group:

a Donated services

The value of donated services is determined by applying the average cost of a member of seconded staff to all those staff whose services have been donated to the group during the year. The average cost is calculated from the actual staff cost data of three member groups who supplied the highest number of seconded staff during the year.

b Overhaul

Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are set aside in a designated fund for each hour flown for future overhaul of aircraft engines, propellers and the aircraft themselves. Actual expenditure is charged to the designated fund. For aircraft leased at USD Nil from third parties, these funds are included as a liability on the balance sheet.

c Aircraft valuations

The group values aircraft by reference to the “Blue Book value” (the aviation industry’s standard indication of the expected recoverable amount on the open market). Adjustments are made for enhancements to the aircraft not accounted for in the Blue Book value, approved by the directors. Annually, every aircraft is revalued and reviewed for impairment.

d Estimation of useful lives of assets

The group determines the estimated useful lives and related amortisation and depreciation charges for intangible and tangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation or depreciation charge will increase where the useful lives are less than previously estimated lives. Technically obsolete assets that have been abandoned or sold are written off or written down.

e Impairment

MAF International assesses impairment of intangible and tangible assets at the end of each reporting period by evaluating conditions and events specific to the organisation that may be indicative of impairment trigger.

f Tax accruals

The group has a number of outstanding tax issues at the end of the financial year. The expected liabilities are accrued in the financial statements. Each accrual is calculated in accordance with communication from the tax authorities, local legislation and other external factors such as exchange rates. These accruals are reviewed annually and recalculated as necessary.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. INCOME FROM DONATIONS

Voluntary income comprises the amounts transferred mainly from the MAF members, together with other gift income. Restricted gifts may have been transferred directly to MAF International by a donor agency, under the direction of the national group.

	2024			2023		
	Unrestricted USD'000	Restricted USD'000	Total USD'000	Unrestricted USD'000	Restricted USD'000	Total USD'000
Donated services	-	6,152	6,152	-	5,477	5,477
Income for housing	675	-	675	726	-	726
Institutional donors	-	2,215	2,215	-	1,481	1,481
MAF Australia	11	2,041	2,052	923	1,704	2,627
MAF Canada	5	12	17	-	11	11
MAF Denmark	58	311	369	225	203	428
MAF Finland	10	17	27	19	35	54
MAF France	-	70	70	-	60	60
MAF Germany	3	78	81	21	67	88
MAF India	-	17	17	-	6	6
MAF Italy	-	11	11	-	4	4
MAF Netherlands	-	13,346	13,346	-	4,937	4,937
MAF New Zealand	-	611	611	-	543	543
MAF Norway	-	877	877	-	866	866
MAF South Africa	-	5	5	-	4	4
MAF Sweden	-	256	256	83	96	179
MAF Switzerland	-	919	919	-	523	523
MAF UK	6,545	5,443	11,988	7,716	3,847	11,563
MAF USA	143	168	311	21	201	222
Other donors	309	65	374	85	67	152
	<u>7,759</u>	<u>32,614</u>	<u>40,373</u>	<u>9,819</u>	<u>20,132</u>	<u>29,951</u>

Many International Staff are paid by the MAF member or another mission agency which then seconds them to the charity. The costs of these staff are therefore borne by those groups and as a result the staff support received is generally not passed to the charity. Other International Staff are paid by the charity. As a partial contribution towards this cost, restricted income is received by the charity from their relevant sending MAF groups. The total of such amounts received by the charity and included in restricted income above was as follows:

	2024	2023
	USD'000	USD'000
MAF Australia	1,166	1,121
MAF Canada	10	11
MAF Germany	23	25
MAF India	17	6
MAF Netherlands	135	180
MAF South Africa	3	2
MAF Switzerland	228	179
MAF UK	583	499
MAF USA	85	108
Other donors	34	73
	<u>2,284</u>	<u>2,204</u>

MAF International additionally collected USD 702,000 (2023 – USD 464,000) donations income on behalf of other MAF member groups or associated members. In these situations, MAF International forwards the income onto the relevant group directly and consequently the income has not been recognised in the financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. INCOME FROM CHARITABLE ACTIVITIES

The users of MAF International aircraft contribute to the costs of MAF. Similarly, MAF International seeks contributions towards its costs when providing other services, such as logistics. In Australia, we additionally have an aircraft engineering base which serves both our programmes in the regions as well as third-party customers. MAF Technologies in PNG provides radio and other communication technology services. Some programmes are also able to help third-party organisations with aircraft or vehicle maintenance.

	2024			2023		
	General	Designated	Total	General	Designated	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Contributions for						
Aviation services	14,305	-	14,305	14,132	-	14,132
Maintenance services	83	-	83	198	-	198
Other technologies	-	657	657	-	854	854
Other services	256	8	264	335	6	341
	<u>14,644</u>	<u>665</u>	<u>15,309</u>	<u>14,665</u>	<u>860</u>	<u>15,525</u>

MAF International acts as an agent for flights operated by MAF Canada and MAF US. In 2024 it also acted as an agent for Finland Svenska Baptist on behalf of Airport View School in Torit. During the year, the group collected and passed on USD 8,000 (2023- USD 5,000) which has not been recognised in these financial statements.

5. EXPENDITURE ON RAISING FUNDS

	2024	2023
	USD'000	USD'000
Allocation of support staff and other costs	<u>299</u>	<u>547</u>

All amounts relate to unrestricted funds in both the current and prior year.

6. EXPENDITURE ON GRANTS MADE

Grants were made from restricted and unrestricted funds in 2024 as follows:

	For	For ongoing operations and development			Sub-total	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
MAF Canada	116	-	-	-	116	1	117
MAF France	-	-	22	2	24	-	24
MAF Italy	-	-	57	-	57	1	58
MAF New Zealand	-	-	40	1	41	1	42
MAF Norway	-	325	-	-	325	4	329
MAF Philippines	-	-	1	-	1	-	1
MAF Singapore	-	-	-	50	50	1	51
MAF South Africa	146	-	43	39	228	3	231
MAF Sweden	34	50	-	-	84	1	85
MAF Switzerland	64	-	-	-	64	1	65
MAF USA	225	-	-	2,045	2,270	29	2,299
MATC	-	-	114	27	141	2	143
Bryce Wagner Foundation	-	-	8	-	8	-	8
Juba Christian Academy	-	-	-	4	4	-	4
	<u>585</u>	<u>375</u>	<u>285</u>	<u>2,168</u>	<u>3,413</u>	<u>44</u>	<u>3,457</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. EXPENDITURE ON GRANTS MADE (CONTINUED)

Grants were made from restricted and unrestricted funds in 2023 as follows:

	For	For ongoing operations and development			Sub-total	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
MAF Canada	132	-	-	-	132	14	146
MAF France	-	-	-	32	32	1	33
MAF Italy	-	-	-	57	57	1	58
MAF Netherlands	4	-	-	-	4	1	5
MAF Norway	-	236	-	47	283	26	309
MAF Philippines	-	-	-	20	20	1	21
MAF Singapore	-	-	-	30	30	1	31
MAF South Africa	29	-	-	25	54	4	58
MAF Sweden	19	185	-	-	204	21	225
MAF Switzerland	95	-	-	-	95	10	105
MAF USA	159	-	-	1,359	1,518	58	1,576
MATC	-	-	28	26	54	5	59
Mission Eine Welt	-	-	-	9	9	-	9
	438	421	28	1,605	2,492	143	2,635

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Direct costs of services comprise the direct costs of aviation (such as fuel, maintenance and insurance) as well as those of other technologies and of running the aviation operations and maintenance departments, excluding staff costs. The direct costs of providing other services are within other local overhead expenditure and are not material. The method of allocation of support costs is shown in note 8.

Charitable activities for 2024 were as follows:

	Charitable Activities			Total
	General	Designated	Restricted	
	USD'000	USD'000	USD'000	USD'000
Direct costs of services	3,644	1,403	3,484	8,531
Cost of donated services	-	-	6,152	6,152
Staff costs	14,254	280	3,422	17,956
Other local overhead expenditure	3,506	1,170	1,781	6,457
Depreciation, amortisation and impairment	-	1,782	945	2,727
Loss on sale of assets	-	226	-	226
	21,404	4,861	15,784	42,049

Charitable activities for 2023 were as follows:

	Charitable Activities			Total
	General	Designated	Restricted	
	USD'000	USD'000	USD'000	USD'000
Direct costs of services	5,300	1,353	3,170	9,823
Cost of donated services	-	-	5,477	5,477
Staff costs	12,716	7	3,287	16,010
Other local overhead expenditure	4,329	185	1,876	6,390
Depreciation, amortisation and impairment	-	1,985	110	2,095
(Profit) on sale of assets	-	237	-	237
	22,345	3,767	13,920	40,032

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. SUPPORT COSTS

Support costs have been collated according to function, which includes all staff directly attributed to that department and other associated costs. These functions are allocated to the main expenditure functions in accordance with time spent supporting that aspect of MAF International's operations.

Support costs for 2024 were as follows:

	Raising funds	Grants	Charitable Activities	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors offices	57	25	877	959
Aviation Services including quality and safety	-	-	3,035	3,035
Finance	57	9	845	911
Human Resources	10	-	991	1,001
Information technology and communications	164	10	1,599	1,773
Support office costs	-	-	400	400
Depreciation of fixed assets used for support	-	-	108	108
Strategic development	11	-	347	358
Governance	-	-	136	136
	<u>299</u>	<u>44</u>	<u>8,338</u>	<u>8,681</u>

Support costs for 2023 were as follows:

	Raising funds	Grants	Charitable Activities	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors Offices	139	18	1,022	1,179
Aviation Services including quality and safety	-	-	2,468	2,468
Finance	143	72	1,215	1,430
Human Resources	-	53	1,009	1,062
Information technology and communications	169	-	1,401	1,570
Support office costs	-	-	309	309
Depreciation of fixed assets used for support	-	-	59	59
Strategic development	96	-	290	386
	<u>547</u>	<u>143</u>	<u>7,773</u>	<u>8,463</u>

9. NET INCOME BEFORE TRANSFERS

The net income before transfers between funds is stated after charging:

	2024	2023
	USD'000	USD'000
Auditors' remuneration – UK audit fees	90	74
- component audit fees	<u>96</u>	<u>68</u>
Realised net loss/(gain) on currency exchange	<u>677</u>	<u>278</u>
Amortisation of intangible assets (note 11)	56	39
Depreciation of tangible assets (note 12)	2,485	2,602
Impairment/(reversal of impairment) of tangible assets (note 12)	186	(546)
Net loss on disposal of fixed assets	<u>226</u>	<u>237</u>
Charges under operating leases	<u>1,003</u>	<u>1,019</u>
Inventory expensed in the year	<u>1,801</u>	<u>1,542</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. STAFF EXPENDITURE AND STAFF NUMBERS

	2024	2023
	USD'000	USD'000
Staff Costs		
Wages and salaries, including intangible expenditure	19,022	17,355
Social security costs	433	397
Retirement and death-in-service benefits costs	1,146	1,004
	<u>20,601</u>	<u>18,756</u>
Total salaries and benefits paid to Executive Leadership Team during the year	<u>646</u>	<u>507</u>
	2024	2023
	Number	Number
Employees that received remuneration of:		
£60,000 to £69,999	6	5
£70,000 to £79,999	2	-
£80,000 to £89,999	1	-
£90,000 to £99,999	-	1
£100,000 to £109,999	1	-
Average number of employees - support offices	121	105
Average number of employees - field	424	407
Average number of seconded staff	68	64
	<u>613</u>	<u>576</u>

During the year, the charity made payments in lieu of notice for redundancy totalling \$3,899 (2023: \$0) from unrestricted funds, calculated on the basis of 1 month's salary.

No remuneration is paid to the directors for their services as trustees of the Group, although expenses incurred personally in the course of their duties are reimbursed. Expenses waived by the directors for their services as trustees are negligible.

	2024	2023
	USD'000	USD'000
Travel expenses reimbursed to 5 directors (2023- 7).	<u>14</u>	<u>28</u>

The spouses of a number of the senior leadership team receive remuneration from the organisation for services rendered under either an employment contract or a consultancy contract.

	2024	2023
	USD'000	USD'000
Total remuneration paid to spouses of senior leadership team members	<u>121</u>	<u>131</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. INTANGIBLE ASSETS

Analysis for the group and charity:

	USD'000
COST	
At 1 January 2024	231
Additions	44
Disposals	-
At 31 December 2024	<u>275</u>
AMORTISATION	
At 1 January 2024	89
Charge in the year	56
On Disposal	-
At 31 December 2024	<u>145</u>
NET BOOK VALUE	
At 31 December 2023	<u>142</u>
At 31 December 2024	<u>130</u>

12. TANGIBLE FIXED ASSETS

Analysis for the Group:

	Aircraft USD'000	Freehold Land & Property USD'000	Leasehold Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION					
At 1 January 2024	51,648	9,219	21,275	6,333	88,475
Additions	9,159	-	2,289	354	11,802
Disposals	(1,720)	-	-	(71)	(1,791)
Revaluation reserve	2,246	-	-	-	2,246
At 31 December 2024	<u>61,333</u>	<u>9,219</u>	<u>23,564</u>	<u>6,616</u>	<u>100,732</u>
DEPRECIATION					
At 1 January 2024	-	1,016	7,513	4,817	13,346
Charge in year	1,108	149	758	470	2,485
Net Impairment	(23)	-	-	-	(23)
Depreciation on disposals	(7)	-	-	(71)	(78)
Revaluation Reserve write back	(1,078)	-	-	-	(1,078)
At 31 December 2024	<u>-</u>	<u>1,165</u>	<u>8,271</u>	<u>5,216</u>	<u>14,652</u>
NET BOOK VALUE					
At 31 December 2023	<u>51,648</u>	<u>8,203</u>	<u>13,762</u>	<u>1,516</u>	<u>75,129</u>
At 31 December 2024	<u>61,333</u>	<u>8,054</u>	<u>15,293</u>	<u>1,400</u>	<u>86,080</u>
Analysis of value between:					
Used for direct charitable purposes	<u>61,333</u>	<u>4,664</u>	<u>12,595</u>	<u>1,249</u>	<u>79,841</u>
Used for support of field programmes, management and administration	<u>-</u>	<u>3,390</u>	<u>2,698</u>	<u>151</u>	<u>6,239</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. TANGIBLE FIXED ASSETS (CONTINUED)

The titles of land and buildings in Kenya are held by a corporate body, Missionary Aviation Fellowship (Kenya) Registered Trustees, on behalf of MAF International.

Included within the cost of 'Leasehold Land & Property' is USD 301,000 relating to a hangar in Madagascar and USD 427,000 relating to the building of housing in PNG, which are assets in the course of construction.

Of the net value of 'Leasehold Land & Property' USD 1,631,000 (2023 - USD 3,088,000) relates to leases in excess of 50 years.

The land and building at Ashford, UK are secured by a first legal charge with National Westminster Bank plc and with a second legal charge in favour of the trustees of "The MAF Europe UK Pension Scheme".

The land and building at Cairns, Australia are secured by a first legal charge with Commonwealth Bank of Australia.

The historical cost of purchasing the aircraft was USD 64,861,000 (2023 - USD 58,131,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. TANGIBLE FIXED ASSETS (CONTINUED)

Analysis of the charity only:

	Aircraft USD'000	Freehold Land & Property USD'000	Leasehold Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION					
At 1 January 2024	19,530	6,573	10,007	3,736	39,846
Additions and transfers	3,253	-	1,115	265	4,633
Disposals	(810)	-	-	(30)	(840)
Revaluation	906	-	-	-	906
At 31 December 2024	<u>22,879</u>	<u>6,573</u>	<u>11,122</u>	<u>3,971</u>	<u>44,545</u>
DEPRECIATION					
At 1 January 2024	-	845	3,145	2,917	6,907
Charge in year and transfers	379	102	527	249	1,257
Impairment	-	-	-	-	-
Disposals	-	-	-	(30)	(30)
Revaluation write back	(379)	-	-	-	(379)
At 31 December 2024	<u>-</u>	<u>947</u>	<u>3,672</u>	<u>3,136</u>	<u>7,755</u>
NET BOOK VALUE					
At 31 December 2023	<u>19,530</u>	<u>5,728</u>	<u>6,862</u>	<u>819</u>	<u>32,939</u>
At 31 December 2024	<u>22,879</u>	<u>5,626</u>	<u>7,450</u>	<u>835</u>	<u>36,790</u>

13. STOCKS

	Group		Charity	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Aircraft spare parts	1,799	1,706	642	682
Fuel and other stocks	1,443	1,232	56	53
Work in progress	26	133	-	-
	<u>3,268</u>	<u>3,071</u>	<u>698</u>	<u>735</u>

14. DEBTORS

	Group		Charity	
	2024 USD '000	2023 USD '000	2024 USD '000	2023 USD '000
<u>Current Debtors</u>				
Trade and sundry debtors	2,456	4,688	1,398	3,342
Amounts due from subsidiary undertakings	-	-	58	-
Other debtors	799	869	404	380
Prepayments	2,466	1,458	1,546	1,097
	<u>5,721</u>	<u>7,015</u>	<u>3,406</u>	<u>4,819</u>
<u>Debtors due after more than one year</u>				
MAF Suriname	48	539	48	539

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. SHORT TERM DEPOSITS

	Group		Charity	
	2024	2023	2024	2023
	USD '000	USD '000	USD '000	USD '000
Bank deposits	618	3,402	-	-

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2024	2023	2024	2023
	USD '000	USD '000	USD '000	USD '000
Cash and cash equivalents – Support offices	22,755	17,326	21,556	16,635
Cash and cash equivalents - Programmes	4,205	3,176	763	646
	26,960	20,502	22,319	17,281

17. CREDITORS

	Group		Charity	
	2024	2023	2024	2023
	USD'000	USD'000	USD'000	USD'000
Trade and other creditors	3,562	4,015	2,296	2,142
Taxation and social security	277	281	110	164
Amounts due to subsidiary undertakings	-	-	2,071	801
Loans	-	327	-	326
Accrued expenses	1,947	2,045	389	517
	5,786	6,668	4,866	3,950

18. CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	USD'000	USD'000	USD'000	USD'000
Loans	1,035	1,104	1,035	1,104
Staff resettlement allowances	388	321	388	321
	1,423	1,425	1,423	1,425

The loans above were received from MAF Netherlands in December 2021 and January 2022. They are unsecured loans to be repaid in 2027 with annual interest payable at a rate of 2% in arrears.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

19. PROVISIONS

Included in creditors are the following provisions:

	Balances 1 January 2024	Provided in the year	Utilised in the year	Written off in year	Charity and Group Balances 31 December 2024
	USD'000	USD'000	USD'000	USD'000	USD'000
For overhaul of aircraft owned by 3 rd parties	746	168	(31)	-	883
For taxation issues in overseas programmes	278	150	-	(86)	342
	<u>1,024</u>	<u>318</u>	<u>(31)</u>	<u>(86)</u>	<u>1,225</u>

See notes 2b and 2f for further comment on these provisions.

20. DEFERRED TAX LIABILITY

	Group		Charity	
	2024	2023	2024	2023
	USD'000	USD'000	USD'000	USD'000
Provision at 1 January	1,559	1,255	-	-
Movement in the year	<u>379</u>	<u>304</u>	<u>-</u>	<u>-</u>
Provision at 31 December	<u>1,938</u>	<u>1,559</u>	<u>-</u>	<u>-</u>

21. OPERATING LEASES

At 31 December 2024 the group was committed to making the following payments under non-cancellable operating leases:

	Property	Other	Property	Other
	2024	2024	2023	2023
	USD'000	USD'000	USD'000	USD'000
Payable in 1 year	312	1	316	123
Payable in 2-5 years	291	-	73	28
Payable in over 5 years	<u>636</u>	<u>-</u>	<u>107</u>	<u>-</u>
	<u>1,239</u>	<u>1</u>	<u>496</u>	<u>151</u>

22. Forward Foreign Exchange Contracts

At 31 December 2024, the organisation was committed to pay USD 4,354,000 (2023: USD 3,980,000) in non-cancellable foreign exchange contracts to purchase USD and AUD using EUR and GBP. These commitments are stated at fair value and the USD 182,000 gain (2023: USD 5,000 loss) arising from the difference between the fair value and notional value has been recognised in the Statement of Financial Activities.

The commitments can be analysed as follows:

2024				2023			
Currency	Contract Value (USD)	Contract Type	Maturity	Currency	Contract Value (USD)	Contract Type	Maturity
EUR	1,035,000	Fixed Forward	05/03/2025	EUR	830,469	Fixed Forward	29/11/2024
EUR	1,038,000	Fixed Forward	22/04/2025	GBP	1,577,238	Fixed Forward	22/02/2024
EUR	1,043,000	Fixed Forward	21/07/2025	GBP	945,771	Fixed Forward	29/05/2024
GBP	619,000	Fixed Forward	29/01/2025	GBP	630,739	Fixed Forward	18/03/2024
GBP	619,000	Fixed Forward	10/05/2025				

23. CAPITAL COMMITMENTS

At 31 December 2024, the organisation was committed to pay a total of USD 5,752,000 under two contracts with Textron Aviation to purchase two caravans in 2025. It was also committed to pay USD 3,000,000 for a second-hand amphibious Cessna caravan and USD 1,789,000 for a Flight Simulator for training purposes. In addition, the organisation has committed to pay USD 66,000 for the completion of staff accommodation at the Kagamuga compound in PNG and USD 14,000 for the completion of the hangar in Madagascar.

24. POST BALANCE SHEET EVENTS

The winding up of the MAF Europe UK Pension Scheme was completed on 2nd May 2025, resulting in a surplus of USD189,000, (£146,000) being returned to the employer.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

25. UNRESTRICTED DESIGNATED FUNDS

	Balances 1 January 2024	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)	Balances 31 December 2024
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Assets fund	44,387	-	(1,783)	931	(1,417)	-	-	42,118
Revaluation reserves	5,635	-	-	(179)	-	1,676	-	7,132
Strategic Development fund	9,092	122	(2,495)	(4,351)	1,417	-	-	3,785
MAF Technologies (PNG)	309	670	(776)	92	-	-	5	300
Self-insurance fund	4,501	132	(92)	(4,541)	-	-	-	-
	<u>63,924</u>	<u>924</u>	<u>(5,146)</u>	<u>(8,048)</u>	<u>-</u>	<u>1,676</u>	<u>5</u>	<u>53,335</u>
Designated funds – Charity only	<u>30,430</u>	<u>3,888</u>	<u>(3,053)</u>	<u>(7,354)</u>	<u>-</u>	<u>381</u>	<u>-</u>	<u>24,292</u>

	Balances 1 January 2023	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)	Balances 31 December 2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Aircraft overhauls fund	3,932	-	(1,134)	(2,798)	-	-	-	-
Assets fund	44,768	-	(458)	1,507	(1,430)	-	-	44,387
Revaluation reserves	3,456	-	-	(17)	-	2,196	-	5,635
Strategic Development fund	3,233	-	(986)	5,424	1,430	-	(9)	9,092
Future assets fund	1,102	66	(166)	(1,002)	-	-	-	-
MAF Technologies (PNG)	352	867	(986)	76	-	-	-	309
Self-insurance fund	3,679	72	(59)	809	-	-	-	4,501
Tactical investment fund	201	-	(6)	(195)	-	-	-	-
	<u>60,723</u>	<u>1,005</u>	<u>(3,795)</u>	<u>3,804</u>	<u>-</u>	<u>2,196</u>	<u>(9)</u>	<u>63,924</u>
Designated funds – Charity only	<u>29,985</u>	<u>72</u>	<u>(2,540)</u>	<u>2,043</u>	<u>-</u>	<u>870</u>	<u>-</u>	<u>30,430</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The assets fund represents amounts set aside equivalent to the value of the aircraft, properties, equipment and vehicles used by MAF International (less relevant loans) and provision for the future replacement of some assets, both of which have been financed with transfers from unrestricted general funds.

The revaluation reserves represent the increase in value of aircraft over their original cost to carrying values where appropriate.

The assets fund and the revaluation reserves fund together equate to the net book value of all fixed assets that are not restricted. These funds are therefore not readily available for other purposes.

MAF Technologies (PNG) represents the net assets of that entity (formerly “CRMF”), which will be used solely for the activities of that ministry in Papua New Guinea.

The aircraft overhauls fund is used to overhaul the engines, propellers and airframes of the aircraft. Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are transferred from general funds to this designated fund for each hour flown by every aircraft.

The future assets fund was created to cover the cost of specific capital assets, including aircraft, that are essential to the operations and for which no other funding has been received, or is expected.

The tactical investment fund is used to cover the cost of essential capital or revenue expenditure, for which project funding is unlikely to be available within operational time limits.

The development fund is used for the development of MAF Groups to enhance their fund raising and recruitment activities as well as to cover the cost of agreed new ventures, such as setting up operations or organisations to assist in resourcing the charity in new countries.

The self-insurance fund is available for the repair or replacement of damaged or stolen vehicles and aircraft, other than those which are externally insured. It is also used to cover other items that have not been able to be insured in some countries or where the premiums have been prohibitive.

During the 2023 year the board amalgamated the designated funds of the aircraft overhaul fund, future assets fund, tactical investment fund and development fund into one strategic development fund.

At the end of 2024, funds were transferred from the strategic development fund and self-insurance fund into unrestricted reserves to bring greater alignment with the intended purpose of the funds. This includes all funds directly related to ongoing operations, including overhaul of aircraft and self-insurance claims. The remaining funds in the strategic development fund are for strategic opportunities and development of MAF members. This includes the final two years of a three-year investment in digital transformation, and the integration programme which is expected to last for three years from 2025 to 2027.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

26. RESTRICTED FUNDS

Restricted funds comprise the following unexpended balances of gifts and grants made for specific purposes and the net value of tangible assets bought from restricted funds. Movement and unexpended balances for projects are shown below.

Group	Balances 1 January 2024 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible asset USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2024 USD'000
Additional and replacement aircraft	3,717	13,697	(92)	-	(9,159)	-	-	8,163
Arnhem Land, Northern Territories	139	1,005	(969)	(66)	-	-	-	109
Bangladesh	13	-	(9)	(4)	-	-	-	-
Central Asia	-	2,084	(2,084)	-	-	-	-	-
Chad	15	81	(81)	4	(10)	-	-	9
Disaster relief	294	107	(50)	(70)	-	-	-	281
Fuel	-	999	(999)	-	-	-	-	-
Guinea	59	253	(157)	(52)	-	-	-	103
Kenya	26	289	(298)	(13)	-	-	-	4
Liberia	94	82	(117)	(25)	-	-	-	34
Madagascar	188	268	(296)	(3)	(53)	-	-	104
Mareeba	-	-	-	5	-	-	-	5
MAF Technologies (PNG)	61	125	(65)	(10)	(4)	-	-	107
Papua New Guinea	1,335	2,082	(1,897)	(98)	(1,174)	-	-	248
South East Asia	13	28	(2)	11	-	-	-	50
South Sudan	1,132	1,234	(1,143)	(46)	(995)	-	-	182
Staff costs	982	6,281	(6,578)	(1)	-	-	-	684
Tanzania	1	182	(173)	-	-	-	-	10
Timor-Leste	84	310	(275)	-	-	-	-	119
Uganda	84	431	(411)	-	(76)	-	-	28
Other aviation projects	48	2,489	(466)	(2)	-	-	-	2,069
Other locations and sundry projects	48	799	(847)	17	-	-	-	17
	<u>8,333</u>	<u>32,826</u>	<u>(17,009)</u>	<u>(353)</u>	<u>(11,471)</u>	-	-	<u>12,326</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2024 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2024 USD'000
Brought forward (page 40)	8,333	32,826	(17,009)	(353)	(11,471)	-	-	12,326
Net value of tangible assets:								
Aircraft	22,394	-	(778)	-	9,159	1,858	-	32,633
Land and buildings	2,538	-	(104)	(643)	2,182	-	-	3,973
Equipment and vehicles	317	-	(62)	(31)	130	-	-	354
	25,249	-	(944)	(674)	11,471	1,858	-	36,960
Net value of intangible assets	-	-	-	-	-	-	-	-
Total Restricted Funds	33,582	32,826	(17,953)	(1,027)	-	1,858	-	49,286

Following a review of previously restricted assets and in accordance with the accounting policy 1q on page 25, assets with a net book value of USD 674,000 (2023: USD 1,403,000) have been transferred from restricted funds to unrestricted designated funds.

Other transfers of USD 352,000 (2023: USD 756,000) from restricted to unrestricted general funds represent balance transfers or reallocation of funds in line with donor's wishes.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

Charity only	Balances 1 January 2024 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible asset USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2024 USD'000
Additional and replacement aircraft	3,633	7,787	(1,530)	-	(3,253)	-	-	6,637
Arnhem Land, Northern Territories	-	376	(376)	-	-	-	-	-
Bangladesh	13	-	(9)	(4)	-	-	-	-
Central Asia	-	2,084	(2,084)	-	-	-	-	-
Chad	15	81	(81)	4	(10)	-	-	9
Disaster relief	289	107	(50)	(69)	-	-	-	277
Fuel	-	851	(851)	-	-	-	-	-
Guinea	59	253	(157)	(52)	-	-	-	103
Kenya	26	289	(298)	(13)	-	-	-	4
Liberia	94	82	(117)	(25)	-	-	-	34
Madagascar	188	268	(296)	(3)	(53)	-	-	104
Mareeba	-	-	-	5	-	-	-	5
MAF Technologies (PNG)	1	79	(65)	(11)	-	-	-	4
Papua New Guinea	93	1,892	(1,911)	(1)	-	-	-	73
South East Asia	13	28	(2)	11	-	-	-	50
South Sudan	1,137	1,234	(1,143)	(51)	(995)	-	-	182
Staff costs	982	6,281	(6,578)	(1)	-	-	-	684
Tanzania	1	179	(170)	-	-	-	-	10
Timor-Leste	7	239	(243)	-	-	-	-	3
Uganda	84	431	(411)	-	(76)	-	-	28
Other aviation projects	35	261	(263)	(2)	-	-	-	31
Other locations and sundry projects	47	606	(653)	17	-	-	-	17
	<u>6,717</u>	<u>23,408</u>	<u>(17,288)</u>	<u>(195)</u>	<u>(4,387)</u>	<u>-</u>	<u>-</u>	<u>8,255</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2024 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2024 USD'000
Brought forward (page 42)	<u>6,717</u>	<u>23,408</u>	<u>(17,288)</u>	<u>(195)</u>	<u>(4,387)</u>	-	-	<u>8,255</u>
Net value of tangible assets:								
Aircraft	10,515	-	(328)	-	3,254	951	-	14,392
Land and buildings	1,007	-	(103)	(643)	1,008	-	-	1,269
Equipment and vehicles	<u>236</u>	<u>-</u>	<u>(46)</u>	<u>(31)</u>	<u>125</u>	<u>-</u>	<u>-</u>	<u>284</u>
	<u>11,758</u>	<u>-</u>	<u>(477)</u>	<u>(674)</u>	<u>4,387</u>	<u>951</u>	<u>-</u>	<u>15,945</u>
Total Restricted Funds	<u>18,475</u>	<u>23,408</u>	<u>(17,765)</u>	<u>(869)</u>	<u>-</u>	<u>951</u>	<u>-</u>	<u>24,200</u>

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

26. RESTRICTED FUNDS (CONTINUED)

Group	Balances 1 January 2023 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible asset USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2023 USD'000
Additional and replacement aircraft	320	3,628	-	(231)	-	-	-	3,717
Arnhem Land, Northern Territories	30	1,409	(1,027)	(273)	-	-	-	139
Bangladesh	19	64	(70)	-	-	-	-	13
Central Asia	-	1,382	(1,382)	-	-	-	-	-
Chad	14	75	(74)	-	-	-	-	15
Disaster relief	208	118	(32)	-	-	-	-	294
Fuel	-	1,047	(1,047)	-	-	-	-	-
Guinea	-	219	(113)	(47)	-	-	-	59
Kenya	20	275	(272)	3	-	-	-	26
Liberia	437	192	(176)	79	(438)	-	-	94
Madagascar	45	718	(229)	8	(354)	-	-	188
MAF Technologies (PNG)	15	82	(36)	-	-	-	-	61
Papua New Guinea	1,413	1,600	(1,099)	(28)	(516)	-	(35)	1,335
South East Asia	12	2	(1)	-	-	-	-	13
South Sudan	1,266	1,051	(1,248)	86	(23)	-	-	1,132
Staff costs	1,319	5,603	(5,940)	-	-	-	-	982
Tanzania	3	167	(169)	-	-	-	-	1
Timor-Leste	102	337	(294)	(58)	(3)	-	-	84
Uganda	72	780	(663)	(23)	(82)	-	-	84
Other aviation projects	322	525	(612)	(187)	-	-	-	48
Other locations and sundry projects	134	930	(931)	(85)	-	-	-	48
	<u>5,751</u>	<u>20,204</u>	<u>(15,415)</u>	<u>(756)</u>	<u>(1,416)</u>	<u>-</u>	<u>(35)</u>	<u>8,333</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2023 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2023 USD'000
Brought forward (page 44)	5,751	20,204	(15,415)	(756)	(1,416)	-	(35)	8,333
Net value of tangible assets:								
Aircraft	21,352	-	143	-	-	899	-	22,394
Land and buildings	2,645	-	(124)	(1,150)	1,167	-	-	2,538
Equipment and vehicles	427	-	(106)	(253)	249	-	-	317
	24,424	-	(87)	(1,403)	1,416	899	-	25,249
Net value of intangible assets	112	-	(23)	(89)	-	-	-	-
Total Restricted Funds	30,287	20,204	(15,525)	(2,248)	-	899	(35)	33,582

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

Charity Only	Balances 1 January 2023 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible asset USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2023 USD'000
Additional and replacement aircraft	281	3,628	-	(276)	-	-	-	3,633
Arnhem Land, Northern Territories	-	289	(289)	-	-	-	-	-
Bangladesh	19	64	(70)	-	-	-	-	13
Central Asia	-	1,382	(1,382)	-	-	-	-	-
Chad	14	75	(74)	-	-	-	-	15
Disaster relief	198	117	(26)	-	-	-	-	289
Fuel	-	909	(909)	-	-	-	-	-
Guinea	-	219	(113)	(47)	-	-	-	59
Kenya	20	275	(272)	3	-	-	-	26
Liberia	437	192	(176)	79	(438)	-	-	94
Madagascar	45	718	(229)	8	(354)	-	-	188
MAF Technologies (PNG)	-	36	(35)	-	-	-	-	1
Papua New Guinea	415	791	(1,088)	(25)	-	-	-	93
South East Asia	12	2	(1)	-	-	-	-	13
South Sudan	1,266	1,051	(1,243)	86	(23)	-	-	1,137
Staff costs	1,319	5,683	(6,020)	-	-	-	-	982
Tanzania	3	167	(169)	-	-	-	-	1
Timor-Leste	4	324	(275)	(46)	-	-	-	7
Uganda	72	780	(663)	(23)	(82)	-	-	84
Other aviation projects	307	303	(388)	(187)	-	-	-	35
Other locations and sundry projects	133	719	(720)	(85)	-	-	-	47
	<u>4,545</u>	<u>17,724</u>	<u>(14,142)</u>	<u>(513)</u>	<u>(897)</u>	-	-	<u>6,717</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

26. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2023 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2023 USD'000
Brought forward (page 46)	4,545	17,724	(14,142)	(513)	(897)	-	-	6,717
Net value of tangible assets:								
Aircraft	12,156	(2,080)	20	188	-	231	-	10,515
Land and buildings	1,519	-	(118)	(1,128)	734	-	-	1,007
Equipment and vehicles	293	-	(68)	(152)	163	-	-	236
	<u>13,968</u>	<u>(2,080)</u>	<u>(166)</u>	<u>(1,092)</u>	<u>897</u>	<u>231</u>	<u>-</u>	<u>11,758</u>
Net value of intangible assets	<u>112</u>	<u>-</u>	<u>(23)</u>	<u>(89)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Restricted Funds	<u>18,625</u>	<u>15,644</u>	<u>(14,331)</u>	<u>(1,694)</u>	<u>-</u>	<u>231</u>	<u>-</u>	<u>18,475</u>

27. NET ASSETS

Consolidated Group	Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total
	General	Designated	Funds	2024	General	Designated	Funds	2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	130	-	130	-	142	-	142
Tangible fixed assets	-	49,120	36,960	86,080	-	49,880	25,249	75,129
Current assets	20,156	4,085	12,326	36,567	11,755	13,902	8,333	33,990
Long-term assets	48	-	-	48	539	-	-	539
Current liabilities	(7,011)	-	-	(7,011)	(7,692)	-	-	(7,692)
Long-term liabilities	(1,423)	-	-	(1,423)	(1,425)	-	-	(1,425)
Deferred tax liability	(1,938)	-	-	(1,938)	(1,559)	-	-	(1,559)
	<u>9,832</u>	<u>53,335</u>	<u>49,286</u>	<u>112,453</u>	<u>1,618</u>	<u>63,924</u>	<u>33,582</u>	<u>99,124</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

27.NET ASSETS (CONTINUED)

Charity only	Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total
	General	Designated	Funds	2024	General	Designated	Funds	2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	130	-	130	-	142	-	142
Tangible fixed assets	-	20,845	15,945	36,790	-	21,181	11,758	32,939
Current assets	14,851	3,317	8,255	26,423	7,011	9,107	6,717	22,835
Long-term assets	48	-	-	48	539	-	-	539
Current liabilities	(6,091)	-	-	(6,091)	(4,974)	-	-	(4,974)
Long-term liabilities	(1,423)	-	-	(1,423)	(1,425)	-	-	(1,425)
	<u>7,385</u>	<u>24,292</u>	<u>24,200</u>	<u>55,877</u>	<u>1,151</u>	<u>30,430</u>	<u>18,475</u>	<u>50,056</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

28. DEATH-IN-SERVICE AND RETIREMENT BENEFITS

Defined benefit pension scheme

MAF International provided for pensions for UK based employees through "The MAF Europe UK Pension Scheme". This is an insured scheme, which is invested with Legal and General Investment Management. It is a defined benefit scheme based on 1/60 of final salary for each year of service and was open to all employees. The scheme commenced on 1 January 2000. The scheme was closed to new members in December 2007 and closed for future accrual with effect from 29 February 2008.

The last (triennial) actuarial report was prepared as at 1 January 2022. It indicated that the scheme was fully funded and so in June 2022, the scheme trustees agreed to pursue a buy-out.

A comprehensive actuarial valuation of the scheme was carried out at 31 December 2022 by the scheme's actuary. Adjustments to the valuation have been made based on the following assumptions:

	2024	2023
Discount rate	5.4%	4.5%
Retail price inflation before 2030	3.4%	3.1%
Retail price inflation after 2030	3.4%	3.1%
Limited price indexation	3.2%	3.0%
Deferred pension revaluation	N/A	3.1%

The mortality assumptions used were:

	2024	2023
For a male aged 65 now	21.3	21.4
At 65 for a male member aged 45 now	22.6	22.6
For a female aged 65 now	23.8	23.9
At 65 for a female member aged 45 now	25.2	25.3

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

28.DEATH-IN-SERVICE AND RETIREMENT BENEFITS (CONTINUED)

Reconciliation of scheme assets and liabilities:

	2024	2024	2024	2023	2023	2023
	Assets	Liabilities	Total	Assets	Liabilities	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January	4,060	(3,669)	391	5,256	(3,224)	2,032
Interest income/(expense)	167	(151)	16	246	(154)	92
Assets gains	(356)	-	(356)	(1,343)	-	(1,343)
Actuarial gains/ (losses)	6	294	300	236	(375)	(139)
Contributions/(expenses)	(123)	-	(123)	(251)	-	(251)
Settlements	(2,904)	2,904	-	-	-	-
Benefits paid	(90)	90	-	(84)	84	-
At 31 December	<u>760</u>	<u>(532)</u>	<u>228</u>	<u>4,060</u>	<u>(3,669)</u>	<u>391</u>

The scheme net asset of USD 228,000 (£182,000) was not recognised in the financial statements in accordance with FRS102, as the directors believe it unlikely that the asset will be fully recovered.

The fair value of the plan assets is as follows:

	2024	2023
	USD'000	USD'000
Sterling liquid fund	170	167
Insured pensions	532	3,613
Cash	<u>58</u>	<u>280</u>
Total	<u>760</u>	<u>4,060</u>

Under advice, the scheme trustees disinvested the scheme from equities and bonds into a sterling liquid fund in preparation for the buy-out.

Non-contributory money purchase arrangements

MAF International makes contributions of 10% of annual salary to pension providers of choice for all UK-based employees. During the year these pension contributions to individual non-contributory pension arrangements totalled USD 248,000 (2023 - USD 230,000).

MAF International in Asia Pacific made contributions of 11.5% of annual salary for superannuation for all Australia-based employees totalling USD 637,000 (2023 - USD 554,000).

Pension and superannuation contributions for staff in other fields overseas totalled USD 261,000 (2023 - USD 219,000).

29. TRUSTEES LIABILITY INSURANCE

MAF International has arranged liability insurance for its trustees and staff at a cost for the year of USD 14,800 (2023 - USD 13,600) excluding responsibilities regarding Asia Pacific region.

MAF International Asia Pacific has arranged liability insurance for its directors and staff at a cost for the year of USD 8,300 (2023 - USD 2,300). Both are authorised in the respective Memorandum and Articles of Association.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

30. SUBSIDIARY UNDERTAKINGS

The charity has a number of subsidiaries as follows:

Stichting MAF International is a foundation registered in the Netherlands, Chamber of Commerce number 74256157. It supports the work of Mission Aviation Training Centre (MATC) in the Netherlands, principally by owning three aircraft which it leases to MATC.

Aviation Communication and Logistics Services Limited is a company registered in Uganda, whose shares are owned by the charity and two nominees. It holds the titles to parcels of land in Uganda which it has leased to MAF International for 99 years. These parcels of land constitute the airfield at Kajjansi, near Kampala. The cost of the leases is included within land & property in tangible fixed assets (note 12).

Although Mission Aviation Fellowship International is referred to as MAF International in these accounts, there is an Australian charitable company, MAF International, with registration number A.B.N. 32 004 260 860, referred to below as MAF International (in Australia). This company is 100% controlled by virtue of the fact that Mission Aviation Fellowship International is the sole member of MAF International. Its principal activity is the provision of air services to the Church and remote communities. This company has two subsidiaries, MAF Aviation Services Pty Ltd and MAF PNG Holding Ltd. MAF PNG Holding Ltd also has one subsidiary, MAF Papua New Guinea Ltd.

- MAF Aviation Services Pty Ltd is an Australian company, A.C.N. 004 545 108. The company's shares are wholly owned by MAF International. MAF Aviation Services Pty Ltd has made a long-term loan to MAF PNG Holding Ltd, secured on the latter's assets. It has no other activities.
- MAF PNG Holding Ltd is a company registered in Papua New Guinea (PNG), registration number 1-22887. The company is wholly owned by MAF International. MAF PNG Holding Ltd acts as the holding company for MAF Papua New Guinea Ltd, a wholly owned subsidiary, and as such it owns and manages all the aircraft, land and buildings and other fixed assets for operations in PNG.
- MAF Papua New Guinea Ltd is also a company registered in PNG, registration number 1-17085, and is wholly owned by MAF PNG Holding Ltd. This entity carries out the charity's objectives in that country through aviation.

Christian Radio Missionary Fellowship Inc (known as MAF Technologies) is a not-for-profit association incorporated in Papua New Guinea, association number 5-903. It is controlled by virtue of a Memorandum of Understanding that grants responsibility for control and governance to Mission Aviation Fellowship International. Its ministry focus is in communications technology and services.

The following is a summary of the results and of the net assets of the main entities within the group.

	MAF International	MAF International (in the Netherlands)	MAF International (in Australia) *	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd	MAF Technologies	MAF India	MAF Malaysia	2024 Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Income	31,604	2,592	15,338	7,116	741	17	5	57,413
Expenditure	(26,478)	(575)	(10,925)	(6,777)	(1,025)	(19)	(6)	(45,805)
Other	182	10	(1,043)	2,566	5	-	1	1,721
Net movement in funds	5,308	2,027	3,370	2,905	(279)	(2)	-	13,329
Net assets/ (liabilities)	55,877	2,404	47,100	6,626	446	-	-	112,453

*MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

30. SUBSIDIARY UNDERTAKINGS (CONTINUED)

The comparative results for 2023 are:

	MAF International	MAF International (in the Netherlands)	MAF International (in Australia)*	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd	MAF Technologies	MAF India	2023 Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Income	32,593	555	5,422	7,120	943	6	46,639
Expenditure	(23,084)	(674)	(11,214)	(7,256)	(982)	(4)	(43,214)
Other	718	(1)	426	1,200	(4)	-	2,339
Net movement in funds	<u>10,227</u>	<u>(120)</u>	<u>(5,366)</u>	<u>1,064</u>	<u>(43)</u>	<u>2</u>	<u>5,764</u>
Net Assets	<u>50,208</u>	<u>377</u>	<u>44,262</u>	<u>3,617</u>	<u>658</u>	<u>2</u>	<u>99,124</u>

*MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

31. NOTES TO THE CASH FLOW STATEMENT

	2024 USD'000	2023 USD'000
Net income before other recognised gains and losses	11,608	3,425
Net interest income	(593)	(283)
Operating surplus	<u>11,015</u>	<u>3,142</u>
Amortisation of intangible assets	56	39
Depreciation of tangible assets	2,485	2,602
Impairment/(reversal of impairment) of tangible assets	186	(546)
Loss on disposal of tangible assets	226	237
Working capital movements		
(Increase) in stocks	(197)	(279)
Decrease/(increase) in current and long-term debtors	1,785	(2,221)
(Decrease) in current and long-term creditors	(683)	(668)
Cash flow from operating activities	<u>14,873</u>	<u>2,306</u>

32. ANALYSIS OF CHANGES IN NET DEBT

	Balances 1 January 2024	Cash Flows	Non-Cash	Balances 31 December 2024
	USD'000	USD'000	USD'000	USD'000
Short term deposits	3,402	(2,784)	-	618
Cash at bank and in hand	<u>20,502</u>	<u>6,458</u>	-	<u>26,960</u>
Cash and cash equivalents	23,904	3,674	-	27,578
Loans	<u>(1,431)</u>	<u>317</u>	<u>79</u>	<u>(1,035)</u>
Total	<u>22,473</u>	<u>3,991</u>	<u>79</u>	<u>26,543</u>

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales - Charity number 1058226

Accounts



MISSION AVIATION FELLOWSHIP INTERNATIONAL

(Company limited by guarantee and not having a share capital)

Company Number 3144199

Registered Charity Number 1058226

Financial Statements for the year ended 31 December 2023

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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FOR THE YEAR ENDED 31 DECEMBER 2023**

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**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees, who are also the directors, of Mission Aviation Fellowship International (“MAF International”) and its subsidiaries, have pleasure in presenting their Annual Report, Strategic Report and Financial Statements for the year ended 31 December 2023.

MESSAGE FROM OUR CHAIR

During the year, we celebrated the 50th anniversary of our operations in Arnhem Land. The anniversary reflected our enduring commitment to serve communities in this remote region in Northern Australia. It was very pleasing that during the year we introduced a second caravan, enhancing our ability to reach more remote communities and provide essential services.

In Papua New Guinea we commenced construction of the Kagamuga Compound at Mount Hagan. This USD 2.9 million project will significantly enhance our operational capabilities and improve housing for our dedicated staff. In Liberia, we completed three new houses, improving the living conditions for our staff and their families who are bringing help, hope and healing to remote communities in this country.

This year the organisation took a very significant step and ordered four new Caravans from Cessna. These aircraft will be delivered in 2024 and 2025 and enable us to expand our reach and deliver services more efficiently. We continue to be blessed with member groups and donors that have stepped forward to fund these critical aircraft.

The delivery of our mission to reach isolated people would not have been possible without the dedication and hard work of our staff. I continue to be humbled by the unwavering commitment of our staff and I extend my heartfelt thanks to each member of the MAF International team.

As we reflect on the many achievements of the year, we are inspired to continue our work with renewed vigour and commitment. We look forward to strengthening our partnership with the communities we serve and the member groups and donors that support us.

Thank you for being a part of our journey.

Peter Curtis

Chair of the Board of Trustees, MAF International

REFLECTION BY THE CEO

The heart of any organisation is its people. I am so thankful for our staff who work around the globe to accomplish our mission and fulfil our vision. Because of their willingness to faithfully serve in often difficult settings, our aviation services brought help, hope and healing to remote and isolated communities providing a lifeline to the outside world.

In Papua New Guinea, the village of Dimanbil had worked for almost forty years to change the dense jungle into an airstrip so that MAF could serve their community. The fact that a community would value our air service so highly that they would work for that many years speaks of the impact that we have.

The work we undertake to reach isolated communities only happens because of numerous people who give financially, pray faithfully and work tirelessly to provide the resources we need to accomplish our mission.

As Christians, motivated by God’s great love for us, we take great joy in serving those who face daily hardship and struggle. Whether carrying critical supplies into a remote community or flying passengers who need medical attention, often fighting for their lives, we cherish the ability to touch lives in a profound way. In these pages, you will see some of the impact that together we have had in 2023.

Dave Fyock

CEO, MAF International

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

WHO WE ARE

We are a Christian charity who provides subsidised aviation services in parts of the world where surface travel is impossible or very difficult. We reach the unreached in some of the world's most remote and isolated areas, where people are cut off due to geographical barriers, conflict or the dangers of overland travel. Our flights continued to enable hundreds of organisations to overcome these challenges and bring help, hope and healing to people in spiritual and physical need. Ancillary services of flight training, aircraft maintenance, logistics services and other communication services are also provided.

Our **VISION** is to see isolated people changed by the love of Christ.

Our **MISSION** is to bring help, hope and healing through aviation.

Our **VALUES** are Witness, Impact, Partnership, Excellence, Stewardship and Care.

Our mission mandate starts with God's heart for mission - God's unconditional love for mankind, the church, society and all of creation. In 1984, the Anglican Consultative Council produced what is now known as the '**Five Marks of Mission**':

- To proclaim the good news of the Kingdom;
- To teach, baptise and nurture new believers;
- To respond to human needs by loving service;
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation; and
- To strive to safeguard the integrity of creation and to sustain the life of the earth.

MAF International's mission mandate is to bring help, hope and healing by proclaiming the gospel, teaching and discipling, showing compassion, seeking justice, and by caring for creation. To do this, all five elements of mission must be demonstrated in an integrated way.

We are privileged to have dedicated staff who use their skills in aviation and other fields to work with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

The MAF International Family

The MAF International Family is made up of MAF International operations, its 13 members and two provisional members, based in 15 countries around the world. We could not operate without the funding raised, and staff seconded, by MAF members (also known as resourcing groups). We also work closely with Mission Aviation Fellowship in the USA and MAF Canada, who are associate members. The MAF International members are detailed on page 16 under administrative information.

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OUR IMPACT

ACHIEVEMENTS AND PERFORMANCE

During 2023 we operated programmes in 11 countries, Northern Australia (Arnhem Land), Chad, Guinea, Kenya, Liberia, Madagascar, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda. Additionally, we operated a Maintenance and Flight Training Centre in Queensland, Australia, and provided technology services in Papua New Guinea (under the statutory name of Christian Radio Missionary Fellowship) and a restricted access nation, where we hope to develop operations in country when the time is right. We continued to support the work of the Mission Aviation Training Centre (MATC) in the Netherlands.

Our operations and ministry vary within each programme and reflect the needs of the country, churches, missions, and non-government organisations (NGOs) that we serve. Our operational activities are summarised in the table below:

	2023	2022
Total hours flown	18,616	17,362
Number of flight legs	26,720	24,935
Unique⁽¹⁾ passengers	77,841	73,516
Distance (km)	3,739,677	3,410,511
Unique⁽¹⁾ cargo (kg)	1,902,138	2,283,033
Fleet size (including leased aircraft)	59	59
Staff	589	577
Destinations	533	536

⁽¹⁾ Unique is defined as passengers or cargo per flight (not per flight leg)

ENABLING HEALTH SERVICES

3,561 flights delivering 11,082 passengers and 260,600 kg of freight

Isolated communities often do not have reliable access to medical care. MAF flies medical professionals, supplies, and equipment to the people who need it most.

In May, a medical team from CURE International flew with MAF to remote communities in northern **Kenya**. The group of 10 flew to Lodwar, Kargi, and Namarei for a three-day medical camp to treat vulnerable children living with disabilities. Ebohle needed surgery for a swollen right ankle after she stepped on a thorn. “Two months later, she could not wear a shoe on her right foot.” said Acadius Akungwi, the Programs Officer at CURE. “The thorn caused Ebohle great discomfort, and she found it increasingly difficult to walk or engage in her usual activities.” Thankfully, a simple procedure by the CURE medical team was the solution. “The surgery was a success, and the thorn was finally extracted.” In total, 51 patients benefited from the three-day medical camp, with nine of those needing a surgical procedure.

General Supervisor of Hope Clinic, Luc Colaco Guilavogui, knows what isolation does to his community in **Guinea**. When Luc’s brother needed specialist care, he was grateful a MAF flight could help. “The presence of MAF is helping us a lot here. My younger brother was found to have a neurological problem that was giving him a lot of lower back pain, so he couldn’t sit in a car, that’s how we turned to MAF.” The flight took just two hours, but a painful journey by road would take two days. MAF continues to support Hope Clinic by transporting patients, medical staff, and equipment.

Communication is vital in remote communities. In 2023, MAF Technologies successfully installed a new crosspatch system for the Eastern Highlands Provincial Hospital in **Papua New Guinea**. This was phase one of three phases that will assist all the remote aid posts and health centres within the province who already have either High Frequency (HF) and Very High Frequency (VHF) radio. Cross patching the two different radio frequencies will make communication easy and efficient for patients to reach doctors from the Provincial Hospital from their remote aid posts cutting down travel and medical expenses.

DELIVERING EDUCATION

1,352 flights delivering 5,575 passengers and 78,900 kg of freight

For many, education provides a route out of poverty. But if you live somewhere so isolated that teachers can’t travel to you and schools can’t receive equipment, then the obstacles are that much greater. MAF provides a way to deliver education to remote communities.

SIL has been working with Christian NGO, ZOA, to transform the education sector among the Pokot people of northern **Uganda** by providing materials in their local language. “Children were not motivated to learn when I had just started

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teaching because parents were not sending them to school,” said teacher, Juliet Aperetum. “But since we started teaching them in Pokot, the number of children who are attending school has grown significantly. I have three parents in their early 40s who are learning with the children in my class!”

Senior students at Laynhapuy Homelands School in **Arnhem Land**, Australia, are making inspirational progress in class thanks to an innovative approach to education. Laynhapuy Homelands School students have had remarkable academic success because the school is built according to the wishes of the Indigenous people it serves. This innovative model involves teachers being flown by MAF to the homelands, and students being flown for short spells, learning together in educational camps. MAF is essential to Laynhapuy’s vision of helping young people remain close to their land, their culture and family.

The **Liberian** Children’s Ministry (LCM) used MAF flights to reach remote parts of the country as the organisation supports thousands to get an education. Joe Boway, the Superintendent for LCM travelled to Harper in December. “I do enjoy working with the kids, especially seeing kids who are eager to learn academic education,” said Joe. “The school not only runs academic education and Biblical teaching but also vocational skills in tailoring. For years we drove on rough roads, and it was the most difficult moment on the bad roads. MAF flights have made a big difference in reaching people in the interior of Liberia.”

SUPPORTING THE LOCAL CHURCH

3,705 flights delivering 11,195 passengers and 106,500 kg of freight

In 2023, MAF flights enabled access into and out of remote communities for missionaries, local pastors, evangelists and churches. MAF is privileged to play a part in building God’s kingdom across the world.

A partnership between MAF and Equipping Servants International (ESI) strengthened the local church in **Liberia** by building up skills and bringing support to pastors in remote parts of the country. William Tarpeh flew with MAF in December to Harper to train pastors in hermeneutics (interpreting the Bible).

With the help of the ministry, pastors have become more effective, using the skills they have learned. “ESI’s major worries in the past were the road condition and spending days and nights [on the road], causing a delay within the ministry,” William said. “MAF flights are just an hour and a few minutes, it is the best reward we have received. MAF’s impact has done so much for the church to be able to carry out its work throughout the country. MAF is indescribable; words are inadequate to express my gratitude to the team.”

Communities in **Papua New Guinea** received the Bible in their heart language for the first time, thanks to innovations that are speeding up the work of Bible translators. In November, Partnership Officer Caine Ruruk reported that, so far, **MAF Technologies** has supplied over four hundred translation kits to Wycliffe translation teams across the country, allowing them to translate various local language Bibles. “We are helping in fast tracking the process of Bible Translations by lending hands to the Bible translators through supplying appropriate Technology for National Translators (TNTs) for efficient and accurate Bible translations,” he said.

EMERGENCY MEDICAL SUPPORT

297 flights delivering 1,262 passengers to hospital

A medevac or patient transfer can be the difference between life and death in tragic circumstances. MAF provides access for patients in remote locations in need of urgent medical care.

For Mbola, suffering from severe kidney failure with a cyclone edging closer, a 90-minute flight with MAF was the best option. MAF was called to a remote town in the north of the island to medevac the patient to Antananarivo, **Madagascar** a drive that would have taken 12 hours. He arrived at the airstrip unconscious and in a serious condition. The accompanying doctor emphasised the importance of oxygen supply throughout the flight, but thankfully the MAF aircraft had the necessary equipment. “We sometimes check the pilot’s oxygen pressure during flights. In this case we can use it for the patient,” said pilot Wouter Nagel.

For more than 50 years, MAF has been helping the community of Sengapi, **Papua New Guinea**, by transporting injured people. In January, MAF was called for three patients with broken legs. One was a child of about five years carried by his father. The second one, a young teenager, was carried on a make-shift stretcher and obviously in a lot of pain. The third patient, a middle-aged man, was carried to the plane in a wheelbarrow. The 25-minute flight to Mt. Hagen, where an ambulance was waiting, was the only option as access to this community requires several days of hiking.

A flight in **Chad** had to be diverted when a medevac call was received for a woman who had been stabbed in the chest and had suffered multiple other injuries. Given her condition, any form of ground transportation would have been excruciating

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with no guarantee of making it to a hospital in time. Pilot Becki Dillingham had to make some quick calculations for the unplanned diversion, and she was unsure they would have enough fuel. Thankfully, they were able to refuel at the pickup point and a life was saved thanks to the MAF flight.

BRINGING DEVELOPMENT

9,666 flights delivering 40,471 passengers and 1.2 metric tonnes of freight

For many communities, MAF provides vital access that facilitates community development and the delivery of aid programmes.

The partnership between MAF and RedTribe provided access to Enairebuk, **Kenya**, to bring help, hope and healing to the Maasai community. There are now three functional waterpoints in the area using gravity-fed water systems to bring clean water from the hills closer to the people. Previously relying on rivers, women walked more than a sixteen-kilometre round-trip to fetch, often contaminated, water for their households. The access that MAF provides to this community means the RedTribe organisation can run various projects including education, clinics and now water points.

In January, Pilot Tobias flew a delegation from Christian NGOs to Pibor to celebrate the launch of an innovative women's livelihood project that turns surplus food into income. "This project is a turning point for the women involved and the community of Pibor at large," said Angelo Paterno, Country Director for Help a Child **South Sudan**. Front and centre at the ceremony were the ladies of the Elaweth (Save Us) Women's Group and the carefully packaged jars of dried fish and okra they'd produced. Pilot Tobias commented "It was interesting to see a livelihood initiative which helps the community preserve two things they have in abundance, fish and okra. Fish has a very short shelf life, barely a day in the heat of South Sudan, unless you smoke and dry it. The initiative teaches the women how to turn something they would have to throw away into a product they can sell in the market to generate income. The project helps them make the most of the resources they have to hand."

ACROSS Chief Executive, Elisama Wani Daniel, reflected on the value of a holistic mission approach to address some of the community's physical and spiritual needs. "We are so grateful to God for the unceasing financial and logistical support and prayers from our partners, Red een Kind and MAF that has made it possible for us to keep on with this ministry!"

In May, isolated communities on Atauro Island were able to take part in **Timor-Leste's** parliamentary elections after MAF flew voting papers, ballot boxes and staff to the island. Voters in the young democracy went to the polls to choose the lawmakers who will sit in the national parliament for the next five years. MAF helped the Technical Secretariat for Electoral Administration of Timor-Leste (STAE) by flying a team to Atauro Island to carry essential items for the election.

Eliapa da Costa, the Director of STAE in Atauro Municipality, explained what the flight meant for voters across the island. "We thank MAF for their availability in assisting us in this urgent situation and helping us transport the sensitive material for the election safely and securely in a very short time." Flying with MAF's planes from Dili to Atauro Island takes only 15 minutes, but the alternative option would have been one to three hours travelling by boats.

60 YEARS IN TANZANIA

We give praise to the Lord for the 60 years of service in Tanzania. The Tanzania programme facilitates medical care and evangelism to Tanzania's remotest regions through regular 'safaris'. Clementina Dakay Burra has worked for Haydom Lutheran Hospital for over 23 years, and described the partnership with MAF, "We are truly grateful for the work of MAF connecting us to the people in need of medical services. The years we have partnered with MAF shows me the faithfulness of God working with us."

DISASTER RESPONSE IN SOUTH SUDAN

Fighting erupted in Sudan in April, resulting in many people fleeing to surrounding nations. The MAF Disaster Response team found ways to support this significant humanitarian event as thousands of people were fleeing across the border into South Sudan every day.

In June, MAF launched relief flights from its base in Juba to the remote, northern destination of Renk where the refugee crisis was escalating. Many were South Sudanese nationals who needed to be repatriated to their place of origin.

In partnership with several organisations such as Cordaid, Citizen's Call and Every Home for Christ, over the eleven-week response, MAF completed 33 flights delivering 11.8 tonnes of aid and relief supplies and transporting 10 different agencies and organisations. The three-hour flight replaced a dangerous 600-mile road trip. Return legs allowed some refugees to travel onwards to Juba as part of their journey home, or to access medical care.

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Cordaid Country Director, Tom Otieno, said, “We just want to appreciate MAF. We saw first-hand your mission of flying for life, we really appreciate it. You are contributing to this response and that cannot be underestimated. You are doing so much. And we are proud to be associated with MAF.”

The refugee crisis is ongoing and, through its normal operations, the South Sudan programme continues to support NGOs and churches as they seek to meet the needs of the people in Renk through weekly flights.

OUR STRATEGIC PRIORITIES

During 2023, we continued to focus our work based on our three strategic pathways of our 2021-25 strategic plan:

Expanding our Horizons – to create opportunity for growth through strategic partnerships, institutional and corporate funding, new programmes, worldwide recruitment, capacity-building in our programme countries and new technology that stewards the environment and provides more economical transportation.

Investing in People – to retain staff longer as well as increase the numbers joining our work through a wellbeing strategy, an engineering apprentice and intern scheme, an increase in the number of instructor pilots, and a standardised management training plan to identify and grow management throughout the organisation.

Maximising Impact - to better evaluate and improve the way we perform our work, through the creation and implementation of a ministry impact tool, modernisation of our software tools, standardisation of our project management, and establish an innovation hub that invites creative thought to better serve our customers.

PROGRESS IN 2023 AND FUTURE DEVELOPMENTS

Looking outwards – In 2023, we finalised the planning for amphibious operations in the tributaries of the Western Region and the Gulf of Papua New Guinea, in collaboration with the Sustainable Development Program (SDP) and Gulf Christian Services Hospitals (GCS). This area is largely inaccessible and 48% of children experience stunted growth because of malnutrition which is largely permanent and irreversible as it occurs under the age of 2 years old. Both SDP and GCS work towards solutions which will bring long term transformation to the regions, through increasing local health care capacity and training in nutrition. We anticipate commencement of services in mid-2024.

Fundraising sources - We have not been as effective as planned raising funds from institutional donors. This is mainly due to the shift in government priorities, addressing their local communities and servicing government debt post COVID-19. We are grateful for our member groups and their diligent work to continue to raise funds for us. We continue to seek other opportunities as they arise.

Worldwide recruitment and capacity building – In 2023, we celebrated our global staff group with over 26 nationalities serving across our 13 programmes. This included staff members who have grown within their home country moving to other operational programmes to take up more senior roles. We will continue these initiatives in 2024, with our South Africa member group recruiting staff from across Southern Africa and the exploration of a resourcing hub being set up in East Africa.

Cultivating care - In 2023, MAF’s ‘People Care’ function was established with the goal of encouraging and equipping all people in MAF (international, national and support office staff and their families) with the wellbeing resources needed for effective and sustainable service.

The People Care team was formed, made up of pastoral and HR specialists from across the MAF family. The People Care team provides a vital service in supporting staff, both in programmes and support offices, through in-person visits and remotely. People Care offers all staff the opportunity to receive a mental health check-in and to develop Personal Care and Personal Growth Plans.

Moving towards a digital future – In 2023, we appointed a Chief Information Officer to bring leadership to our technological and digital business to continue to enhance our IT capabilities and maximise efficiencies across the organisation. With a comprehensive five-year technology plan built, we intend to secure our IT foundations with reliable infrastructure and internet capabilities across our operations, review and upgrade our proprietary software, and consider how to use the latest technology, such as Artificial Intelligence, to support our operations.

Unlocking the skies - Since February 2023, our pilots in Papua New Guinea are now authorised to fly Cessna Caravans using Instrument Flight Rules (IFR). For something that is standard in commercial flight operations, the authorisation of IFR means pilots can fly exclusively using cockpit instruments. In the past, as soon as the clouds were too low, dense or visibility is reduced by fog, flying was no longer possible.

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In mountainous Papua New Guinea, weather can be unpredictable and change fast, with clouds rolling in at a moment's notice, so the ability to fly IFR is crucial for delivery of service. In the past, passengers were regularly returned to their boarding destination due to weather conditions. MAF became the first operator in PNG to be granted IFR permissions, a culmination of four years of hard work, internally and with the aviation regulators. Within the first four months of permissions being granted, 60 flights were able to be completed that otherwise would have been delayed or cancelled due to weather restrictions.

Enhancing our aviation training – In 2023, we commenced a project to bring cutting-edge technology to our pilot training capability using advanced C208 simulators, complemented by low-cost virtual reality platforms. The simulators will prepare pilots for service using challenging scenarios in a way that is efficient, cost effective and demonstrates our care for creation through an expected 70% of in-aircraft training being transferred to the simulators. The simulators will also be able to enable internships and inexperienced pilots to do additional training at minimal cost. The first of the simulators, to be located at MATC in the Netherlands, was ordered in Q2 2024. It is expected it will take up to two-years for it to be fully operational.

Renewing our fleet – Over the last two years, we have been developing a comprehensive fleet renewal plan to significantly lower the average age of our fleet. Reducing the average age of the fleet lowers operating cost and aircraft downtime, maximising our impact in the places where we are needed most. The first phase of the plan was activated in 2023, with four new C208s ordered from Cessna and due to be delivered in 2024 and 2025. We are grateful for all our supporters, both large and small, who have generously donated towards this project. Phase 2 will commence in 2024.

PRINCIPAL RISKS AND UNCERTAINTIES

We believe that an effective risk management strategy is key to carrying out our mission. MAF International has a formal risk management process to assess risks and implement risk management strategies. The risk management process is supported with a range of risk management policies including Safety Management, Financial Crime, Code of Conduct, Safeguarding, and Whistleblowing policies. These policies are available on our intranet and available for all staff in every location with review and training scheduled via our learning management system.

The trustees review identified risks and uncertainties regularly to ensure risks are well managed through mitigation activities. The risks are classified into the following groups: Strategic & Enterprise; Governance & Management; Operational; Finance; Environmental & External; and Legal & Compliance. At the end of the financial year, the principal risks, together with the mitigation strategies, being taken to manage these risks were:

Risks	Mitigation strategies
Safeguarding children and adults	We consider safeguarding to be of critical importance in all areas of operations and life. Our HR team is responsible for awareness, training, monitoring and care and all managers have safeguarding as part of their key responsibilities. We require biennial training as well as review and signing of our safeguarding policy for all staff. This is hosted on the learning management system, to ensure compliance.
Technology and digital	Our IT team reduces security and system risks through monitoring and increased controls. The appointment of our CIO will help as we strengthen our IT systems through standardised equipment and processes to provide optimal and cost-effective solutions. Our strategic development team monitors the development of drones, electric and hydrogen aircraft as well as sustainable aviation fuel (SAF).
Mission drift	Our Board of Trustees, CEO and Executive Leadership Team (ELT) own our mission and are tasked with protecting the organisation from experiencing mission drift. Our strong vision and mission statements allow significant discussion across the organisation affirming many of the core elements of our organisation, alongside our Mission Mandate which supports how we express that mission. The impact measurement tools we have developed allow us new ways to monitor and evaluate our work.
Long-term funding	Our CEO and ELT engage regularly with senior management and trustee boards across the MAF family to focus on the medium and long-term funding needs for the organisation. During 2023, the MAF family agreed to appoint a Chief Marketing and Development Officer (CMDO) to coordinate fundraising more closely across the family. The CMDO will be appointed in 2024 and work with a Steering team and with individuals across the family to enhance our fundraising capabilities and build strength through a more unified approach.

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Staff safety	We seek to balance the protection of our staff with our calling to work in places that are unsafe and even hostile. All international staff require hostile environment awareness training prior to service, excluding those serving in Arnhem Land. Our Quality, Safety and Security team train our host country staff in more challenging places and review contingency plans and advise on security awareness in our countries of operation.
Aviation safety	Our safety and quality management systems provide a sound foundation for safe operations. Our Operations Leadership Team has safety as one of their top responsibilities. We focus on continuous improvement, with visible actions taken; as well as the growth and deepening of our safety culture. In 2023, we implemented a new Quality and Safety System, INSIGHT, an integrated reporting system to manage all safety, quality, and security issues, provides business intelligence through concise and configurable dashboards for management and leadership.
Brand reputation	We are a family of organisations, each with their own board and cultural viewpoints, and therefore we must work diligently to maintain our brand. The CEO, ELT and Head of Communications engage regularly across the MAF family to ensure there is a one consistent view of MAF around the globe. The CMDO will bring further strength in this area through a coordinated marketing and fundraising strategy.
Infrastructure	We regularly review, assess and invest in our facilities across all our locations to ensure they are fit for purpose. This includes upgrading facilities in some locations to bring added efficiencies and greater security and investing in new infrastructure to improve and grow our operations. We also improve our facilities, where appropriate, with sustainable measures such as solar power. Our fleet lifecycle plan ensures sufficient ongoing investment in the renewal and replacement of our aircraft.
Attract talented and committed people	We have implemented an engineering apprentice scheme, a management intern scheme, and are coordinating recruitment efforts across the MAF family using our Career Portal. We continue to encourage growth and movement of our current staff, as well as increasing the global reach of our recruitment activities. Our <i>Growing Leaders</i> programme is helping us teach and train those in management or leadership roles. We have revamped our performance management process, to include growth and succession planning as part of each review. Our People Care function is now in place to provide wellbeing, spiritual life, and personal care plans for all staff.
Christian distinctiveness	The Board of Trustees, CEO and ELT are responsible for ensuring the organisation stays true to our vision. We have a statement of faith and encourage daily prayer and worship practices across the organisation. Challenges to our Christian distinctiveness are discussed regularly by the Board and ELT and guidance is given across the organisation, and wider MAF family, as needed.

OUR ENVIRONMENTAL IMPACT

MAF is committed to care for creation to ensure long-term sustainability for the generations to come. Our ultimate beneficiaries are some of the people most affected by the impacts of climate change. Many live from the land, reliant on natural elements to provide reliable food and water. Their environment is being impacted by rising temperatures, increasing fires, floods and extreme weather.

In 2023, we reviewed our carbon footprint in 2022 in comparison to our baseline year in 2019.

Category	2019 tCO ₂ e	2019 %	2022 tCO ₂ e	2022 %	% change from 2019
MAF's own flying	8,307	76.9	7,984	80.3	-3.9
International travel	1,336	12.3	1,061	10.7	-20.5
Energy	440	4.1	348	3.5	-21.0
Local travel	372	3.4	312	3.1	-16.1
Freight	361	3.3	168	2.4	-53.3
Total	10,816	100	9,873	100	-8.7

Carbon emissions reduced between 2019 and 2022, although some of the change was due to the medium-term recovery of travel disruption arising from COVID-19.

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As an organisation bringing help, hope and healing to the world's most remote communities, we seek to ensure that the benefits of our life-changing work is accomplished with the least possible impact on the environment. Our environmental strategy includes:

- Minimising waste, reducing consumption and increasing the use of sustainable goods. This will include carbon-efficient methodologies such as solar panels, evaluating our supply chain, monitoring the development of sustainable aviation fuels (SAF) and carefully managing travel;
- Advocacy through engagement across all stakeholder groups, including staff and donors, and intentional work with customers focussed on creation care;
- Research and investment in new and future technologies including drones, electric aircraft and other carbon-friendly tools; and
- Meeting or exceeding regulatory compliance in every location.

During 2023, our associated training base in the Netherlands, MATC, successfully trialled SAF in their training aircraft. SAF production is currently limited, and it would be challenging to obtain SAF in many of the jurisdictions where MAF operates. However we are closely following the development of SAF and associated fleet certification processes.

Under The Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, MAF International is required to report our UK energy use, associated greenhouse gas emissions and information relating to energy efficient action.

The requirements for carbon and energy reporting have not been completed for the year ended 31 December 2023 because, as a global aviation organisation, only providing this information on UK non-aviation activities would seriously prejudice the readers' understanding of the actual energy used and greenhouse emissions produced by the organisation. We are working towards producing this information for the whole organisation on an annual basis to meet our internal commitment and Companies Act requirements.

STAKEHOLDER ENGAGEMENT

The trustees have taken due notice of the requirements laid out in section 172(1) of the Companies Act 2006. The trustees confirm their compliance with section 172(1) through appropriate delegation of authority to the Finance & Audit, Governance & Risk, and Safety & Security Committees, and also to the CEO, as laid out in the Board Governance Manual.

The six areas of section 172(1) are addressed as follows:

(a) the likely consequences of any decision in the long term,

The trustees approved the five-year strategic plan in 2019. In approving the plan, the trustees considered the long-term issues facing the organisation, the opportunities presented to further our mission and the consequences of not fulfilling the plan. The trustees listened carefully to stakeholders, both internally and externally, in preparation of the plan. 2023 marked the half-way point for the plan, and a deep dive was conducted by the trustees to consider the progress made and the need to change approach where necessary.

(b) the interests of the company's employees,

The trustees recognise that our staff are our most important asset. Concerns on staff welfare are regularly discussed and challenges given to management to care for our staff. A comprehensive staff engagement survey is carried out every five years, the latest being in 2023. Since 2018, results improved in all ten areas of the survey with notable improvement in the areas of manager-employee relationship and people care. Trends are monitored for each operational programme/office and actions taken to improve staff well-being and engagement. In 2024, it is intended that the comprehensive five-year survey will be supported by more regular pulse-surveys in specific areas.

(c) the need to foster the company's business relationships with suppliers, customers, and others,

Our key business relationships are with our member groups (see more detail under f) donors, customers whom we fly, suppliers and our ultimate beneficiaries in the most isolated communities. We regularly carry out surveys with customers as well as ministry effectiveness reviews to ensure we understand the needs of our customers and the isolated communities we serve. By the end of 2024, we intend to have completed impact surveys in all our operational locations to strengthen key programme relationships and ensure we are meeting our customers' needs, and therefore the needs of the remote communities.

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(d) the impact of the company's operations on the community and the environment,

As an aviation organisation, we are deeply aware of the impact on the environment of our work and services. We actively monitor developments in sustainable aviation and the environmental impact of the support services needed for our operations, see section on environmental impact. We intentionally work closely with the communities where we work to ensure engagement and understanding of MAF, listen to their needs and foster strong relationships.

(e) the desirability of the company maintaining a reputation for high standards of business conduct, and

We always engage with the highest level of integrity with all parties. All staff are trained on, and required to sign, our Code of Conduct and Safeguarding Agreement, which establish the requirement for integrity in all our operations. We also have a Whistleblowing Policy, including an independent hotline, to ensure staff and other external parties such as beneficiaries and suppliers can raise any concerns and that they are properly addressed.

(f) the need to act fairly, as between members of the company.

We continue to be grateful for our relationship with the members of MAF International, whose main function is to resource the operations in the provision of staff, funds and underpinning all our activities with prayer. We are aware of our interdependence on one another and seek to work for the mutual benefit and partnership of all parties within the MAF family. The Board of Trustees engages directly with the boards of the MAF member groups. The ELT engages with members of the senior leadership teams in each MAF member group.

FINANCIAL REVIEW

The financial statements comply with the requirements of the governing documents, current statutory requirements and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Consolidated Statement of Financial Activities for MAF International for the year is set out on page 20. Total income for the year was USD 46,639,000 (2022 - USD 44,957,000), 33% (2022 - 32%) was generated by services provided, 64% (2022 - 67%) was voluntary income including restricted gifts and intangible income (the value attributed to international staff seconded from members) and the remaining 3% (2022 - 1%) from other sources.

The net movement in resources for the year before other gains and losses was a surplus of USD 3,425,000 (2022 - a surplus of USD 8,044,000). The net surplus in revaluation reserve was USD 3,095,000 (2022 - surplus of USD 2,111,000), and, as with 2022, there was no movement on the defined benefits pension scheme. These movements together with other gains and losses, predominantly on foreign exchange transactions, resulted in a net movement in funds for the year of a surplus of USD 5,764,000 (2022 - surplus of USD 8,233,000). This comprises a deficit of USD 732,000 on unrestricted general funds, a surplus on designated funds of USD 3,201,000 and a surplus on restricted funds of USD 3,295,000. This includes a transfer of USD 1,403,000 from restricted funds to designated funds following a review of previously restricted assets in accordance with the accounting policy 1p on page 25. Details of the designated funds are set out in the Notes to the Financial Statements (note 24), which includes a note of how the funds are expected to be used.

MAF International keeps its financial records in, and reports in, US dollars. As a result, there are unrealised gains and losses on currency translation which arise on the translation of the Papua New Guinea financial statements, as well as on our GBP, AUD and EUR deposits and other short-term assets and liabilities.

Reporting of pension provision

From 1999 to 2008, MAF International provided pensions for UK-based employees through "The MAF Europe UK Pension Scheme". The trustees have included pension information on this scheme in the format required by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

The scheme was closed to future service accrual at 29 February 2008. The scheme has 17 "deferred" members who will receive their pension, based on service up until that date, at their normal retirement date, together with 13 pensioner members. The actuarial review as at 1 January 2022 disclosed a funding surplus of GBP 125,000 (USD 151,000 at the December 2022 exchange rate) on assets of GBP 5,241,000 at that date. In June 2022, the trustees agreed to pursue a buy-out of the scheme. A buy-in was purchased on 31 May 2023 and the buy-out is expected to be completed in 2024.

Note 27 shows that, as at 31 December 2023, comparing the present value of the scheme's future liabilities with the current value of the investments, there was a net asset of USD 391,000 (2022 - USD 2,032,000). This has not been recognised in the financial statements because the directors believe it is unlikely this asset will be fully recovered. The scheme's assets and liabilities are recorded in GBP and have been translated into USD for these statements. The net pensions asset before translation is GBP 308,000 (2022 - GBP 1,678,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

In addition to the defined benefit scheme, MAF International makes contributions to defined contributions schemes or government schemes on behalf of its employees in accordance with normal practice or legal requirements in each country.

Financial position and reserves policy

The assets and liabilities of MAF International are set out in the balance sheet. All the assets were used to further the objects of the charity. The balance carried forward on unrestricted funds totals USD 65,542,000 (2022 – USD 63,073,000); being USD 1,618,000 of general funds (2022- USD 2,350,000) and USD 63,924,000 of designated funds (2022 – USD 60,723,000). The general funds form the charity's base reserve.

It is the Board's policy to reserve sufficient funds to ensure our ongoing operations. These include a base reserve of 45 to 90 days overhead expenditure to withstand peaks and troughs in cash flows. Designated funds are set aside to pay for necessary overhaul and replacement of assets in the event of accidental damage, as well as invest in future growth of the organisation. As a regular part of the Board's work, all risks and reserves were reviewed, and any recommended changes have been implemented. Details of all the designated funds are set out in note 24.

At 31 December 2023 the base reserve balance was less than the range of 45 to 90 days of overhead expenditure, however USD 13,902,000 are held in non-capital designated funds that can be utilised if needed.

Fundraising

MAF International does not raise funds directly from the public. We receive most donations from the MAF members that diligently work to support our activities. During the year USD 22,115,000 (2022 – USD 23,550,000) was received from MAF groups and in addition USD 1,481,000 (2022 – USD 238,000) was received from Institutional and corporate funders. A breakdown of the source of all the donations received is shown in note 3.

Grants

Significant grants made in the year include grants totalling USD 1,518,000 (2022 – USD 71,000) to MAF US for their work in central Asia and staff, USD 283,000 (2022 – USD 251,000) to MAF Norway to support their development and USD 204,000 (2022 – USD 208,000) to MAF Sweden to support their development and staff. Other grants made are shown in note 6.

Related parties

In December 2021, MAF International entered into an unsecured loan agreement with MAF Netherlands, for EUR 1,000,000 to assist in the building of hangar facilities in Mareeba, Queensland, Australia, followed by a further EUR 1,000,000 in January 2022 to purchase a C208 for Arnhem land, Australia.

EUR 260,000 was repaid against the second loan in 2023 (EUR 443,800 in 2022), leaving EUR 1,296,200 outstanding in aggregate at 31 December 2023.

GOVERNANCE AND STRUCTURE

Articles of Association

MAF International's initial memorandum and articles of association were dated 23 December 1995. In September 2011, the memorandum and articles of association were replaced, and at a General Meeting of members revised, combined articles of association were adopted. These articles were further revised by some amendments at subsequent meetings.

Details of MAF International's subsidiaries are set out in note 29 to the Financial Statements.

Trustees

The trustees are appointed by the members. In 2023 the Board met four times. Details of the trustees, committee members, principal officers and advisors are set out at the end of this report.

The Board is assisted by three subcommittees: a Safety & Security Committee, a Finance & Audit Committee, and a Governance & Risk Committee. The members of these subcommittees comprise board members and outside experts, where appropriate. The nominated safeguarding trustee reports direct to the Board.

The trustees govern the organisation and delegate the day-to-day running of the charity to the Chief Executive Officer and the ELT, who are responsible for specific areas of the charity and are listed on page 15. The Board maintains a Governance Manual which, sets financial and operational parameters within which the CEO and ELT must manage the operations of MAF.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustee Induction and Training

In the trustee induction programme, new trustees are provided with a copy of the Board Governance Manual as well as a copy of *CC3 The Essential Trustee*. They are required to attend a series of training sessions with the CEO and other executives to learn more about the work and how MAF International operates.

The trustees invest in ongoing training, through the invitation of specialists to train the Board on matters of interest, such as good governance, to ensure that the trustees invest in their own development and are kept abreast of best practice.

Public benefit

The trustees confirm that they have complied with their duty laid out in the Charities Act 2022 to have due regard to the public benefit guidance published by the UK Charity Commission. MAF International aims to benefit those living in some of the most isolated parts of the world. Our fleet of light aircraft can take emergency teams, healthcare professionals, Christian workers and supplies into these remote areas more quickly and efficiently than by any other means. As a result, our activities benefit two major groups: firstly, the charities, churches, and other organisations whose mission it is to reach these isolated communities, and secondly the communities themselves.

OUR PEOPLE

The CEO, together with the ELT, is responsible for the day-to-day management of MAF International's affairs and for implementing the policies and strategies set by the Board.

Remuneration of Executive Leadership

The trustees set the CEO's salary having considered his role and responsibilities, the size and nature of the charity, and comparisons with the salaries of others in the same sector in the UK. The salaries of the other members of the ELT are set by the CEO considering the country of residence of each. All ELT members receive the same cost of living rises as the organisation's other staff in their respective countries of service.

Volunteers

We have a small number of volunteers who assist in charitable activities overseas. The trustees and ELT are grateful for the time and effort these individuals contribute to MAF International's ministry. The time spent by such volunteers is not considered to be material in comparison to the total staff time and therefore no additional disclosure has been made.

Safeguarding

We are committed to providing a safe and trusted environment for our staff, volunteers and beneficiaries. We require the highest ethical and moral standards from all our staff and take misconduct seriously. We have written policies with which all staff must comply, including a code of conduct, non-harassment, anti-bullying, data protection and privacy, equal opportunity and just culture policies.

We have a robust safeguarding policy in place, together with safeguarding standards for the protection of children and vulnerable adults, which require agreement from each member of staff every two years along with refresher training. Safeguarding risks are regularly reviewed by management and the trustees. Recruitment processes include questions for applicants and referees related to safeguarding, along with enhanced training for recruiters. Safeguarding officers have been appointed and trained for each MAF International location and all new staff for overseas roles must undergo a police check before acceptance is confirmed.

During 2023, there were one minor safeguarding issues reported to and investigated by MAF International. Neither of these required reporting to the Charity Commission.

Employment of Disabled People

Our policy and practice is to ensure equal opportunities in the recruitment, training and career development of disabled people on the basis of their aptitude and abilities required in their job role. We also work toward the retention and retraining of employees who have become disabled.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

OUR SYSTEMS

Internal Control

The trustees have overall responsibility for ensuring that the charity has an appropriate system of internal controls. 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 financial crime, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable; and
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the trustees;
- regular consideration by the trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks; and
- minimum financial internal controls required are documented in a finance manual.

In addition, there is a financial internal audit function. It includes a schedule of audit visits to programmes on a rotational basis.

Standards, Quality and Flight Safety

We operate an aviation safety programme and a quality assurance programme. The aviation standards in the aviation manuals, for all our operations are International Civil Aviation Organisation (ICAO) and/or local national aviation authority (NAA) compliant.

The purpose of the quality assurance programme in relation to aviation is to monitor achievement and continued compliance with the requirements of the local aviation authority and of MAF International and to ensure adequate procedures for the safe operation of aircraft. In addition to local quality managers, we also operate a central audit system where each programme's operations and maintenance compliance is monitored annually. Further, we use the 'Just Culture' methodology to ensure the right levels of accountability in the organisation.

The trustees have a sub-committee to regularly review safety standards throughout the organisation and to give oversight to the aviation safety programme.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the surplus or deficit of the group and charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statements as to Disclosure of Information to Auditors

So far as the trustees are aware at the time the report is approved:

there is no relevant audit information of which the charity's auditors are unaware; and

the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Co-operation with Other Groups

MAF International works closely with other organisations involved with aviation support for church, mission and relief and development groups. MAF International has a close relationship with the independent MAF member groups in various countries.

Approved by the Board on 9 July 2024.

Peter Curtis

Chairman

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

TRUSTEES

Peter Curtis (Chair)
Søren Filbert
Rachel Gardner-Poole (from 1 Jan 2024)
Alastair Ralph Gunn
Ndabaethethwa Mazabani
Stephen Osei-Mensah
Dennis van der Sar
Carey Vanlalmuana

COMMITTEE MEMBERS

Finance and Audit Committee:

Alastair Ralph Gunn (Chair)
Carey Vanlalmuana
William Watson

Governance and Risk Committee:

Stephen Osei-Mensah (Chair)
Peter Curtis
Søren Filbert
Ndabaethethwa Mazabani

Safety and Security Committee:

Dennis van der Sar (Chair)
Stephen Osei-Mensah
Leighton Pittendrigh-Smith

EXECUTIVE LEADERSHIP TEAM

David Fyock
Chief Executive

Norman Baker III
Chief Operating Officer

Anna Beck
Chief Finance Officer and Company Secretary

Abraham Carel Bothma
Chief HR Officer

Douglas Ring – from 1 September 2023
Chief Information Officer

William Harding
International Development Director

MEMBERS

MAF Australia
MAF Denmark
MAF Finland
MAF France
MAF Germany
MAF Italy
MAF Netherlands
MAF New Zealand
MAF Norway
MAF South Africa
MAF Sweden
MAF Switzerland
MAF UK

PROVISIONAL MEMBERS

MAF Philippines
MAF Singapore

ASSOCIATE MEMBERS

MAF Canada
MAF USA

Registered Office, and principal place of business in UK
Operations Centre, Henwood, Ashford, Kent, TN24 8DH

Independent Auditor

Forvis Mazars LLP, 6 Sutton Plaza, Sutton Court Road,
Sutton, Surrey, SM1 4FS

Principal Bankers

National Westminster Bank plc, Europa House, 49
Sandgate Road, Folkestone, Kent CT20 1RU

Solicitors

Stone King LLP, 16 St John's Lane, London EC1M 4BS

**ACCOUNTABILITY, ACCREDITATION AND
MEMBERSHIPS**

MAF International is a member of a number of organisations including EU-CORD, ACCORD, Global Connections, the UN Global Logistics Cluster, the DFID Rapid Response Facility, the Common Humanitarian Standards (CHS) Alliance and the Global Network of Civil Society Organisations for Disaster Reduction (GNDR).

In addition, MAF International is an observer member of Active Learning Network for Accountability Performance in humanitarian action (ALNAP) and recognises and upholds the Sphere standards.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL
FOR THE YEAR ENDED 31 DECEMBER 2023**

OPINION

We have audited the financial statements of Mission Aviation Fellowship International ('the parent charity') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 FRS 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 group's and the parent charity's affairs as at 31 December 2023 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 group's or the parent charity'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.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 the financial statements.

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

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, tax legislation, safeguarding, pensions legislation, employment regulation, health and safety regulation, anti-bribery, corruption and fraud and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as The Charities Statement of Recommended Practice and the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

Nicola Wakefield
(Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey SM1 4FS

Date:

MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023				2022			
		Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total
		General	Designated	funds		General	Designated	funds	
USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
Income									
Donations	3	9,819	-	20,132	29,951	9,105	-	20,796	29,901
Charitable activities	4	14,665	860	-	15,525	13,480	876	-	14,356
Other		946	145	72	1,163	689	-	11	700
Total income		25,430	1,005	20,204	46,639	23,274	876	20,807	44,957
Expenditure									
Raising funds	5	547	-	-	547	449	-	-	449
Grants made	6	1,002	28	1,605	2,635	883	76	161	1,120
Charitable activities	7	22,345	3,767	13,920	40,032	18,202	3,561	13,581	35,344
Total expenditure		23,894	3,795	15,525	43,214	19,534	3,637	13,742	36,913
Net income/(expenditure) before transfers	9	1,536	(2,790)	4,679	3,425	3,740	(2,761)	7,065	8,044
Transfers between funds	24,25	(1,556)	3,804	(2,248)	-	(2,108)	4,150	(2,042)	-
Net income/(expenditure) before other recognised gains and losses		(20)	1,014	2,431	3,425	1,632	1,389	5,023	8,044
Net movement in revaluation reserves	24,25	-	2,196	899	3,095	-	1,599	512	2,111
Other losses		(712)	(9)	(35)	(756)	(1,917)	(5)	-	(1,922)
Net movement in funds		(732)	3,201	3,295	5,764	(285)	2,983	5,535	8,233
Balances brought forward		2,350	60,723	30,287	93,360	2,635	57,740	24,752	85,127
Balances carried forward		1,618	63,924	33,582	99,124	2,350	60,723	30,287	93,360

There were no recognised gains or losses in either year other than those included in the Statement of Financial Activities.

All income and expenditure derive from continuing activities in both years.

The notes on pages 23 to 42 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2023**

		Consolidated 2023	Consolidated 2022	Charity 2023	Charity 2022
					As restated *
	Note	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	11	142	156	142	156
Tangible fixed assets	12	75,129	72,603	32,939	35,222
Current assets					
Stocks	13	3,071	2,792	735	782
Debtors	14	7,015	5,251	4,819	2,347
Short-term deposits	15	3,402	3,066	-	-
Cash and cash equivalents	16	20,502	20,450	17,281	17,327
		33,990	31,559	22,835	20,456
Current liabilities					
Creditors	17	(7,692)	(8,269)	(4,974)	(5,067)
Net current assets		26,298	23,290	17,861	15,389
Debtors due after more than one year	14	539	82	539	82
Total assets less current liabilities		102,108	96,131	51,481	50,849
Creditors due after more than one year	18	(1,425)	(1,516)	(1,425)	(1,516)
Net assets excluding pension and deferred tax liabilities		100,683	94,615	50,056	49,333
Deferred tax liability	20	(1,559)	(1,255)	-	-
Net Assets including pension liability		99,124	93,360	50,056	49,333
Accumulated funds					
Unrestricted funds					
General		1,618	2,350	1,151	723
Designated revaluations reserves		5,635	3,456	2,152	1,328
Other designated funds		58,289	57,267	28,278	28,657
	24	63,924	60,723	30,430	29,985
Total unrestricted funds		65,542	63,073	31,581	30,708
Restricted funds					
Restricted revaluations reserves		1,773	985	558	438
Other restricted funds		31,809	29,302	17,917	18,187
Total restricted funds	25	33,582	30,287	18,475	18,625
Total funds	26	99,124	93,360	50,056	49,333

Approved by the directors on 9 July 2024 and signed on their behalf by

Peter Curtis, Chairman

The notes on pages 23 to 42 form an integral part of these financial statements.

*See note 31.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 USD'000	2022 USD'000
Net cash from operating activities	30	2,306	10,364
Cash flow from investing activities			
Purchase of tangible assets		(2,152)	(6,197)
Purchase of intangible assets		(25)	(140)
Proceeds from disposals of tangible assets		427	320
Interest received		283	20
Net cash used in investing activities		<u>(1,467)</u>	<u>(5,997)</u>
Effect of exchange rates on cash and cash equivalents		<u>(451)</u>	<u>(1,418)</u>
Net increase in cash and cash equivalents		388	2,949
Cash and cash equivalents at start of year		23,516	20,567
Cash and cash equivalents at the end of the year		<u><u>23,904</u></u>	<u><u>23,516</u></u>

The notes on pages 23 to 42 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES

Mission Aviation Fellowship International is a charitable company limited by guarantee and registered in England and Wales, registration number 3144199, and a registered charity number 1058226. The registered office is Operations Centre, Henwood, Ashford, Kent TN24 8DH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020), Charities SORP (FRS 102) and the Companies Act 2006.

MAF International meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of aircraft which are measured at fair value in accordance with the policy k below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

b Going concern

MAF International has USD 23,904,000 (2022 - USD 23,516,000) held in immediately accessible cash or short-term investments at 31 December 2023. Of this USD 8,333,000 (2022 - USD 5,751,000) is held for restricted purposes and the remaining cash is for use at the directors' discretion which is sufficient to cover the group's liabilities as they fall due for the foreseeable future. In light of this, these financial statements have been prepared on the basis that the charity is a going concern.

c Consolidation

The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet have been prepared by combining the data of MAF International, all of its subsidiary undertakings, see note 29. The charity has taken exemption from presenting its unconsolidated profit and loss account under Section 408 of the Companies Act 2006. The result for the charity only for the year was a surplus of USD 723,000 (2022 – surplus of USD 5,187,000).

d Foreign currencies

The functional and presentation currency of MAF International is US dollars as the primary currency used in the aircraft industry. However, income and costs also arise in other currencies due to operating jurisdictions. Other currencies have been translated to US dollars as follows:

Current assets and liabilities – closing rate at 31 December 2023
Other amounts - rate at date of transaction

The key exchange rates used to translate to USD were:

	31 December 2023	2023 Average	31 December 2022	2022 Average
GBP Sterling	1.2732	1.2421	1.2105	1.2400
Australian Dollar	0.6805	0.6631	0.6813	0.6965
Papua New Guinean Kina	0.2683	0.2791	0.2841	0.2838

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES (CONTINUED)

e Income

- (i) Donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.
- (ii) Donated services income comprises the estimated value to MAF International of the staff seconded for international service. The costs are borne by the seconding groups. An equal and opposite charge is recognised in charitable expenditure. In accordance with the Charities SORP (FRS 102), the time donated to MAF International by volunteers is not recognised.
- (iii) Income arising from charitable activities is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of credits and discounts allowed and value added taxes.
- (iv) Interest on funds held on deposit is included when receivable and can be measured reliably.

f Expenditure

- (i) Raising funds comprises a proportion of central overhead costs arising from staff and other costs attributable to this activity.
- (ii) Grants made comprises payments made to other MAF groups and similar organisations either in accordance with donor restrictions placed on the funds, or to support their development, or to enable them to fully finance the seconding of individual staff to our operations.
- (iii) Charitable activities comprise actual costs relating to the aircraft and other services together with local (overseas) overheads.
- (v) Support costs include functions that directly support the operations such as flight training, engineering, operations support and quality, safety and security. Support costs also include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds, grants made and charitable expenditure. The basis on which support costs have been allocated is set out in note 8.

g Employee benefits

- (i) Leave benefits, including holiday pay are recognised as an expense in the period in which the service is rendered.
- (ii) Pension payments to defined contribution pension schemes are recognised as an expense when they fall due.
- (iii) MAF international holds a defined benefit pension scheme which is closed to new members and further accrual since 2008. The amount recognised in the balance sheet at 31 December 2023 is USD Nil (2022 – USD Nil).
- (iv) Annually, an independent actuary is engaged to calculate the obligation arising under the scheme. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss.

h Operating leases

Operating lease rentals are charged to the Statement of Financial Activities in accordance with the term of the lease.

i Deferred tax

Local legislation requires MAF to be registered as a commercial company in Papua New Guinea, which potentially gives rise to taxation on operating activities. Any taxation liabilities arising from these activities are provided at rates ruling in the relevant accounting period and deferred taxation is provided where it is predicted that a liability may arise in the foreseeable future.

j Intangible fixed assets

Purchased and internally developed computer software which costs USD 3,000 or more is capitalised at cost and amortised over its estimated useful life, 5 to 10 years.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. ACCOUNTING POLICIES (CONTINUED)

k Tangible fixed assets

Individual fixed assets costing USD 3,000 or more are capitalised at cost.

Depreciation is calculated as follows:

(i) Aircraft

Aircraft, where externally insured, are included at their insurance values. Other aircraft are valued at directors' valuation. Depreciation is charged to write off expenditure over an estimated useful life of 40 years.

Any increases in the net value are credited to expenditure to the extent that the aircraft has been previously impaired; the remaining gain is credited to the revaluation reserve within other comprehensive income. Any decreases are debited to the portion of the revaluation reserve associated to that aircraft until it is fully depleted and the remaining decrease is charged to expenditure.

When an aircraft has been purchased, and until it is brought into operational use, it is valued at the costs incurred to date. When it is planned that an aircraft will be sold, the net value of that aircraft is reduced to the expected sale proceeds.

(ii) Property

Depreciation is charged to write off expenditure on leasehold property equally over the length of the lease. Depreciation on other buildings is charged to write off the cost to their residual values over their expected economic lives. This is assessed country by country and ranges from 3 to 50 years. Depreciation on leasehold land is charged to write off the expenditure over the life of the lease. For assets in the course of construction depreciation is charged from the date which that facility becomes operational.

(iii) Equipment and vehicles

Depreciation is charged to write off the expenditure over an estimated useful life of 5 to 10 years.

l Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

m Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 value.

o Financial instruments

Financial assets and liabilities are initially measured at transaction value, except for specific financial instruments which are initially measured at fair value.

Trade and other debtors are subsequently measured at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and cash in hand includes cash and short-term highly liquid investments.

Creditors and provisions are subsequently measured at the amount due to settle the obligation where it can be measured or estimated reliably.

The organisation uses non-speculative foreign exchange contracts to reduce its exposure to foreign exchange risk, in line with the organisation's investment policy. Foreign exchange contracts are initially recognised at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

p Funds

Unrestricted Funds – General comprise net accumulated surpluses. They are available for use to further the charitable objectives of the charity.

Unrestricted Funds – Designated are amounts that have been set aside by the trustees for specific objectives.

Restricted Funds are funds and assets subject to specific conditions imposed by donors. When assets are purchased with restricted funds the restriction is deemed to be satisfied after reporting to the donor on the use of those assets ceases. Such assets are then transferred to unrestricted designated funds.

q Related parties

In the opinion of the trustees the group has no related parties.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group:

a Donated services

The value of donated services is determined by applying the average cost of a member of seconded staff to all those staff whose services have been donated to the group during the year. The average cost is calculated from the actual staff cost data of three member groups who supplied the highest number of seconded staff during the year.

b Overhaul

Funds are set aside in a designated fund for each hour flown for future overhaul of aircraft engines, propellers and the aircraft themselves. Actual expenditure is charged to the designated fund. For aircraft leased from third parties, these funds are included as a liability on the balance sheet.

c Aircraft valuations

The group values aircraft by reference to the "Blue Book value" (the aviation industry's standard indication of the expected recoverable amount on the open market). Adjustments are made for enhancements to the aircraft not accounted for in the Blue Book value, approved by the directors. Annually, every aircraft is revalued and reviewed for impairment.

d Estimation of useful lives of assets

The group determines the estimated useful lives and related amortisation and depreciation charges for intangible and tangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation or depreciation charge will increase where the useful lives are less than previously estimated lives. Technically obsolete assets that have been abandoned or sold are written off or written down.

e Impairment

MAF International assesses impairment of intangible and tangible assets at the end of each reporting period by evaluating conditions and events specific to the organisation that may be indicative of impairment trigger.

f Tax accruals

The group has a number of outstanding tax issues at the end of the financial year. The expected liabilities are accrued in the financial statements. Each accrual is calculated in accordance with communication from the tax authorities, local legislation and other external factors such as exchange rates. These accruals are reviewed annually and recalculated as necessary.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. INCOME FROM DONATIONS

Voluntary income comprises the amounts transferred mainly from the MAF members, together with other gift income. Restricted gifts may have been transferred directly to MAF International by a donor agency, under the direction of the national group.

	2023			2022		
	Unrestricted USD'000	Restricted USD'000	Total USD'000	Unrestricted USD'000	Restricted USD'000	Total USD'000
Donated services	-	5,477	5,477	-	4,518	4,518
Income for housing	726	-	726	852	-	852
Institutional donors	-	1,481	1,481	-	238	238
MAF Australia	923	1,704	2,627	5	1,623	1,628
MAF Canada	-	11	11	-	15	15
MAF Denmark	225	203	428	159	197	356
MAF Finland	19	35	54	18	34	52
MAF France	-	60	60	-	40	40
MAF Germany	21	67	88	-	72	72
MAF India	-	6	6	-	-	-
MAF Italy	-	4	4	-	5	5
MAF Netherlands	-	4,937	4,937	-	4,453	4,453
MAF New Zealand	-	543	543	-	541	541
MAF Norway	-	866	866	536	369	905
MAF South Africa	-	4	4	-	-	-
MAF Sweden	83	96	179	-	225	225
MAF Switzerland	-	523	523	-	648	648
MAF UK	7,716	3,847	11,563	7,488	6,964	14,452
MAF USA	21	201	222	29	129	158
Other donors	85	67	152	18	725	743
	<u>9,819</u>	<u>20,132</u>	<u>29,951</u>	<u>9,105</u>	<u>20,796</u>	<u>29,901</u>

Many International Staff are paid by the MAF member or another mission agency which then seconds them to the charity. The costs of these staff are therefore borne by those groups and as a result the staff support received is generally not passed to the charity. Other International Staff are paid by the charity. As a partial contribution towards this cost, restricted income is received by the charity from their relevant sending MAF groups. The total of such amounts received by the charity and included in restricted income above was as follows:

	2023	2022
	USD'000	USD'000
MAF Australia	1,121	1,100
MAF Canada	11	10
MAF Germany	25	18
MAF India	6	-
MAF Netherlands	180	214
MAF Norway	-	2
MAF South Africa	2	-
MAF Sweden	-	31
MAF Switzerland	179	128
MAF UK	499	558
MAF USA	108	105
Other donors	<u>73</u>	<u>36</u>
	<u>2,204</u>	<u>2,202</u>

MAF International additionally collected USD 464,000 (2022 – USD 423,000) donations income on behalf of other MAF member groups or associated members. In these situations, MAF International forwards the income onto the relevant group directly and consequently the income has not been recognised in the financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. INCOME FROM CHARITABLE ACTIVITIES

The users of MAF International aircraft contribute to the costs of MAF. Similarly, MAF International seeks contributions towards its costs when providing other services, such as logistics. In Australia, we additionally have an aircraft engineering base which serves both our programmes in the regions as well as third-party customers. MAF Technologies in PNG provides radio and other communication technology services. Some programmes are also able to help third-party organisations with aircraft or vehicle maintenance.

	2023			2022		
	General	Designated	Total	General	Designated	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Contributions for						
Aviation services	14,132	-	14,132	13,030	-	13,030
Maintenance services	198	-	198	188	-	188
Other technologies	-	854	854	-	876	876
Other services	335	6	341	262	-	262
	<u>14,665</u>	<u>860</u>	<u>15,525</u>	<u>13,480</u>	<u>876</u>	<u>14,356</u>

MAF International acts as an agent for flights operated by MAF Canada and MAF US. During the year, the group collected and passed on USD 5,000 (2022- USD 10,000) which has not been recognised in these financial statements.

5. EXPENDITURE ON RAISING FUNDS

	2023	2022
	USD'000	USD'000
Allocation of support staff and other costs	<u>547</u>	<u>449</u>

All amounts relate to unrestricted funds in both the current and prior year.

6. EXPENDITURE ON GRANTS MADE

Grants were made from restricted and unrestricted funds in 2023 as follows:

	For				Sub-total	Allocation		Total
	international	For ongoing operations and development				of support	Total	
	staff support	of their activities				costs		
General	General	Designated	Restricted	General	USD'000	USD'000		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
MAF Canada	132	-	-	-	132	14	146	
MAF France	-	-	-	32	32	1	33	
MAF Italy	-	-	-	57	57	1	58	
MAF Netherlands	4	-	-	-	4	1	5	
MAF Norway	-	236	-	47	283	26	309	
MAF Philippines	-	-	-	20	20	1	21	
MAF Singapore	-	-	-	30	30	1	31	
MAF South Africa	29	-	-	25	54	4	58	
MAF Sweden	19	185	-	-	204	21	225	
MAF Switzerland	95	-	-	-	95	10	105	
MAF USA	159	-	-	1,359	1,518	58	1,576	
MATC	-	-	28	26	54	5	59	
Mission Eine Welt	-	-	-	9	9	-	9	
	<u>438</u>	<u>421</u>	<u>28</u>	<u>1,605</u>	<u>2,492</u>	<u>143</u>	<u>2,635</u>	

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. EXPENDITURE ON GRANTS MADE (CONTINUED)

Grants were made from restricted and unrestricted funds in 2022 as follows:

	For	For ongoing operations and development			Sub-total	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
MAF Canada	139	-	-	-	139	11	150
MAF France	40	-	-	39	79	14	93
MAF Italy	-	-	-	57	57	16	73
MAF Netherlands	8	-	-	-	8	1	9
MAF Norway	-	251	-	-	251	20	271
MAF Philippines	-	-	-	15	15	4	19
MAF Singapore	-	-	-	15	15	4	19
MAF South Africa	21	-	32	7	60	6	66
MAF Sweden	8	200	-	-	208	17	225
MAF Switzerland	31	-	-	-	31	3	34
MAF USA	71	-	-	-	71	6	77
MATC	-	-	44	28	72	12	84
	318	451	76	161	1,006	114	1,120

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Direct costs of services comprise the direct costs of aviation (such as fuel, maintenance and insurance) as well as those of other technologies and of running the aviation operations and maintenance departments, excluding staff costs. The direct costs of providing other services are within other local overhead expenditure and are not material. The method of allocation of support costs is shown in note 8.

Charitable activities for 2023 were as follows:

	Programme costs			Sub-total	Allocation of support costs	Total
	General	Designated	Restricted			
	USD'000	USD'000	USD'000			
Direct costs of services	5,761	887	3,170	9,818	5	9,823
Cost of donated services	-	-	5,397	5,397	80	5,477
Staff costs	6,973	7	2,756	9,736	6,274	16,010
Other local overhead expenditure	2,886	279	1,870	5,035	1,355	6,390
Depreciation, amortisation and impairment	-	1,949	87	2,036	59	2,095
(Profit) on sale of assets	-	237	-	237	-	237
	15,620	3,359	13,280	32,259	7,773	40,032

Charitable activities for 2022 were as follows:

	Programme costs			Sub-total	Allocation of support costs	Total
	General	Designated	Restricted			
	USD'000	USD'000	USD'000			
Direct costs of services	2,188	1,396	6,060	9,644	2,563	12,207
Cost of donated services	-	-	4,518	4,518	650	5,168
Staff costs	6,353	197	2,224	8,774	817	9,591
Other local overhead expenditure	3,120	793	207	4,120	2,279	6,399
Depreciation, amortisation and impairment	-	1,176	572	1,748	387	2,135
(Profit) on sale of assets	(155)	(1)	-	(156)	-	(156)
	11,506	3,561	13,581	28,648	6,696	35,344

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. SUPPORT COSTS

Support costs have been collated according to function, which includes all staff directly attributed to that department and other associated costs. These functions are allocated to the main expenditure functions in accordance with time spent supporting that aspect of MAF International's operations.

Support costs for 2023 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors offices	139	18	1,022	1,179
Aviation Services including quality and safety	-	-	2,468	2,468
Finance	143	72	1,215	1,430
Human Resources	-	53	1,009	1,062
Information technology and communications	169	-	1,401	1,570
Support office costs	-	-	309	309
Depreciation of fixed assets used for support	-	-	59	59
Strategic development	96	-	290	386
	<u>547</u>	<u>143</u>	<u>7,773</u>	<u>8,463</u>

Unrestricted general support costs for 2022 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors Offices	203	26	957	1,186
Aviation Services including quality and safety	-	-	1,974	1,974
Finance	100	50	852	1,002
Human Resources	-	38	713	751
Information technology and communications	146	-	1,438	1,584
Support office costs	-	-	353	353
Depreciation of fixed assets used for support	-	-	387	387
Strategic development	-	-	22	22
	<u>449</u>	<u>114</u>	<u>6,696</u>	<u>7,259</u>

9. NET INCOME BEFORE TRANSFERS

The net income before transfers between funds is stated after charging:

	2023	2022
	USD'000	USD'000
Auditors' remuneration		
Audit fees	<u>142</u>	<u>167</u>
Realised net loss/(gain) on currency exchange	<u>278</u>	<u>(187)</u>
Amortisation of intangible assets (note 11)	39	19
Depreciation of tangible assets (note 12)	2,602	2,420
Reversal of impairment of tangible assets (note 12)	(546)	(304)
Net (gain)/loss on disposal of fixed assets	<u>237</u>	<u>(157)</u>
Charges under operating leases	<u>1,019</u>	<u>1,015</u>
Inventory expensed in the year	<u>1,542</u>	<u>1,520</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. STAFF EXPENDITURE AND STAFF NUMBERS

	2023	2022
	USD'000	USD'000
Staff Costs		
Wages and salaries, including intangible expenditure	17,355	15,484
Social security costs	397	411
Retirement and death-in-service benefits costs	1,004	1,094
	<u>18,756</u>	<u>16,989</u>
Total salaries and benefits paid to Executive Leadership Team during the year	<u>498</u>	<u>494</u>

	2023	2022
	Number	Number
Employees that received remuneration of:		
£60,000 to £69,999	5	2
£70,000 to £79,999	-	-
£80,000 to £89,999	-	-
£90,000 to £99,999	1	1
Average number of employees - support offices	105	89
Average number of employees - field	407	386
Average number of seconded staff	64	62
	<u>576</u>	<u>537</u>

No remuneration is paid to the directors for their services as trustees of the Group, although expenses incurred personally in the course of their duties are reimbursed. Expenses waived by the directors for their services as trustees are negligible.

	2023	2022
	USD'000	USD'000
Travel expenses reimbursed to 7 directors (2022- 6).	28	20

11. INTANGIBLE ASSETS

Analysis for the group and charity:

	USD'000
COST	
At 1 January 2023	309
Additions	25
Disposals	(103)
At 31 December 2023	<u>231</u>
AMORTISATION	
At 1 January 2023	153
Charge in the year	39
On Disposal	(103)
At 31 December 2023	<u>89</u>
NET BOOK VALUE	
At 31 December 2022	<u>156</u>
At 31 December 2023	<u>142</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. TANGIBLE FIXED ASSETS

Analysis for the Group:

	Aircraft USD'000	Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION				
At 1 January 2023	49,248	30,616	6,126	85,990
Additions	389	1,241	522	2,152
Disposals	(410)	(1,363)	(315)	(2,088)
Revaluation reserve	2,421	-	-	2,421
At 31 December 2023	<u>51,648</u>	<u>30,494</u>	<u>6,333</u>	<u>88,475</u>
DEPRECIATION				
At 1 January 2023	-	8,736	4,651	13,387
Charge in year	1,222	919	461	2,602
Net Impairment	(546)	-	-	(546)
Depreciation on disposals	(2)	(1,126)	(295)	(1,423)
Revaluation Reserve write back	(674)	-	-	(674)
At 31 December 2023	<u>-</u>	<u>8,529</u>	<u>4,817</u>	<u>13,346</u>
NET BOOK VALUE				
At 31 December 2022	<u>49,248</u>	<u>21,880</u>	<u>1,475</u>	<u>72,603</u>
At 31 December 2023	<u>51,648</u>	<u>21,965</u>	<u>1,516</u>	<u>75,129</u>
Analysis of value between:				
Used for direct charitable purposes	<u>51,648</u>	<u>15,695</u>	<u>1,355</u>	<u>68,698</u>
Used for support of field programmes, management and administration		<u>6,270</u>	<u>161</u>	<u>6,431</u>

The titles of land and buildings in Kenya are held by a corporate body, Missionary Aviation Fellowship (Kenya) Registered Trustees, on behalf of MAF International.

Included within the cost of 'Land & Property' is USD 301,000 relating to a hangar in Madagascar and USD 427,000 relating to the building of housing in PNG.

Of the net value of 'Land & Property' USD 6,651,000 (2022 - USD 5,981,000) relates to freehold or the local equivalent and USD 3,088,000 (2022 - USD 3,344,000) relates to leases in excess of 50 years.

The land and building at Ashford, UK are secured by a first legal charge with National Westminster Bank plc and with a second legal charge in favour of the trustees of "The MAF Europe UK Pension Scheme".

The land and building at Cairns, Australia are secured by a first legal charge with Commonwealth Bank of Australia.

The historical cost of purchasing the aircraft was USD 58,131,000 (2022 - USD 58,285,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. TANGIBLE FIXED ASSETS (CONTINUED)

Analysis of the charity only:

	Aircraft USD'000	Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION				
At 1 January 2023	21,855	17,148	3,712	42,715
Additions and transfers	-	795	302	1,097
Disposals	(3,440)	(1,363)	(278)	(5,081)
Revaluation	1,115	-	-	1,115
At 31 December 2023	19,530	16,580	3,736	39,846
DEPRECIATION				
At 1 January 2023	-	4,560	2,933	7,493
Charge in year and transfers	505	556	242	1,303
Impairment	(475)	-	-	(475)
Disposals	(45)	(1,126)	(258)	(1,429)
Revaluation write back	15	-	-	15
At 31 December 2023	-	3,990	2,917	6,907
NET BOOK VALUE				
At 31 December 2022	21,855	12,588	779	35,222
At 31 December 2023	19,530	12,590	819	32,939

13. STOCKS

	Group		Charity	
	2023 USD'000	2022 USD'000	2023 USD'000	2022 USD'000
Aircraft spare parts	1,706	1,630	682	716
Fuel and other stocks	1,232	1,119	53	66
Work in progress	133	43	-	-
	3,071	2,792	735	782

14. DEBTORS

	Group		Charity	
	2023 USD '000	2022 USD '000	2023 USD '000	2022 USD '000 As restated (See Note 31)
<u>Current Debtors</u>				
Trade and sundry debtors	4,688	3,362	3,342	1,626
Other debtors	869	1,151	380	239
Prepayments	1,458	738	1,097	482
	7,015	5,251	4,819	2,347
<u>Debtors due after more than one year</u>				
MAF Suriname	539	82	539	82

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. SHORT TERM DEPOSITS

	Group		Charity	
	2023	2022	2023	2022
	USD '000	USD '000	USD '000	USD '000
Bank deposits	3,402	3,066	-	-

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2023	2022	2023	2022
	USD '000	USD '000	USD '000	USD '000
Cash and cash equivalents – Support offices	17,326	17,422	16,635	16,297
Cash and cash equivalents - Programmes	3,176	3,028	646	1,030
	20,502	20,450	17,281	17,327

17. CREDITORS

	Group		Charity	
	2023	2022	2023	2022
	USD'000	USD'000	USD'000	As restated (See Note 31) USD'000
Trade and other creditors	4,761	5,170	2,888	2,864
Taxation and social security	281	272	164	135
Amounts due to subsidiary undertakings	-	-	801	695
Loans	327	279	326	279
Accrued expenses	2,323	2,548	795	1,094
	7,692	8,269	4,974	5,067

18. CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	USD'000	USD'000	USD'000	USD'000
Loans	1,104	1,391	1,104	1,391
Staff resettlement allowances	321	125	321	125
	1,425	1,516	1,425	1,516

The loans above were received from MAF Netherlands in December 2021 and January 2022. They are unsecured loans to be repaid in 2027 with annual interest payable at a rate of 2% in arrears.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. PROVISIONS

Included in creditors are the following provisions:

	Balances 1 January 2023	Provided in the year	Utilised in the year	Written off in year	Charity and Group Balances 31 December 2023
	USD'000	USD'000	USD'000	USD'000	USD'000
For overhaul of aircraft owned by 3 rd parties	628	156	(38)	-	746
For taxation issues in overseas programmes	301	61	-	(84)	278
	<u>929</u>	<u>217</u>	<u>(38)</u>	<u>(84)</u>	<u>1,024</u>

20. DEFERRED TAX LIABILITY

	Group		Charity	
	2023	2022	2023	2022
	USD'000	USD'000	USD'000	USD'000
Provision at 1 January	1,255	755	-	-
Movement in the year	<u>304</u>	<u>500</u>	<u>-</u>	<u>-</u>
Provision at 31 December	<u><u>1,559</u></u>	<u><u>1,255</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

21. FINANCIAL COMMITMENTS

At 31 December 2023 the group was committed to making the following payments under non-cancellable operating leases:

	Property	Other	Property	Other
	2023	2023	2022	2022
	USD'000	USD'000	USD'000	USD'000
Payable in 1 year	316	123	255	11
Payable in 2-5 years	73	28	60	2
Payable in over 5 years	<u>107</u>	<u>-</u>	<u>116</u>	<u>-</u>
	<u><u>496</u></u>	<u><u>151</u></u>	<u><u>431</u></u>	<u><u>13</u></u>

At 31 December 2023, the organisation was also committed to pay USD 3,980,000 in non-cancellable foreign exchange contracts to purchase USD and AUD using GBP and EUR. These commitments are stated at fair value and the USD 5,000 loss arising from the difference between the fair value and notional value has been recognised in the Statement of Financial Activities.

22. CAPITAL COMMITMENTS

At 31 December 2023, the organisation was committed to pay a total of USD 11,100,000 under three contracts with Textron Aviation to purchase four caravans in 2024 and 2025. In addition, the organisation has committed to pay USD 593,000 for the building of staff accommodation at the Kagamuga compound in PNG and USD 28,000 for the completion of the hangar in Madagascar.

23. POST BALANCE SHEET EVENTS

On 11 April 2024, the organisation entered into a contract with Textron Aviation to purchase a Grand Caravan EX for a total of USD 3,389,000.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. UNRESTRICTED DESIGNATED FUNDS

	Balances 1 January 2023	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)	Balances 31 December 2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Aircraft overhauls fund	3,932	-	(1,134)	(2,798)	-	-	-	-
Assets fund	44,768	-	(458)	1,507	(1,430)	-	-	44,387
Revaluation reserves	3,456	-	-	(17)	-	2,196	-	5,635
Strategic Development fund	3,233	-	(986)	5,424	1,430	-	(9)	9,092
Future assets fund	1,102	66	(166)	(1,002)	-	-	-	-
MAF Technologies (PNG)	352	867	(986)	76	-	-	-	309
Self-insurance fund	3,679	72	(59)	809	-	-	-	4,501
Tactical investment fund	201	-	(6)	(195)	-	-	-	-
	<u>60,723</u>	<u>1,005</u>	<u>(3,795)</u>	<u>3,804</u>	<u>-</u>	<u>2,196</u>	<u>(9)</u>	<u>63,924</u>
Designated funds – Charity only	<u>29,985</u>	<u>72</u>	<u>(2,540)</u>	<u>2,043</u>	<u>-</u>	<u>870</u>	<u>-</u>	<u>30,430</u>

The aircraft overhauls fund is used to overhaul the engines, propellers and airframes of the aircraft. Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are transferred from general funds to this designated fund for each hour flown by every aircraft.

The assets fund represents amounts set aside equivalent to the value of the aircraft, properties, equipment and vehicles used by MAF International (less relevant loans) and provision for the future replacement of some assets, both of which have been financed with transfers from unrestricted general funds.

The revaluation reserves represent the increase in value of aircraft over their original cost to carrying values where appropriate.

The development fund is used for the development of MAF Groups to enhance their fund raising and recruitment activities as well as to cover the cost of agreed new ventures, such as setting up operations or organisations to assist in resourcing the charity in new countries.

The future assets fund was created to cover the cost of specific capital assets, including aircraft, that are essential to the operations and for which no other funding has been received, or is expected.

MAF Technologies (PNG) represents the net assets of that entity (formerly “CRMF”), which will be used solely for the activities of that ministry in Papua New Guinea.

The self-insurance fund is available for the repair or replacement of damaged or stolen vehicles and aircraft, other than those which are externally insured. It is also used to cover other items that have not been able to be insured in some countries or where the premiums have been prohibitive.

The tactical investment fund is used to cover the cost of essential capital or revenue expenditure, for which project funding is unlikely to be available within operational time limits.

During the 2023 year the board amalgamated the designated funds of the aircraft overhaul fund, future assets fund, tactic investment fund and development fund into one strategic development fund.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

25. RESTRICTED FUNDS

Restricted funds comprise the following unexpended balances of gifts and grants made for specific purposes and the net value of tangible assets bought from restricted funds. Movement and unexpended balances for projects are shown below.

	Balances 1 January 2023	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)	Balances 31 December 2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Additional and replacement aircraft	320	3,628	-	(231)	-	-	-	3,717
Arnhem Land, Northern Territories	30	1,409	(1,027)	(273)	-	-	-	139
Bangladesh	19	64	(70)	-	-	-	-	13
Central Asia	-	1,382	(1,382)	-	-	-	-	-
Chad	14	75	(74)	-	-	-	-	15
Disaster relief	208	118	(32)	-	-	-	-	294
Fuel	-	1,047	(1,047)	-	-	-	-	-
Guinea	-	219	(113)	(47)	-	-	-	59
Kenya	20	275	(272)	3	-	-	-	26
Liberia	437	192	(176)	79	(438)	-	-	94
Madagascar	45	718	(229)	8	(354)	-	-	188
MAF Technologies (PNG)	15	82	(36)	-	-	-	-	61
Papua New Guinea	1,413	1,600	(1,099)	(28)	(516)	-	(35)	1,335
South East Asia	12	2	(1)	-	-	-	-	13
South Sudan	1,266	1,051	(1,248)	86	(23)	-	-	1,132
Staff costs	1,319	5,603	(5,940)	-	-	-	-	982
Tanzania	3	167	(169)	-	-	-	-	1
Timor-Leste	102	337	(294)	(58)	(3)	-	-	84
Uganda	72	780	(663)	(23)	(82)	-	-	84
Other aviation projects	322	525	(612)	(187)	-	-	-	48
Other locations and sundry projects	134	930	(931)	(85)	-	-	-	48
	<u>5,751</u>	<u>20,204</u>	<u>(15,415)</u>	<u>(756)</u>	<u>(1,416)</u>	<u>-</u>	<u>(35)</u>	<u>8,333</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

25. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2023 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2023 USD'000
Brought forward (page 37)	5,751	20,204	(15,415)	(756)	(1,416)	-	(35)	8,333
Net value of tangible assets:								
Aircraft	21,352	-	143	-	-	899	-	22,394
Land and buildings	2,645	-	(124)	(1,150)	1,167	-	-	2,538
Equipment and vehicles	427	-	(106)	(253)	249	-	-	317
	<u>24,424</u>	<u>-</u>	<u>(87)</u>	<u>(1,403)</u>	<u>1,416</u>	<u>899</u>	<u>-</u>	<u>25,249</u>
Net value of intangible assets	<u>112</u>	<u>-</u>	<u>(23)</u>	<u>(89)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Restricted Funds	<u>30,287</u>	<u>20,204</u>	<u>(15,525)</u>	<u>(2,248)</u>	<u>-</u>	<u>899</u>	<u>(35)</u>	<u>33,582</u>
Restricted Funds - Charity only	<u>18,625</u>	<u>15,644</u>	<u>(14,331)</u>	<u>(1,694)</u>	<u>-</u>	<u>231</u>	<u>-</u>	<u>18,475</u>

Following a review of previously restricted assets and in accordance with the accounting policy 1p on page 25, assets with a net book value of USD 1,403,000 (2022: USD 1,605,000) have been transferred from restricted funds to unrestricted designated funds.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

26. NET ASSETS

Consolidated Group	Unrestricted funds		Restricted Funds	Total 2023	Total 2022
	General	Designated			
	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	142	-	142	156
Tangible fixed assets	-	49,880	25,249	75,129	72,603
Current assets	11,755	13,902	8,333	33,990	31,559
Long-term assets	539	-	-	539	82
Current liabilities	(7,692)	-	-	(7,692)	(8,269)
Long-term liabilities	(1,425)	-	-	(1,425)	(1,516)
Deferred tax liability	(1,559)	-	-	(1,559)	(1,255)
	<u>1,618</u>	<u>63,924</u>	<u>33,582</u>	<u>99,124</u>	<u>93,360</u>

Charity only	Unrestricted funds		Restricted Funds	Total 2023	Total 2022 As restated (See Note 31)
	General	Designated			
	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	142	-	142	156
Tangible fixed assets	-	21,181	11,758	32,939	35,222
Current assets	7,011	9,107	6,717	22,835	20,456
Long-term assets	539	-	-	539	82
Current liabilities	(4,974)	-	-	(4,974)	(5,067)
Long-term liabilities	(1,425)	-	-	(1,425)	(1,516)
	<u>1,151</u>	<u>30,430</u>	<u>18,475</u>	<u>50,056</u>	<u>49,333</u>

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS

Defined benefit pension scheme

MAF International provided for pensions for UK based employees through "The MAF Europe UK Pension Scheme". This is an insured scheme, which is invested with Legal and General Investment Management. It is a defined benefit scheme based on 1/60 of final salary for each year of service and was open to all employees. The scheme commenced on 1 January 2000. The scheme was closed to new members in December 2007 and closed for future accrual with effect from 29 February 2008.

The last (triennial) actuarial report was prepared as at 1 January 2022. It indicated that the scheme was fully funded and so in June 2022, the scheme trustees agreed to pursue a buy-out.

A comprehensive actuarial valuation of the scheme was carried out at 31 December 2022 by the scheme's actuary. Adjustments to the valuation have been made based on the following assumptions:

	2023	2022
Discount rate	4.5%	4.7%
Retail price inflation before 2030	3.1%	3.2%
Retail price inflation after 2030	3.1%	3.2%
Limited price indexation	3.0%	3.1%
Deferred pension revaluation	<u>3.1%</u>	<u>3.2%</u>

The mortality assumptions used were:

	2023	2022
For a male aged 65 now	21.4	22.0
At 65 for a male member aged 45 now	22.6	23.3
For a female aged 65 now	23.9	24.4
At 65 for a female member aged 45 now	<u>25.3</u>	<u>25.8</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS (CONTINUED)

Reconciliation of scheme assets and liabilities:

	2023	2023	2023	2022	2022	2022
	Assets	Liabilities	Total	Assets	Liabilities	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January	5,256	(3,224)	2,032	7,092	(5,442)	1,650
Interest income/(expense)	246	(154)	92	89	(89)	-
Assets gains	(1,343)	-	(1,343)	(1,115)	-	(1,115)
Actuarial gains/ (losses)	236	(375)	(139)	(721)	2,225	1,504
Contributions/(expenses)	(251)	-	(251)	(7)	-	(7)
Benefits paid	(84)	84	-	(82)	82	-
At 31 December	<u>4,060</u>	<u>(3,669)</u>	<u>391</u>	<u>5,256</u>	<u>(3,224)</u>	<u>2,032</u>

The scheme net asset of USD 391,000 (£308,000) was not recognised in the financial statements in accordance with FRS102, as the directors believe it unlikely that the asset will be fully recovered.

The fair value of the plan assets is as follows:

	2023	2022
	USD'000	USD'000
Gilts	-	3,058
Sterling liquid fund	167	1,597
Insured pensions	3,613	568
Cash	<u>280</u>	<u>33</u>
Total	<u>4,060</u>	<u>5,256</u>

Under advice, the scheme trustees disinvested the scheme from equities and bonds into a sterling liquid fund in preparation for the buy-out.

Non-contributory money purchase arrangements

MAF International makes contributions of 10% of annual salary to pension providers of choice for all UK-based employees. During the year these pension contributions to individual non-contributory pension arrangements totalled USD 230,000 (2022 - USD 231,000).

MAF International in Asia Pacific made contributions of 10% of annual salary for superannuation for all Australia-based employees totalling USD 554,000 (2022 - USD 485,000).

Pension and superannuation contributions for staff in other fields overseas totalled USD 219,000 (2022 - USD 201,000).

28. TRUSTEES LIABILITY INSURANCE

MAF International has arranged liability insurance for its trustees and staff at a cost for the year of USD 13,600 (2022 - USD 7,400) excluding responsibilities regarding Asia Pacific region.

MAF International Asia Pacific has arranged liability insurance for its directors and staff at a cost for the year of USD 2,300 (2022 - USD 2,200). Both are authorised in the respective Memorandum and Articles of Association.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

29. SUBSIDIARY UNDERTAKINGS

The charity has a number of subsidiaries as follows:

Stichting MAF International is a foundation registered in the Netherlands, Chamber of Commerce number 74256157. The following programmes operated under this subsidiary Kenya, South Sudan, Tanzania, Uganda until 30 June 2022, when the trade and assets for these programmes were transferred back to the charity.

Blue Sky Aviation Company Limited (BSA), is a company registered in Mongolia, number 9019010030. 95% of the shares are held by MAF International and the remainder by Exodus Way Company Limited. It was liquidated in July 2022.

Aviation Communication and Logistics Services Limited is a company registered in Uganda, whose shares are owned by the charity and two nominees. It holds the titles to parcels of land in Uganda which it has leased to MAF International for 99 years. These parcels of land constitute the airfield at Kajjansi, near Kampala. The cost of the leases is included within land & property in tangible fixed assets (note 12).

Although Mission Aviation Fellowship International is referred to as MAF International in these accounts, there is an Australian charitable company, MAF International, with registration number A.B.N. 32 004 260 860, referred to below as MAF International (in Australia). This company is 100% controlled by virtue that Mission Aviation Fellowship International is the sole member of MAF International. Its principal activity is the provision of air services to the Church and remote communities. This company has two subsidiaries, MAF Aviation Services Pty Ltd and MAF PNG Holding Ltd. MAF PNG Holding Ltd also has one subsidiary, MAF Papua New Guinea Ltd.

- MAF Aviation Services Pty Ltd is an Australian company, A.C.N. 004 545 108. The company's shares are wholly owned by MAF International. MAF Aviation Services Pty Ltd has made a long-term loan to MAF PNG Holding Ltd, secured on the latter's assets. It has no other activities.
- MAF PNG Holding Ltd is a company registered in Papua New Guinea (PNG), registration number 1-22887. The company is wholly owned by MAF International. MAF PNG Holding Ltd acts as the holding company for MAF Papua New Guinea Ltd, a wholly owned subsidiary, and as such it owns and manages all the aircraft, land and buildings and other fixed assets for operations in PNG.
- MAF Papua New Guinea Ltd is also a company registered in PNG, registration number 1-17085, and is wholly owned by MAF PNG Holding Ltd. This entity carries out the charity's objectives in that country through aviation.

Christian Radio Missionary Fellowship Inc (known as MAF Technologies) is a not-for-profit association incorporated in Papua New Guinea, association number 5-903. It is controlled by virtue of a Memorandum of Understanding that grants responsibility for control and governance to Mission Aviation Fellowship International. Its ministry focus is in communications technology and services.

The following is a summary of the results and of the net assets of the main entities within the group.

	MAF International	MAF International (in the Netherlands)	MAF International (in Australia) *	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd	MAF Technologies	MAF India	2022 Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Income	32,593	555	5,422	7,120	943	6	46,639
Expenditure	(23,084)	(674)	(11,214)	(7,256)	(982)	(4)	(43,214)
Other	718	(1)	426	1,200	(4)	-	2,339
Net movement in funds	10,227	(120)	(5,366)	1,064	(43)	2	5,764
Net assets/ (liabilities)	50,208	377	44,262	3,617	658	2	99,124

*MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

29. SUBSIDIARY UNDERTAKINGS (CONTINUED)

The comparative results for 2022 are:

	MAF International As restated (See Note 31)	MAF International (in the Netherlands) As restated (See Note 31)	MAF International (in Australia)*	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd	MAF Technologies	2023 Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Income	27,276	3,015	5,447	8,310	909	44,957
Expenditure	(16,074)	(3,764)	(8,892)	(7,211)	(972)	(36,913)
Other	24	(1)	(1,590)	1,758	(2)	189
Net movement in funds	11,226	(750)	(5,035)	2,857	(65)	8,233
Net Assets	49,333	1,443	39,133	2,726	725	93,360

*MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

30. NOTES TO THE CASH FLOW STATEMENT

	2023 USD'000	2022 USD'000
Net income before other recognised gains and losses	3,425	8,044
Net interest income	(283)	(20)
Operating surplus	3,142	8,024
Amortisation of intangible assets	39	19
Depreciation of tangible assets	2,602	2,420
Impairment of tangible assets	(546)	(304)
(Profit)/loss on disposal of tangible assets	237	(157)
Working capital movements		
(Increase) in stocks	(279)	(379)
(increase)/ Decrease in current and long-term debtors	(2,221)	830
(Decrease) in current and long-term creditors	(668)	(89)
Cash flow from operating activities	2,306	10,364

31. PRIOR YEAR RESTATEMENT

The company balance sheet for 2022 has been restated by USD 1,066,000 due to an error in the intergroup transfer of trade and assets from MAF International in the Netherlands to the charity. This has no impact on the group results or group balance sheet for 2022 or 2023.

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales - Charity number 1058226

Accounts



MISSION AVIATION FELLOWSHIP INTERNATIONAL

(Company limited by guarantee and not having a share capital)

Company Number 3144199

Registered Charity Number 1058226

Financial Statements for the year ended 31 December 2022

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees, who are also the directors, of Mission Aviation Fellowship International (“MAF International”) and its subsidiaries, have pleasure in presenting their Annual Report, Strategic Report and Financial Statements for the year ended 31 December 2022.

MESSAGE FROM OUR CHAIR

2022 saw the relaxation of Covid restrictions, enabling our staff to travel again and operations return to resembling close to pre-Covid times. This also allowed the board to meet in person after two and a half years of virtual meetings.

The support from our dedicated resourcing groups, donors and supporters allowed us to navigate a challenging financial environment by providing the financial and physical resources needed to deliver our mission. Furthermore, the fundraising efforts of our resourcing groups allowed the purchase of a Cessna 208 aircraft for each of the Liberia and Arnhem Land programmes.

In June the board joined in the celebrations for the official opening of the two new hangars in Mareeba. The hangars provide a significant improvement in the facilities that we use to support the maintenance of aircraft in the Asia Pacific region. We also saw the first operational flight in Guinea in April.

It was with a mixture of sadness and celebration that the decision was made to close the Bangladesh programme after considering the needs of our partners and the changing state of transport in Bangladesh. Our two amphibious aircraft were ferried to Mareeba, Australia for maintenance with plans to re-deploy them to other locations in the future.

The dedication and commitment of our team continues to inspire, and we are grateful for their continued commitment to our mission. During 2022 the team created the Future Footprint Plan for the Papua New Guinea programme. The plan sets out the phased development of infrastructure including bases and aircraft to support the ministry in Papua New Guinea through to 2050. It is expected that construction of new housing in Mount Hagan will commence in 2023.

With the continued support of our resourcing groups, donors and supporters we remain ready to respond to the needs of isolated people in the years to come.

Peter Curtis

Chair of the Board of Trustees, MAF International

REFLECTION BY THE CEO

The heart of any organisation is its people. I am so thankful for our staff who work around the globe to accomplish our mission and vision. Because of their willingness to faithfully serve in often difficult settings, our aviation services brought help, hope and healing to remote and isolated communities providing a lifeline to the outside world.

It was very good for our senior leadership to, once again, meet in person. We have been blessed with quality leaders, many who joined our organisation during Covid. The ability to meet in person allowed us to strengthen our organisational culture while also seeking transformational change that will position us for the growth and impact we desire.

Our ministry impact team worked diligently to create a robust survey which will guide conversations with our customers allowing us to better understand the current impacts of our work, but also learn how we can have greater impact by appropriately shaping our operations to reach areas which are currently underserved.

In April 2022 we celebrated our first operational flight in Guinea. However, the remainder of 2022 was filled with challenges that hindered our ability to provide regular air service. We are hopeful that in 2023 we will be able to build our flight operations and serve the many needs we see in this country.

This year we have embraced and embedded five marks of mission into our strategic thought. As Christians we are motivated by God’s great love for us, so we desire to share and teach that good news while we show compassion, seek justice and care for his creation.

The work we undertake to reach isolated communities only happens because of numerous people who give financially, pray faithfully and work tirelessly to provide the resources we need to accomplish our mission. In these pages you will see some of the impact that together we have had in 2022.

Dave Fyock

CEO, MAF International

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

WHO WE ARE

We are a Christian charity who provides subsidised aviation services in parts of the world where surface travel is impossible or very difficult. We reach the unreached in some of the world's most remote and isolated areas, where people are cut off due to geographical barriers, conflict or the dangers of overland travel. Our flights continued to enable hundreds of organisations to overcome these challenges and bring help and hope to people in spiritual and physical need. Ancillary services of flight training, aircraft maintenance, logistics services and other communication services are also provided.

Our **VISION** is to see isolated people changed by the love of Christ.

Our **MISSION** is to bring help, hope and healing through aviation.

Our **VALUES** are Witness, Impact, Partnership, Excellence, Stewardship and Care.

In 2022, we officially created and adopted our **Mission Mandate**, designed to bring definition to our mission and purpose. Our mission mandate starts with God's heart for mission - God's unconditional love for mankind, the church, society and all of creation. In 1984, the Anglican Consultative Council produced what is now known as the '**Five Marks of Mission**':

- To proclaim the good news of the Kingdom
- To teach, baptise and nurture new believers
- To respond to human needs by loving service
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation
- To strive to safeguard the integrity of creation and to sustain the life of the earth.

MAF International's mission mandate is to bring help, hope and healing by proclaiming the gospel, teaching and discipling, showing compassion, seeking justice, and by caring for creation. To do this, all five elements of mission must be demonstrated in an integrated way.

We are privileged to have dedicated staff who use their skills in aviation and other fields to work with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

The MAF International Family

The MAF International Family is made up of MAF International operations, its 13 members and two provisional members, based in 15 countries around the world. We could not operate without the funding raised, and staff seconded, by MAF members (also known as resourcing groups). We also work closely with Mission Aviation Fellowship in the USA and MAF Canada, who are associate members. The MAF International family members are detailed on page 15 under administrative information.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

OUR IMPACT

ACHIEVEMENTS AND PERFORMANCE

During 2022 we operated in 12 countries, namely Northern Australia (Arnhem Land), Bangladesh, Chad, Guinea, Kenya, Liberia, Madagascar, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda. Additionally, we operate a Maintenance and Flight Training Centre in Queensland, Australia, and provided technology services in Papua New Guinea (under the statutory name of Christian Radio Missionary Fellowship). We continued to support the work of the Mission Aviation Training Centre (MATC) in the Netherlands and keep a watching brief on developments in part of South East Asia in the hope to develop operations in country when the time is right.

Following 25 years of service, our programme in **Bangladesh** closed. Significant infrastructure development including the opening of the Padma Bridge has revolutionised transport links leading to less reliance on MAF. We celebrate with the people of Bangladesh the progress that has been made and are glad for the dramatic difference that the Padma Bridge will make to the southern region. We value the wise use of resources and seek to balance the benefits of investment with the costs involved. Following a review of the Bangladesh programme in late 2021, we concluded that, in conjunction with the improved transport infrastructure, there was insufficient demand for MAF in the country. Our priorities are shaped by the greatest impact on isolated communities. We are grateful for the impact that MAF has had in Bangladesh and look forward to new opportunities to reach other isolated communities.

With our expansion into West Africa and the opening of our new programme in **Guinea** came an exciting increase in collaboration with our associate organisation, MAF-US. The decision was made to operate Guinea’s aircraft under MAF-US’s Federal Aviation Administration Part 135 Air Operator Certificate (AOC), bringing aviation operations for Guinea under MAF-US. Nearby, our **Liberia** programme also transitioned to operate under the MAF-US AOC which will allow our Liberia programme to operate as a maintenance hub for all our West African aircraft.

Our operations and ministry vary within each programme reflects the needs of the country, churches, missions and NGOs that we serve. Our operational activities are summarised in the table below:

	2022	2021⁽¹⁾
Total hours flown	17,362	14,537
Number of flight legs	24,935	20,609
Unique⁽²⁾ passengers	73,516	49,032
Distance (km)	3,410,511	2,818,629
Unique⁽²⁾ cargo (kg)	2,283,033	1,738,529
Fleet size⁽³⁾	59	58
Destinations	536	506

⁽¹⁾ Reduced activity due to the COVID-19 pandemic

⁽²⁾ Unique is defined as passengers or cargo per flight (not per flight leg)

⁽³⁾ Does not include the three aircraft leased to MATC in the Netherlands

SUPPORTING THE LOCAL CHURCH

MAF flights are vital for the strengthening of local churches in isolated communities and the spread of the gospel. In November, we flew a delegation from the Church of Nazarene to Dusin, **Papua New Guinea**, to celebrate with the community and to ordain six new pastors into the church. The church was crowded, with every window full of people looking in and many others outside listening. David Graves, General Superintendent for the Church of the Nazarene, shares, “I had the privilege of being here, coming to a very remote mountain assembly - that would not have been possible without Mission Aviation Fellowship. We are so thankful for all that they are doing to help us to reach these wonderful people for Jesus Christ.”

In **Chad**, we flew a group of missionaries who work through radio, TV and social media to spread the message about Jesus. In recent years they have been working in collaboration with FM 91, a Christian radio station in N’Djamena. They were seeking better insight into the needs and how they could strengthen the outreach efforts in this remote area. “Travelling with MAF made our trip possible. We were flown by a very competent, pleasant and Jesus-loving pilot, Becki. We are thankful for her attitude and her servant heart.”

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

In **South Sudan**, an indigenous team from Fruits Ministry flew with MAF to Darjo, a remote village where they are building a ministry. Nothing about this outreach is easy. The logistics are complicated, the communication is difficult and the area is insecure. Passenger and missionary, William Peter, first met people from Darjo when he was working as a missionary in Doro Maban. In June 2021, he made a trip there by foot, compared to two hours on a MAF flight. "I walked into Darjo from Doro. It was a long journey, four days of focused walking from 7am until 7pm. Sometimes we would find that a lion had been moving ahead and was just nearby." William is looking forward to returning, "I am excited to go back. I love them. I have a heart for them."

ENABLING HEALTH SERVICES

When facing isolation, communities often don't have reliable access to medical care. We fly medical professionals and equipment to the people who need it. In remote **Tanzania**, where there is no power to run a fridge for vaccine storage and the nearest hospital may be a gruelling two-and-a-half-hour drive in the dry season or impassable during other seasons in the year, mobile clinics allow local women to bring their children for vaccinations. In partnership with the Same district hospital, the short 10-minute MAF flight to Lesirwai enables the nurses to deliver the vaccination doses from their insulated packaging that would otherwise be spoiled from a long road trip in 35-38°C heat.

Our team in **Kenya** provides essential transport to eye specialists from the Fred Hollows Foundation (FHF) to access isolated communities in northern Kenya and treat people suffering from eye diseases and visual impairment. Catherine Jakaiti, the Programme Manager of FHF, noted that the community and patients in Marsabit County have been undergoing great challenges in health and especially accessing eye health services. "At the Foundation, we feel blessed to have an organisation like MAF that enables us to bring eye health services closer to the people. This was believed to be an inaccessible county due to long distances," she said. Over 2,350 patients with different eye conditions received treatment, and over 300 underwent sight-restoring cataract surgeries.

87% of the population of **Papua New Guinea** live off the grid without electricity. Our technologies' project, Mama Waiting Huts, have provided healthcare workers and mothers with a reliable solar powered light source to better assist and monitor pregnant mothers in 15 locations. During the installation, a letter of gratitude was written from the Nupuru Health Centre, "Thank you for the Solar Light kit we received today under the Mama's Waiting Hut lighting project. You have met our difficulty with light during the night when we have labour patients. We just lost a mother last month partially due to the difficulty with lighting. Once again, thank you very much."

DELIVERING EDUCATION

For many, education provides a route out of poverty, but if you live somewhere so isolated that teachers can't travel to you and schools can't receive equipment, then the obstacles are that much greater. MAF provides a way. In March this year, we flew staff from Evangelical Soul Rescue Mission (ESORM) from Tapeta to Zwedru in **Liberia** to visit one of their schools. "It's a day and a half drive on rollercoaster roads!" Executive Director, Terri Enright says. "I've never been up to my school because we couldn't make it up here. We're so appreciative of MAF because we would not otherwise have been able to come."

In **Arnhem Land**, Northern Australia, Tamara Burrell works for the Arnhem Education Office. She describes driving from Nhulunbuy to Ramingini: "They call that road the Goat Track because you've got to be like a mountain goat. It is like driving along a riverbed - literally driving over rocks. We had no internet reception, no phone reception, and no one passed us - not another human being for four hours, right out in the middle of remote, remote Arnhem Land!"

From Ramingini, Tamara had to take a short boat trip to Milingimbi but in April, Tamara was able to fly with MAF from Nhulunbuy direct to Milingimbi – a comfortable journey that takes a mere one hour and ten minutes. Tamara proactively immerses herself in the community during her visits to help re-engage the community and students with school. "There are different ways of being in this world, and I want to see it in Yolngu style. We don't need to make a difference to everybody, just one person, because Yolngu people are better placed to make a difference in their own community. So, empower that Yolngu person to then empower their own people."

Sheila Kengingo has been working for We See Hope (WSH) in **Uganda** since 2016. WSH has designed interventions, in collaboration with partners across Africa, to gather children who have dropped out of school. Sheila explains, "We're working with seven schools with 40 kids in each club. We work alongside the schools for three years helping the kids become sustainable. Once the clubs are established, we then move on to another community. "I fly with MAF every quarter, as well as flying international supporters" she says. "MAF is very supportive. Once, I found MAF was overbooked and experienced first-hand how much harder it is to have to drive eight hours instead of one!"

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

EMERGENCY SUPPORT

In isolated places, there are no emergency services. MAF plays a crucial role for isolated people – providing medical evacuations when people need them most. Dengue fever was declared a serious public health issue in **Timor-Leste** by the Ministry of Health in January 2022. In February, we medevac'd a two-year-old boy from Atauro Island to Dili with dengue fever. The patient was in a critical condition. "He was in severe fever when we brought him to the referral clinic in Atauro. After a medical check-up, the nurses decided to transfer him to the national hospital (HNGV) for special treatment by the doctors. Fortunately, after we waited for just a few minutes, a MAF plane had arrived and picked us up and flew us to Dili," says Broslin dos Santos, the patient's father. "He was in the hospital for almost a week before he recovered and was discharged from the hospital."

In **Chad**, Fanfina had suffered a heart attack at her home and specialist care was required, but the hospital was more than 600km away. "The road from Moundou to N'Djamena is very bad in places," pilot Becki says. "You can even see some of the potholes from the air they are that big!" It would take a whole day to drive in a good vehicle. The doctors were clear - Fanfina did not have that time available. A MAF flight meant that in under two hours she was receiving the vital care she needed in a hospital in N'Djamena. Three weeks later, Fanfina's husband, Memadji happily reported that his wife had been discharged from hospital. He said, "She is alive today thanks to this rapid evacuation and effective care. Thank you."

In **Papua New Guinea** it's normal for kids to walk around with a knife. Knives are just a practical tool, but if someone stumbles and falls it can end in disaster. In Mougulu, a knife punctured a boy's abdomen right through to the back, puncturing his bowel and liver. He was saved by the staff at the Mougulu clinic with plastic protective wrapping around his bowel to prevent infection. A MAF flight was already in the area delivering supplies to a local school which meant a medevac could be arranged for the following morning. Unfortunately, the flight couldn't go as far as Tabubil due to bad weather and so they landed in Kuinga and had to travel by road for the remainder of the journey. Bad weather preventing flights is a harsh reality that can cause problems when operating in isolated areas; sometimes land travel is still required. Thankfully, we received good news two days later that the boy had undergone surgery and was recovering well.

BRINGING DEVELOPMENT

For many communities, MAF provides vital access that facilitates community development and the delivery of aid programmes.

In **South Sudan**, development specialist, Alana Sebit Owot, is developing a business model that empowers local farmers to create a sustainable future. Alana explains that there is a great need for such initiatives as an alternative to the emergency aid programmes in the region. "Introducing opportunities for private partnership is very challenging. Yambio has extra challenges because it's so far west. The roads are sometimes very bad. I travel often and always with MAF. MAF is not like other commercial services. The pilot prays before every flight, so whatever we do, we first consider God."

In **Timor-Leste**, we have realised the importance of transport infrastructure in community and economic development. In 2022, we teamed up with Atauro Tourism Association to provide a shuttle service to Atauro Island. "MAF's new flight services are not only for medevacs, but also for transportation connectivity to bring local and international visitors to explore Atauro Island," says Nick Hitchins, Country Director. Egidio da Purificação Soares, tourism officer at USAID's Tourism for All Project, said MAF's work was important because it led to earnings that benefited the community.

The FLM (Fianganona Loterana Malagasy) church in **Madagascar** runs training programmes for those living in poverty. The programmes are aimed at promoting income generating activities such as agriculture, livestock farming or development. we flew FLM representatives Antoine and Alfred to Maintirano for a workshop about self-reliance and development. "We would like to thank everyone at MAF for their work as we save a lot of travel time by flying. We will see you soon for our next flights," says Alfred.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

OUR STRATEGIC PRIORITIES

During 2022, we continued to focus our work based on our three strategic pathways of our 2021-25 strategic plan:

Expanding our Horizons – to create opportunity for growth through strategic partnerships, institutional and corporate funding, new programmes, worldwide recruitment, capacity-building in our programme countries and new technology that stewards the environment and provides more economical transportation.

Investing in People – to retain staff longer as well as increase the numbers joining our work through a wellbeing strategy, an engineering apprentice and intern scheme, an increase in the number of instructor pilots, and a standardised management training plan to identify and grow management throughout the organisation.

Maximising Impact - to better evaluate and improve the way we perform our work, through the creation and implementation of a ministry impact tool, modernisation of our software tools, standardisation of our project management, and establish an innovation hub that invites creative thought to better serve our customers.

PROGRESS IN 2022 AND FUTURE DEVELOPMENTS

Understanding our impact - In 2022 we took steps towards measuring our impact, beginning with a comprehensive study of our programme in Liberia. The resulting Impact Report was the first of its kind to help the organisation better understand what our flights achieve and how to develop strategies for future ministry activities.

Among the key findings:

- 68% of the survey participants indicated that MAF flights had a major impact on their organisation's ability to conduct their activities throughout Liberia
- 54% said MAF has a major impact in determining where their organisation is able to work
- 32% (extremely important) and 41% (very important) state that MAF flights are important for future programming of their activities.

The report revealed that, based on customer input, we could further grow and expand the operation in Liberia as the only operator conducting this type of service. In 2023 we plan to conduct research in eight further programmes, whilst incorporating lessons learnt from this initial study. We are excited about what we can learn from these reports and how it can influence the organisation's next steps.

We also have 19 known agreements for our services with current users and training entities in place. The production of a standardised agreement for new users is planned for 2023. As we further hone the understanding of our impact, this will enable us to maximise our impact through the prioritisation of our ministry with specific users.

Investment in engineering - In 2022, we made strides towards ensuring our engineering and maintenance departments are fit for purpose for decades to come. In June, our new Mareeba hangar was officially opened. The purpose-built facility is the base for MAF's aircraft maintenance operations in the Asia Pacific region. Alongside new facilities, we have begun to introduce new training pathways for engineering candidates across the organisation to ensure a steady flow of new recruits with 14 apprentices in training by the end of 2022.

People and culture - We appointed an Organisational Development Manager, to take the lead in the areas of learning and development, well-being, and supporting a one-team culture across the organisation. Our new learning management system, elevate, was deployed to provide all staff with access to learning pathways and training courses. The Growing Leaders course, including sessions on conflict resolution, was implemented to grow existing and future leaders.

In 2023, we plan to appoint a People Care Manager to invest in the well-being and spiritual development of our staff. We will also carry out our 5-yearly in-depth staff engagement survey to enable us to hear feedback from our staff and use their feedback to shape our core strategies.

Moving towards a digital future – We appointed a Digital Transformation Director to help bring more agile processes and better project management to the organisation. In 2023, this will be built on with the appointment of a CIO to lead all aspects of our IT function and further progress the IT initiatives within the strategic plan.

In 2022, we created an operations dashboard and interactive impact report to digitise the Liberia study mentioned above. In 2023, we will roll-out new finance software to all locations to enable improved financial reporting and insight for leadership at all levels to support decision making.

Raising the bar in communications – We appointed a new Head of Communications and a Deputy Head of Communications to give clear leadership for our external messaging as well as providing support and mentoring to our host country communications officers. There will be further investment in 2023 through the development of an internal communications newsletter and review of our global branding.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

PRINCIPAL RISKS AND UNCERTAINTIES

We believe that an effective risk management strategy is key to carrying out our mission. MAF International has a formal risk management process to assess risks and implement risk management strategies. We have also adopted a range of risk management policies including Safety Management, Financial Crime, Code of Conduct, Safeguarding, and Whistleblowing policies. These policies are available on our intranet and available for all staff in every location with review and training scheduled via our learning management system.

The trustees review identified risks and uncertainties regularly to ensure risks are well managed through mitigation activities. The risks are classified into the following groups: Strategic & Enterprise; Governance & Management; Operational; Finance; Environmental & External; and Legal & Compliance. At the end of the financial year, the principal risks, together with the mitigation strategies, being taken to manage these risks were:

Risks	Mitigation strategies
Safeguarding children and adults	We consider safeguarding to be of critical importance in all areas of operations and life. Our HR team is responsible for awareness, training, monitoring and care and all managers have safeguarding as part of their key responsibilities. We require biennial training as well as review and signing of our safeguarding policy for all staff. This is hosted on the learning management system, to ensure compliance.
Technology and digital	Our IT team reduces security and system risks through monitoring and increased controls. We continue to strengthen our IT systems through standardised equipment and processes, working with MAF US and MAF Canada wherever possible to provide optimal and cost-effective solutions. Our strategic development team monitors the development of drones, electric and hydrogen aircraft as well as sustainable aviation fuel (SAF).
Mission drift	Our Board of Trustees, CEO and Executive Leadership Team (ELT) own our mission and are tasked with protecting the organisation from experiencing mission drift. Our strong vision and mission statements allow significant discussion across the organisation affirming many of the core elements of our organisation, alongside our Mission Mandate which supports how we express that mission. The impact measurement tools we have developed allow us new ways to monitor and evaluate our work.
Long-term funding	Our CEO and ELT engage regularly with senior management and trustee boards across the MAF family to focus on the medium and long-term funding needs for the organisation. The cross-member 'development team' also works with member groups to support their growth. The Annual Global Forum for all MAF members, provisional and associate members, enables us to cast vision and build momentum to achieve our funding aims. We have developed the ministry impact tool to better understand and communicate the impact of our work. We have strengthened our communications team to assist the MAF family in raising funds. The recently formed strategic development team aims to raise income from institutional and corporate donors to 10% of our total income.
Staff safety	We seek to balance the protection of our staff with our calling to work in places that are unsafe and even hostile. All international staff require hostile environment awareness training prior to service, excluding those serving in Arnhem Land. Our Quality, Safety and Security team train our host country staff in more challenging places and review contingency plans and advise on security awareness in our countries of operation.
Aviation safety	Our safety and quality management systems provide a sound foundation for safe operations. Our Operations Leadership Team has safety as one of their top responsibilities. We focus on continuous improvement, with visible actions taken; as well as the growth and deepening of our safety culture.
Brand reputation	We are a family of organisations, each with their own board and cultural viewpoints, and therefore we must work diligently to maintain our brand. The CEO, ELT and Head of Communications engages regularly across the MAF family to support the MAF family with local issues in their jurisdictions and ensure there is a one consistent view of MAF around the globe.
Infrastructure	We regularly review, assess and invest in our facilities across all our locations to ensure they are fit for purpose. This includes upgrading facilities in some locations to bring added efficiencies and greater security and investing in new infrastructure to improve and grow our operations. We also improve our facilities, where appropriate, with sustainable measures such as solar. Our fleet lifecycle plan ensures sufficient ongoing investment in the renewal and replacement of our aircraft.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

<p>Attract talented and committed people</p>	<p>We have implemented an engineering apprentice scheme, a management intern scheme, and are coordinating recruitment efforts across the MAF family using our Career Portal. We continue to encourage growth and movement within our current staff, as well as increasing the global reach of our recruitment activities.</p> <p>Our <i>Growing Leaders</i> programme is helping us teach and train those in management or leadership roles. We have revamped our performance management process, to include growth and succession planning as part of each review.</p> <p>Our HR team is investing in a wellbeing, spiritual life and pastoral strategy to support and retain our staff.</p>
<p>Christian distinctiveness</p>	<p>The Board of Trustees, CEO and ELT are responsible for ensuring the organisation stays true to our vision.</p> <p>We have a statement of faith and encourage daily prayer and worship practices across the organisation.</p> <p>Challenges to our Christian distinctiveness are discussed regularly by the Board and ELT and guidance is given across the organisation, and wider MAF family, as needed.</p>

OUR ENVIRONMENTAL IMPACT

MAF is committed to care for creation to ensure long-term sustainability for the current generations and the generations to come. Our ultimate beneficiaries are some of the most affected people by the impacts of climate change. Many live from the land, reliant on natural elements to provide reliable food and water. Their environment is being impacted by rising temperatures, increasing fires, floods and extreme weather.

In 2021, we conducted an exercise to establish a comprehensive understanding of our carbon footprint for the year ended 31 December 2019 as this period represented a normal period of activity pre-Covid. In 2019, our estimated carbon footprint was 12,109 tons of carbon dioxide. To put this into context, it is the equivalent to the annual average household output of around 1,500 homes in the United Kingdom. 69% of the emissions arose from our own flying, with 21% arising from commercial international travel and the remaining 10% from freight, other travel and energy consumption.

We have now developed an environmental statement and strategy including an action plan and monitoring programme against the 2019 baseline carbon footprint. As an organisation bringing help, hope and healing to the world’s most remote communities, we seek to ensure that the benefits of our life-changing work is accomplished with the least possible impact on the environment.

The environmental strategy includes:

- Minimising waste, reducing consumption and increasing the use of sustainable goods. This will include carbon-efficient methodologies such as solar panels, evaluating our supply chain, monitoring the development of sustainable aviation fuels and carefully managing travel;
- Advocacy through engagement across all stakeholder groups, including staff and donors, and intentional work with customers focussed on creation care;
- Research and invest in future technologies including drones, electric aircraft and other carbon-friendly tools; and
- Meeting or exceeding regulatory compliance in every location.

Under The Companies (Director’s Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, MAF International is required to report our UK energy use, associated greenhouse gas emissions and information relating to energy efficient action.

The requirements for carbon and energy reporting have not been completed for the year ended 31 December 2022 because, as a global aviation organisation, only providing this information on UK non-aviation activities would seriously prejudice the readers’ understanding of the actual energy used and greenhouse emissions produced by the organisation. We are working towards producing this information for the whole organisation on an annual basis to meet our internal commitment and Companies Act requirements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

STAKEHOLDER ENGAGEMENT

The trustees have taken due notice of the requirements laid out in section 172(1) of the Companies Act 2006. The trustees confirm their compliance with section 172(1) through appropriate delegation of authority to the Finance & Audit, Governance & Risk, and Safety & Security Committees, and also to the CEO, as laid out in the Board Governance Manual.

The six areas of section 172(1) are addressed as follows:

- a) *the likely consequences of any decision in the long term,*

The trustees approved the five-year strategic plan. In approving the plan, the trustees have considered the long-term issues facing the organisation, both internally and externally, the opportunities presented to further our mission and the consequences of not fulfilling the plan. The strategic plan is a living document and is reviewed by the Trustees and adjusted as time progresses.

- b) *the interests of the company's employees,*

The trustees recognise that our staff are our most important asset. Concerns on staff welfare are regularly discussed and challenges given to management to care for our staff. A comprehensive staff engagement survey is carried out every five years, trends monitored, and actions taken to improve staff well-being and engagement.

- c) *the need to foster the company's business relationships with suppliers, customers and others,*

Our key business relationships are with our member groups (see more detail under f)), donors, customers whom we fly, suppliers and our ultimate beneficiaries in the most isolated communities. We regularly carry out surveys with customers as well as ministry effectiveness reviews to ensure we understand the needs of our customers and the isolated communities we serve. This will be further enhanced with our new impact surveys and strategic agreements that intentionally strengthen key programme relationships.

- d) *the impact of the company's operations on the community and the environment,*

As an aviation organisation, we are deeply aware of the impact on the environment of our work and services. We actively monitor developments in sustainable aviation and the environmental impact of the support services needed for our operations.

- e) *the desirability of the company maintaining a reputation for high standards of business conduct, and*

We always engage with the highest level of integrity with all parties. All staff are trained on, and required to sign, our Code of Conduct and Safeguarding Agreement, which establish the requirement for integrity in all our operations. We also have a Whistleblowing Policy, including an independent hotline, to ensure staff and other external parties such as beneficiaries and suppliers can raise any concerns and that they are properly addressed.

- f) *the need to act fairly, as between members of the company.*

We continue to be grateful for the ongoing relationship with the members of MAF International, whose main function is to resource the operations in the provision of staff, funds and underpinning all our activities with prayer. We are aware of our interdependence on one another and seek to work for the mutual benefit and partnership of all parties within the MAF family. The Board of Trustees engages directly with the boards of the MAF member groups. The ELT engages with members of the senior leadership teams in each MAF member group.

FINANCIAL REVIEW

The financial statements comply with the requirements of the governing documents, current statutory requirements and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Consolidated Statement of Financial Activities for MAF International for the year is set out on page 19. Total income for the year was USD 44,957,000 (2021 - USD 38,280,000), 32% (2021 - 29%) was generated by services provided, 67% (2021 - 69%) was voluntary income including restricted gifts and intangible income (the value attributed to international staff seconded from members) and the remaining 1% (2021 - 2%) from other sources.

The net movement in resources for the year before other gains and losses was a surplus of USD 8,044,000 (2021 - a surplus of USD 564,000). The net surplus in revaluation reserve was USD 2,111,000 (2021 - surplus of USD 236,000), and, as with 2021, there was no movement on the defined benefits pension scheme. These movements together with other gains and losses, predominantly on foreign exchange transactions, resulted in a net movement in funds for the year of a surplus of USD 8,233,000 (2021 - surplus of USD 451,000). This comprises a deficit of USD 285,000 on unrestricted general funds, a surplus on designated funds of USD 2,983,000 and a surplus on restricted funds of USD 5,535,000. This includes a transfer of USD 1,605,000 from restricted funds to designated funds following a review of previously restricted assets in accordance with the accounting policy 1p on page 24. Details of the designated funds are set out in the Notes to the Financial Statements (note 24), which includes a note of how the funds are expected to be used.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

MAF International keeps its financial records in, and reports in, US dollars. As a result, there are unrealised gains and losses on currency translation which arise on the translation of the Papua New Guinea financial statements, as well as on our GBP, AUD and EUR deposits and other short-term assets and liabilities.

Reporting of pension provision

From 1999 to 2008, MAF International provided for pensions for UK-based employees through "The MAF Europe UK Pension Scheme". The trustees have included pension information on this scheme in the format required by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

The scheme was closed to future service accrual at 29 February 2008. The scheme has 17 "deferred" members who will receive their pension, based on service up until that date, at their normal retirement date, together with 13 pensioner members. The actuarial review as at 1 January 2022 disclosed a funding surplus of GBP 125,000 (USD 151,000 at the December 2022 exchange rate) on assets of GBP 5,241,000 at that date. In June 2022, the trustees agreed to pursue a buy-out of the scheme. A buy-in was purchased on 31 May 2023 and the buy-out is expected to be completed in 2024.

Note 27 shows that, as at 31 December 2022, comparing the present value of the scheme's future liabilities with the current value of the investments, there was a net asset of USD 2,031,000 (2021 – USD 1,649,000). This has not been recognised in the financial statements because the directors believe it is unlikely this asset will be fully recovered. The scheme's assets and liabilities are recorded in GBP and have been translated into USD for these statements. The net pensions asset before translation is GBP 1,678,000 (2021 – GBP 1,219,000).

In addition to the defined benefit scheme, MAF International makes contributions to defined contributions schemes or government schemes on behalf of its employees in accordance with normal practice or legal requirements in each country.

Financial position and reserves policy

The assets and liabilities of MAF International are set out in the balance sheet. All the assets were used to further the objects of the charity. The balance carried forward on unrestricted funds totals USD 63,073,000 (2021 – USD 60,375,000); being USD 2,350,000 of general funds (2021- USD 2,635,000) and USD 60,723,000 of designated funds (2021 – USD 57,740,000). The general funds form the charity's base reserve.

It is the Board's policy to reserve sufficient funds to ensure our ongoing operations. These include a base reserve of 30 to 90 days overhead expenditure to withstand peaks and troughs in cash flows. Additionally, other designated funds may be created by the Board to help ensure MAF International's effectiveness. As a regular part of the Board's work, all risks and reserves were reviewed, and any recommended changes have been implemented. Details of all the designated funds are set out in note 24.

At 31 December 2022 the base reserve balance was within the range of 30 to 90 days of overhead expenditure.

Fundraising

MAF International does not raise funds directly from the public. We receive most donations from the MAF members that diligently work to support our activities. During the year USD 23,550,000 (2021 – USD 19,585,000) was received from MAF groups and in addition USD 238,000 (2021 – USD 697,000) was received from Institutional and corporate funders. A breakdown of the source of all the donations received is shown in note 3.

Grants

Significant grants made in the year include grants totalling USD 139,000 (2021 - USD 139,000) made to MAF Canada to support their international staff, USD 251,000 (2021 – USD 289,000) to MAF Norway to support their development and USD 208,000 (2021 – USD nil) to MAF Sweden to support their development and staff. Other grants made are shown in note 6.

Related parties

In December 2021, MAF International entered into an unsecured loan agreement with MAF Netherlands, for EUR 1,000,000 to assist in the building of hangar facilities in Mareeba, Queensland, Australia, followed by a further EUR 1,000,000 in January 2022 to purchase a C208 for Arnhem land, Australia.

EUR 443,800 was repaid against the second loan in 2022, leaving EUR 1,556,200 outstanding in aggregate at 31 December 2022.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

GOVERNANCE AND STRUCTURE

Articles of Association

MAF International's initial memorandum and articles of association were dated 23 December 1995. In September 2011, the memorandum and articles of association were replaced, and at a General Meeting of members revised, combined articles of association were adopted. These articles were further revised by some amendments at subsequent meetings.

Details of MAF International's subsidiaries are set out in note 29 to the Financial Statements respectively.

Trustees

The trustees are appointed by the members. In 2022 the Board met five times, three times in person and twice virtually. Details of the trustees, committee members, principal officers and advisors are set out at the end of this report.

The Board is assisted by four subcommittees: a Safety & Security Committee, a Finance & Audit Committee, a People Committee (which had its last meeting in June 2022), and a Governance & Risk Committee, which was formed and had its first meeting in September 2022. The members of these subcommittees comprise board members and outside experts, where appropriate. Following the restructure of the subcommittees, the nominated safeguarding trustee now reports to the Board rather than through the People Committee.

The trustees govern the organisation and delegate the day-to-day running of the charity to the Chief Executive Officer and the ELT, who are responsible for specific areas of the charity and are listed on page 15. The Board maintains a Governance Manual which, sets financial and operational parameters within which the CEO and ELT must manage the operations of MAF.

Trustee Induction and Training

In the trustee induction programme, new trustees are provided with a copy of the Board Governance Manual as well as a copy of *CC3 The Essential Trustee*. They are required to attend a series of training sessions with the CEO and other executives to learn more about the work and how MAF International operates.

The trustees invest in ongoing training, through the invitation of specialists to train the Board on matters of interest, such as good governance, to ensure that the trustees invest in their own development and are kept abreast of best practice.

Public benefit

The trustees confirm that they have complied with their duty laid out in the Charities Act 2011 to have due regard to the public benefit guidance published by the UK Charity Commission. MAF International aims to benefit those living in some of the most isolated parts of the world. Our fleet of light aircraft can take emergency teams, healthcare professionals, Christian workers and supplies into these remote areas more quickly and efficiently than by any other means. As a result, our activities benefit two major groups: firstly, the charities, churches, and other organisations whose mission it is to reach these isolated communities, and secondly the communities themselves.

OUR PEOPLE

The CEO, together with the ELT, is responsible for the day-to-day management of MAF International's affairs and for implementing the policies and strategies set by the Board.

Remuneration of Executive Leadership

The trustees set the CEO's salary having considered his role and responsibilities, the size and nature of the charity, and comparisons with the salaries of others in the same sector in the UK. The salaries of the other members of the ELT are set by the CEO considering the country of residence of each. All ELT members receive the same cost of living rises as the organisation's other staff in their respective countries of service.

Volunteers

We have a small number of volunteers who assist in charitable activities overseas. The trustees and ELT are grateful for the time and effort these individuals contribute to MAF International's ministry. The time spent by such volunteers is not considered to be material in comparison to the total staff time and therefore no additional disclosure has been made.

Safeguarding

We are committed to providing a safe and trusted environment for our staff, volunteers and beneficiaries. We require the highest ethical and moral standards from all our staff and take misconduct seriously. We have written policies with which all staff must comply, including a code of conduct, non-harassment, anti-bullying, data protection and privacy, equal opportunity and just culture policies.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

We have a robust safeguarding policy in place, together with safeguarding standards for the protection of children and vulnerable adults, which require agreement from each member of staff every two years along with refresher training. Safeguarding risks are regularly reviewed by management and the trustees. Recruitment processes include questions for applicants and referees related to safeguarding; along with enhanced training for recruiters. Safeguarding officers have been appointed and trained for each MAF International location and all new staff for overseas roles must undergo a police check before acceptance is confirmed.

During 2022, there were two minor safeguarding issues reported to and investigated by MAF International. Neither of these required reporting to the Charity Commission.

Employment of Disabled People

Our policy and practice is to ensure equal opportunities in the recruitment, training and career development of disabled people on the basis of their aptitude and abilities required in their job role. We also work toward the retention and retraining of employees who have become disabled.

OUR SYSTEMS

Internal Control

The trustees have overall responsibility for ensuring that the charity has an appropriate system of internal controls. 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 financial crime, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable; and
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the trustees;
- regular consideration by the trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks; and
- minimum financial internal controls required are documented in a finance manual.

In addition, there is a financial internal audit function. It includes a schedule of audit visits to programmes on a rotational basis.

Standards, Quality and Flight Safety

We operate an aviation safety programme and a quality assurance programme. The aviation standards in the aviation manuals, for all our operations are International Civil Aviation Organisation (ICAO) and/or local national authority (NAA) compliant.

The purpose of the quality assurance programme in relation to aviation is to monitor achievement and continued compliance with the requirements of the local aviation authority and of MAF International and to ensure adequate procedures for the safe operation of aircraft. In addition to local quality managers, we also operate a central audit system where each programme's operations and maintenance compliance is monitored annually. Further, we use the 'Just Culture' methodology to ensure the right levels of accountability in the organisation.

The trustees have a sub-committee to regularly review safety standards throughout the organisation and to give oversight to the aviation safety programme.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the surplus or deficit of the group and charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statements as to Disclosure of Information to Auditors

So far as the trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Co-operation with Other Groups

MAF International works closely with other organisations involved with aviation support for church, mission and relief and development groups. MAF International has a close relationship with the independent MAF member groups in various countries.

Approved by the Board on 23 June 2023.



Peter Curtis
Chairman

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

TRUSTEES

Peter Curtis (Chair)
Søren Filbert (from Nov 2022)
Alastair Ralph Gunn
Ndabaethethwa Mazabani
Stephen Osei-Mensah
Dennis van der Sar
Carey Vanlalmuana
William Watson (until Apr 2022)

COMMITTEE MEMBERS

Finance and Audit Committee:

Alastair Ralph Gunn (Chair from Apr 2022)
Peter Curtis (until Jun 2022)
Carey Vanlalmuana (from Sep 2022)
William Watson (Chair until Apr 2022)

Governance and Risk Committee (from Jun 2022):

Stephen Osei-Mensah (Chair)
Peter Curtis
Søren Filbert (from Dec 2022)
Ndabaethethwa Mazabani

HR Committee (until Jun 2022):

Carey Vanlalmuana (Chair)
Ndabaethethwa Mazabani
William Watson (until Apr 2022)

Safety and Security Committee:

Dennis van der Sar (Chair from Jun 2022)
Stephen Osei-Mensah (Chair until Jun 2022)
Leighton Pittendrigh-Smith

EXECUTIVE LEADERSHIP TEAM

David Fyock
Chief Executive

Norman Baker III
Chief Operating Officer

Annie Bailey (until 31 Jan 2022)
HR Director

Anna Beck
Chief Finance Officer and Company Secretary

Abraham Carel Bothma (from 1 Apr 2022)
Chief HR Officer

William Harding
International Development Director

On 1 Apr 2022, the following individuals stepped from the Executive Leadership Team to the Operations Leadership Team:
Stephen Charlesworth
Stuart Fitch
Henk-Jan Muusse

MEMBERS

MAF Australia
MAF Denmark
MAF Finland
MAF France
MAF Germany
MAF Italy
MAF Netherlands
MAF New Zealand
MAF Norway
MAF South Africa
MAF Sweden
MAF Switzerland
MAF UK

PROVISIONAL MEMBERS

MAF Philippines
MAF Singapore

ASSOCIATE MEMBERS

MAF Canada
MAF USA

Registered office, and principal place of business in UK
Operations Centre, Henwood, Ashford, Kent, TN24 8DH

Independent Auditor

Mazars LLP, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Principal Bankers

National Westminster Bank plc, Europa House, 49 Sandgate Road, Folkestone, Kent CT20 1RU

Solicitors

Stone King LLP, 16 St John's Lane, London EC1M 4BS

ACCOUNTABILITY, ACCREDITATION AND MEMBERSHIPS

MAF International is a member of a number of organisations including EU-CORD, ACCORD, Global Connections, the UN Global Logistics Cluster, the DFID Rapid Response Facility, the Common Humanitarian Standards (CHS) Alliance and the Global Network of Civil Society Organisations for Disaster Reduction (GNDR).

In addition, MAF International is an observer member of Active Learning Network for Accountability Performance in humanitarian action (ALNAP) and recognises and upholds the Sphere standards.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL
FOR THE YEAR ENDED 31 DECEMBER 2022**

OPINION

We have audited the financial statements of Mission Aviation Fellowship International ('the parent charity') and its subsidiaries ('the group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 FRS 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 group's and the parent charity's affairs as at 31 December 2022 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 group's or the parent charity'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.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 the financial statements.

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

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, tax legislation, safeguarding, pensions legislation, employment regulation, health and safety regulation, anti-bribery, corruption and fraud and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as The Charities Statement of Recommended Practice and the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Nicola Wakefield
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey SM1 4FS

Date: 12 August 2023

MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022				2021				
		Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total	
		General	Designated	funds		General	Designated	funds		
		USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
Income										
Donations	3	9,105	-	20,796	29,901	9,164	-	17,206	26,370	
Charitable activities	4	13,480	876	-	14,356	10,476	791	-	11,267	
Other		689	-	11	700	629	11	3	643	
Total income		23,274	876	20,807	44,957	20,269	802	17,209	38,280	
Expenditure										
Raising funds	5	449	-	-	449	406	-	-	406	
Grants	6	883	76	161	1,120	789	194	486	1,469	
Charitable activities	7	18,202	3,561	13,581	35,344	19,279	4,032	12,530	35,841	
Total expenditure		19,534	3,637	13,742	36,913	20,474	4,226	13,016	37,716	
Net income/(expenditure) before transfers	9	3,740	(2,761)	7,065	8,044	(205)	(3,424)	4,193	564	
Transfers between funds	24,25	(2,108)	4,150	(2,042)	-	(258)	2,225	(1,967)	-	
Net income/(expenditure) before other recognised gains and losses		1,632	1,389	5,023	8,044	(463)	(1,199)	2,226	564	
Net movement in revaluation reserves	24,25	-	1,599	512	2,111	-	157	79	236	
Other gains/(losses)		(1,917)	(5)	-	(1,922)	(349)	-	-	(349)	
Net movement in funds		(285)	2,983	5,535	8,233	(812)	(1,042)	2,305	451	
Balances brought forward		2,635	57,740	24,752	85,127	3,447	58,782	22,447	84,676	
Balances carried forward		2,350	60,723	30,287	93,360	2,635	57,740	24,752	85,127	

There were no recognised gains or losses in either year other than those included in the Statement of Financial Activities.

All income and expenditure derive from continuing activities in both years.

The notes on pages 22 to 41 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2022**

	Note	Consolidated 2022 USD'000	Consolidated 2021 USD'000	Charity 2022 USD'000	Charity 2021 USD'000
Intangible fixed assets	11	156	35	156	35
Tangible fixed assets	12	72,603	66,578	35,222	9,387
Current assets					
Stocks	13	2,792	2,413	782	318
Debtors	14	5,251	6,065	2,718	2,498
Short-term deposits	15	3,066	2,906	-	-
Cash and cash equivalents	16	20,450	17,661	17,327	11,793
		<u>31,559</u>	<u>29,045</u>	<u>20,827</u>	<u>14,609</u>
Current liabilities					
Creditors	17	(8,269)	(8,591)	(4,372)	(1,773)
Net current assets		<u>23,290</u>	<u>20,454</u>	<u>16,455</u>	<u>12,836</u>
Debtors due after more than one year	14	82	98	82	98
Total assets less current liabilities		<u>96,131</u>	<u>87,165</u>	<u>51,915</u>	<u>22,356</u>
Creditors due after more than one year	18	(1,516)	(1,283)	(1,516)	(1,283)
Net assets excluding pension and deferred tax liabilities		<u>94,615</u>	<u>85,882</u>	<u>50,399</u>	<u>21,073</u>
Deferred tax liability	20	(1,255)	(755)	-	-
Net Assets including pension liability		<u><u>93,360</u></u>	<u><u>85,127</u></u>	<u><u>50,399</u></u>	<u><u>21,073</u></u>
Accumulated funds					
Unrestricted funds					
General		<u>2,350</u>	<u>2,635</u>	<u>1,789</u>	<u>633</u>
Designated revaluations reserves		3,456	1,940	1,328	103
Other designated funds		<u>57,267</u>	<u>55,800</u>	<u>28,657</u>	<u>14,282</u>
	24	<u>60,723</u>	<u>57,740</u>	<u>29,985</u>	<u>14,385</u>
Total unrestricted funds		<u>63,073</u>	<u>60,375</u>	<u>31,774</u>	<u>15,018</u>
Restricted funds					
Restricted revaluations reserves		985	473	438	44
Other restricted funds		<u>29,302</u>	<u>24,279</u>	<u>18,187</u>	<u>6,011</u>
Total restricted funds	25	<u>30,287</u>	<u>24,752</u>	<u>18,625</u>	<u>6,055</u>
Total funds	26	<u><u>93,360</u></u>	<u><u>85,127</u></u>	<u><u>50,399</u></u>	<u><u>21,073</u></u>

Approved by the directors on 23 June 2023 and signed on their behalf by



Peter Curtis, Chairman

The notes on pages 22 to 41 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 USD'000	2021 USD'000
Net cash from operating activities	31	10,364	5,053
Cash flow from investing activities			
Purchase of tangible assets		(6,197)	(4,204)
Purchase of intangible assets		(140)	(25)
Proceeds from disposals of tangible assets		320	2,661
Interest received		20	10
Net cash used in investing activities		<u>(5,997)</u>	<u>(1,558)</u>
Effect of exchange rates on cash and cash equivalents		<u>(1,418)</u>	<u>329</u>
Net increase in cash and cash equivalents		2,949	3,824
Cash and cash equivalents at start of year		20,567	16,743
Cash and cash equivalents at the end of the year		<u><u>23,516</u></u>	<u><u>20,567</u></u>

The notes on pages 22 to 41 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

Mission Aviation Fellowship International is a charitable company limited by guarantee and registered in England and Wales, registration number 3144199, and a registered charity number 1058226. The registered office is Operations Centre, Henwood, Ashford, Kent TN24 8DH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020), Charities SORP (FRS 102) and the Companies Act 2006.

MAF International meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of aircraft which are measured at fair value in accordance with the policy k below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

b Going concern

MAF International has USD 23,516,000 (2021 - USD 20,567,000) held in immediately accessible cash or short-term investments at 31 December 2022. Of this USD 5,751,000 (2021 - USD 4,721,000) is held for restricted purposes and the remaining cash is for use at the directors' discretion which is sufficient to cover the group's liabilities as they fall due for the foreseeable future. In light of this, these financial statements have been prepared on the basis that the charity is a going concern.

c Consolidation

The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet have been prepared by combining the data of MAF International, all of its subsidiary undertakings, see note 29. The charity has taken exemption from presenting its unconsolidated profit and loss account under Section 408 of the Companies Act 2006. The result for the charity only for the year was a surplus of USD 5,187,000 (2021 – USD 2,027,000).

d Foreign currencies

The functional and presentation currency of MAF International is US dollars as the primary currency used in the aircraft industry. However, income and costs also arise in other currencies due to operating jurisdictions. Other currencies have been translated to US dollars as follows:

Current assets and liabilities – closing rate at 31 December 2022
Other amounts - rate at date of transaction

The key exchange rates used to translate to USD were:

	31 December 2022	2022 Average	31 December 2021	2021 Average
GBP Sterling	1.2102	1.2400	1.3528	1.3757
Australian Dollar	0.6813	0.6965	0.7264	0.7520
Papua New Guinean Kina	0.2841	0.2838	0.2850	0.2849

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

e Income

- (i) Donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.
- (ii) Donated services income comprises the estimated value to MAF International of the staff seconded for international service. The costs are borne by the seconding groups. An equal and opposite charge is recognised in charitable expenditure. In accordance with the Charities SORP (FRS 102), the time donated to MAF International by volunteers is not recognised.
- (iii) Income arising from charitable activities is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of credits and discounts allowed and value added taxes.
- (iv) Interest on funds held on deposit is included when receivable and can be measured reliably.

f Expenditure

- (i) Raising funds comprises a proportion of central overhead costs arising from staff and other costs attributable to this activity.
- (ii) Grants made comprises payments made to other MAF groups and similar organisations either in accordance with donor restrictions placed on the funds, or to support their development, or to enable them to fully finance the seconding of individual staff to our operations.
- (iii) Charitable activities comprise actual costs relating to the aircraft and other services together with local (overseas) overheads.
- (v) Support costs include functions that directly support the operations such as flight training, engineering, operations support and quality, safety and security. Support costs also include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds, grants made and charitable expenditure. The basis on which support costs have been allocated is set out in note 8.

g Employee benefits

- (i) Leave benefits, including holiday pay are recognised as an expense in the period in which the service is rendered.
- (ii) Pension payments to defined contribution pension schemes are recognised as an expense when they fall due.
- (iii) MAF international holds a defined benefit pension scheme which is closed to new members and further accrual since 2008. The amount recognised in the balance sheet at 31 December 2022 is USD Nil (2021 – USD Nil).
- (iv) Annually, an independent actuary is engaged to calculate the obligation arising under the scheme. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss.

h Operating leases

Operating lease rentals are charged to the Statement of Financial Activities in accordance with the term of the lease.

i Deferred tax

Local legislation requires MAF to be registered as a commercial company in Papua New Guinea, which potentially gives rise to taxation on operating activities. Any taxation liabilities arising from these activities are provided at rates ruling in the relevant accounting period and deferred taxation is provided where it is predicted that a liability may arise in the foreseeable future.

j Intangible fixed assets

Purchased and internally developed computer software which costs USD 3,000 or more is capitalised at cost and amortised over its estimated useful life, 5 to 10 years.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

k Tangible fixed assets

Individual fixed assets costing USD 3,000 or more are capitalised at cost.

Depreciation is calculated as follows:

(i) Aircraft

Aircraft, where externally insured, are included at their insurance values. Other aircraft are valued at directors' valuation. Depreciation is charged to write off expenditure over an estimated useful life of 40 years.

Any increases in the net value are credited to expenditure to the extent that the aircraft has been previously impaired; the remaining gain is credited to the revaluation reserve within other comprehensive income. Any decreases are debited to the portion of the revaluation reserve associated to that aircraft until it is fully depleted and the remaining decrease is charged to expenditure.

When an aircraft has been purchased, and until it is brought into operational use, it is valued at the costs incurred to date. When it is planned that an aircraft will be sold, the net value of that aircraft is reduced to the expected sale proceeds.

(ii) Property

Depreciation is charged to write off expenditure on leasehold property equally over the length of the lease. Depreciation on other buildings is charged to write off the cost to their residual values over their expected economic lives. This is assessed country by country and ranges from 3 to 50 years. Depreciation on leasehold land is charged to write off the expenditure over the life of the lease. For assets in the course of construction depreciation is charged from the date which that facility becomes operational.

(iii) Equipment and vehicles

Depreciation is charged to write off the expenditure over an estimated useful life of 5 to 10 years.

l Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

m Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 value.

o Financial instruments

Financial assets and liabilities are initially measured at transaction value, except for specific financial instruments which are initially measured at fair value.

Trade and other debtors are subsequently measured at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and cash in hand includes cash and short-term highly liquid investments.

Creditors and provisions are subsequently measured at the amount due to settle the obligation where it can be measured or estimated reliably.

The organisation uses non-speculative foreign exchange contracts to reduce its exposure to foreign exchange risk, in line with the organisation's investment policy. Foreign exchange contracts are initially recognised at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

p Funds

Unrestricted Funds – General comprise net accumulated surpluses. They are available for use to further the charitable objectives of the charity.

Unrestricted Funds – Designated are amounts that have been set aside by the trustees for specific objectives.

Restricted Funds are funds and assets subject to specific conditions imposed by donors. When assets are purchased with restricted funds the restriction is deemed to be satisfied after reporting to the donor on the use of those assets ceases. Such assets are then transferred to unrestricted designated funds.

q Related parties

In the opinion of the trustees the group has no related parties.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group:

a Donated services

The value of donated services is determined by applying the average cost of a member of seconded staff to all those staff whose services have been donated to the group during the year. The average cost is calculated from the actual staff cost data of three member groups who supplied the highest number of seconded staff during the year.

b Overhaul

Funds are set aside in a designated fund for each hour flown for future overhaul of aircraft engines, propellers and the aircraft themselves. Actual expenditure is charged to the designated fund. For aircraft leased from third parties, these funds are included as a liability on the balance sheet.

c Aircraft valuations

The group values aircraft by reference to the "Blue Book value" (the aviation industry's standard indication of the expected recoverable amount on the open market). Adjustments are made for enhancements to the aircraft not accounted for in the Blue Book value, approved by the directors. Annually, every aircraft is revalued and reviewed for impairment.

d Estimation of useful lives of assets

The group determines the estimated useful lives and related amortisation and depreciation charges for intangible and tangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation or depreciation charge will increase where the useful lives are less than previously estimated lives. Technically obsolete assets that have been abandoned or sold are written off or written down.

e Impairment

MAF International assesses impairment of intangible and tangible assets at the end of each reporting period by evaluating conditions and events specific to the organisation that may be indicative of impairment trigger.

f Tax accruals

The group has a number of outstanding tax issues at the end of the financial year. The expected liabilities are accrued in the financial statements. Each accrual is calculated in accordance with communication from the tax authorities, local legislation and other external factors such as exchange rates. These accruals are reviewed annually and recalculated as necessary.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. INCOME FROM DONATIONS

Voluntary income comprises the amounts transferred mainly from the MAF members, together with other gift income. Restricted gifts may have been transferred directly to MAF International by a donor agency, under the direction of the national group.

	2022			2021		
	Unrestricted USD'000	Restricted USD'000	Total USD'000	Unrestricted USD'000	Restricted USD'000	Total USD'000
Donated services	-	4,518	4,518	-	4,698	4,698
Income for housing	852	-	852	889	-	889
Institutional donors	-	238	238	-	697	697
MAF Australia	5	1,623	1,628	3	2,400	2,403
MAF Canada	-	15	15	-	18	18
MAF Denmark	159	197	356	175	252	427
MAF Finland	18	34	52	84	61	145
MAF France	-	40	40	-	14	14
MAF Germany	-	72	72	-	87	87
MAF Italy	-	5	5	-	7	7
MAF Netherlands	-	4,453	4,453	300	3,494	3,794
MAF New Zealand	-	541	541	-	513	513
MAF Norway	536	369	905	761	289	1,050
MAF Sweden	-	225	225	24	92	116
MAF Switzerland	-	648	648	113	571	684
MAF UK	7,488	6,964	14,452	6,767	3,410	10,177
MAF USA	29	129	158	24	126	150
Other donors	18	725	743	24	477	501
	<u>9,105</u>	<u>20,796</u>	<u>29,901</u>	<u>9,164</u>	<u>17,206</u>	<u>26,370</u>

Many International Staff are paid by the MAF member or another mission agency which then seconds them to the charity. The costs of these staff are therefore borne by those groups and as a result the staff support received is generally not passed to the charity. Other International Staff are paid by the charity. As a partial contribution towards this cost, restricted income is received by the charity from their relevant sending MAF groups. The total of such amounts received by the charity and included in restricted income above was as follows:

	2022 USD'000	2021 USD'000
MAF Australia	1,100	1,447
MAF Canada	10	11
MAF Germany	18	44
MAF Netherlands	214	156
MAF Norway	2	2
MAF Sweden	31	65
MAF Switzerland	128	184
MAF UK	558	716
MAF USA	105	111
Other donors	36	29
	<u>2,202</u>	<u>2,765</u>

MAF International additionally collected USD 93,000 (2021 – USD 360,000) donations income and USD 330,000 (2021 – USD 472,000) staff support income on behalf of other MAF member groups or associated members. In these situations, MAF International forwards the income onto the relevant group directly and consequently the income has not been recognised in the financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. INCOME FROM CHARITABLE ACTIVITIES

The users of MAF International aircraft contribute to the costs of MAF. Similarly, MAF International seeks contributions towards its costs when providing other services, such as logistics. In Australia, we additionally have an aircraft engineering base which serves both our programmes in the regions as well as third-party customers. MAF Technologies in PNG provides radio and other communication technology services. Some programmes are also able to help third-party organisations with aircraft or vehicle maintenance.

	2022			2021		
	General	Designated	Total	General	Designated	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Contributions for						
Aviation services	13,030	-	13,030	9,755	-	9,755
Maintenance services	188	-	188	491	-	491
Other technologies	-	876	876	-	791	791
Other services	262	-	262	230	-	230
	<u>13,480</u>	<u>876</u>	<u>14,356</u>	<u>10,476</u>	<u>791</u>	<u>11,267</u>

MAF International acts as an agent for flights operated by MAF Canada and MAF US. During the year, the group collected and passed on USD 10,000 (2021- USD 53,000) which has not been recognised in these financial statements.

5. EXPENDITURE ON RAISING FUNDS

	2022	2021
	USD'000	USD'000
Allocation of support staff and other costs	<u>449</u>	<u>406</u>

All amounts relate to unrestricted funds in both the current and prior year.

6. EXPENDITURE ON GRANTS MADE

Grants were made from restricted and unrestricted funds in 2022 as follows:

	For	For ongoing operations and development			Sub-total	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
MAF Canada	139	-	-	-	139	11	150
MAF France	40	-	-	39	79	14	93
MAF Italy	-	-	-	57	57	16	73
MAF Netherlands	8	-	-	-	8	1	9
MAF Norway	-	251	-	-	251	20	271
MAF Philippines	-	-	-	15	15	4	19
MAF Singapore	-	-	-	15	15	4	19
MAF South Africa	21	-	32	7	60	6	66
MAF Sweden	8	200	-	-	208	17	225
MAF Switzerland	31	-	-	-	31	3	34
MAF USA	71	-	-	-	71	6	77
MATC	-	-	44	28	72	12	84
	<u>318</u>	<u>451</u>	<u>76</u>	<u>161</u>	<u>1,006</u>	<u>114</u>	<u>1,120</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. EXPENDITURE ON GRANTS MADE (CONTINUED)

Grants were made from restricted and unrestricted funds in 2021 as follows:

	For	For ongoing operations and development			Sub-total	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
MAF Canada	138	-	-	-	138	13	151
MAF Finland	-	-	58	-	58	5	63
MAF Italy	-	-	26	-	26	2	28
MAF Norway	-	289	-	-	289	27	316
MAF Philippines	-	-	15	-	15	1	16
MAF Singapore							
MAF South Africa	32	1	7	-	40	4	44
MAF Sweden	18	-	-	-	18	2	20
MAF Switzerland	31	-	-	-	31	3	34
MAF USA – Central Asia	-	-	-	456	456	102	558
MAF USA	97	-	-	-	97	9	106
MATC	-	-	88	30	118	15	133
	316	290	194	486	1,286	183	1,469

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Direct costs of services comprise the direct costs of aviation (such as fuel, maintenance and insurance) as well as those of other technologies and of running the aviation operations and maintenance departments, excluding staff costs. The direct costs of providing other services are within other local overhead expenditure and are not material. The method of allocation of support costs is shown in note 8.

Charitable activities for 2022 were as follows:

	Programme costs			Sub-total	Allocation	Total
	General	Designated	Restricted		of support	
	General	Designated	Restricted		costs	
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Direct costs of services	2,188	1,396	6,060	9,644	2,563	12,207
Cost of donated services	-	-	4,518	4,518	650	5,168
Staff costs	6,353	197	2,224	8,774	817	9,591
Other local overhead expenditure	3,120	793	207	4,120	2,279	6,399
Depreciation, amortisation and impairment	-	1,176	572	1,748	387	2,135
(Profit) on sale of assets	(155)	(1)	-	(156)	-	(156)
	11,506	3,561	13,581	28,648	6,696	35,344

Charitable activities for 2021 were as follows:

	Programme costs			Sub-total	Allocation	Total
	General	Designated	Restricted		of support	
	General	Designated	Restricted		costs	
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Direct costs of services	2,960	1,558	4,366	8,884	2,208	11,092
Cost of donated services	-	-	4,698	4,698	631	5,329
Staff costs	6,082	139	2,816	9,037	814	9,851
Other local overhead expenditure	2,735	706	186	3,627	1,918	5,545
Depreciation, amortisation and impairment	-	1,629	464	2,093	228	2,321
Loss on sale of assets	1,703	-	-	1,703	-	1,703
	13,480	4,032	12,530	30,042	5,799	35,841

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. SUPPORT COSTS

Support costs have been collated according to function, which includes all staff directly attributed to that department and other associated costs. These functions are allocated to the main expenditure functions in accordance with time spent supporting that aspect of MAF International's operations.

Unrestricted general support costs for 2022 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors offices	203	26	957	1,186
Aviation Services including quality and safety	-	-	1,974	1,974
Finance	100	50	852	1,002
Human Resources	-	38	713	751
Information technology and communications	146	-	1,438	1,584
Support office costs	-	-	353	353
Depreciation of fixed assets used for support	-	-	387	387
Strategic development	-	-	22	22
	<u>449</u>	<u>114</u>	<u>6,696</u>	<u>7,259</u>

Unrestricted general support costs for 2021 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	USD'000	USD'000	USD'000	USD'000
Chief Executive and Regional Directors Offices	151	85	606	842
Aviation Services including quality and safety	-	-	1,721	1,721
Finance	112	56	951	1,119
Human Resources	-	42	791	833
Information technology and communications	143	-	1,192	1,335
Support office costs	-	-	310	310
Depreciation of fixed assets used for support	-	-	228	228
	<u>406</u>	<u>183</u>	<u>5,799</u>	<u>6,388</u>

9. NET INCOME BEFORE TRANSFERS

The net income before transfers between funds is stated after charging:

	2022	2021
	USD'000	USD'000
Auditors' remuneration		
Audit fees	<u>167</u>	<u>152</u>
Realised net (gain) on currency exchange	<u>(187)</u>	<u>(57)</u>
Amortisation of intangible assets (note 11)	19	10
Depreciation of tangible assets (note 12)	2,420	2,540
Reversal of impairment of tangible assets (note 12)	(304)	(228)
Net (gain)/loss on disposal of fixed assets	<u>(157)</u>	<u>1,702</u>
Charges under operating leases	<u>1,015</u>	<u>1,162</u>
Inventory expensed in the year	<u>1,520</u>	<u>1,539</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. STAFF EXPENDITURE AND STAFF NUMBERS

	2022	2021
	USD'000	USD'000
Staff Costs		
Wages and salaries, including intangible expenditure	15,484	14,324
Social security costs	411	1,577
Retirement and death-in-service benefits costs	1,094	1,316
	<u>16,989</u>	<u>17,217</u>
Total salaries and benefits paid to Executive Leadership Team during the year	<u>494</u>	<u>753</u>

	2022	2021
	Number	Number
Employees that received remuneration of:		
£60,000 to £69,999	2	3
£70,000 to £79,999	-	1
£80,000 to £89,999	-	-
£90,000 to £99,999	1	1
Average number of employees - support offices	89	81
Average number of employees - field	386	398
Average number of seconded staff	62	69
	<u>537</u>	<u>548</u>

No remuneration is paid to the directors for their services as trustees of the Group, although expenses incurred personally in the course of their duties are reimbursed. Expenses waived by the directors for their services as trustees are negligible.

	2022	2021
	USD'000	USD'000
Travel expenses reimbursed to 6 directors (2021- 0).	20	-

11. INTANGIBLE ASSETS

Analysis for the group and charity:

	USD'000
COST	
At 1 January 2022	169
Additions	<u>140</u>
At 31 December 2022	<u>309</u>
AMORTISATION	
At 1 January 2022	134
Charge in the year	<u>19</u>
At 31 December 2022	<u>153</u>
NET BOOK VALUE	
At 31 December 2021	<u>35</u>
At 31 December 2022	<u>156</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. TANGIBLE FIXED ASSETS

Analysis for the Group:

	Aircraft USD'000	Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION				
At 1 January 2022	44,370	28,606	5,960	78,936
Additions	3,719	2,053	425	6,197
Disposals	(151)	(34)	(256)	(441)
Revaluation reserve	1,310	-	-	1,310
Foreign exchange adjustment	-	(9)	(3)	(12)
At 31 December 2022	<u>49,248</u>	<u>30,616</u>	<u>6,126</u>	<u>85,990</u>
DEPRECIATION				
At 1 January 2022	-	7,924	4,434	12,358
Charge in year	1,106	853	461	2,420
Net Impairment	(304)	-	-	(304)
Depreciation on disposals	(1)	(34)	(242)	(277)
Revaluation Reserve write back	(801)	-	-	(801)
Foreign Exchange adjustment	-	(7)	(2)	(9)
At 31 December 2022	<u>-</u>	<u>8,736</u>	<u>4,651</u>	<u>13,387</u>
NET BOOK VALUE				
At 31 December 2021	<u>44,370</u>	<u>20,682</u>	<u>1,526</u>	<u>66,578</u>
At 31 December 2022	<u>49,248</u>	<u>21,880</u>	<u>1,475</u>	<u>72,603</u>
Analysis of value between:				
Used for direct charitable purposes	<u>49,248</u>	<u>15,928</u>	<u>1,229</u>	<u>66,405</u>
Used for support of field programmes, management and administration		<u>5,952</u>	<u>246</u>	<u>6,198</u>

The titles of land and buildings in Kenya are held by a corporate body, Missionary Aviation Fellowship (Kenya) Registered Trustees, on behalf of MAF International.

Included within the cost of 'Land & Property' is USD 122,000 relating to a hangar in South Sudan and USD 344,000 relating to the building of some houses in Liberia.

Of the net value of 'Land & Property' USD 5,981,000 (2021 - USD 6,286,000) relates to freehold or the local equivalent and USD 3,344,000 (2021 - USD 3,286,000) relates to leases in excess of 50 years.

The land and building at Ashford, UK are secured by a first legal charge with National Westminster Bank plc and with a second legal charge in favour of the trustees of "The MAF Europe UK Pension Scheme".

The land and building at Cairns, Australia are secured by a first legal charge with Commonwealth Bank of Australia.

The historical cost of purchasing the aircraft was USD 58,285,000 (2021 - USD 54,836,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. TANGIBLE FIXED ASSETS (CONTINUED)

Analysis of the charity only:

	Aircraft USD'000	Land & Property USD'000	Equipment & Vehicles USD'000	Total USD'000
COST OR VALUATION				
At 1 January 2022	6,541	3,612	1,504	11,657
Additions and transfers	14,855	13,536	2,293	30,684
Disposals	-	-	(85)	(85)
Revaluation	459	-	-	459
At 31 December 2022	<u>21,855</u>	<u>17,148</u>	<u>3,712</u>	<u>42,715</u>
DEPRECIATION				
At 1 January 2022	-	1,120	1,150	2,270
Charge in year and transfers	483	3,440	1,868	5,791
Impairment	2	-	-	2
Disposals	-	-	(85)	(85)
Revaluation write back	(485)	-	-	(485)
At 31 December 2022	<u>-</u>	<u>4,560</u>	<u>2,933</u>	<u>7,493</u>
NET BOOK VALUE				
At 31 December 2021	<u>6,541</u>	<u>2,492</u>	<u>354</u>	<u>9,387</u>
At 31 December 2022	<u>21,855</u>	<u>12,588</u>	<u>779</u>	<u>35,222</u>

13. STOCKS

	Group		Charity	
	2022 USD'000	2021 USD'000	2022 USD'000	2021 USD'000
Aircraft spare parts	1,630	1,537	716	298
Fuel and other stocks	1,119	830	66	20
Work in progress	43	46	-	-
	<u>2,792</u>	<u>2,413</u>	<u>782</u>	<u>318</u>

14. DEBTORS

	Group		Charity	
	2022 USD '000	2021 USD '000	2022 USD '000	2021 USD '000
<u>Current Debtors</u>				
Trade and sundry debtors	3,362	3,851	1,626	1,065
Amount recoverable from subsidiary undertakings	-	-	371	927
Other debtors	1,151	1,255	239	124
Prepayments	738	959	482	382
	<u>5,251</u>	<u>6,065</u>	<u>2,718</u>	<u>2,498</u>
<u>Debtors due after more than one year</u>				
MAF Suriname	<u>82</u>	<u>98</u>	<u>82</u>	<u>98</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. SHORT TERM DEPOSITS

	Group		Charity	
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Bank deposits	3,066	2,906	-	-

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Cash and cash equivalents – Support offices	17,422	13,715	16,297	11,360
Cash and cash equivalents - Programmes	3,028	3,946	1,030	433
	<u>20,450</u>	<u>17,661</u>	<u>17,327</u>	<u>11,793</u>

17. CREDITORS

	Group		Charity	
	2022	2021	2022	2021
	USD'000	USD'000	USD'000	USD'000
Trade and other creditors	5,170	4,387	2,864	1,327
Taxation and social security	272	465	135	56
Amounts due to subsidiary undertakings	-	-	-	34
Loans	279	1,024	279	-
Accrued expenses	2,548	2,715	1,094	356
	<u>8,269</u>	<u>8,591</u>	<u>4,372</u>	<u>1,773</u>

The loans above include a loan received from MAF Australia under an agreement dated February 2021 for USD 1,074,000 (AUD1,400,000). The loan was fully repaid in February 2022.

18. CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	USD'000	USD'000	USD'000	USD'000
Loans	1,391	1,137	1,391	1,137
Staff resettlement allowances	125	146	125	146
	<u>1,516</u>	<u>1,283</u>	<u>1,516</u>	<u>1,283</u>

The loans above were received from MAF Netherlands in December 2021 and January 2022. They are unsecured loans to be repaid in 2027 with annual interest payable at a rate of 2% in arrears.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. PROVISIONS

Included in creditors are the following provisions:

	Charity and Group			Balances 31 December 2022 USD'000
	Balances 1 January 2022	Provided in the year	Utilised in the year	
	USD'000	USD'000	USD'000	
For overhaul of aircraft owned by 3 rd parties	488	140	-	628
For taxation issues in overseas programmes	301	501	(501)	301
	<u>789</u>	<u>641</u>	<u>(501)</u>	<u>929</u>

20. DEFERRED TAX LIABILITY

	Group		Charity	
	2022	2021	2022	2021
	USD'000	USD'000	USD'000	USD'000
Provision at 1 January	755	77	-	-
Movement in the year	<u>500</u>	<u>678</u>	<u>-</u>	<u>-</u>
Provision at 31 December	<u>1,255</u>	<u>755</u>	<u>-</u>	<u>-</u>

21. FINANCIAL COMMITMENTS

At 31 December 2022 the group was committed to making the following payments under non-cancellable operating leases:

	Property		Other	
	2022	2022	2021	2021
	USD'000	USD'000	USD'000	USD'000
Payable in 1 year	255	11	282	31
Payable in 2-5 years	60	2	73	10
Payable in over 5 years	<u>116</u>	<u>-</u>	<u>130</u>	<u>-</u>
	<u>431</u>	<u>13</u>	<u>485</u>	<u>41</u>

At 31 December 2022, the organisation was also committed to pay USD 3,500,000 in non-cancellable foreign exchange contracts to purchase USD and AUD using GBP and EUR. These commitments are stated at fair value and the USD 33,000 loss arising from the difference between the fair value and notional value has been recognised in the Statement of Financial Activities.

22. CAPITAL COMMITMENTS

At 31 December 2022, the organisation was committed to pay USD 236,000 under a contract to build housing in Liberia. In addition, the organisation is committed to pay a USD 110,000 retention payment for the building of a hangar in Mareeba, Queensland Australia, subject to final inspections.

As 31 December 2022, the organisation was also committed to completion payments under construction contracts for housing and a hangar in South Sudan, totalling USD 55,000..

23. POST BALANCE SHEET EVENTS

On 24 April 2023, the organisation has entered into three contracts with Textron Aviation to purchase four caravans in 2024 and 2025 for a total of USD 12,125,000.

On 31 May 2023, the MAF Europe Pension Scheme trustees purchased a buy-in with JUST Group plc for GBP 3,115,000 to secure the pensions on behalf of the scheme's members.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. UNRESTRICTED DESIGNATED FUNDS

	Balances 1 January 2022	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)/gain	Balances 31 December 2022
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Aircraft overhauls fund	2,949	-	(401)	1,384	-	-	-	3,932
Assets fund	44,640	-	(1,562)	1,526	168	-	(4)	44,768
Revaluation reserves	1,940	-	-	(83)	-	1,599	-	3,456
Development fund	3,223	-	(267)	277	-	-	-	3,233
Future assets fund	1,142	-	(82)	160	(118)	-	-	1,102
MAF Technologies (PNG)	388	876	(930)	19	-	-	(1)	352
Self-insurance fund	3,272	-	(300)	707	-	-	-	3,679
Tactical investment fund	186	-	(95)	160	(50)	-	-	201
	<u>57,740</u>	<u>876</u>	<u>(3,637)</u>	<u>4,150</u>	<u>-</u>	<u>1,599</u>	<u>(5)</u>	<u>60,723</u>
Designated funds – Charity only	<u>14,385</u>	<u>-</u>	<u>(1,150)</u>	<u>16,101</u>	<u>-</u>	<u>649</u>	<u>-</u>	<u>29,985</u>

The aircraft overhauls fund is used to overhaul the engines, propellers and airframes of the aircraft. Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are transferred from general funds to this designated fund for each hour flown by every aircraft.

The assets fund represents amounts set aside equivalent to the value of the aircraft, properties, equipment and vehicles used by MAF International (less relevant loans) and provision for the future replacement of some assets, both of which have been financed with transfers from unrestricted general funds.

The revaluation reserves represent the increase in value of aircraft over their original cost to carrying values where appropriate.

The development fund is used for the development of MAF Groups to enhance their fund raising and recruitment activities as well as to cover the cost of agreed new ventures, such as setting up operations or organisations to assist in resourcing the charity in new countries.

The future assets fund was created to cover the cost of specific capital assets, including aircraft, that are essential to the operations and for which no other funding has been received, or is expected.

MAF Technologies (PNG) represents the net assets of that entity (formerly “CRMF”), which will be used solely for the activities of that ministry in Papua New Guinea.

The self-insurance fund is available for the repair or replacement of damaged or stolen vehicles and aircraft, other than those which are externally insured. It is also used to cover other items that have not been able to be insured in some countries or where the premiums have been prohibitive.

The tactical investment fund is used to cover the cost of essential capital or revenue expenditure, for which project funding is unlikely to be available within operational time limits.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

25. RESTRICTED FUNDS

Restricted funds comprise the following unexpended balances of gifts and grants made for specific purposes and the net value of tangible assets bought from restricted funds. Movement and unexpended balances for projects are shown below.

	Balances 1 January 2022	Income	Expenditure	Transfers	Net tangible asset	Revaluation	Unrealised exchange (loss)	Balances 31 December 2022
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Additional and replacement aircraft	482	17	-	(179)	-	-	-	320
Arnhem Land, Northern Territories	1,228	496	(15)	(15)	(1,664)	-	-	30
Bangladesh	20	238	(238)	(1)	-	-	-	19
Central Asia	5	-	(5)	-	-	-	-	-
Chad	15	186	(187)	-	-	-	-	14
Disaster relief	207	5	(4)	-	-	-	-	208
Fuel	-	1,340	(1,340)	-	-	-	-	-
Guinea	14	218	(271)	75	(36)	-	-	-
Kenya	29	453	(450)	(2)	(10)	-	-	20
Liberia	317	762	(137)	1	(506)	-	-	437
Madagascar	52	256	(256)	(7)	-	-	-	45
Mareeba	-	20	-	(20)	-	-	-	-
MAF Technologies (PNG)	26	180	(109)	(82)	-	-	-	15
Mongolia	2	-	-	(2)	-	-	-	-
Papua New Guinea	354	2,837	(560)	3	(1,221)	-	-	1,413
South East Asia	18	2	(3)	(5)	-	-	-	12
South Sudan	666	2,396	(1,428)	165	(533)	-	-	1,266
Staff costs	1,035	7,339	(6,789)	(266)	-	-	-	1,319
Tanzania	-	162	(161)	2	-	-	-	3
Timor-Leste	23	500	(403)	4	(22)	-	-	102
Uganda	25	353	(296)	(2)	(8)	-	-	72
Other aviation projects	2	2,546	(76)	(95)	(2,055)	-	-	322
Other locations and sundry projects	201	501	(443)	(10)	(115)	-	-	134
	<u>4,721</u>	<u>20,807</u>	<u>(13,171)</u>	<u>(436)</u>	<u>(6,170)</u>	<u>-</u>	<u>-</u>	<u>5,751</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

25. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2022 USD'000	Income USD'000	Expenditure USD'000	Transfers USD'000	Net tangible assets USD'000	Revaluation USD'000	Unrealised exchange (loss) USD'000	Balances 31 December 2022 USD'000
Brought forward (page 36)	4,721	20,807	(13,171)	(436)	(6,170)	-	-	5,751
Net value of tangible assets:								
Aircraft	17,529	-	(408)	-	3,719	512	-	21,352
Land and buildings	2,349	-	(103)	(1,595)	1,994	-	-	2,645
Equipment and vehicles	153	-	(57)	(11)	342	-	-	427
	<u>20,031</u>	<u>-</u>	<u>(568)</u>	<u>(1,606)</u>	<u>6,055</u>	<u>512</u>	<u>-</u>	<u>24,424</u>
Net value of intangible assets	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>115</u>	<u>-</u>	<u>-</u>	<u>112</u>
Total Restricted Funds	<u>24,752</u>	<u>20,807</u>	<u>(13,742)</u>	<u>(2,042)</u>	<u>-</u>	<u>512</u>	<u>-</u>	<u>30,287</u>
Restricted Funds - Charity only	<u>6,055</u>	<u>12,583</u>	<u>(8,868)</u>	<u>8,560</u>	<u>-</u>	<u>295</u>	<u>-</u>	<u>18,625</u>

Following a review of previously restricted assets and in accordance with the accounting policy 1p on page 24, assets with a net book value of USD 1,605,000 (2021: USD 543,000) have been transferred from restricted funds to unrestricted designated funds.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

26. NET ASSETS

Consolidated Group	Unrestricted funds		Restricted Funds	Total 2022	Total 2021
	General	Designated			
	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	44	112	156	35
Tangible fixed assets	-	48,179	24,424	72,603	66,578
Current assets	13,308	12,500	5,751	31,559	29,045
Long-term assets	82	-	-	82	98
Current liabilities	(8,269)	-	-	(8,269)	(8,591)
Long-term liabilities	(1,516)	-	-	(1,516)	(1,283)
Deferred tax liability	(1,255)	-	-	(1,255)	(755)
	<u>2,350</u>	<u>60,723</u>	<u>30,287</u>	<u>93,360</u>	<u>85,127</u>

Charity only	Unrestricted funds		Restricted Funds	Total 2022	Total 2021
	General	Designated			
	USD'000	USD'000	USD'000	USD'000	USD'000
Intangible fixed assets	-	44	112	156	35
Tangible fixed assets	-	21,254	13,968	35,222	9,387
Current assets	7,595	8,687	4,545	20,827	14,609
Long-term assets	82	-	-	82	98
Current liabilities	(4,372)	-	-	(4,372)	(1,773)
Long-term liabilities	(1,516)	-	-	(1,516)	(1,283)
	<u>1,789</u>	<u>29,985</u>	<u>18,625</u>	<u>50,399</u>	<u>21,073</u>

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS

Defined benefit pension scheme

MAF International provided for pensions for UK based employees through "The MAF Europe UK Pension Scheme". This is an insured scheme, which is invested with Legal and General Investment Management. It is a defined benefit scheme based on 1/60 of final salary for each year of service and was open to all employees. The scheme commenced on 1 January 2000. The scheme was closed to new members in December 2007 and closed for future accrual with effect from 29 February 2008.

The last (triennial) actuarial report was prepared as at 1 January 2022. It indicated that the scheme was fully funded and so in June 2022, the scheme trustees agreed to pursue a buy-out.

A comprehensive actuarial valuation of the scheme was carried out at 31 December 2022 by the scheme's actuary. Adjustments to the valuation have been made based on the following assumptions:

	2022	2021
Discount rate	4.7%	1.8%
Retail price inflation before 2030	3.2%	2.9%
Retail price inflation after 2030	3.2%	2.9%
Limited price indexation	3.1%	2.9%
Deferred pension revaluation	<u>3.2%</u>	<u>2.9%</u>

The mortality assumptions used were:

	2022	2021
For a male aged 65 now	22.0	21.3
At 65 for a male member aged 45 now	23.3	22.6
For a female aged 65 now	24.4	23.7
At 65 for a female member aged 45 now	<u>25.8</u>	<u>25.2</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS (CONTINUED)

Reconciliation of scheme assets and liabilities:

	2022	2022	2022	2021	2021	2021
	Assets	Liabilities	Total	Assets	Liabilities	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January	7,090	(5,441)	1,649	6,540	(5,686)	854
Interest income/(expense)	87	(87)	-	74	(74)	-
Assets gains	-	(1,088)	(1,088)	424	-	424
Actuarial gains/ (losses)	1,477	-	1,477	-	235	235
Contributions/(expenses)	50	(57)	(7)	136	-	136
Benefits paid	(80)	80	-	(84)	84	-
At 31 December	<u>8,624</u>	<u>(6,593)</u>	<u>2,031</u>	<u>7,090</u>	<u>(5,441)</u>	<u>1,649</u>

The scheme net asset of USD 2,031,000 (£1,219,000) was not recognised in the financial statements in accordance with FRS102, as the directors believe it unlikely that the asset be fully recovered.

The fair value of the plan assets is as follows:

	2022	2021
	USD'000	USD'000
Equities	-	4,219
Bonds	-	1,020
Gilts	3,058	1,042
Sterling liquid fund	1,597	-
Insured pensions	568	804
Cash	<u>33</u>	<u>5</u>
Total	<u>5,256</u>	<u>7,090</u>

Under advice, the scheme trustees disinvested the scheme from equities and bonds into gilts and a sterling liquid fund in preparation for the buy-out.

Non-contributory money purchase arrangements

MAF International makes contributions of 10% of annual salary to pension providers of choice for all UK-based employees. During the year these pension contributions to individual non-contributory pension arrangements totalled USD 231,000 (2021 - USD 238,000).

MAF International in Asia Pacific made contributions of 10% of annual salary for superannuation for all Australia-based employees totalling USD 485,000 (2021 - USD 509,000).

Pension and superannuation contributions for staff in other fields overseas totalled USD 201,000 (2021 - USD 289,000).

28. TRUSTEES LIABILITY INSURANCE

MAF International has arranged liability insurance for its trustees and staff at a cost for the year of USD 7,398 (2021 - USD 7,217) excluding responsibilities regarding Asia Pacific region.

MAF International Asia Pacific has arranged liability insurance for its trustees and staff at a cost for the year of USD 2,182 (2021 - USD 2,147). Both are authorised in the respective Memorandum and Articles of Association.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

29. SUBSIDIARY UNDERTAKINGS

The charity has a number of subsidiaries as follows:

Stichting MAF International is a foundation registered in the Netherlands, Chamber of Commerce number 74256157. The following programmes operated under this subsidiary Kenya, South Sudan, Tanzania, Uganda until 30 June 2022, when the trade and assets for these programmes were transferred back to the charity.

Blue Sky Aviation Company Limited (BSA), is a company registered in Mongolia, number 9019010030. 95% of the shares are held by MAF International and the remainder by Exodus Way Company Limited. It was liquidated in July 2022.

Aviation Communication and Logistics Services Limited is a company registered in Uganda, whose shares are owned by the charity and two nominees. It holds the titles to parcels of land in Uganda which it has leased to MAF International for 99 years. These parcels of land constitute the airfield at Kajjansi, near Kampala. The cost of the leases is included within land & property in tangible fixed assets (note 12).

Although Mission Aviation Fellowship International is referred to as MAF International in these accounts, there is an Australian charitable company, MAF International, with registration number A.B.N. 32 004 260 860, referred to below as MAF International (in Australia). This company is 100% controlled by virtue that Mission Aviation Fellowship International is the sole member of MAF International. Its principal activity is the provision of air services to the Church and remote communities. This company has two subsidiaries, MAF Aviation Services Pty Ltd and MAF PNG Holding Ltd. MAF PNG Holding Ltd also has one subsidiary, MAF Papua New Guinea Ltd.

- MAF Aviation Services Pty Ltd is an Australian company, A.C.N. 004 545 108. The company's shares are wholly owned by MAF International. MAF Aviation Services Pty Ltd has made a long-term loan to MAF PNG Holding Ltd, secured on the latter's assets. It has no other activities.
- MAF PNG Holding Ltd is a company registered in Papua New Guinea (PNG), registration number 1-22887. The company is wholly owned by MAF International. MAF PNG Holding Ltd acts as the holding company for MAF Papua New Guinea Ltd, a wholly owned subsidiary, and as such it owns and manages all the aircraft, land and buildings and other fixed assets for operations in PNG.
- MAF Papua New Guinea Ltd is also a company registered in PNG, registration number 1-17085, and is wholly owned by MAF PNG Holding Ltd. This entity carries out the charity's objectives in that country through aviation.

Christian Radio Missionary Fellowship Inc (known as MAF Technologies) is a not-for-profit association incorporated in Papua New Guinea, association number 5-903. It is controlled by virtue of a Memorandum of Understanding that grants responsibility for control and governance to Mission Aviation Fellowship International. Its ministry focus is in communications technology and services.

The following is a summary of the results and of the net assets of the main entities within the group.

	MAF International (in the Netherlands)	MAF International (in Australia) (*)	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd	MAF Technologies	2022 Total
	USD'000	USD'000	USD'000	USD'000	USD'000
Income	27,276	3,015	5,447	8,310	44,957
Expenditure	(16,074)	(3,764)	(8,892)	(7,211)	(36,913)
Other	24	(1)	(1,590)	1,758	189
Net movement in funds	11,226	(750)	(5,035)	2,857	8,233
Net assets/ (liabilities)	50,399	377	39,133	2,726	93,360

(*) MAF International includes Blue Sky Aviation Company Ltd until July 2022 when it was liquidated and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

29. SUBSIDIARY UNDERTAKINGS (CONTINUED)

The comparative results for 2021 are:

	MAF International (*) USD'000	MAF International (in the Netherlands) USD'000	MAF International (in Australia) (*) USD'000	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd USD'000	MAF Technologies USD'000	2021 Total USD'000
Income	20,670	4,299	7,692	4,731	885	38,277
Expenditure	(13,100)	(6,749)	(10,832)	(6,184)	(849)	(37,714)
Other	(88)	3	(638)	611	-	(112)
Net movement in funds	<u>7,482</u>	<u>(2,447)</u>	<u>(3,778)</u>	<u>(842)</u>	<u>36</u>	<u>451</u>
Net Assets	<u>21,078</u>	<u>24,213</u>	<u>39,170</u>	<u>(11)</u>	<u>677</u>	<u>85,127</u>

(*) MAF International includes Blue Sky Aviation Company Ltd and Rapid Relief Wing, and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

30. NOTES TO THE CASH FLOW STATEMENT

	2022 USD'000	2021 USD'000
Net income/(expenditure) before other recognised gains and losses	8,044	564
Net interest income	(20)	(10)
Operating surplus	<u>8,024</u>	<u>554</u>
Amortisation of intangible assets	19	10
Depreciation of tangible assets	2,420	2,540
Impairment of tangible assets	(304)	(228)
(Profit)/loss on disposal of tangible assets	(157)	1,702
Working capital movements		
(Increase)/decrease in stocks	(379)	92
Decrease/(increase) in current and long-term debtors	830	(2,572)
Increase/(decrease) in current and long-term creditors	(89)	2,955
Cash flow from operating activities	<u>10,364</u>	<u>5,053</u>

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales - Charity number 1058226

Accounts



MISSION AVIATION FELLOWSHIP INTERNATIONAL

(Company limited by guarantee and not having a share capital)

Company Number 3144199

Registered Charity Number 1058226

Financial Statements for the year ended 31 December 2021

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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FOR THE YEAR ENDED 31 DECEMBER 2021**

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**MISSION AVIATION FELLOWSHIP INTERNATIONAL
TRUSTEES, OFFICERS AND ADVISORS OF THE CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees

Peter Curtis (Chairman)		Australia
A. Ralph Gunn		South Africa
Ndaba Mazabane		South Africa
Stephen Osei-Mensah		UK
Dennis van der Sar	Appointed 25 September 2021	The Netherlands
Elizabeth Ann Saunders	Resigned 25 January 2021	UK
Carey Vanlalmuana		India
William Watson	Resigned 8 April 2022	Canada

Company Secretary

Anna C Beck, BSc FCA

Executive Leadership Team

Norman E Baker III, BSMTAT, MSM	Appointed 1 January 2021	Chief Operating Officer
Annie M Bailey, FCIPD	Resigned 31 January 2022	HR Director
Anna C Beck, BSc, FCA		Chief Finance Officer
A. Carel Bothma, BCOM, MHRM	Appointed 1 April 2022	HR Director
David L Fyock, BSAT		Chief Executive
William A Harding, LLB MICD		International Development Director
William B Nicol, BMin	Resigned 31 July 2021	Aviation Director

The following individuals stepped from the Executive Leadership Team to the Operations Leadership Team on 1 April 2022:

Stephen L Charlesworth, BEng, BMin	Regional Director, Asia Pacific
Stuart A Fitch, MSc	Director of Flight Operations
Henk-Jan Muusse, MSc	Regional Director, Africa

Registered office, and principal place of business in UK

Operations Centre, Henwood, Ashford, Kent, TN24 8DH

Independent Auditor

Mazars LLP, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Principal Bankers

National Westminster Bank plc, Europa House, 49 Sandgate Road, Folkestone, Kent CT20 1RU

Solicitors

Stone King LLP, 16 St John's Lane, London EC1M 4BS

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees, who are also the directors of Mission Aviation Fellowship International (“MAF International”) for the purposes of the Companies Act, have pleasure in presenting their Report and Financial Statements for the year ended 31 December 2021. The financial statements comply with the requirements of the governing documents, current statutory requirements and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

MAF International is a Christian charity whose mission is to bring help, hope and healing through aviation, under our vision to see isolated people changed by the love of Christ.

The principal activity continues to be the provision of subsidised aviation services in parts of the world where surface travel is impossible or very difficult. MAF International reaches the unreached in some of the world’s most remote and isolated areas, where people are cut off due to geographical barriers, conflict or the dangers of overland travel. During 2021, our flights continued to enable hundreds of organisations to overcome these challenges and bring help and hope to people in spiritual and physical need.

Ancillary services of flight training, aircraft maintenance, logistics services and other communication services are also provided. MAF International’s services are provided by dedicated staff (many of whom are seconded to MAF International by MAF resourcing groups and related agencies) who use their skills in aviation, and other fields, to work *inter alia* with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

MAF International could not operate without the funding of MAF resourcing groups around the world, most of whom are its members, grants from government funding agencies and by fares charged to those who use the aircraft.

Public Benefit

The trustees of MAF International confirm that they have complied with their duty laid out in the Charities Act 2011 to have due regard to the public benefit guidance published by the UK Charity Commission. MAF International aims to benefit those living in some of the most isolated parts of the world. Our fleet of light aircraft can take emergency teams, healthcare professionals, Christian workers and supplies into these remote areas more quickly and efficiently than by any other means. As a result, our activities benefit two major groups: firstly, the charities, churches, and other organisations whose mission it is to reach these isolated communities, and secondly the communities themselves.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

During 2021 MAF International and its subsidiaries operated in 11 countries, namely North Australia, Bangladesh, Chad, Kenya, Liberia, Madagascar, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda. Additionally, we operate a Maintenance and Flight Training Centre in Queensland, Australia and MAF Technologies (under the statutory name of Christian Radio Missionary Fellowship) in Papua New Guinea also continued to operate throughout the year.

In the year, we continued the registration process to commence operations in Guinea. We almost completed the building of a tarmac airstrip in the Chin State in Myanmar, until the work was halted following the coup in February 2021. We continued to support the work of the Mission Aviation Training Centre (MATC) in the Netherlands.

Our operations and ministry within each programme varies to reflect the needs of the country, churches, missions and NGOs that we serve. To review effectiveness, MAF International undertakes a regular survey, by country, of the needs of its customers and how we are helping them accomplish their ministries and work. The survey is based on savings in time, finances, and increase in security and safety for those whom we serve. We also consider the Christian influence of our staff in the country.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

During the 2021 year, MAF International's operational activities are summarised in the table below:

	2021	2020
Total hours flown	14,537	11,555
Number of flight legs	20,609	16,711
Unique* passengers	49,032	37,800
Distance (km)	2,818,629	2,216,945
Unique* cargo (kg)	1,738,529	1,096,785
Fleet size**	58	60
Destinations	506	539

* Unique is defined as passengers or cargo per flight (not per flight leg)

** Does not include the three aircraft are leased to MATC in the Netherlands

Our activity was impacted severely by COVID-19 during 2020. In 2021, there was a slow increase in activity however local country lockdowns and COVID-19 variants hampered progress in some locations. By December 2021, flight hours were 85% of the same period in 2019 (before the pandemic).

OUR IMPACT

In isolated **Arnhem Land**, where the roads are generally unusable and the internet connection poor, the Australian Bureau of Statistics asked us to help its 18th census reaching isolated Aboriginal communities. According to a member of the Bureau of Statistics, 'It is particularly important that the census gathers information about small and remote communities around Australia. Sometimes the only way to get the right data is to fly in and ensure their information is captured.'

After 25 years of work in **Chad**, the whole Bible translation and publication was completed in Chadian Arabic by a Christian organisation. We were privileged to fly two consignments of these Bibles to destinations in the north and east of Chad.

Where overland travel can be particularly dangerous, MAF in **Kenya** enabled CURE International to carry out mobile medical clinics – our aircraft taking only two hours to fly orthopaedic specialists from Nairobi to Lamu Island, saving eight hours by road and sea. The medics then went on to hard-to-reach Bura. Our aircraft enabled a total of 83 patients to be treated for conditions including cerebral palsy and club foot.

In **Liberia**, a country which, since 1989, has experienced two devastating civil wars and the ravages of Ebola, our staff member and volunteer nurse flew to Harper to teach a week-long Emergency Triage Assessment and Treatment course, saving 48-hours travel on very difficult roads. Twenty-five clinicians spent four days learning new skills and putting them into practice, enabling nurses and physicians' assistants, who work in isolated areas, learn to save severely malnourished children's lives.

In **Madagascar**, we delivered 500 COVID-19 vaccines to a health clinic in Marolambo. The 40-minute flight saved a 2-week overland journey on poor quality roads. Our pilots flew a further 6,500 vaccines for UNICEF to Ambanja, Ambilobe, Antsirananana and Nosy Be – the 6½-hour flight saving multiple days of overland and sea travel. Another MAF plane enabled 14,400 doses to reach 12 isolated areas along Madagascar's north-eastern coast – MAF's cold chain expertise not only saved time but also prevented the vaccines from being spoiled.

In mid-December we flew a small team to the south of Madagascar where they administered and supervised the distribution of food donated by an overseas mission to about 2,500 people. The area has been struggling with drought for many years.

In **South Sudan**, where civil war has been raging since 2013, we transported teams from the Peacebuilding Opportunities Fund to encourage key community leaders from warring tribes to resolve problems without resorting to violence. Despite the groups having been involved in cattle raiding, revenge killing and child abduction, MAF aircraft enabled them to reach Rumbek for a three-day conference where armed youths from the Dinka Bor, Lual Nuer and Murle tribes agreed 'to peacefully co-exist'.

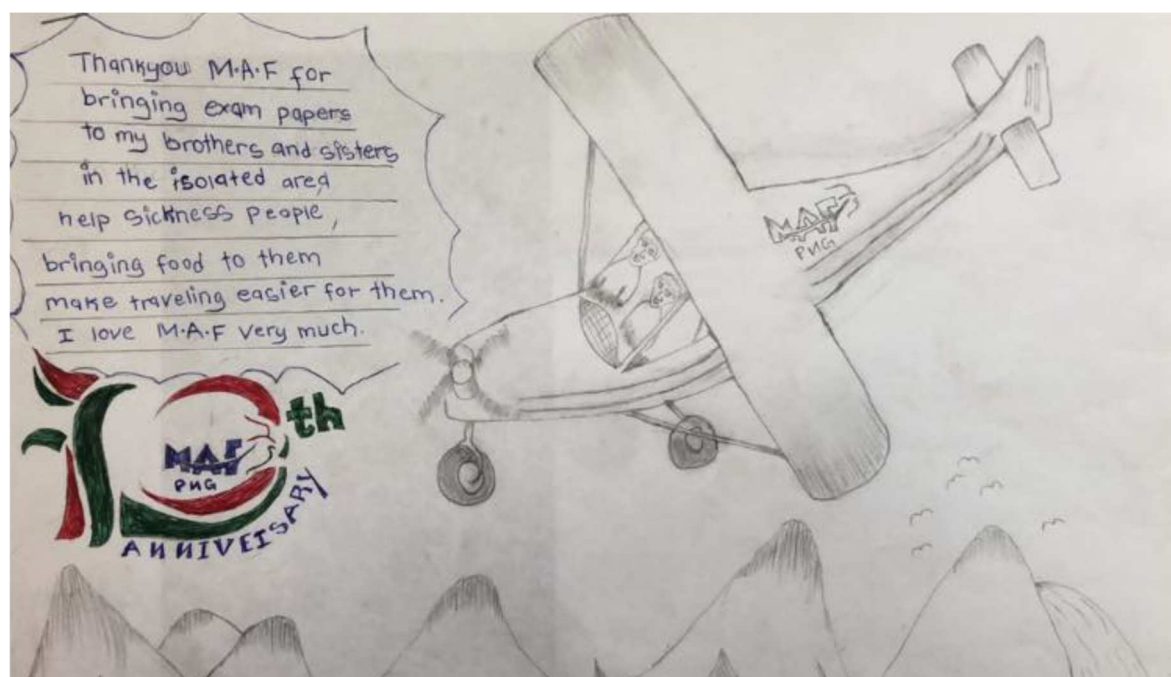
In **Tanzania**, where there's a dangerously inadequate network of dirt-track roads, we helped Elisha, lead evangelist at Malambo Bible College, travel safely, so he could tell other Maasai about Jesus. Our flights reduced overland journeys that would usually take him days on foot to under an hour. Many years ago, before he had even heard about MAF, Elisha was chased by a herd of elephants and a badly injured buffalo. 'I remember another time that I walked barefoot, got sunstroke and couldn't walk. I stopped under a tree and started to cry because of the pain. But MAF was the answer to my cries.' In 2021, thanks to MAF flights, Elisha and his team baptised more than 130 adults, showing them the importance of trusting God in good times and bad.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

In April 2021, following **Timor Leste**'s worst flood in 40 years, our aerial surveys enabled government authorities and the UN World Food Programme to obtain data that played a major role in the government's relief strategy. With roads in Dili cut off, medical centres flooded, bridges damaged, electricity supplies disrupted and crops submerged under 15 feet of water, our aerial assessments were, according to Timor-Leste's Secretary of State for Civil Protection, 'critical in helping us understand the true extent of damage, enabling us to distribute life-saving relief to families affected by the floods.'

In **Uganda**, which has the largest number of refugees in Africa, we delivered resources including felt boards, peg people and clay, enabling Christian NGO Tutapona to provide a mental health programme for 50 young people living in Adjumani, home to one of the world's most conflict-affected communities. The Christ-centred programme helps children recover from traumatic experiences caused by armed conflict. According to the leader of the project, those who respond successfully, end up with 'hope, are courageous, able to forgive, and thankful. They also have faith in a divine Creator.'

In **Papua New Guinea**, we celebrated 70 years of operations. With lockdown restrictions in place, we innovated ways to celebrate including engaging young people in a drawing competition to mark the occasion:



OUR STRATEGIC PRIORITIES

During 2021, work commenced against the priorities of our new strategic plan, under the three headings of Expanding our Horizons, Investing in People and Maximising Impact.

Expanding our Horizons

This priority aims to create opportunity for growth through strategic partnerships, institutional and corporate funding, new programmes, worldwide recruitment, capacity-building in our programme countries and new technology that stewards the environment and provides more economical transportation.

Examples of Expanding our Horizons during the year are described below.

We have been developing a strategic relationship with ASFA in **Madagascar**, a Christian organisation involved in prison ministry. We received a certificate of recognition signed by the Malagasy government in appreciation of us enabling ASFA to minister in remote prisons.

In **Chad**, where decades of civil war have left the country impoverished, our aircraft enabled government officials to witness Mines Advisory Group (MAG) clearing the land of explosives. 'Our partnership with MAF,' said MAG's Operations Director, 'provides a key element of the system we must have in place in case of injury. Transporting an injured person to the nearest hospital takes a day's drive on very bad roads. They would probably die from the sheer shock of being bounced around on the journey. Having an aircraft means we can get the person to a good hospital in N'Djaména, and they've got a high chance of living.'

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

After many months of preparation and visits to government offices in **Guinea**, we received the signed 'Convention d'établissement' in December. This gives approval for MAF to operate as an International NGO within the country. We are working in partnership with MAF-US to establish a flight operation.

In **Papua New Guinea**, two of our national engineers successfully completed the first ever hybrid PT6 training course of its kind by Flight Safety International. We also continued to develop synergistic partnerships with three like-minded missions. We subcontracted mission helicopters to provide service to the airstrips which were closed as a precautionary measure in 2020/21. This meant that we were able to continue to transport medical services through the Aerial Health Patrols initiative. We are also working towards licences to provide remote maintenance support for two aviation missions, encouraging them to reciprocate, so that we can more effectively support like-minded mission aviation organisations and they can support us.

In partnership with the Rural Airstrip Agency, **MAF Technologies** in Papua New Guinea, installed four HF radios in remote areas. While much of the world is going digital, HF remains a lifeline for people who have little or no connectivity.

The coup in **Myanmar** had a significant effect on our plans for flight operations in that country. In early March, we were asked to halt construction of the Lailenpi airstrip. When it became clear that we would not quickly restart construction, we decided to pause the work. We remain committed to providing air service to the many remote communities in this country, in God's timing.

In **Timor-Leste**, we work with the Ministry of Health to provide priority medevac services. We have also trained medevac nurses in the handling of patients with scoop stretchers both inside and outside the aircraft.

Investing in People

This strategic priority seeks ways to retain staff longer as well as increase the numbers entering our ranks. This will be addressed through a wellbeing strategy, an engineering apprentice and intern scheme, increasing the number of instructor pilots, and a standardised management training plan, which will identify and grow management throughout the organisation.

Examples of Investing in People are described below.

In Far-North Queensland, Australia, we signed an agreement with Central Queensland University for the provision of **flight training** to aviation students. This will enable us to offer comprehensive training packages for local and overseas students. Aviation Australia informed us that we were the only provider to achieve 100% student satisfaction in a government aviation student loan survey, a testimony to our team at the Mareeba training base.

In addition, we completed the construction of a **maintenance** hangar at our Mareeba base, with engineering and maintenance training services transferred into the new hangar in January 2022. Furthermore, the construction of the adjoining paint hangar was completed post year-end. We will continue to develop facilities to provide comprehensive training for pilots and engineers from across the world.

In **Uganda**, two international and one national engineer apprentices joined the team. An engineering training syllabus has been created which can be used across MAF to train engineers.

Potential **apprentice training** providers are being investigated in the UK and Europe, while training pathways for engineer trainees are being developed in India, with the training of two engineers commencing during the year. A pilot training pathway concept paper was developed for the Sustainable Development Program, whom we partner with in the aerial health patrol services in Papua New Guinea.

Further housing was built on our compound in **South Sudan**, to provide quality secure housing for our missionary staff based in Juba. The compound also provides a reliable water supply to the local community.

An **inclusion survey** has been completed. Overall results were very positive with staff having good engagement with their line managers. This provides a solid foundation to build on.

Approximately 40 managers attended training to improve and embed more deeply **Just Culture** into the organisation. Professor James Reason describes Just Culture as 'an atmosphere of trust in which people are encouraged (even rewarded) for providing essential safety-related information, but in which they are also clear about where the line must be drawn between acceptable and unacceptable behaviour'. This is a culture that we want to encourage and engender within the organisation.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

We spent the year implementing our new **learning and development management system** which will enable all staff to access training programmes, provide standard induction for all new staff regardless of role and for staff and managers to hold and maintain training records.

Maximising Impact

This strategic priority aims to provide regular review and feedback for better evaluation of our work and improve the way we perform that work. We will create and implement a ministry impact tool, modernise our software tools, standardise project management, and establish an innovation hub that invites creative thought to better serve our customers and our end beneficiaries.

Examples of Maximising Impact are described below.

We have implemented a **new IT strategy** to guide us as we seek to modernise our IT systems and create a fit-for-purpose IT environment. Areas of focus include, data management, security, efficiency, service and support, and training and communications. Additionally, the strategy speaks to proper management of upgrades and changes, investing in staff and properly understanding the needs of the organisation.

A tool to help us effectively measure and assess our **ministry impact** was designed and tested during the year. This will enable our donors to understand the impact of our work, assist with designing and prioritising ministry on a national and organisational level, and assist the organisation with effective resource management and prioritisation.

An **enterprise resource planning system** was selected to replace our current accounting package. This package will be implemented during 2022, with a focus on standardising business processes while improving quality and timeliness of financial information.

In **Papua New Guinea**, we initiated a new Customer Relations Management platform to provide a common platform across our operations centre, planning, flight and ground operations, and administration teams. In the **MAF Technologies** team in Papua New Guinea, in-house customer care training was carried out and we have appointed a staff member to focus on caring for our key customers.

In **Arnhem Land**, modifications were made to an aircraft to improve its usability in medevacs. New equipment was purchased which will allow patients to be moved into the aircraft more comfortably and offers more options in terms of how they can be positioned during the flight.

In **South Sudan**, we commenced the build of a hangar at the airport. This will enable ongoing maintenance of our aircraft to be performed locally rather than the aircraft flying several hours to Kenya or Uganda for maintenance, and therefore improve availability of our aircraft to serve our customers.

We made the difficult decision to cease operations in **Bangladesh**. Although the country remains in great need, the last couple of decades have seen significant development in road infrastructure. In June 2022 the long-awaited Padma Bridge (an aesthetic 6 km two-story rail and road vehicle bridge) is planned to be opened to traffic. This will significantly reduce road travel time to 21 southern districts, many of which MAF currently serves. The team undertook a full review of the programme in late 2021 and the closure is planned for July 2022.

The **communications** team was expanded with regional communications managers appointed for both regions as well as communications officers for several programmes to provide more comprehensive and timely communications for donors. In addition, a new website was developed, combining and standardising multiple MAF sites. The website was launched in Q1 2022.

DEVELOPMENTS DURING THE YEAR

The mission and vision statements were refreshed and adopted across the MAF International family:

- Vision statement is to see isolated people changed by the love of Christ.
- Mission statement is serving together to bring help, hope and healing through aviation.

During the year, an Operations Leadership Team was created to provide leadership and focus on operational strategic priorities. The aviation department was restructured with directors of flight operations and technical operations appointed to improve engagement and accountability between our flight and technical teams and operational programmes. The appointment of a strategic development director was made in Q1 2022.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

COVID-19

The organisation was significantly impacted by COVID-19 in 2020. This continued in 2021 with government enforced lockdowns and other preventative measures restricting flight activities as different variants moved around the globe. Our operational programmes have continued to fulfil the organisation's mission wherever and whenever possible. The 21-month financial response plan enacted in 2020 enabled the organisation to successfully navigate the challenges presented. By the end of 2021, the financial situation was stable, and the trustees are confident the organisation has reserves to operate well into the future.

FUTURE DEVELOPMENTS

Following the refreshment of the vision and mission statements, MAF International's organisational values will be reviewed and refreshed in 2022 to ensure they are fit-for-purpose and embody what we desire to be as an organisation.

Expanding our horizons

In Q2 2022, flight operations began in Guinea. With the appointment of the strategic development director in Q1, 2022, our institutional development specialists, partnership development managers and ministry impact team will come together as a team. This will provide further focus on the areas of ministry expansion and give opportunities to maximise institutional funding. Two "MEAL" (measurement, evaluation, accountability, and learning) specialists will start collating data and bringing analysis of our impact in the two regions.

Investing in People

In Q1 2022, we appointed an Organisational Development Manager, to take the lead in the areas of learning and development, well-being, and supporting a one-team culture across the organisation. Ongoing focus will be made in the areas of flight-instructor and engineering training. We will also continue to increase the opportunities for all staff to move into positions across the organisation, in their home countries and abroad.

Maximising our Impact

A digital business partner will be appointed to focus on positioning our IT infrastructure to operate in a digital world. Roll-out of the enterprise resource planning system will commence in Q3 and the implementation of the learning and development management system will be completed.

Following a review of communications across the organisation, recommendations will be considered by a project team and implemented as appropriate.

ENVIRONMENTAL IMPACT

MAF International is committed to care for creation to ensure long-term sustainability for the current generations and the generations to come. Our ultimate beneficiaries are some of the most affected by the impacts of climate change. Many live from the land, reliant on natural elements to provide reliable food and water. Their environment is being impacted by rising temperatures, increasing fires, floods and extreme weather.

In 2021, we conducted an exercise to establish a comprehensive understanding of our carbon footprint for the year ended 31 December 2019 as this period represents a normal period of activity. In 2019, our estimated carbon footprint was 12,109 tons of carbon dioxide. To put this into context, it was the equivalent to the annual average household output of around 1,500 homes in the UK. 69% of the emissions arose from our own flying, with 21% arising from other international flying and the remaining 10% from freight, other travel costs and energy.

Following this, we developed an environmental statement and strategy including an action plan and monitoring programme against the baseline carbon footprint established. This will ensure that, as an organisation who is bringing help, hope and healing to the world's most remote communities, we do not also contribute further to their challenges.

The strategy will be overseen by the incoming strategic development director and includes:

- Minimising waste, reducing consumption and increasing the use of sustainable goods. This will include carbon-efficient methodologies such as solar panels, evaluating our supply chain, monitoring the development of sustainable aviation fuels and carefully managing travel;
- Advocacy through engagement across all stakeholder groups, including staff and donors, and intentional work with customers focussed on creation care;
- Research and invest in future technologies including drones, electric aircraft and other carbon-friendly tool; and
- Meeting regulatory compliance as needed.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Under the Companies Act 2018 Regulations for Large and Medium-sized Companies and Groups, MAF International is required to report our UK energy use, associated greenhouse gas emissions and information relating to energy efficient action.

The requirements for carbon and energy reporting have not been completed for the year ended 31 December 2021 because, as a global aviation organisation, only providing this information on UK non-aviation activities would seriously prejudice the readers' understanding of the actual energy used and greenhouse emissions produced by the organisation. We are working towards producing this information for the whole organisation on an annual basis to meet our internal commitment and Companies Act requirements.

STAKEHOLDER ENGAGEMENT

The trustees have taken due notice of the requirements laid out in section 172(1) of the Companies Act 2006. The trustees confirm their compliance with section 172(1) through appropriate delegation of authority to the finance and audit, -people and safety committees, and also to the CEO, as laid out in the governance manual.

The six areas of section 172(1) are addressed as follows:

- a) *the likely consequences of any decision in the long term,*

The trustees approved the five-year strategic plan. In approving the plan, the trustees have considered the long-term issues facing the organisation, both internally and externally, the opportunities presented to further our mission and the consequences of not fulfilling the plan. The strategic plan is a living document and will be adjusted as time progresses.

- b) *the interests of the company's employees,*

The trustees recognise that our staff are our most important asset. Concerns on staff welfare are regularly discussed and challenges laid to management to care for our staff. A comprehensive staff survey is carried out every five years, trends monitored, and actions taken to improve staff well-being and engagement.

The appointment of an organisational development manager will specifically focus on engaging with staff to improve well-being and retention.

- c) *the need to foster the company's business relationships with suppliers, customers and others,*

Our key business relationships are with our member groups (see more detail under (f)), donors, customers who we fly, suppliers and our ultimate beneficiaries in the remote communities. Surveys with customers are regularly carried out as well as ministry reviews to ensure we understand the needs of our customers and the remote communities we serve. This will be further enhanced in the future under the guidance of the strategic development team to intentionally build relationships which will best serve remote people.

- d) *the impact of the company's operations on the community and the environment,*

As an aviation organisation, we are deeply aware of the impact on the environment of our work and services. We actively monitor developments in green aviation and the environmental impact in the support services needed for our operations. An environmental statement and strategy has been developed and adopted in the year.

- e) *the desirability of the company maintaining a reputation for high standards of business conduct, and*

We always engage with the highest level of integrity with all parties. All staff are trained on, and required to sign, our Code of Conduct and Safeguarding Agreement, which establishes the requirement for integrity in all our operations. We also have a whistleblowing policy, including an independent hotline, to ensure staff and other external parties such as beneficiaries and suppliers can raise any concerns and that they are properly addressed.

- f) *the need to act fairly, as between members of the company.*

We continue to be grateful for the ongoing relationship with the members of MAF International, whose main function is to resource the operations, in the provision of staff, funds and underpinning all our activities with prayer. We are aware of our interdependence on one another and seek to work for the mutual benefit and partnership of all parties within the MAF group. The Board of Trustees engages directly with the Boards of the MAF member groups. The Executive Leadership Team engages with members of the senior leadership teams in each MAF member group.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

GRANTS

Significant grants made in the year include:

- A restricted grant of \$456,000 (2020- \$1,070,000) was made for the work carried out in Central Asia by a subsidiary of MAF USA. Many people in that part of Central Asia live in remote communities, with little or no access to basic humanitarian services. Whilst assistance is available from several NGOs working there, the delivery of the aid is severely restricted by security issues and inadequate transport and infrastructure. In addition, many roads and mountain passes are closed by snow blockages during the winter months, which is when the aid is most urgently needed. This grant is funded by the Directorate General for European Civil Protection and Humanitarian Aid Operations (DG-ECHO).
- Grants totalling \$118,000 (2020 - \$85,000) were made to Mission Aviation Training Centre in the Netherlands, partially funded by restricted donations from MAF UK and MAF Netherlands.

Other grants made are shown in note 6.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities for MAF International for the year is set out on page 17. Total income for the year was \$38,280,000 (2020 - total income was \$37,943,000), 29% (2020 - 23%) was generated by services provided, 69% (2020 - 69%) was voluntary income including restricted gifts and intangible income (the value attributed to international staff seconded from resourcing groups) and the remaining 2% (2020 – 8%) from other sources.

The net movement in resources for the year before other gains and losses was a surplus of \$564,000 (2020 – a surplus of \$3,119,000). The net surplus in revaluation reserve was \$236,000 (2020 - deficit of \$88,000), and, as with 2020, there was no movement on the defined benefits pension scheme. These movements together with other gains and losses, predominantly on foreign exchange transactions, resulted in a net movement in funds for the year of a surplus of \$451,000 (2020 - surplus of \$3,163,000). This comprises a deficit of \$812,000 on unrestricted General Funds, a deficit on Designated Funds of \$1,042,000 and a surplus on Restricted Funds of \$2,305,000. This includes a transfer of \$543,000 from Restricted Funds to Designated Funds following a review of previously restricted assets in accordance with the accounting policy 1p on page 22. Details of the Designated Funds are set out in the Notes to the Financial Statements (note 24), which includes a note of how the funds are expected to be used.

MAF International keeps its financial records in, and reports in, US dollars. As a result, there are unrealised gains and losses on currency translation which arise on the translation of the Papua New Guinea financial statements, as well as on our GBP, AUD and EUR deposits.

Analyses of income and expenditure are given in the Notes to the Financial Statements (notes 3 to 10).

Reporting of pension provision

From 1999 to 2008, MAF International provided for pensions for UK-based employees through "The MAF Europe UK Pension Scheme". The trustees have included pension information on this scheme in the format required by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

The scheme was closed to future service accrual at 29 February 2008. The scheme has 18 "deferred" members who will receive their pension, based on service up until that date, at their normal retirement date, together with 12 pensioner members.

The actuarial review as at 1 January 2019, disclosed a shortfall in the funding due of £434,000 (\$587,000 at the December 2021 exchange rate) on assets of £3,846,000 at that date. The trustees agreed a recovery plan of additional transfers at a rate of £99,000 per annum until November 2023. A second charge on the office premises in Ashford remains in place. The next actuarial review for the scheme is due in 2022.

Note 27 shows that, as at 31 December 2021, comparing the present value of the scheme's future liabilities with the current value of the investments, there was a net asset of \$1,649,000 (2020 - \$854,000), however this has not been recognised in the financial statements under the provisions of FRS102 because the directors believe it is unlikely this asset will be recovered. The scheme's assets and liabilities are recorded in pounds sterling and have been translated into US\$ for these statements. The net pensions asset before translation is £1,219,000 (2020 - £633,000). The value of the scheme's future liabilities depends on the retirement dates of the members and on the assumptions made, which are quoted in the note. The method of calculation used by the Scheme Actuary is as laid down in FRS102.

In addition to the defined benefit scheme, MAF International makes contributions to defined contributions schemes or government schemes on behalf of its employees in accordance with normal practice or legal requirements in each country.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial position and reserves policy

The assets and liabilities of MAF International are set out in the Balance Sheet. All the assets were used to further the objects of the charity.

The balance carried forward on unrestricted funds totals \$60,375,000 (2020 - \$62,229,000); being \$2,635,000 of general funds (2020- \$3,447,000) and \$57,740,000 of designated funds (2020 - \$58,782,000). These general funds form the charity's base reserve.

It is the Board's policy to reserve sufficient funds to ensure the ongoing operations of MAF International. These include a base reserve of 30 to 90 days overhead expenditure to withstand peaks and troughs in cash flows. Additionally, other designated funds may be created by the Board to help ensure MAFI's effectiveness. As a regular part of the Board's work all risks and reserves were reviewed, and any recommended changes have been implemented. Details of all the designated funds are set out in note 24.

At 31 December 2021 the base reserve balance was within the range of 30 to 90 days of overhead expenditure.

GOVERNANCE AND STRUCTURE

Principal Risks and Uncertainties

The organisation has a formal risk management process to assess risks and implement risk management strategies. The trustees review identified risks and uncertainties to ensure risks and mitigations are well managed. The risks are classified into the following groupings:

- Governance & Management Risks
- Operational Risks
- Finance Risks
- Environmental & External Risks
- Legal & Compliance Risks

At the end of the financial year, the principal risks, together with the control measures being taken to manage these risks were:

Risks	Control Measures
Unable to fill key vacancies with suitable staff	<ul style="list-style-type: none"> • Accelerated recruitment strategy. • Appointment of short-term staff. • Ongoing discussion with sending MAF groups. • Organisational standards and internal controls in place. • Oversight and support from regional support office.
COVID-19 pandemic (finance/business continuity)	<ul style="list-style-type: none"> • Reducing overhead spend to a minimum. • Reallocating reserves and reissuing budgets. • Local contingency plans in place. • Financial worst case contingency measures in place.
COVID-19 pandemic (staff health)	<ul style="list-style-type: none"> • High risk staff relocated. • Medical insurance and evacuation provision in place.

The principal uncertainties relating to overseas activities are also addressed by the risk management process the Board has adopted. Since the year end, we have also been closely monitoring the impact of the conflict in Ukraine, rising fuel prices and currency uncertainties. In addition, the Board continues to review the Strategic and Enterprise risks the organisation is exposed to.

MAF International has also adopted a range of risk management policies including Safety Management, Financial Crime, Code of Conduct, Safeguarding, and Whistleblowing policies. These policies are available on the charity's intranet and available for all staff in every location.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Articles of Association

MAF International's initial memorandum and articles of association were dated 23 December 1995. In September 2011, the memorandum and articles of association were replaced, and at a General Meeting of members revised articles of association were adopted. These were revised by some further amendments on each of the Annual General Meetings held in September 2014, September 2016 and September 2019.

Subsidiaries and connected charities

Details of MAF International's subsidiaries and connected charities are set out in Notes 29 and 30 to the Financial Statements respectively.

Members

The members, associate members and provisional members are the various MAF groups that provide resources to MAF International. Members are based in thirteen countries, associate members in two countries and provisional members in two.

Related parties

As mentioned above there are MAF groups in various nations that are members, associate members and provisional members. In February 2021, the organisation entered into an unsecured loan agreement with MAF Australia for AUD1,400,000 to assist in the building of hangar facilities in Mareeba, Queensland, Australia. This was fully repaid in February 2022. In December 2021, a similar loan from MAF Netherlands for EUR 1,000,000 was granted to the organisation to support the build of the facilities in Mareeba, followed by a further EUR 1,000,000 in January 2022 to purchase a C208 for Arnhem land.

Trustees

The trustees are appointed by the members. The name of the trustees and of MAF International's principal officers and advisors are set out at the beginning of this report. The Board met as a group seven times during 2021, all meetings being held virtually. In 2020 the Board met 10 times of which one was in person and the remaining were virtual. The Board was assisted by three subcommittees: a Safety Committee, a Finance and Audit Committee and a People Committee. The members of these subcommittees are made up of board members and outside experts, where appropriate.

Since the end of the financial year, the Board decided to restructure the subcommittees to a Safety and Security Committee, a Finance and Audit Committee and a Governance and Risk Committee, commencing in September 2022. In future, the nominated Safeguarding trustee would report directly to the Board rather than through the People Committee.

Management

The Chief Executive ("CEO"), together with the Executive Leadership Team ("ELT"), is responsible for the day-to-day management of MAF International's affairs and for implementing the policies set by the Board. The Board maintains a Governance Manual which, *inter alia*, sets financial and operational parameters within which the CEO and ELT must manage the operations of MAF International.

Remuneration of Executive Leadership

The trustees set the CEO's salary having considered his role and responsibilities, the size and nature of the charity, and comparisons with the salaries of others in the same sector in the UK. The salaries of the other members of the ELT are set by the CEO considering the country of residence of each. All the ELT receive the same cost of living rises as the organisation's other staff in their respective countries of service.

Volunteers

MAF International has a small number of volunteers who assist in charitable activities overseas. The trustees and ELT are grateful for the time and effort these individuals contribute to MAF's ministry. The time spent by such volunteers is not considered to be material in comparison to the total staff time and therefore no additional disclosure has been made.

Trustee Induction and Training

In the trustee induction programme, new trustees are provided with a copy of the Governance Manual as well as a copy of CC3 *The Essential Trustee*. They are required to attend a series of meetings and discussions with the CEO and other executives to learn more about the work and how MAF International operates.

From time to time, the Board invites specialists such as the auditors to make a presentation to the Board on matters of interest, such as good governance, to ensure that the trustees are kept abreast of best practice.

Internal Control and Risk Management

The trustees have overall responsibility for ensuring that the charity has an appropriate system of internal controls, financial and otherwise.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 financial crime, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable; and
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the trustees;
- regular consideration by the trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks; and
- minimum financial internal controls required are documented in a finance manual.

In addition, there is a financial internal audit function. It includes a schedule of audit visits to programmes on a rotational basis and two programmes were visited for internal audit purposes during the year.

Standards, Quality and Flight Safety

MAF International operates an Aviation Safety Programme and a Quality Assurance Programme. The aviation standards in the aviation manuals, for all our operations are International Civil Aviation Organisation (ICAO) and/or local national authority (NAA) compliant.

The purpose of the quality assurance programme in relation to aviation is to monitor achievement and continued compliance with the requirements of the local aviation authority and of MAF International and to ensure adequate procedures for the safe operation of aircraft. In addition to local quality managers, MAF International also operates a central audit system where each programme's operations and maintenance compliance is monitored annually. Further, we use the 'Just Culture' methodology to ensure there is the right levels of accountability in the organisation.

The trustees have a sub-committee to regularly review safety standards throughout the organisation and to give oversight to the Aviation Safety Programme.

Safeguarding

MAF International is committed to providing a safe and trusted environment for our staff, volunteers, and beneficiaries. The organisation requires the highest ethical and moral standards from all our staff and takes misconduct seriously. We have written policies with which all staff must comply, including a code of conduct, non-harassment, anti-bullying, data protection and privacy, equal opportunity and just culture policies.

MAF International has a robust safeguarding policy in place, together with safeguarding standards for the protection of children and vulnerable adults, which require agreement from each member of staff every two years along with refresher training. Safeguarding risks are regularly reviewed by management and the trustees. Recruitment processes have been updated including additional questions for applicants and referees related to safeguarding; along with enhanced training for recruiters. Safeguarding officers have been appointed and trained for each MAF International location and all new staff for overseas roles must undergo a police check before acceptance is confirmed.

During 2021, there were two minor safeguarding issues reported to and investigated by MAF International; neither of these required reporting to the Charity Commission.

Employment of Disabled People

MAF International's policy and practice is to ensure equal opportunities in the recruitment, training and career development of disabled people on the basis of their aptitude and abilities required in their job role. The organisation also works toward the retention and retraining of employees who have become disabled.

Fundraising

MAF International does not raise funds directly from the public. We receive most donations from the independent MAF groups that diligently work to support our activities. During the year \$19,585,000 (2020 - \$16,686,000) was received from MAF groups and in addition \$697,000 (2020 - \$3,474,000) was received from Institutional and corporate funders. A breakdown of the source of all the donations received is shown in note 3.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Accountability, Accreditation and Memberships

MAF International is a member of a number of organisations including EU-CORD, ACCORD, Global Connections, the UN Global Logistics Cluster, the DFID Rapid Response Facility, the Common Humanitarian Standards (CHS) Alliance and the Global Network of Civil Society Organisations for Disaster Reduction (GNDR). In addition, MAF International is an observer member of Active Learning Network for Accountability Performance in humanitarian action (ALNAP) and recognises and upholds the Sphere standards.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the surplus or deficit of the group and charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.

Statements as to Disclosure of Information to Auditors

So far as the trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Co-operation with Other Groups

MAF International works closely with other organisations involved with aviation support for church, mission and relief and development groups. In particular, MAF International has a close relationship with the independent MAF groups in various countries.

Approved by the Board on 23 June 2022.



Peter Curtis
Chairman

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL
FOR THE YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of Mission Aviation Fellowship International ('the parent charity') and its subsidiaries ('the group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 FRS 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 group's and the parent charity's affairs as at 31 December 2021 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 group's or the parent charity'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.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 12 - 13, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Nicola Wakefield
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey SM1 4FS

Date:

13th July 2022

MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021				2020			
		Unrestricted funds		Restricted	Total	Unrestricted funds		Restricted	Total
		General	Designated	funds		General	Designated	funds	
US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000		
Income									
Donations	3	9,164	-	17,206	26,370	9,730	0	16,579	26,309
Charitable activities	4	10,476	791	-	11,267	8,098	724	-	8,822
Other		629	11	3	643	2,791	10	11	2,812
Total income		20,269	802	17,209	38,280	20,619	734	16,590	37,943
Expenditure									
Raising funds	5	406	-	-	406	341	-	-	341
Grants	6	789	194	486	1,469	677	113	1,285	2,075
Charitable activities	7	19,279	4,032	12,530	35,841	13,392	6,127	12,889	32,408
Total expenditure		20,474	4,226	13,016	37,716	14,410	6,240	14,174	34,824
Net income/(expenditure) before transfers	9	(205)	(3,424)	4,193	564	6,209	(5,506)	2,416	3,119
Transfers between funds	24,25	(258)	2,225	(1,967)	-	(5,452)	6,158	(706)	-
Net income/(expenditure) before other recognised gains and losses		(463)	(1,199)	2,226	564	757	652	1,710	3,119
Net movement in revaluation reserves	24,25	-	157	79	236	-	(189)	101	(88)
Other gains/(losses)		(349)	-	-	(349)	188	(49)	(7)	132
Net movement in funds		(812)	(1,042)	2,305	451	945	414	1,804	3,163
Balances brought forward		3,447	58,782	22,447	84,676	2,502	58,368	20,643	81,513
Balances carried forward		2,635	57,740	24,752	85,127	3,447	58,782	22,447	84,676

There were no recognised gains or losses in either year other than those included in the Statement of Financial Activities.

All income and expenditure derive from continuing activities in both years.

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2021**

	Note	Consolidated 2021 US\$,000	Consolidated 2020 US\$,000	Charity 2021 US\$,000	Charity 2020 US\$,000
Intangible fixed assets	11	35	20	35	20
Tangible fixed assets	12	66,578	68,812	9,387	9,873
Current assets					
Stocks	13	2,413	2,505	318	278
Debtors	14	6,065	3,464	2,498	2,033
Short-term deposits	15	2,906	2,631	-	-
Cash and cash equivalents	16	17,661	14,112	11,793	8,860
		<u>29,045</u>	<u>22,712</u>	<u>14,609</u>	<u>11,171</u>
Current liabilities					
Creditors	17	(8,591)	(6,765)	(1,773)	(2,047)
Net current assets		<u>20,454</u>	<u>15,947</u>	<u>12,836</u>	<u>9,124</u>
Debtors due after more than one year	14	98	128	98	128
Total assets less current liabilities		<u>87,165</u>	<u>84,907</u>	<u>22,356</u>	<u>19,145</u>
Creditors due after more than one year	18	(1,283)	(154)	(1,283)	(99)
Net assets excluding pension and deferred tax liabilities		<u>85,882</u>	<u>84,753</u>	<u>21,073</u>	<u>19,046</u>
Deferred tax liability	20	(755)	(77)	-	-
Net Assets including pension liability		<u><u>85,127</u></u>	<u><u>84,676</u></u>	<u><u>21,073</u></u>	<u><u>19,046</u></u>
Accumulated funds					
Unrestricted funds					
General		<u>2,635</u>	<u>3,447</u>	<u>633</u>	<u>77</u>
Designated revaluations reserves		1,940	5,347	103	74
Other designated funds		<u>55,800</u>	<u>53,435</u>	<u>14,282</u>	<u>13,861</u>
	24	<u>57,740</u>	<u>58,782</u>	<u>14,385</u>	<u>13,935</u>
Total unrestricted funds		<u>60,375</u>	<u>62,229</u>	<u>15,018</u>	<u>14,012</u>
Restricted funds					
Restricted revaluations reserves		473	394	44	14
Other restricted funds		<u>24,279</u>	<u>22,053</u>	<u>6,011</u>	<u>5,020</u>
Total restricted funds	25	<u>24,752</u>	<u>22,447</u>	<u>6,055</u>	<u>5,034</u>
Total funds	26	<u><u>85,127</u></u>	<u><u>84,676</u></u>	<u><u>21,073</u></u>	<u><u>19,046</u></u>

Approved by the directors on 23 June 2022 and signed on their behalf by



Peter Curtis, Chairman

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 US\$,000	2020 US\$,000
Net cash from operating activities	31	5,053	7,992
Cash flow from investing activities			
Purchase of tangible assets		(4,204)	(5,705)
Purchase of intangible assets		(25)	(18)
Proceeds from disposals of tangible assets		2,661	1,006
Interest received		10	49
Net cash used in investing activities		<u>(1,558)</u>	<u>(4,668)</u>
Effect of exchange rates on cash and cash equivalents		<u>329</u>	<u>120</u>
Net increase in cash and cash equivalents		3,824	3,444
Cash and cash equivalents at start of year		16,743	13,299
Cash and cash equivalents at the end of the year		<u><u>20,567</u></u>	<u><u>16,743</u></u>

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

Mission Aviation Fellowship International is a charitable company limited by guarantee and registered in England and Wales, registration number 3144199, and a registered charity number 1058226. The registered office is Operations Centre, Henwood, Ashford, Kent TN24 8DH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020), Charities SORP (FRS 102) and the Companies Act 2006.

MAF International meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of aircraft which are measured at fair value in accordance with the policy k below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

b Going concern

MAF International has \$20,567,000 (2020 - \$16,743,000) held in immediately accessible cash or short term investments at 31 December 2021. Of this \$4,721,000 (2020 - \$2,859,000) is held for restricted purposes and the remaining cash is for use at the directors' discretion which is sufficient to cover the group's liabilities as they fall due for the foreseeable future. In light of this, these financial statements have been prepared on the basis that the charity is a going concern.

c Consolidation

The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet have been prepared by combining the data of MAF International, all of its subsidiary undertakings (note 29), together with Rapid Relief Wing (note 30). The charity has taken exemption from presenting its unconsolidated profit and loss account under Section 408 of the Companies Act 2006. The result for the charity only for the year was a surplus of \$2,027,000 (2020 – deficit of \$6,216,000).

d Foreign currencies

The functional and presentation currency of MAF International is US dollars as the primary currency used in the aircraft industry. However, income and costs also arise in other currencies due to operating jurisdictions. Other currencies have been translated to US dollars as follows:

Current assets and liabilities – closing rate at 31 December 2021
Other amounts - rate at date of transaction

The key exchange rates used to translate to US\$ were:

	31 December 2021	2021 Average	31 December 2020	2020 Average
£ Sterling	1.3528	1.3757	1.3493	1.2832
Australian Dollar	0.7264	0.7520	0.7671	0.6852
Papua New Guinean Kina	0.2850	0.2849	0.2850	0.2892

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES (CONTINUED)

e Income

- (i) Donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.
- (ii) Donated services income comprises the estimated value to MAF International of the staff seconded for international service. The costs are borne by the seconding groups. An equal and opposite charge is recognised in charitable expenditure. In accordance with the Charities SORP (FRS 102), the time donated to MAF International by volunteers is not recognised.
- (iii) Income arising from charitable activities is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of credits and discounts allowed and value added taxes.
- (iv) Interest on funds held on deposit is included when receivable and can be measured reliably.

f Expenditure

- (i) Raising funds comprises a proportion of central overhead costs arising from staff and other costs attributable to this activity.
- (ii) Grants made comprises payments made to other MAF groups and similar organisations either in accordance with donor restrictions placed on the funds, or to support their development, or to enable them to fully finance the seconding of individual staff to our operations.
- (iii) Charitable activities comprise actual costs relating to the aircraft and other services together with local (overseas) overheads.
- (iv) Support costs include functions that directly support the operations such as flight training, engineering, operations support and quality, safety and security. Support costs also include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds, grants made and charitable expenditure. The basis on which support costs have been allocated is set out in note 8.

g Employee benefits

- (i) Leave benefits, including holiday pay are recognised as an expense in the period in which the service is rendered.
- (ii) Pension payments to defined contribution pension schemes are recognised as an expense when they fall due.
- (iii) MAF international holds a defined benefit pension scheme which is closed to new members and further accrual since 2008. The amount recognised in the balance sheet at 31 December 2021 is \$Nil (2020 –\$Nil).
- (iv) Annually, an independent actuary is engaged to calculate the obligation arising under the scheme. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss.

h Operating leases

Operating lease rentals are charged to the Statement of Financial Activities in accordance with the term of the lease.

i Deferred tax

Local legislation requires MAF to be registered as a commercial company in Papua New Guinea, which potentially gives rise to taxation on operating activities. Any taxation liabilities arising from these activities are provided at rates ruling in the relevant accounting period and deferred taxation is provided where it is predicted that a liability may arise in the foreseeable future.

j Intangible fixed assets

Purchased and internally developed computer software which costs \$3,000 or more is capitalised at cost and amortised over its estimated useful life, 5 to 10 years.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES (CONTINUED)

k Tangible fixed assets

Individual fixed assets costing \$3,000 or more are capitalised at cost.

Depreciation is calculated as follows:

(i) Aircraft

Aircraft, where externally insured, are included at their insurance values. Other aircraft are valued at directors' valuation. Depreciation is charged to write off expenditure over an estimated useful life of 40 years.

Any increases in the net value are credited to expenditure to the extent that the aircraft has been previously impaired; the remaining gain is credited to the revaluation reserve within other comprehensive income. Any decreases are debited to the portion of the revaluation reserve associated to that aircraft until it is fully depleted and the remaining decrease is charged to expenditure.

When an aircraft has been purchased, and until it is brought into operational use, it is valued at the costs incurred to date. When it is planned that an aircraft will be sold the net value of that aircraft is reduced to the expected sale proceeds.

(ii) Property

Depreciation is charged to write off expenditure on leasehold property equally over the length of the lease. Depreciation on other buildings is charged to write off the cost to their residual values over their expected economic lives. This is assessed country by country and ranges from 3 to 50 years. Depreciation on leasehold land is charged to write off the expenditure over the life of the lease. For assets in the course of construction depreciation is charged from the date which that facility becomes operational.

(iii) Equipment and vehicles

Depreciation is charged to write off the expenditure over an estimated useful life of 5 to 10 years.

l Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

m Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 value.

o Financial instruments

Financial assets and liabilities are initially measured at transaction value, except for specific financial instruments which are initially measured at fair value.

Trade and other debtors are subsequently measured at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions are subsequently measured at the amount due to settle the obligation where it can be measured or estimated reliably.

The organisation uses non-speculative foreign exchange contracts to reduce its exposure to foreign exchange risk, in line with the organisation's investment policy. Foreign exchange contracts are initially recognised at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

p Funds

Unrestricted Funds – General comprise net accumulated surpluses. They are available for use to further the charitable objectives of the charity.

Unrestricted Funds – Designated are amounts that have been set aside by the trustees for specific objectives.

Restricted Funds are funds and assets subject to specific conditions imposed by donors. When assets are purchased with restricted funds the restriction is deemed to be satisfied after reporting to the donor on the use of those assets ceases. Such assets are then transferred to unrestricted designated funds.

q Related parties

In the opinion of the trustees the group has no related parties.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group:

a Donated services

The value of donated services are determined by applying the average cost of a member of seconded staff to all those staff whose services have been donated to the group during the year. The average cost is calculated from the actual staff cost data of three member groups who supplied the highest number of seconded staff during the year.

b Overhaul

Funds are set aside into a designated fund for each hour flown for future overhaul of aircraft engines, propellers and the aircraft themselves. Actual expenditure is charged to the designated fund. For aircraft leased from third parties, these funds are included as a liability on the balance sheet.

c Aircraft valuations

The group values aircraft by reference to the "Blue Book value" (the aviation industry's standard indication of the expected recoverable amount on the open market). Adjustments are made for enhancements to the aircraft not accounted for in the Blue Book value. Annually, every aircraft is revalued and reviewed for impairment. The valuations are approved by the directors.

d Estimation of useful lives of assets

The group determines the estimated useful lives and related amortisation and depreciation charges for intangible and tangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation or depreciation charge will increase where the useful lives are less than previously estimated lives. Technically obsolete assets that have been abandoned or sold are written off or written down.

e Impairment

MAF International assesses impairment of intangible and tangible assets at the end of each reporting period by evaluating conditions and events specific to the organisation that may be indicative of impairment trigger.

f Tax accruals

The group has a number of outstanding tax issues at the end of the financial year. The expected liabilities are accrued in the financial statements. Each accrual is calculated in accordance with communication from the tax authorities, local legislation and other external factors such as exchange rates. These accruals are reviewed annually and recalculated as necessary.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. INCOME FROM DONATIONS

Voluntary income comprises the amounts transferred mainly from the MAF groups, who are members of MAF International, together with other gift income. Restricted gifts may have been transferred directly to MAF International by a donor agency, under the direction of the national group.

	2021			2020		
	Unrestricted US\$,000	Restricted US\$,000	Total US\$,000	Unrestricted US\$,000	Restricted US\$,000	Total US\$,000
Donated services	-	4,698	4,698	-	4,443	4,443
Income for housing	889	-	889	790	-	790
Institutional donors	-	697	697	-	3,474	3,474
MAF Australia	3	2,400	2,403	-	1,701	1,701
MAF Canada	-	18	18	-	6	6
MAF Denmark	175	252	427	94	76	170
MAF Finland	84	61	145	49	71	120
MAF France	-	14	14	-	8	8
MAF Germany	-	87	87	-	41	41
MAF Italy	-	7	7	-	6	6
MAF Netherlands	300	3,494	3,794	1,127	2,124	3,251
MAF New Zealand	-	513	513	-	444	444
MAF Norway	761	289	1,050	263	570	833
MAF Singapore	-	-	-	-	46	46
MAF Sweden	24	92	116	122	106	228
MAF Switzerland	113	571	684	-	467	467
MAF UK	6,767	3,410	10,177	7,012	2,178	9,190
MAF USA	24	126	150	27	148	175
Other donors	24	477	501	246	670	916
	<u>9,164</u>	<u>17,206</u>	<u>26,370</u>	<u>9,730</u>	<u>16,579</u>	<u>26,309</u>

Many International Staff are paid by the MAF group or another mission agency which then seconds them to the charity. The cost of these staff are therefore borne by those groups and as a result the staff support received is generally not passed to the charity. Other International Staff are paid by the charity. As a partial contribution towards this cost, restricted income is received by the charity from their relevant sending MAF groups. The total of such amounts received by the charity and included in restricted income above was as follows:

	2021 US\$,000	2020 US\$,000
MAF Australia	1,447	1,227
MAF Canada	11	6
MAF Germany	44	8
MAF Netherlands	156	154
MAF Norway	2	2
MAF Sweden	65	49
MAF Switzerland	184	212
MAF UK	716	638
MAF USA	111	111
Other donors	<u>29</u>	<u>94</u>
	<u>2,765</u>	<u>2,501</u>

MAF International additionally collected \$360,000 (2020 - \$152,000) donations income and \$472,000 (2020 - \$454,000) staff support income on behalf of other MAF member groups or associated members. In these situations, MAF International forwards the income onto the relevant group directly and consequently the income has not been recognised in the financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. INCOME FROM CHARITABLE ACTIVITIES

The users of MAF International aircraft make a contribution to the costs of MAF. Similarly, MAF International seeks contributions towards its costs when providing other services, such as the logistics. In Australia, we additionally have an aircraft engineering base which serves both our programmes in the regions as well as 3rd party customers. MAF Technology Services in PNG provides radio and other communication technology services. Some programmes are also able to help 3rd party organisations with aircraft or vehicle maintenance.

	2021			2020		
	General	Designated	Total	General	Designated	Total
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Contributions for						
Aviation services	9,755	-	9,755	7,218	-	7,218
Maintenance services	491	-	491	788	-	788
Other technologies	-	791	791	-	724	724
Other services	230	-	230	92	-	92
	<u>10,476</u>	<u>791</u>	<u>11,267</u>	<u>8,098</u>	<u>724</u>	<u>8,822</u>

MAF International acts as an agent for flights operated by MAF Canada and MAF USA. During the year, the group collected and passed on \$53,000 (2020- \$70,000) which has not been recognised in these financial statements.

5. EXPENDITURE ON RAISING FUNDS

	2021	2020
	US\$,000	US\$,000
Allocation of support staff and other costs	<u>406</u>	<u>341</u>

All amounts relate to unrestricted funds in both the current and prior year.

6. EXPENDITURE ON GRANTS MADE

Grants were made from restricted and unrestricted funds in 2021 as follows:

	For international staff support	For ongoing operations and development of their activities			Grants made	Allocation of support costs	Total
	General	General	Designated	Restricted		General	
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
MAF Canada	138	-	-	-	138	13	151
MAF Finland	-	-	58	-	58	5	63
MAF Italy	-	-	26	-	26	2	28
MAF Norway	-	289	-	-	289	27	316
MAF Philippines	-	-	15	-	15	1	16
MAF South Africa	32	1	7	-	40	4	44
MAF Sweden	18	-	-	-	18	2	20
MAF Switzerland	31	-	-	-	31	3	34
MAF USA – Central Asia	-	-	-	456	456	102	558
MAF USA	97	-	-	-	97	9	106
MATC	-	-	88	30	118	15	133
	<u>316</u>	<u>290</u>	<u>194</u>	<u>486</u>	<u>1,286</u>	<u>183</u>	<u>1,469</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. EXPENDITURE ON GRANTS MADE (CONTINUED)

Grants were made from restricted and unrestricted funds in 2020 as follows:

	For	For ongoing operations and development			Grants made	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Juba Christian Academy	-	-	-	4	4	-	4
MAF Canada	77	-	-	-	77	8	85
MAF Finland	-	-	-	55	55	4	59
MAF Germany	-	-	-	114	114	8	122
MAF Norway	-	264	-	-	264	24	288
MAF Philippines	-	-	6	12	18	1	19
MAF Singapore	-	-	51	-	51	5	56
MAF South Africa	28	-	1	-	29	3	32
MAF Sweden	18	22	-	-	40	4	44
MAF Switzerland	31	-	-	-	31	3	34
MAF USA	89	-	-	1,070	1,159	81	1,240
MATC	-	-	55	30	85	7	92
	243	286	113	1,285	1,927	148	2,075

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Direct costs of services comprise the direct costs of aviation (such as fuel, maintenance and insurance) as well as those of other technologies and of running the aviation operations and maintenance departments, excluding staff costs. The direct costs of providing other services are within other local overhead expenditure, and are not material. The method of allocation of support costs is shown in note 8.

Charitable activities for 2021 were as follows:

	Programme costs			Sub-total	Allocation of	Total
	General	Designated	Restricted		support costs	
	US\$,000	US\$,000	US\$,000		Unrestricted	
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Direct costs of services	2,960	1,558	4,366	8,884	2,208	11,092
Cost of donated services	-	-	4,698	4,698	631	5,329
Staff costs	6,082	139	2,816	9,037	814	9,851
Other local overhead expenditure	2,735	706	186	3,627	1,918	5,545
Depreciation, amortisation and impairment	-	1,629	464	2,093	228	2,321
Loss on sale of assets	1,703	-	-	1,703	-	1,703
	13,480	4,032	12,530	30,042	5,799	35,841

Charitable activities for 2020 were as follows:

	Programme costs			Sub-total	Allocation of	Total
	General	Designated	Restricted		support costs	
	US\$,000	US\$,000	US\$,000		Unrestricted	
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Direct costs of services	1,468	2,253	5,279	9,000	1,946	10,946
Cost of donated services	-	-	4,443	4,443	545	4,988
Staff costs	5,819	123	2,550	8,492	712	9,204
Other local overhead expenditure	1,211	1,399	112	2,722	1,636	4,358
Depreciation, amortisation and impairment	-	2,352	505	2,857	55	2,912
	8,498	6,127	12,889	27,514	4,894	32,408

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. SUPPORT COSTS

Support costs have been collated according to function, which includes all staff directly attributed to that department and other associated costs. These functions are allocated to the main expenditure functions in accordance with time spent supporting that aspect of MAF International's operations.

Unrestricted general support costs for 2021 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	US\$,000	US\$,000	US\$,000	US\$,000
Chief Executive and Regional Directors offices	151	85	606	842
Aviation Services including quality and safety	-	-	1,721	1,721
Finance	112	56	951	1,119
Human Resources	-	42	791	833
Information technology and communications	143	-	1,192	1,335
Support office costs	-	-	310	310
Depreciation of fixed assets used for support	-	-	228	228
	<u>406</u>	<u>183</u>	<u>5,799</u>	<u>6,388</u>

Unrestricted general support costs for 2020 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	US\$,000	US\$,000	US\$,000	US\$,000
Chief Executive and Regional Directors Offices	126	70	481	677
Aviation Services including quality and safety	-	-	1,589	1,589
Finance	82	41	697	820
Human Resources	-	37	708	745
Information technology and communications	133	-	1,027	1,160
Support office costs	-	-	336	336
Depreciation of fixed assets used for support	-	-	56	56
	<u>341</u>	<u>148</u>	<u>4,894</u>	<u>5,383</u>

9. NET INCOME BEFORE TRANSFERS

The net income before transfers between funds is stated after charging:

	2021	2020
	US\$,000	US\$,000
Auditors remuneration		
Audit fees	<u>152</u>	<u>142</u>
Realised net (gain) on currency exchange	<u>(57)</u>	<u>(269)</u>
Amortisation of intangible assets	10	4
Depreciation, of both Restricted and Assets Fund assets (note 12)	2,540	2,560
Impairment of both Restricted and Assets Fund assets (note 12)	(228)	379
Net (gain)/loss on disposal of fixed assets	<u>1,702</u>	<u>(201)</u>
Charges under operating leases	<u>1,162</u>	<u>1,222</u>
Inventory expensed in the year	<u>1,539</u>	<u>1,268</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. STAFF EXPENDITURE AND STAFF NUMBERS

	2021	2020
	US\$,000	US\$,000
Staff Costs		
Wages and salaries, including intangible expenditure	14,324	13,254
Social security costs	1,577	1,730
Retirement and death-in-service benefits costs	1,316	1,180
	<u>17,217</u>	<u>16,164</u>
Total salaries and benefits paid to Executive Leadership team during the year	<u>753</u>	<u>599</u>

All members of the executive leadership team voluntarily donated a portion of their salary to the organisation in 2020. These deductions are not shown above as under FRS102 the salary cost is required to be shown in total and the reduction is shown as donations.

	2021	2020
	Number	Number
Employees that received remuneration of:		
£60,000 to £69,999	<u>3</u>	<u>2</u>
£70,000 to £79,999	<u>1</u>	<u>-</u>
£80,000 to £89,999	<u>-</u>	<u>1</u>
£90,000 to £99,999	<u>1</u>	<u>-</u>
Average number of employees - support offices	81	79
Average number of employees - field	398	397
Average number of seconded staff	<u>69</u>	<u>68</u>
	<u>548</u>	<u>544</u>

No remuneration is paid to the directors for their services as trustees of the Group, although expenses incurred personally in the course of their duties are reimbursed. Expenses waived by the directors for their services as trustees are negligible.

	2021	2020
	US\$,000	US\$,000
Travel expenses reimbursed to Nil directors (2020-3).	<u>Nil</u>	<u>5</u>

11. INTANGIBLE ASSETS

	Group and Charity Software US\$,000
COST	
At 1 January 2021	144
Additions	<u>25</u>
At 31 December 2021	<u>169</u>
AMORTISATION	
At 1 January 2021	124
Charge in the year	<u>10</u>
At 31 December 2021	<u>134</u>
NET BOOK VALUE	
At 31 December 2020	<u>20</u>
At 31 December 2021	<u>35</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. TANGIBLE FIXED ASSETS

Analysis for the Group:

	Aircraft US\$,000	Land & Property US\$,000	Equipment & Vehicles US\$,000	Total US\$,000
COST OR VALUATION				
At 1 January 2021	49,180	25,185	5,911	80,276
Additions	50	3,825	329	4,204
Disposals	(4,193)	(404)	(280)	(4,877)
Revaluation Reserve	(667)	-	-	(667)
Foreign Exchange adjustment	-	-	-	-
At 31 December 2021	<u>44,370</u>	<u>28,606</u>	<u>5,960</u>	<u>78,936</u>
DEPRECIATION				
At 1 January 2021	-	7,264	4,200	11,464
Charge in year	1,231	796	513	2,540
Net Impairment	(228)	-	-	(228)
Depreciation on disposals	(98)	(136)	(279)	(513)
Revaluation Reserve write back	(905)	-	-	(905)
Foreign Exchange adjustment	-	-	-	-
At 31 December 2021	<u>-</u>	<u>7,924</u>	<u>4,434</u>	<u>12,358</u>
NET BOOK VALUE				
At 31 December 2020	<u>49,180</u>	<u>17,921</u>	<u>1,711</u>	<u>68,812</u>
At 31 December 2021	<u>44,370</u>	<u>20,682</u>	<u>1,526</u>	<u>66,578</u>
Analysis of value between:				
Used for direct charitable purposes	<u>44,370</u>	<u>17,918</u>	<u>1,450</u>	<u>63,738</u>
Used for support of field programmes, management and administration		<u>2,764</u>	<u>76</u>	<u>2,840</u>

The titles of land and buildings in Kenya is held by a corporate body, Missionary Aviation Fellowship (Kenya) Registered Trustees, on behalf of MAF International.

Included within the cost of 'Land & Property' is \$549,000 (2020- \$49,000) relating to the building of housing in South Sudan, \$103,000 relating to a hangar in South Sudan and \$1,987,000 relating to the building of a hangar in Mareeba

Of the net value of 'Land & Property' \$6,286,000 (2020 - \$6,461,000) relates to freehold or the local equivalent and \$3,286,000 (2020 - \$2,803,000) relates to leases in excess of 50 years.

The land and building at Ashford, UK are secured by a first legal charge with National Westminster Bank plc and with a second legal charge in favour of the trustees of "The MAF Europe UK Pension Scheme".

The land and building at Cairns, Australia are secured by a first legal charge with Commonwealth Bank of Australia.

The historical cost of purchasing the aircraft was \$54,836,000 (2020 - \$58,000,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. TANGIBLE FIXED ASSETS (CONTINUED)

Analysis of the Charity only:

	Aircraft US\$,000	Land & Property US\$,000	Equipment & Vehicles US\$,000	Total US\$,000
COST OR VALUATION				
At 1 January 2021	6,622	4,001	1,507	12,130
Additions	-	15	87	102
Disposals and transfers	-	(404)	(90)	(494)
Revaluation	(81)	-	-	(81)
At 31 December 2021	6,541	3,612	1,504	11,657
DEPRECIATION				
At 1 January 2021	-	1,157	1,100	2,257
Charge in year	166	99	140	405
Impairment	(26)	-	-	(26)
Disposals and transfers	-	(136)	(90)	(226)
Revaluation write back	(140)	-	-	(140)
At 31 December 2021	-	1,120	1,150	2,270
NET BOOK VALUE				
At 31 December 2020	6,622	2,844	407	9,873
At 31 December 2021	6,541	2,492	354	9,387

13. STOCKS

	Group		Charity	
	2021 US\$,000	2020 US\$,000	2021 US\$,000	2020 US\$,000
Aircraft spare parts	1,537	1,848	298	267
Fuel and other stocks	830	655	20	11
Work in progress	46	2	-	-
	2,413	2,505	318	278

14. DEBTORS

	Group		Charity	
	2021 US\$,000	2020 US\$,000	2021 US\$,000	2020 US\$,000
<u>Current Debtors</u>				
Trade and sundry debtors	3,851	1,511	1,065	743
Amount recoverable from subsidiary undertakings	-	-	927	870
Other debtors	1,255	1,149	124	89
Prepayments	959	804	382	331
	6,065	3,464	2,498	2,033
<u>Debtors due after more than one year</u>				
MAF Suriname	98	128	98	128

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. SHORT TERM DEPOSITS

	Group		Charity	
	2021	2020	2021	2020
	US\$'000	US\$'000	US\$'000	US\$'000
Bank deposits	<u>2,906</u>	<u>2,631</u>	<u>-</u>	<u>-</u>

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2021	2020	2021	2020
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents – Support offices	13,715	11,127	11,360	8,485
Cash and cash equivalents - Programmes	<u>3,946</u>	<u>2,985</u>	<u>433</u>	<u>375</u>
	<u>17,661</u>	<u>14,112</u>	<u>11,793</u>	<u>8,860</u>

17. CREDITORS

	Group		Charity	
	2021	2020	2021	2020
	US\$,000	US\$,000	US\$,000	US\$,000
Trade and other creditors	4,387	3,744	1,327	1,411
Taxation and social security	465	814	56	176
Amounts due to subsidiary undertakings	-	-	34	22
Loans	1,024	-	-	-
Accrued expenses	<u>2,715</u>	<u>2,207</u>	<u>356</u>	<u>438</u>
	<u>8,591</u>	<u>6,765</u>	<u>1,773</u>	<u>2,047</u>

The loans above includes a loan received from MAF Australia under an agreement dated February 2021 for \$1,074,000 (AUD1,400,000). The loan was completely repaid in February 2022.

18. CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	US\$,000	US\$,000	US\$,000	US\$,000
Loans	1,137	-	1,137	-
Staff resettlement allowances	<u>146</u>	<u>154</u>	<u>146</u>	<u>99</u>
	<u>1,283</u>	<u>154</u>	<u>1,283</u>	<u>99</u>

The loan above was received from MAF Netherlands. It is an unsecured loan to be repaid by 1 January 2027 with annual interest payable at a rate of 2% in arrears.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. PROVISIONS

Included in creditors are the following provisions:

	Charity and Group			Balances 31 December 2021 US\$,000
	Balances 1 January 2021 US\$,000	Provided in the year US\$,000	Utilised in the year US\$,000	
For overhaul of aircraft owned by 3 rd parties	403	98	(13)	488
For taxation issues in overseas programmes	766	36	(501)	301
	<u>1,169</u>	<u>134</u>	<u>(514)</u>	<u>789</u>

20. DEFERRED TAX LIABILITY

	Group		Charity	
	2021 US\$,000	2020 US\$,000	2021 US\$,000	2020 US\$,000
Provision at 1 January	77	134	-	-
Movement in the year	<u>678</u>	<u>(57)</u>	<u>-</u>	<u>-</u>
Provision at 31 December	<u>755</u>	<u>77</u>	<u>-</u>	<u>-</u>

21. FINANCIAL COMMITMENTS

At 31 December 2021 the group was committed to making the following payments under non-cancellable operating leases:

	Property		Other	
	2021 US\$,000	2021 US\$,000	2020 US\$,000	2020 US\$,000
Payable in 1 year	282	31	401	40
Payable in 2-5 years	73	10	128	41
Payable in over 5 years	<u>130</u>	<u>-</u>	<u>156</u>	<u>-</u>
	<u>485</u>	<u>41</u>	<u>685</u>	<u>81</u>

At 31 December 2021, the organisation was also committed to pay \$1,117,000 (AUD\$1,561,000) in non-cancellable foreign exchange contracts to purchase AUD using GBP and EURO in July 2022. These commitments are stated at fair value and the \$28,000 gain arising from the difference between the fair value and notional value has been recognised in the Statement of Financial Activities.

22. CAPITAL COMMITMENTS

At the 31 December 2021, the organisation had total capital commitments in South Sudan of \$440k. which consisted of two housing projects and the Hangar. These are to be completed within 12 months and will be paid for with money raised specifically for their purpose.

Since the end of the financial year two further contracts have been entered into by the organisation. On 31st January 2022 a contract was signed with Flory's Homes Pty Ltd (trading as Superior Steel Homes NQ) for US\$1.22m for the supply and construction of a 2nd hangar in Mareeba. On 23rd March 2022 a contract in the sum of US\$1.45m for the purchase of a further Cessna Caravan for Arnhem Land was signed. At the year-end donated funds held towards this purchase were US\$1.21m.

23. POST BALANCE SHEET EVENTS

In May 2022 it was agreed to transfer assets and activities of the four East Africa programmes from Stichting MAF International to MAF International from 1st July to continue their operations within that entity. This will enable the legal ownership to more easily reflect the managerial position, and their administrative duties.

On 4 January 2022 a loan agreement with MAF Netherlands was signed for US\$1.14m to purchase a new aircraft. The loan is unsecured and expected to be repaid by 31 January 2027.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. UNRESTRICTED DESIGNATED FUNDS

	Balances 1 January 2021 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible asset US\$,000	Revaluation US\$,000	Unrealised exchange (loss)/gain US\$,000	Balances 31 December 2021 US\$,000
Aircraft overhauls fund	2,692	-	(816)	1,073	-	-	-	2,949
Assets fund	43,896	-	(1,857)	(257)	2,858	-	-	44,640
Revaluation Reserves	5,347	-	-	(3,564)	-	157	-	1,940
Development fund	3,367	-	(249)	105	-	-	-	3,223
Future assets fund	-	-	(35)	4,005	(2,828)	-	-	1,142
MAF Technology Services (PNG)	356	802	(791)	21	-	-	-	388
Self-insurance fund	2,932	-	(339)	683	(4)	-	-	3,272
Tactical investment fund	192	-	(139)	159	(26)	-	-	186
	<u>58,782</u>	<u>802</u>	<u>(4,226)</u>	<u>2,225</u>	<u>-</u>	<u>157</u>	<u>-</u>	<u>57,740</u>
Designated funds – Charity only	<u>13,935</u>	<u>-</u>	<u>(1,494)</u>	<u>1,915</u>	<u>-</u>	<u>29</u>	<u>0</u>	<u>14,385</u>

The Aircraft overhauls fund is used to overhaul the engines, propellers and airframes of the aircraft. Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are transferred from general funds to this designated fund for each hour flown by every aircraft.

The Assets fund represents amounts set aside equivalent to the value of the aircraft, properties, equipment and vehicles used by MAF International (less relevant loans) and provision for the future replacement of some assets, both of which have been financed with transfers from unrestricted general funds.

The Revaluation Reserves represent the increase in value of aircraft over their original cost to carrying values where appropriate.

The Development fund is used for the development of MAF Groups to enhance their fund raising and recruitment activities as well as to cover the cost of agreed new ventures, such as setting up operations or organisations to assist in resourcing the charity in new countries.

The Future assets fund was created to cover the cost of specific capital assets, including aircraft, that are essential to the operations and for which no other funding has been received, or is expected.

MAF Technology Services (PNG) represents the net assets of that entity (formerly “CRMF”), which will be used solely for the activities of that ministry in Papua New Guinea.

The Self-insurance fund is available for the repair or replacement of damaged or stolen vehicles and aircraft, other than those which are externally insured. It is also used to cover other items that have not been able to be insured in some countries or where the premiums have been prohibitive.

The Tactical investment fund is used to cover the cost of essential capital or revenue expenditure, for which project funding is unlikely to be available within operational time limits.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

25. RESTRICTED FUNDS

Restricted Funds comprise the following unexpended balances of gifts and grants made for specific purposes and the net value of tangible assets bought from Restricted Funds. Movement and unexpended balances for projects are shown below.

	Balances 1 January 2021 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible asset US\$,000	Revaluation US\$,000	Unrealised exchange (loss) US\$,000	Balances 31 December 2021 US\$,000
Additional and replacement aircraft	267	176	(57)	96	-	-	-	482
Arnhem Land, Northern Territories	21	1,288	(64)	(17)	-	-	-	1,228
Bangladesh	24	213	(216)	(1)	-	-	-	20
Central Asia	-	485	(480)	-	-	-	-	5
Chad	32	269	(235)	-	(51)	-	-	15
Disaster relief	222	10	(8)	(17)	-	-	-	207
Fuel	-	265	(265)	-	-	-	-	-
Guinea	-	221	(258)	56	(5)	-	-	14
Kenya	18	200	(171)	(18)	-	-	-	29
Liberia	306	162	(140)	4	(15)	-	-	317
Madagascar	58	130	(163)	27	-	-	-	52
Mareeba	-	1,316	(2)	(1,314)	-	-	-	-
MAF Technology services PNG	31	60	(31)	(4)	(30)	-	-	26
Mongolia	3	-	(1)	-	-	-	-	2
Myanmar	6	65	(181)	130	(2)	-	-	18
Papua New Guinea	214	860	(488)	(109)	(123)	-	-	354
South Sudan	1,164	1,510	(1,058)	29	(979)	-	-	666
Staff costs	318	8,609	(7,628)	(264)	-	-	-	1,035
Tanzania	11	138	(149)	-	-	-	-	-
Timor-Leste	-	299	(276)	-	-	-	-	23
Uganda	74	376	(258)	(1)	(166)	-	-	25
Other aviation projects	14	222	(215)	(19)	-	-	-	2
Other locations and sundry projects	76	335	(208)	(2)	-	-	-	201
	<u>2,859</u>	<u>17,209</u>	<u>(12,552)</u>	<u>(1,424)</u>	<u>(1,371)</u>	<u>-</u>	<u>-</u>	<u>4,721</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2021 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible assets US\$,000	Revaluation US\$,000	Unrealised exchange (loss) US\$,000	Balances 31 December 2021 US\$,000
Brought forward (page 34)	2,859	17,209	(12,552)	(1,424)	(1,371)	-	-	4,721
Net value of tangible assets:								
Aircraft	17,788	-	(389)	-	51	79	-	17,529
Land and buildings	1,625	-	(40)	(292)	1,056	-	-	2,349
Equipment and vehicles	175	-	(35)	(251)	264	-	-	153
	19,588	-	(464)	(543)	1,371	79	-	20,031
Total Restricted Funds	22,447	17,209	(13,016)	(1,967)	-	79	-	24,752
Restricted Funds - Charity only	5,034	7,308	(6,170)	(148)	-	31	-	6,055

Following a review of previously restricted assets and in accordance with the accounting policy 1p on page 22, assets with a net book value of \$543,000 (2020: \$576,000) have been transferred from Restricted Funds to unrestricted Designated Funds.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

26. NET ASSETS

Consolidated Group	Unrestricted funds		Restricted Funds	Total 2021	Total 2020
	General	Designated			
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Intangible fixed assets	-	35	-	35	20
Tangible fixed assets	-	46,547	20,031	66,578	68,812
Current assets	13,166	11,158	4,721	29,045	22,712
Long term assets	98	-	-	98	128
Current liabilities	(8,591)	-	-	(8,591)	(6,765)
Long term liabilities	(1,283)	-	-	(1,283)	(154)
Deferred tax liability	(755)	-	-	(755)	(77)
	<u>2,635</u>	<u>57,740</u>	<u>24,752</u>	<u>85,127</u>	<u>84,676</u>

Charity only	Unrestricted funds		Restricted Funds	Total 2021	Total 2020
	General	Designated			
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Intangible fixed assets	-	35	-	35	20
Tangible fixed assets	-	5,800	3,587	9,387	9,873
Current assets	3,591	8,550	2,468	14,609	11,171
Long term assets	98	-	-	98	128
Current liabilities	(1,773)	-	-	(1,773)	(2,047)
Long term liabilities	(1,283)	-	-	(1,283)	(99)
	<u>633</u>	<u>14,385</u>	<u>6,055</u>	<u>21,073</u>	<u>19,046</u>

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS

Defined benefit pension scheme

MAF International provided for pensions for UK based employees through "The MAF Europe UK Pension Scheme". This is an insured scheme, which is invested with "Legal and General". It is a defined benefit scheme based on 1/60 of final salary for each year of service and was open to all employees. The scheme commenced on 1 January 2000. The last (triennial) actuarial report was prepared as at 1 January 2019. The scheme was closed to new members in December 2007 and closed for future accrual with effect from 29 February 2008.

A comprehensive actuarial valuation of the scheme was carried out at 31 December 2021 by the scheme's actuary. Adjustments to the valuation have been made based on the following assumptions:

	2021	2020
Discount rate	1.8%	1.3%
Retail price inflation before 2030	2.9%	2.5%
Retail price inflation after 2030	2.9%	2.5%
Limited Price Indexation	2.9%	2.5%
Deferred pension revaluation	<u>2.9%</u>	<u>2.5%</u>

The mortality assumptions used were:

	2021	2020
For a male aged 65 now	21.3	21.3
At 65 for a male member aged 45 now	22.6	22.6
For a female aged 65 now	23.7	23.6
At 65 for a female member aged 45 now	<u>25.2</u>	<u>25.2</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS (CONTINUED)

Reconciliation of scheme assets and liabilities:

	2021	2021	2021	2020	2020	2020
	Assets	Liabilities	Total	Assets	Liabilities	Total
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
At 1 January	6,540	(5,686)	854	5,836	(5,135)	701
Interest income/(expense)	74	(74)	-	99	(99)	-
Assets gains	424	-	424	536	-	536
Actuarial gains/ (losses)	-	235	235	-	(510)	(510)
Contributions	136	-	136	127	-	127
Benefits paid	(84)	84	-	(58)	58	-
At 31 December	<u>7,090</u>	<u>(5,441)</u>	<u>1,649</u>	<u>6,540</u>	<u>(5,686)</u>	<u>854</u>

The scheme net asset of \$1,649,000 (£1,219,000) was not recognised in the financial statements in accordance with FRS102, as the directors believe it unlikely that the asset be recovered either through repayments to the Charity or reduced future contributions to the Scheme.

The fair value of the plan assets is as follows:

	2021	2020
	US\$,000	US\$,000
Equities	4,219	3,656
Bonds	1,020	843
Gilts	1,042	1,162
Insured pensions	804	876
Cash	<u>5</u>	<u>3</u>
Total	<u>7,090</u>	<u>6,540</u>

Non-contributory money purchase arrangements

MAF International makes contributions of 10% of annual salary to pension providers of choice for all UK based employees. During the year these pension contributions to individual non-contributory pension arrangements totalled \$238,000 (2020 - \$197,000).

MAF International in Asia Pacific made contributions of 10% of annual salary for superannuation for all Australia-based employees totalling \$509,000 (2020 - \$452,000).

Pension and superannuation contributions for staff in other fields overseas totalled \$289,000 (2020 - \$279,000).

28. TRUSTEES LIABILITY INSURANCE

MAF International has arranged liability insurance for its trustees and staff at a cost for the year of \$7,217 (2020 - \$3,617) excluding responsibilities regarding Asia Pacific region.

MAF International Asia Pacific has arranged liability insurance for its trustees and staff at a cost for the year of \$2,147 (2020 - \$1,784). Both are authorised in the respective Memorandum and Articles of Association.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

29. SUBSIDIARY UNDERTAKINGS

The charity has a number of subsidiaries as follows:

Stichting MAF International is a foundation registered in the Netherlands, Chamber of Commerce number 74256157. The following programmes operate under this subsidiary Kenya, South Sudan, Tanzania, Uganda

Blue Sky Aviation Company Limited (BSA), is a company registered in Mongolia, number 9019010030. 95% of the shares are held by MAF International and the remainder by Exodus Way Company Limited. Following the decision to close the operations in Mongolia, most assets in BSA have been sold or transferred to other MAF International programmes.

Aviation Communication and Logistics Services Limited is a company registered in Uganda, whose shares are held by Stichting MAF International and two nominees. It holds the titles to parcels of land in Uganda which it has leased to MAF International for 99 years. These parcels of land constitute the airfield at Kajjansi, near Kampala. The cost of the leases is included within land & property in tangible fixed assets (note 12).

Although Mission Aviation Fellowship International is referred to as MAF International in these accounts, there is an Australian charitable company, MAF International, with registration number A.B.N. 32 004 260 860, referred to below as MAF International (in Australia). This company is 100% controlled by virtue that Mission Aviation Fellowship International is the sole member of MAF International. Its principal activity is the provision of air services to the Church and remote communities. This company has two subsidiaries, MAF Aviation Services Pty Ltd and MAF PNG Holding Ltd. MAF PNG Holding Ltd also has one subsidiary, MAF Papua New Guinea Ltd.

- MAF Aviation Services Pty Ltd is an Australian company, A.C.N. 004 545 108. The company's shares are wholly owned by MAF International. MAF Aviation Services Pty Ltd has made a long term loan to MAF PNG Holding Ltd, secured on the latter's assets. It has no other activities.
- MAF PNG Holding Ltd is a company registered in Papua New Guinea (PNG), registration number 1-22887. The company is wholly owned by MAF International. MAF PNG Holding Ltd acts as the holding company for MAF Papua New Guinea Ltd, a wholly owned subsidiary, and as such it owns and manages all the aircraft, land and buildings and other fixed assets for operations in PNG.
- MAF Papua New Guinea Ltd is also a company registered in PNG, registration number 1-17085, and is wholly owned by MAF PNG Holding Ltd. This entity carries out the charity's objectives in that country through aviation.

Christian Radio Missionary Fellowship Inc (known as MAF Technology Services), is a not-for-profit association incorporated in Papua New Guinea, association number 5-903. It is controlled by virtue of a Memorandum of Understanding that grants responsibility for control and governance to Mission Aviation Fellowship International. Its ministry focus is in communications technology and services.

The following is a summary of the results and of the net assets of the main entities within the group.

	MAF International (*) US\$,000	MAF International (in the Netherlands) US\$,000	MAF International (in Australia) (*) US\$,000	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd US\$,000	CRMF Inc US\$,000	2021 Total US\$,000
Income	20,670	4,299	7,692	4,731	885	38,277
Expenditure	(13,100)	(6,749)	(10,832)	(6,184)	(849)	(37,714)
Other	(88)	3	(638)	611	-	(112)
Net movement in funds	<u>7,482</u>	<u>(2,447)</u>	<u>(3,778)</u>	<u>(842)</u>	<u>36</u>	<u>451</u>
Net Assets/ (liabilities)	<u>21,078</u>	<u>24,213</u>	<u>39,170</u>	<u>(11)</u>	<u>677</u>	<u>85,127</u>

(*) MAF International includes Blue Sky Aviation Company Ltd, and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

29. SUBSIDIARY UNDERTAKINGS (CONTINUED)

The comparative results for 2020 are:

	MAF International (*) US\$,000	MAF International (in the Netherlands) US\$,000	MAF International (in Australia) (*) US\$,000	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd US\$,000	CRMF Inc. US\$,000	2020 Total US\$,000
Income	20,806	4,145	8,645	3,561	786	37,943
Expenditure	(14,413)	(6,223)	(8,839)	(4,576)	(773)	(34,824)
Other	61	100	1,261	(1,359)	(19)	44
Net movement in funds	6,454	(1,978)	1,067	(2,374)	(6)	3,163
Net Assets	19,070	24,277	40,682	16	631	84,676

(*) MAF International includes Blue Sky Aviation Company Ltd and Rapid Relief Wing, and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

30. CONNECTED CHARITIES

Rapid Relief Wing was a company limited by guarantee and a registered charity. It acted as an agent for MAF International in leasing an aircraft for Mongolia until March 2020. The company was subsequently dissolved on 17 August 2021.

31. NOTES TO THE CASH FLOW STATEMENT

	2021 US\$,000	2020 US\$,000
Net income/(expenditure) before other recognised gains and losses	564	3,119
Net interest income	(10)	(49)
Operating surplus/(deficit)	554	3,070
Amortisation of intangible assets	10	4
Depreciation of tangible assets	2,540	2,560
Impairment of tangible assets	(228)	347
(Profit)/loss on disposal of tangible assets	1,702	(201)
Working capital movements		
Decrease in stocks	92	79
(Increase)/decrease in current and long term debtors	(2,572)	2,880
Increase/(decrease) in current and long term creditors	2,955	(747)
Cash flow from operating activities	5,053	7,992

MISSION AVIATION FELLOWSHIP INTERNATIONAL

England & Wales - Charity number 1058226

Accounts



MISSION AVIATION FELLOWSHIP INTERNATIONAL

(Company limited by guarantee and not having a share capital)

Company Number 3144199

Registered Charity Number 1058226

Financial Statements for the year ended 31 December 2020

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**MISSION AVIATION FELLOWSHIP INTERNATIONAL
TRUSTEES, OFFICERS AND ADVISORS OF THE CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

Peter Curtis (Chairman)		Australia
Alastair Ralph Gunn		South Africa
Ndaba Mazabane		South Africa
Stephen Osei-Mensah		UK
Ann Saunders	Resigned 25 January 2021	UK
Carey Vanlalmuana		India
William Watson		Canada

Company Secretary

Anna C Beck, BSc FCA

Executive Leadership Team

Norman E Baker III	Appointed 1 January 2021	Chief Operating Officer
Annie M Bailey, FCIPD		HR Director
Anna C Beck, BSc, FCA		Chief Finance Officer
Stephen L Charlesworth, BEng, BMin		Regional Director, Asia Pacific
Stuart A Fitch, MSc	Appointed 1 January 2020	Acting Aviation Director
Dave L Fyock, BSAT		Chief Executive
Bill A Harding, LLB MICD		International Development Director
Henk-Jan Muusse, MSc		Regional Director, Africa
William B Nicol, BMin		Aviation Director

Registered office, and principal place of business in UK

Operations Centre, Henwood, Ashford, Kent, TN24 8DH

Independent Auditor

Mazars LLP, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Principal Bankers

National Westminster Bank plc, Europa House, 49 Sandgate Road, Folkestone, Kent CT20 1RU

Solicitors

Stone King LLP, 16 St John's Lane, London EC1M 4BS

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees, who are also the directors of Mission Aviation Fellowship International (“MAF International”) for the purposes of the Companies Act, have pleasure in presenting their Report and Financial Statements for the year ended 31 December 2020. The financial statements comply with the requirements of the governing documents, current statutory requirements and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

MAF International is a Christian mission whose purpose is sharing God’s love through aviation and technology. This develops into our vision - “Isolated people physically and spiritually transformed in Christ’s name”.

The principal activity continues to be the provision of subsidised aviation services in parts of the world where surface travel is impossible or very difficult. MAF International reaches the unreached in some of the world’s most remote and isolated areas, where people are cut off due to geographical barriers, conflict or the dangers of overland travel. During 2020, our flights continued to enable hundreds of organisations to overcome these challenges and bring help and hope to people in spiritual and physical need.

Ancillary services of flight training, aircraft maintenance, logistics services and other communication services are also provided. MAF International’s services are provided by dedicated staff (many of whom are seconded to MAF International by agencies) who use their skills in aviation, and other fields, to work *inter alia* with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

MAF International could not operate without the funding of MAF resourcing groups around the world, most of whom are its members, grants from government funding agencies and by fares charged to those who use the aircraft.

Public Benefit

The trustees of MAF International confirm that they have complied with their duty laid out in the Charities Act 2011 to have due regard to the public benefit guidance published by the UK Charity Commission. MAF International aims to benefit those living in some of the most isolated parts of the world. Our fleet of light aircraft is able to take emergency teams, healthcare professionals, Christian workers and supplies into these remote areas more quickly and efficiently than by any other means. As a result, our activities benefit two major groups: firstly, the charities, churches and other organisations whose mission it is to reach these isolated communities, and secondly the communities themselves.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

During 2020 MAF International and its subsidiaries continued to operate in 11 countries, namely North Australia, Bangladesh, Chad, Kenya, Liberia, Madagascar, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda. Additionally, we operate a Maintenance and Flight Training Centre in Queensland, Australia and MAF Technology Services (under statutory name of Christian Radio Missionary Fellowship) in Papua New Guinea also continued to operate throughout the year.

After 20 years of service in Mongolia, we decided to close operations and reallocate resources. Looking back, we are very grateful for the opportunity we have had to serve, and seen significant growth, in numerous churches and mission organisations.

During the year, we commenced the initiation and registration process for operations in Guinea. Construction continued on the airstrip in Myanmar to near completion and we continued to support the work of the Mission Aviation Training Centre (MATC) in the Netherlands. Our support for the MATC is through the leasing of three aircraft bought from funds that were donated for that purpose.

Our operations and ministry within each programme varies to reflect the needs of the country and the surrounding countries, as well as the mix of churches, missions and NGOs that we serve. To review effectiveness, MAF International undertakes a regular survey, by country, of the needs of its customers and how we are helping them accomplish their ministries and work. The survey is based on savings in time, finances, and increase in security and safety for those whom we serve. We also consider the Christian influence of our staff in the country.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

During the 2020 year, MAF International's operational activities are summarised in the table below:

	2020	2019
Total hours flown	11,555	19,525
Number of flight legs	16,711	28,750
Unique* passengers	37,800	80,242
Distance (km)	2,216,945	3,857,571
Unique* cargo (kg)	1,096,785	2,268,581
Fleet size#	60	62
Destinations	539	660

* Unique is defined as passengers or cargo per flight (not per flight leg)

Does not include the three aircraft are leased to MATC in the Netherlands

Our operational activity shown above was impacted severely by COVID-19. In April 2020, flight hours fell by 71%. Over the course of the year activity increased but overall, our activity was significantly constrained by the level of lockdown imposed by national governments and constraints on the organisations that we serve.

The following sections provide a brief snapshot of some of the impact our flights accomplished in a variety of remote and isolated areas.

Arnhem Land

Hours flown 2,831 (2019 – 3,860)

*Pax equivalent** carried 10,104 (2019 – 14,198)*

Following a significant period of review, we completed a restructure of our work in Arnhem Land. The restructure better aligns the organisation to serve key communities in the most impactful way. Included in the review was the use of regular public transport flying, how the work in Arnhem Land is used to help train pilots, the extent of our involvement in direct community work and how we care for our staff.

The programme responded quickly to the COVID-19 outbreak and agreed with the local government to carry out critical medevac services. To ensure pilots were protected from potential infection our Mareeba engineering base designed and arranged production of a protective screen. Thankfully, COVID-19 did not spread into the Arnhem Land communities and flying was returned to normal during the year.

Working with Bible Society Australia, we have also implemented a project to bring the Bible to the Yolŋu in the form of solar-powered audio players. These players are loaded with Gospel material and worship music in Yolŋu -Matha. While physical Bibles are still being translated and printed, these audio Bibles have quickly gained popularity.

Bangladesh

Hours flown 138 (2019 – 304)

*Pax equivalent** carried 319 (2019 – 812)*

In Bangladesh, millions of people live in one of the most densely populated and geographically unstable regions on the planet. Despite extreme pandemic control measures in place that limited our flying, we delivered humanitarian relief throughout the country including flights for the floating hospital run by the humanitarian NGO, Friendship.

Our floatplane also received special permission to rescue a Swiss volunteer working in an isolated area near the Sundarbans, flying her back to Dhaka 90 minutes before an international evacuation flight left for her homeland. Another aid worker, from Christian charity World Vision, was also flown to the capital, and commented, 'I've flown previously with MAF in Uganda, and I know MAF comes to the rescue!'

Chad

Hours flown 366 (2019 – 462)

*Pax equivalent** carried 514 (2019 – 657)*

In Chad, one of the poorest nations on earth, buses weren't allowed to run because of the pandemic, so MAF worked with the Ministry of Health to transport coronavirus test kits to hard-to-reach towns such as Abéché.

We also carried out a flight for the Sahara Conservation Fund to help track and transport several endangered dama gazelles to the NGO's reserve so they could breed safely. Using aircraft to cover the extensive area where the graceful animals were likely to be found, our pilot successfully tracked four of them and also delivered others to the reserve.

***"Passenger ("pax") equivalent" is the total passengers and cargo carried stated as a single measure. One "passenger" is measured either as 100kg of cargo or the average weight of a person, 80kg carrying a 20kg bag.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Kenya

Hours flown 511 (2019 – 1,225)

*Pax equivalent** carried 1,038 (2019 – 3,165)*

During 2020, we undertook a review of the work in the Kenya programme to ensure we focussed on the areas where we could provide the greatest impact. Following the review, we reduced the maintenance services we offered to third parties and repositioned the focus of our ministry.

During the height of the pandemic, we were able to airlift two babies from arid Dukana to Kijabe, where there is a quality hospital. Although ten-month-old baby Isako died because he had TB, two-day-old Barako survived an operation that only a couple of surgeons in the whole of Kenya were able to perform – making him the youngest baby to survive this kind of heart surgery in the country.

Liberia

Hours flown 370 (2019 – 740)

*Pax equivalent** carried 1,785 (2019 – 3,984)*

In Liberia, a country which has experienced two devastating civil wars and the ravages of Ebola, we responded to a request from Liberia's Ministry of Health to fly a suspected coronavirus victim's test kit from remote Zwedru to the only hospital able to process it. 'If it wasn't for our flight,' the pilot commented, 'the medical team would have had a 20-hour journey on terrible roads, then back again – with time wasted and many more potential infections. God has placed MAF here for just such a reason, and I feel privileged to be here.'

Madagascar

Hours flown 490 (2019 – 920)

*Pax equivalent** carried 1,509 (2019 – 2,723)*

In Madagascar, where the people face tropical cyclones, extreme poverty and limited access to healthcare, our aircraft provides support to medical NGOs in the country, enabling remote people to get to the care they need. Mostly, patients can be seen onsite in the medical clinics, however on some occasions we transfer them to hospital in the capital, Antananarivo.

On one occasion, a 12-year-old girl was being assessed by HoverAid who advised that, due to a bone inflammation, her leg needed to be amputated. We were able to fly her and her father to the nation's capital for a successful operation and look forward to returning her in 2021 to be fitted with a prosthetic leg.

Myanmar

The Myanmar government recognises 135 distinct ethnic groups, with significant numbers located in remote regions along the borders of India, Bangladesh and Thailand. We continued our work on an airstrip in a remote region, which is unreachable for over three months each year due to rain. The airstrip was 85% complete by the end of the year, although the final work has been delayed in 2021 due to political unrest.

Papua New Guinea

Hours flown 2,637 (2019 – 4,735)

*Pax equivalent** carried 22,423 (2019 – 55,956)*

During the pandemic, we were able to bring assistance to remote people across the nation of Papua New Guinea. In the lowland district of Morehead, we flew personal protective equipment to healthcare workers whose morale was at an all-time low because they couldn't treat patients without protective clothing. By bringing in masks, gloves and hand sanitiser, as well as workers from the Aerial Health Patrol, we enabled the clinic's staff to provide patients with the care they needed.

We were able to assist a boy bitten by a death adder in mountainous Owena was flown to hospital just in time. Fortunately, the poison hadn't made its way into his bloodstream, and the youngster was able to receive treatment before it was too late. We also offered inspiration when Oksapmin Secondary School in Tekin was closed due to coronavirus. As a special assignment, students could write about the many benefits MAF had brought to their community.

South Sudan

Hours flown 1,628 (2019 – 2,298)

*Pax equivalent** carried 6,334 (2019 – 9,967)*

In South Sudan, we were privileged to be part of the immediate responders to the pandemic, delivering testing kits and personal protective equipment across the country at the request of the World Health Organisation and South Sudan's Ministry of Health. Other MAF flights delivered flipcharts and training materials to raise awareness of coronavirus in Pariang County, and transported two tonnes of oranges, bananas and biscuits, along with medical supplies, soap and locally manufactured face masks.

***"Passenger ("pax") equivalent" is the total passengers and cargo carried stated as a single measure. One "passenger" is measured either as 100kg of cargo or the average weight of a person, 80kg carrying a 20kg bag.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
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5,000 solar powered radios were flown to Maluakon in the north of the country on behalf Every Village which broadcasts Christian programmes in local languages. This is important as illiteracy rates are high and with just one of these radios the whole family can listen to the Bible. This means that thousands of people can be reached for the Gospel with just one plane load of cargo.

Tanzania

Hours flown 253 (2019 – 317)

*Pax equivalent** carried 627 (2019 – 892)*

In rural Tanzania, where there is a dangerously inadequate network of dirt-track roads, MAF aircraft played a key role in providing essential healthcare. As part of a regular medical safari, we flew a team from Haydom Lutheran Hospital to the village of Gorimba, enabling the four nurses to examine 126 pregnant women, inoculate 585 children and check the health of 223 youngsters.

Timor-Leste

Hours flown 486 (2019 – 527)

*Pax equivalent** carried 1,572 (2019 – 1,961)*

The government in Timor-Leste responded swiftly to COVID-19 and we have been able to operate with some normalcy through 2020, albeit with significant challenges moving pilots, engineers and equipment in and out of the country.

We received permission from Timor-Leste's Prime Minister for short-term pilots to enter the country. This enabled us to continue our medevacs work, which is a critical part of our service to the Timorese people. We were able to airlift two women with pregnancy complications and take a four-day-old boy, who had problems with his digestion, to hospital. Later in the year, another pilot flew three NGO workers to the isolated enclave of Oecusse and was then asked to fly the President of Oecusse and four of his staff to Dili for a meeting in Parliament. Arriving at Dili, the pilot immediately departed for a medevac at Viqueque. This is normal for our ministry in Timor-Leste.

Uganda

Hours flown 1,043 (2019 – 2,809)

*Pax equivalent** carried 2,542 (2019 – 8,073)*

In Uganda, our team faced significant challenges as all domestic aviation was grounded from 22 March due to COVID-19. After significant interaction with the Government, we received special permission in May to deliver 38,400kg of emergency supplies, food and water to communities that had been left with nothing when schools, houses, farms and health facilities were submerged under a torrent of water after four rivers in the Kasese district burst their banks. With 19 evacuation centres set up to help the 173,000 people who had lost their homes, we were able to fill our aircraft with supplies donated by the Ugandan Prime Minister and various NGOs.

We were grateful when the Ugandan authorities gave permission to resume domestic passenger flights on 23 September to the people we serve. The first flight was to a refugee settlement where Lutheran World Fellowship is involved in water, sanitation and hygiene projects and campaigns to dispel false information about COVID-19.

MAF Technology Services

MAF Technology Services provides a reliable means of high frequency ("HF") radio communication and IT and technical expertise in Papua New Guinea. These services enable national churches, mission organisations, hospitals, schools and remote communities to have access to the outside world. The work also includes the provision of Scripture in audio format for oral societies and access to theological training and discipleship material for remote communities.

As part of the response to COVID-19, HF radio was used to educate, reassure and provide clarity to dozens of communities that have no access to the internet or printed press, but who were hearing rumours of the global devastation. In April, the team hosted a live talk-back broadcast via their HF radio service, enabling a medical specialist to answer questions from health workers within the remote communities.

Mareeba

Training Hours flown 1,043 (2019 – 2,809)

*Pax equivalent** not applicable*

Our engineering services based in Mareeba, North Queensland, carries out critical aviation maintenance for our programmes. At the start of the pandemic, our engineers were contacted by their local hospital to make a shield to help protect staff from infection. Within a day they had the first prototype ready for testing by the doctors and, after a few modifications, the shield was made for the hospital.

During 2020, the team has also been working on a predictable delivery programme which enables us to plan and respond to engineering needs across the organisation. Our flight training team has been working hard to revise training plans to ensure that students from all cultures can successfully engage in our training programmes.

***"Passenger ("pax") equivalent" is the total passengers and cargo carried stated as a single measure. One "passenger" is measured either as 100kg of cargo or the average weight of a person, 80kg carrying a 20kg bag.*

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

DEVELOPMENTS DURING THE YEAR

In a very difficult and challenging environment our aircraft and personnel continue to bring help, hope and healing to remote and isolated people.

COVID-19

The organisation was significantly impacted by COVID-19 in the provision of its services. Government enforced lockdowns and other preventative measures such as a limitation on domestic air travel made fulfilling our mission challenging. The situation across our programmes was very mixed with some performing relatively normally throughout the year while others suffered the effects of severe restrictions for most of the year.

The organisation responded quickly using Immediate Response Teams in each country to manage the local situation. The local teams worked under the guidance and support from a senior Crisis Management Team. The following principles guided decisions about the immediate and longer-term impact of COVID-19:

1. Protecting our beneficiaries and customers as much as possible;
2. Caring for staff across the organisation, minimizing the risk of Covid-19 in their service with MAF;
3. Maintaining flight operations to reach isolated people in need;
4. Supporting and communicating with our MAF resourcing groups to enable them to be in partnership with operation;
5. Seeking to return to normal operations and business support as soon as possible; and
6. Maintaining the reputation of MAF as a caring organisation, dedicated to service.

As the situation unfolded, these principles enabled us to stay true to our values and continue to serve our beneficiaries in the best way possible.

Technical Review and Organisational and Cultural Review

During the period from November 2019 to March 2020, we experienced three accidents and a serious incident across the organisation, three in Papua New Guinea and one in Arnhem Land. We are incredibly grateful that no individual was injured as a result.

These accidents and serious incident were unusual following several years of an exemplary safety record. Consistent with our policies and practices there was an independent investigation into each incident. Whilst these investigations were underway, the leadership team made the very difficult decision to ground our services in Papua New Guinea to ensure safety for the future. Prior to recommencing operations, a range of actions were implemented including an inspection of all airstrips to ensure they are at a suitable standard for MAF aircraft to land and every pilot having an independent review before they recommenced flying duties.

Due to multiple events within a short timeframe, a technical review and a management and culture review across the whole organisation was initiated by the MAF leadership team. The purpose of these reviews was to identify any issues that needed to be addressed to ensure these occurrences were not repeated. Two external teams of experts from within the wider MAF family and others known well to MAF were engaged to conduct the reviews.

In response to these reviews, management initiated a comprehensive list of actions, supported by the board of trustees, to ensure continued safe operations across MAF.

Other activities

During the year we were thankful to receive restricted funds for the purpose of investing in a further Cessna 208 aircraft to support the work of Aerial Health Patrols in Papua New Guinea. The deployment of the aircraft has been delayed due to restrictions in international travel. We anticipate the aircraft will become operational in 2021.

We completed new housing facilities in Kenya with our staff moving in January 2020. The profit on sale of the old Nairobi compound has enabled further investment in other needed capital assets across the organisation. We also completed a hangar build in Liberia to support the work and future opportunities across the West Africa region.

With the lease expiring on our offices in Cairns, the decision was made to purchase an office building, as an investment for our future. This will provide the organisation with long term savings in rental costs and additional income from the ground-floor tenant.

In early 2019, Stichting MAF International, a foundation registered in the Netherlands, was set-up to mitigate some of the impact of Brexit. In 2019, the trade and assets of the Kenya and South Sudan programmes were transferred to the foundation, along with the three aircraft operated by MATC in the Netherlands. On 1 January 2020, the trade and assets of the Uganda and Tanzania programmes were also transferred to the new entity.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

PROGRESS AGAINST STRATEGIC PLAN AND FUTURE DEVELOPMENTS

Strategic Plan

A new strategic plan was formulated during 2019 for the five-year period from 2020-2024. The focus of the plan is on the following three areas:

Expanding our Horizons is designed to create opportunity for growth through strategic partnerships, institutional and corporate funding, new programmes, worldwide recruitment, capacity-building in our programme countries and new technology that stewards the environment and provides more economical transportation.

Investing in People seeks ways to retain staff longer as well as increase the numbers entering our ranks. This will be addressed through a wellbeing strategy, an engineering apprentice and intern scheme, increasing the number of instructor pilots, and a standardised management training plan, which will identify and grow management throughout the organisation.

Maximising Impact is to provide regular review and feedback for better evaluation of our work and improve the way we perform that work. We will create and implement a ministry impact tool, modernise our software tools, standardise project management, and establish an innovation hub that invites creative thought to better serve our customers and our end beneficiaries.

Due to the unexpected and extended impact of COVID-19 on MAF International, it was agreed to delay the start of the plan by one year. This allowed management to focus solely on managing the impact of COVID-19 during 2020 and the plan will therefore run from 2021-2025.

Future developments

As described above, 2021 will also be focussed on implementing some of the action steps arising from the technical review and management and culture review. A new COO, who began work on 1 January 2021, will lead an operations transformation project to reposition the aviation and quality, safety and security departments to engage with the operational programmes through timely provision of support and expertise.

In addition, a Strategic Partnership Development Manager will be appointed to further advance our engagement in key partnerships. We will also be rolling out a Ministry Impact Tool to help us understand, communicate and maximise our impact, and appoint two "MEAL" (measurement, evaluation, accountability and learning) specialists to support collation and analysis of data.

We will also commence building projects in South Sudan and Australia. In South Sudan we will build additional accommodation for more staff and also construct a hangar to support line maintenance from Juba International Airport. In Mareeba, Australia, we will construct a dual hangar to become a centre of excellence providing flight and engineering training as well as line maintenance, heavy maintenance, and a paint-shop to serve the operational needs in Asia Pacific.

STAKEHOLDER ENGAGEMENT

The trustees have taken due notice of the requirements laid out in section 172(1) of the Companies Act 2006. The trustees confirm their compliance with section 172(1) through appropriate delegation of authority to the finance and risk, HR and safety committees, and also to the CEO, as laid out in the governance manual.

The six areas of section 172(1) are addressed as follows:

- a) *the likely consequences of any decision in the long term,*

The trustees have approved a five-year strategic plan. In approving the plan, the trustees have considered the long-term issues facing the organisation, both internally and externally, the opportunities presented to further our mission and the consequences of not fulfilling the plan. The strategic plan is a living document and will be adjusted as time progresses.

- b) *the interests of the company's employees,*

The trustees recognise that our staff are our most important asset. Concerns on staff welfare are regularly discussed and challenges laid to management to care well for our staff. A comprehensive staff survey is carried out every five years, trends monitored, and actions taken to improve staff well-being and engagement.

In 2020, a difficult decision was made to enact pay reductions across the organisation as part of the response of COVID-19. This decision was made as a final step after other measures to address the financial impact of COVID-19 had already been taken. The decision was made to protect the livelihoods of our staff long-term and position the organisation to respond to further needs in the future. This decision was shared across the organisation and, although difficult, was met with forbearance by staff who appreciated that their roles were being protected.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

c) *the need to foster the company's business relationships with suppliers, customers and others,*

Our key business relationships are with our member groups (see more detail under f)), donors, customers who we fly, suppliers and our ultimate beneficiaries in the remote communities. Surveys with customers are regularly carried out as well as ministry reviews to ensure we understand the needs of our customers and the remote communities we serve.

d) *the impact of the company's operations on the community and the environment,*

As an aviation organisation, we are deeply aware of the impact on the environment of our work and services. We actively monitor developments in green aviation and the environmental impact in the support services needed for our operations. Over recent years, we have engaged in a roll-out of solar installations in high-energy-use locations. An internal group has been commissioned to update our environmental impact statement and practice.

e) *the desirability of the company maintaining a reputation for high standards of business conduct, and*

We always engage with the highest level of integrity and with all parties. All staff are trained on, and required to sign, our Code of Conduct and Safeguarding Agreement, which establishes the requirement for integrity in all our operations. We also have a whistleblowing policy, including an independent hotline, to ensure staff can raise any concerns and that they are properly addressed.

f) *the need to act fairly, as between members of the company.*

We are incredibly grateful for the ongoing relationship with the members of MAF International, whose main function is to resource the operations, in the provision of staff, funds and underpinning all our activities with prayer. We are aware of our interdependence on one another and seek to work for the mutual benefit and partnership of all parties within the MAF group. The Board of Trustees engages directly with the Boards of the MAF member groups, as does the Executive Leadership Team with members of the senior leadership teams in each group.

We are very grateful for all the funds received and people working with us. Mission Aviation Fellowship UK continued to be the largest contributor of funds and Mission Aviation Fellowship in Australia the largest provider of field staff during the year.

CARBON AND ENERGY REPORTING

Under the Companies Act 2018 Regulations for Large and Medium-sized Companies and Groups, MAF International is required to report our UK energy use, associated greenhouse gas emissions and information relating to energy efficient action.

The requirements for carbon and energy reporting have not been completed for the year ended 31 December 2020 because, as a global aviation organisation, only providing this information on UK non-aviation activities would seriously prejudice the users' understanding of the actual energy used and greenhouse emissions produced by the organisation.

MAF International is committed to care for creation to ensure long-term sustainability for the current generations and the generations to come.

GRANTS

Significant grants made in the year include:

- A restricted grant of \$1,070,000 (2019- \$812,000) was made for the work carried out in Central Asia by a subsidiary of MAF USA. Many people in that part of Central Asia live in remote communities, with little or no access to basic humanitarian services. Whilst assistance is available from several NGOs working there, the delivery of the aid is in reality severely restricted by security issues and inadequate transport and infrastructure. In addition, many roads and mountain passes are closed by snow blockages during the winter months, which is when the aid is most urgently needed. This grant is funded by the Directorate General for European Civil Protection and Humanitarian Aid Operations (DG-ECHO).
- Grants totalling \$85,000 (2019 - \$68,000) were made to MATC, partially funded by restricted donations from MAF UK and MAF Netherlands.
- MAF Germany received grants of \$114,000 (2019 - \$144,000) for development purposes. These grants were also partially funded by restricted donations from MAF UK.

Other grants made are shown in note 6.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities for MAF International for the year is set out on page 17. Total income for the year was \$37,943,000 (2019 - total income was \$40,755,000), 23% (2019 - 36%) was generated by services provided, 69% (2019 - 63%) was voluntary income including restricted gifts and intangible income (the value attributed to international staff seconded from resourcing groups) and the remaining 8% (2019 - 1%) from other sources.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The net movement in resources for the year before other gains and losses was a surplus of \$3,119,000 (2019 - a deficit of \$963,000). The net loss in revaluation reserve was \$88,000 (2019 - deficit of \$803,000), and, as with 2019, there was no movement on the defined benefits pension scheme. These movements together with other gains and losses, predominantly on foreign exchange transactions, resulted in a net movement in funds for the year of a surplus of \$3,163,000 (2019 - deficit of \$1,168,000). This comprises a surplus of \$945,000 on unrestricted General Funds, a surplus on Designated Funds of \$414,000 and a surplus on Restricted Funds of \$1,804,000. This includes a transfer of \$576,000 from Restricted Funds to Designated Funds following a review of previously restricted assets in accordance with the accounting policy 1p on page 22. Details of the Designated Funds are set out in the Notes to the Financial Statements (note 24), which includes a note of how the funds are expected to be used.

MAF International keeps its financial records in, and reports in, US dollars. As a result, there are unrealised gains and losses on currency translation which arise on the translation of the Papua New Guinean financial statements, as well as some on our £ sterling, Australian \$ and Euro deposits.

Analyses of income and expenditure are given in the Notes to the Financial Statements (notes 3 to 10).

Reporting of pension provision

From 1999 to 2008, MAF International provided for pensions for UK-based employees through "The MAF Europe UK Pension Scheme". The trustees have included pension information on this scheme in the format required by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016).

The scheme was closed to future service accrual at 29 February 2008. The scheme has 18 "deferred" members who will receive their pension, based on service up until that date, at their normal retirement date, together with 12 pensioner members.

The actuarial review as at 1 January 2020, disclosed a shortfall in the funding due of £434,000 (\$586,000 at the December 2020 exchange rate) on assets of £3,846,000 at that date. The trustees agreed a recovery plan of additional transfers at a rate of £99,000 per annum until November 2023. A second charge on the office premises in Ashford remains in place. The next actuarial review for the scheme is due in 2022.

Note 27 shows that, as at 31 December 2020, comparing the present value of the scheme future liabilities with the current value of the investments, there was a net asset of \$854,000 (2019 - \$701,000), however this has not been recognised in the financial statements under the provisions of FRS102 because the directors believe it is unlikely this asset will be recovered. The scheme's assets and liabilities are recorded in pounds sterling and have been translated into US\$ for these statements. The net pensions asset before translation is £633,000 (2019 - £529,000). The value of the scheme's future liabilities depends on the retirement dates of the members and on the assumptions made, which are quoted in the note. The method of calculation used by the Scheme Actuary is as laid down in FRS102.

In addition to the defined benefit scheme, MAF International makes contributions to defined contributions schemes or government schemes on behalf of its employees in accordance with normal practice or legal requirements in each country.

Financial position and reserves policy

The assets and liabilities of MAF International are set out in the Balance Sheet. All the assets were used to further the objects of the charity.

The balance carried forward on unrestricted funds totals \$62,229,000 (2019 - \$60,870,000); being \$3,447,000 of general funds (2019- \$2,502,000) and \$58,782,000 of designated funds (2019 - \$58,368,000). These general funds form the charity's base reserve.

It is the Board's policy to reserve sufficient funds to ensure the ongoing operations of MAF International. These include a base reserve of 30 to 90 days overhead expenditure to withstand peaks and troughs in cash flows. Additionally, other designated funds may be created by the Board to help ensure MAFI's effectiveness. As a regular part of the Board's work all risks and reserves were reviewed, and any recommended changes have been implemented. Details of all the designated funds are set out in note 24.

At 31 December 2020 the base reserve balance was within the range of 30 to 90 days of overhead expenditure.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

GOVERNANCE AND STRUCTURE

Principal Risks and Uncertainties

The organisation has a formal risk management process to assess risks and implement risk management strategies. The trustees review identified risks and uncertainties to ensure risks and mitigations are well managed. The risks are classified into the following groupings:

- Governance & Management Risks
- Operational Risks
- Finance Risks
- Environmental & External Risks
- Legal & Compliance Risks

At the end of the financial year, the principal risks, together with the control measures being taken to manage these risks were:

Risks	Control Measures
Unable to fill key vacancies with suitable staff	<ul style="list-style-type: none"> • Accelerated recruitment strategy. • Appointment of short-term staff. • Ongoing discussion with sending MAF groups. • Organisational standards and internal controls in place. • Oversight and support from regional support office.
Failure to maintain safety culture effectively across cultures	<ul style="list-style-type: none"> • Education and training re MAFI safety standards. • Sufficient monitoring and checks made on staff performance. • Internal controls. • Regular audits.
COVID-19	<ul style="list-style-type: none"> • High risk international staff relocated; medical evacuation policies in place for remaining staff • Organisational financial response plan in place, including reduced overhead spend. • Monitoring the impact on the global economy.

The principal uncertainties relating to overseas activities are also addressed by the risk management process the Board has adopted. In addition, the Board continues to review the Strategic and Enterprise risks the organisation is exposed to.

MAF International has also adopted a range of risk management policies including Safety Management, Financial Crime, Code of Conduct, Safeguarding, and Whistleblowing policies. These policies are available on the charity's intranet and available for all staff in every location.

COVID-19

During 2020, the organisation was significantly impacted by COVID-19. The organisation put in place a comprehensive 20-month financial plan to rebalance the organisation and enable it to respond to the future uncertainties and the risks presented. Steps taken included a reduction in all overhead spend, pay reductions for staff across the organisation and a reallocation of funds held for other purposes.

The plan has, so far, proved successful and allowed the organisation to continue to complete its mission, albeit in a lesser way due to lockdowns from local governments. We have been the recipients of funds from the UK and Australian government under the Job Keeper scheme which has allowed us to retain our workforce and continue to provide essential services. We have also been blessed by generous support from our faithful donor base.

The financial plan continues into 2021 and will be kept under constant review. The directors will, as required, take necessary steps to ensure the organisation continues as a going concern.

Articles of Association

MAF International's initial memorandum and articles of association were dated 23 December 1995. In September 2011, the memorandum and articles of association were replaced, and at a General Meeting of members revised articles of association were adopted. These were revised by some further amendments on each of the Annual General Meetings held in September 2014, September 2016 and September 2019.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Subsidiaries and connected charities

Details of MAF International's subsidiaries and connected charities are set out in Notes 29 and 30 to the Financial Statements respectively.

Members

The members, associate members and provisional members are the various MAF groups that provide resources to MAF International. Members are based in 13 countries, associate members in two countries and provisional members in two.

Related parties

As mentioned above there are a number of MAF groups in various nations that are members, associate members and provisional members. In February 2021, the organisation entered into an unsecured loan agreement with MAF Australia for US\$1,074,000 to assist in the building of hangar facilities in Mareeba, Queensland, Australia.

Trustees

The trustees are appointed by the members. The name of the trustees and of MAF International's principal officers and advisors are set out at the beginning of this report. The Board, which met as a group 10 times during 2020, once in person and the remaining meetings virtually. In 2019 the Board met three times in person. The Board was assisted by three subcommittees: a Safety Committee, a Finance and Audit Committee and a People Committee. The members of these subcommittees are made up of board members and outside experts, where appropriate.

Management

The Chief Executive ("CEO"), together with the Executive Leadership Team ("ELT"), is responsible for the day-to-day management of MAF International's affairs and for implementing the policies set by the Board. The Board maintains a Governance Manual which, *inter alia*, sets financial and operational parameters within which the CEO and ELT must manage the operations of MAF International.

Remuneration of Executive Leadership

The trustees set the CEO's salary having considered his role and responsibilities, the size and nature of the charity, and comparisons with the salaries of others in the same sector in the UK. The salaries of the other members of the ELT are set by the CEO considering the country of residence of each. All the ELT receive the same cost of living rises as the organisation's other staff in their respective countries of service.

Volunteers

MAF International has a small number of volunteers who assist in charitable activities overseas. The trustees and ELT are grateful for the time and effort these individuals contribute to MAF's ministry. The time spent by such volunteers is not considered to be material in comparison to the total staff time and therefore no additional disclosure has been made.

Trustee Induction and Training

In the trustee induction programme, new trustees are provided with a copy of the Governance Manual as well as a copy of CC3 *The Essential Trustee*. They are required to attend a series of meetings and discussions with the CEO and others to learn more about the work and how MAF International operates.

From time to time, the Board invites specialists such as the auditors to make a presentation to the Board on matters of interest, such as good governance, to ensure that the trustees are kept abreast of best practice.

Internal Control and Risk Management

The trustees have overall responsibility for ensuring that the charity has an appropriate system of internal controls, financial and otherwise.

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 financial crime, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable; and
- the charity complies with relevant laws and regulations.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the trustees;
- regular consideration by the trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks; and
- minimum financial internal controls required are documented in a finance manual.

In addition, there is a financial internal audit function. It includes a schedule of audit visits to programmes on a rotational basis and three programmes were visited for internal audit purposes during the year.

Standards, Quality and Flight Safety

MAF International operates an Aviation Safety Programme and a Quality Assurance Programme. The aviation standards in the aviation manuals, for all our operations are International Civil Aviation Organisation (ICAO) and/or local national authority (NAA) compliant.

The purpose of the quality assurance programme in relation to aviation is to monitor achievement and continued compliance with the requirements of the local aviation authority and of MAF International and to ensure adequate procedures for the safe operation of aircraft. In addition to local quality managers, MAF International also operates a central audit system where each programme's operations and maintenance compliance is monitored annually.

The trustees have a sub-committee to regularly review safety standards throughout the organisation and to give oversight to the Aviation Safety Programme.

Safeguarding

MAF International is committed to providing a safe and trusted environment for our staff, volunteers and beneficiaries. The organisation requires the highest ethical and moral standards from all our staff and takes misconduct seriously. We have a number of policies with which all staff must comply, including a code of conduct, non-harassment, anti-bullying, data protection and privacy, equal opportunity and just culture policies.

MAF International has a robust safeguarding policy in place, together with safeguarding standards for the protection of children and vulnerable adults, which require agreement from each member of staff every two years along with refresher training. Safeguarding risks are regularly reviewed by management and the trustees. Recruitment processes have been updated including additional questions for applicants and referees related to safeguarding; along with enhanced training for recruiters. Safeguarding officers have been appointed and trained for each MAF International location and all new staff for overseas roles must undergo a police check before acceptance is confirmed.

During 2020, there were two minor safeguarding issues reported and investigated by MAF International; neither of these required reporting to the Charity Commission.

Employment of Disabled People

MAF International's policy and practice is to ensure equal opportunities in the recruitment, training and career development of disabled people on the basis of their aptitude and abilities required in their job role. The organisation also works toward the retention and retraining of employees who have become disabled.

Fundraising

MAF International does not raise funds directly from the public. We receive most donations from the independent MAF groups that diligently work to support our activities. During the year \$16,686,000 (2019 - \$18,837,000) was received from MAF groups and in addition \$4,005,000 (2019 - \$899,000) was received from Institutional and corporate funders. A breakdown of the source of all the donations received is shown in note 3.

Accountability, Accreditation and Memberships

MAF International is a member of a number of organisations including EU-CORD, ACCORD, Global Connections, the UN Global Logistics Cluster, the DFID Rapid Response Facility, the Common Humanitarian Standards (CHS) Alliance and the Global Network of Civil Society Organisations for Disaster Reduction (GNDR). In addition MAF International is an observer member of Active Learning Network for Accountability Performance in humanitarian action (ALNAP) and recognises and upholds the Sphere standards.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
REPORT OF THE TRUSTEES, INCLUDING THE STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the surplus or deficit of the group and charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 ensuring that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.

Statements as to Disclosure of Information to Auditors

So far as the trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Co-operation with Other Groups

MAF International works closely with other organisations involved with aviation support for church, mission and relief and development groups. In particular, MAF International has a close relationship with the independent MAF groups in various countries.

Approved by the Board on

25 June 2021.



Peter Curtis
Chairman

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of Mission Aviation Fellowship International ('the parent charity') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 FRS 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 group's and the parent charity's affairs as at 31 December 2020 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 group's or the parent charity'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.

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper 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.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION AVIATION FELLOWSHIP INTERNATIONAL (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Nicola Wakefield
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey SM1 24JQ

Date: 19 July 2021

MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020				2019			
		Unrestricted funds		Restricted funds	Total	Unrestricted funds		Restricted funds	Total
		General	Designated	US\$,000	US\$,000	General	Designated	US\$,000	US\$,000
Income									
Donations	3	9,730	0	16,579	26,309	8,447	-	17,125	25,572
Charitable activities	4	8,098	724	-	8,822	13,928	582	-	14,510
Other		2,791	10	11	2,812	614	23	36	673
Total income		20,619	734	16,590	37,943	22,989	605	17,161	40,755
Expenditure									
Raising funds	5	341	-	-	341	383	-	-	383
Grants	6	677	113	1,285	2,075	851	45	1,279	2,175
Charitable activities	7	13,392	6,127	12,889	32,408	19,231	6,420	13,509	39,160
Total expenditure		14,410	6,240	14,174	34,824	20,465	6,465	14,788	41,718
Net income/(expenditure) before transfers	9	6,209	(5,506)	2,416	3,119	2,524	(5,860)	2,373	(963)
Transfers between funds	24,25	(5,452)	6,158	(706)	-	(3,373)	3,937	(564)	-
Net income/(expenditure) before other recognised gains and losses		757	652	1,710	3,119	(849)	(1,923)	1,809	(963)
Net movement in revaluation reserves	24,25	-	(189)	101	(88)	-	(919)	116	(803)
Other gains/(losses)		188	(49)	(7)	132	687	(83)	(6)	598
Net movement in funds		945	414	1,804	3,163	(162)	(2,925)	1,919	(1,168)
Balances brought forward		2,502	58,368	20,643	81,513	2,664	61,293	18,724	82,681
Balances carried forward		3,447	58,782	22,447	84,676	2,502	58,368	20,643	81,513

There were no recognised gains or losses in either year other than those included in the Statement of Financial Activities.

All income and expenditure derive from continuing activities in both years.

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2020**

	Note	Consolidated 2020 US\$,000	Consolidated 2019 US\$,000	Charity 2020 US\$,000	Charity 2019 US\$,000
Intangible fixed assets	11	20	6	20	6
Tangible fixed assets	12	68,812	66,952	9,873	15,287
Current assets					
Stocks	13	2,505	2,584	278	618
Debtors	14	3,464	6,472	2,033	1,734
Short-term deposits	15	2,631	861	-	-
Cash and cash equivalents	16	14,112	12,438	8,860	9,871
		<u>22,712</u>	<u>22,355</u>	<u>11,171</u>	<u>12,223</u>
Current liabilities					
Creditors	17	(6,765)	(7,491)	(2,047)	(2,195)
Net current assets		<u>15,947</u>	<u>14,864</u>	<u>9,124</u>	<u>10,028</u>
Debtors due after more than one year	14	128	-	128	-
Total assets less current liabilities		<u>84,907</u>	<u>81,822</u>	<u>19,145</u>	<u>25,321</u>
Creditors due after more than one year	18	(154)	(175)	(99)	(58)
Net assets excluding pension and deferred tax liabilities		<u>84,753</u>	<u>81,647</u>	<u>19,046</u>	<u>25,263</u>
Deferred tax liability	20	(77)	(134)	-	-
Net Assets including pension liability		<u>84,676</u>	<u>81,513</u>	<u>19,046</u>	<u>25,263</u>
Accumulated funds					
Unrestricted funds					
General		3,447	2,502	77	(1,318)
Designated revaluations reserves		5,347	5,767	74	461
Other designated funds		53,435	52,601	13,861	18,215
	24	<u>58,782</u>	<u>58,368</u>	<u>13,935</u>	<u>18,676</u>
Total unrestricted funds		<u>62,229</u>	<u>60,870</u>	<u>14,012</u>	<u>17,358</u>
Restricted funds					
Restricted revaluations reserves		394	325	14	9
Other restricted funds		22,053	20,318	5,020	7,896
Total restricted funds	25	<u>22,447</u>	<u>20,643</u>	<u>5,034</u>	<u>7,905</u>
Total funds	26	<u>84,676</u>	<u>81,513</u>	<u>19,046</u>	<u>25,263</u>

Approved by the directors on 25 June 2021 and signed on their behalf by



Peter Curtis, Chairman

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 US\$,000	2019 US\$,000
Net cash from/(to) operating activities	31	7,992	(905)
Cash flow from investing activities			
Purchase of tangible assets		(5,705)	(6,436)
Purchase of intangible assets		(18)	(7)
Proceeds from disposals of tangible assets		1,006	2,939
Interest received		49	122
Net cash used in investing activities		<u>(4,668)</u>	<u>(3,382)</u>
Effect of exchange rates on cash and cash equivalents		<u>120</u>	<u>747</u>
Net increase/(decrease) in cash and cash equivalents		3,444	(3,540)
Cash and cash equivalents at start of year		<u>13,299</u>	<u>16,839</u>
Cash and cash equivalents at the end of the year		<u><u>16,743</u></u>	<u><u>13,299</u></u>

The notes on pages 20 to 39 form an integral part of these financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

Mission Aviation Fellowship International is a charitable company limited by guarantee and registered in England and Wales, registration number 3144199, and a registered charity number 1058226. The registered office is Operations Centre, Henwood, Ashford, Kent TN24 8DH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020), Charities SORP (FRS 102) and the Companies Act 2006.

MAF International meets the definition of a public benefit entity under FRS102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of aircraft which are measured at fair value in accordance with the policy k below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

b Going concern

MAF International has \$16,743,000 (2019 - \$13,299,000) held in immediately accessible cash or short term investments at 31 December 2020. Of this \$2,859,000 (2019 - \$3,207,000) is held for restricted purposes. In response to COVID-19, the trustees have reviewed detailed cash flow projections to 31 December 2022 and have agreed detailed budgets for the year ended 31 December 2021. Both sources of income and types of expenditure have been reviewed. Whilst the main charitable purposes is to provide flights to beneficiaries living in remote areas of the world with minimal access to other transport, the level of this expenditure is at the discretion of the trustees and can be adjusted during the year. The trustees have also considered the organisation's working capital and capital expenditure requirements. As a result of the foregoing the trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

c Consolidation

The Consolidated Statement of Financial Activities and the Consolidated Balance Sheet have been prepared by combining the data of MAF International, all of its subsidiary undertakings (note 29), together with Rapid Relief Wing (note 30). The charity has taken exemption from presenting its unconsolidated profit and loss account under Section 408 of the Companies Act 2006. The result for the charity only for the year was a deficit of \$6,216,000 (2019 \$19,949,000) including the transfer of assets totalling \$5,726,000 (2019 \$17,731,000) to MAF International in the Netherlands.

d Foreign currencies

The functional and presentation currency of MAF International is US dollars as the primary currency used in the aircraft industry. However, income and costs also arise in other currencies due to operating jurisdictions. Other currencies have been translated to US dollars as follows:

Current assets and liabilities – closing rate at 31 December 2020
Other amounts - rate at date of transaction

The key exchange rates used to translate to US\$ were:

	31 December 2020	2020 Average	31 December 2019	2019 Average
£ Sterling	1.3493	1.2832	1.3264	1.2731
Australian Dollar	0.7671	0.6852	0.7020	0.6959
Papua New Guinean Kina	0.2850	0.2892	0.2935	0.2970

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

e Income

- (i) Donations are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.
- (ii) Donated services income comprises the estimated value to MAF International of the staff seconded for international service. The costs are borne by the seconding groups. An equal and opposite charge is recognised in charitable expenditure. In accordance with the Charities SORP (FRS 102), the time donated to MAF International by volunteers is not recognised.
- (iii) Income arising from charitable activities is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of credits and discounts allowed and value added taxes.
- (iv) Interest on funds held on deposit is included when receivable and can be measured reliably.

f Expenditure

- (i) Raising funds comprises a proportion of central overhead costs arising from staff and other costs attributable to this activity.
- (ii) Grants made comprises payments made to other MAF groups and similar organisations either in accordance with donor restrictions placed on the funds, or to support their development, or to enable them to fully finance the seconding of individual staff to our operations.
- (iii) Charitable activities comprise actual costs relating to the aircraft and other services together with local (overseas) overheads.
- (iv) Support costs include functions that directly support the operations such as flight training, engineering, operations support and quality, safety and security. Support costs also include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. These costs have been allocated between cost of raising funds, grants made and charitable expenditure. The basis on which support costs have been allocated is set out in note 8.

g Employee benefits

- (i) Leave benefits, including holiday pay are recognised as an expense in the period in which the service is rendered.
- (ii) Pension payments to defined contribution pension schemes are recognised as an expense when they fall due.
- (iii) MAF international holds a defined benefit pension scheme which is closed to new members and further accrual since 2008. The amount recognised in the balance sheet at 31 December 2020 is \$Nil (2019 –\$Nil).
- (iv) Annually, an independent actuary is engaged to calculate the obligation arising under the scheme. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss.

h Operating leases

Operating lease rentals are charged to the Statement of Financial Activities in accordance with the term of the lease.

i Deferred tax

Local legislation requires MAF to be registered as a commercial company in Papua New Guinea, which potentially gives rise to taxation on operating activities. Any taxation liabilities arising from these activities are provided at rates ruling in the relevant accounting period and deferred taxation is provided where it is predicted that a liability may arise in the foreseeable future.

j Intangible fixed assets

Purchased and internally developed computer software which costs \$3,000 or more is capitalised at cost and amortised over its estimated useful life, 5 to 10 years.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

k Tangible fixed assets

Individual fixed assets costing \$3,000 or more are capitalised at cost.

Depreciation is calculated as follows:

(i) Aircraft

Aircraft, where externally insured, are included at their insurance values. Other aircraft are valued at directors' valuation. Depreciation is charged to write off expenditure over an estimated useful life of 40 years.

Any increases in the net value are credited to expenditure to the extent that the aircraft has been previously impaired; the remaining gain is credited to the revaluation reserve within other comprehensive income. Any decreases are debited to the portion of the revaluation reserve associated to that aircraft until it is fully depleted and the remaining decrease is charged to expenditure.

When an aircraft has been purchased, and until it is brought into operational use, it is valued at the costs incurred to date. When it is planned that an aircraft will be sold the net value of that aircraft is reduced to the expected sale proceeds.

(ii) Property

Depreciation is charged to write off expenditure on leasehold property equally over the length of the lease. Depreciation on other buildings is charged to write off the cost to their residual values over their expected economic lives. This is assessed country by country and ranges from 3 to 50 years. Depreciation on leasehold land is charged to write off the expenditure over the life of the lease. For assets in the course of construction depreciation is charged from the date which that facility becomes operational.

(iii) Equipment and vehicles

Depreciation is charged to write off the expenditure over an estimated useful life of 5 to 10 years.

l Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

m Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 value.

o Financial instruments

Financial assets and liabilities are initially measured at transaction value, except for specific financial instruments which are initially measured at fair value.

Trade and other debtors are subsequently measured at the settlement amount due. Prepayments are valued at the amount prepaid. Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions are subsequently measured at the amount due to settle the obligation where it can be measured or estimated reliably.

The organisation uses non-speculative foreign exchange contracts to reduce its exposure to foreign exchange risk, in line with the organisation's investment policy. Foreign exchange contracts are initially recognised at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Financial Activities.

p Funds

Unrestricted Funds – General comprise net accumulated surpluses. They are available for use to further the charitable objectives of the charity.

Unrestricted Funds – Designated are amounts that have been set aside by the trustees for specific objectives.

Restricted Funds are funds and assets subject to specific conditions imposed by donors. When assets are purchased with restricted funds the restriction is deemed to be satisfied after reporting to the donor on the use of those assets ceases. Such assets are then transferred to unrestricted designated funds.

q Related parties

In the opinion of the trustees the group has no related parties.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The directors evaluate estimates and judgements incorporated into the financial statements. Estimates are based on historical information, assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group:

a Donated services

The value of donated services are determined by applying the average cost of a member of seconded staff to all those staff whose services have been donated to the group during the year. The average cost is calculated from the actual staff cost data of three member groups who supplied the highest number of seconded staff during the year.

b Overhaul

Funds are set aside into a designated fund for each hour flown for future overhaul of aircraft engines, propellers and the aircraft themselves. Actual expenditure is charged to the designated fund. For aircraft leased from third parties, these funds are included as a liability on the balance sheet.

c Aircraft valuations

The group values aircraft by reference to the "Blue Book value" (the aviation industry's standard indication of the expected recoverable amount on the open market). Adjustments are made for enhancements to the aircraft not accounted for in the Blue Book value. Annually, every aircraft is revalued and reviewed for impairment. The valuations are approved by the directors.

d Estimation of useful lives of assets

The group determines the estimated useful lives and related amortisation and depreciation charges for intangible and tangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation or depreciation charge will increase where the useful lives are less than previously estimated lives. Technically obsolete assets that have been abandoned or sold are written off or written down.

e Impairment

MAF International assesses impairment of intangible and tangible assets at the end of each reporting period by evaluating conditions and events specific to the organisation that may be indicative of impairment trigger.

f Tax accruals

The group has a number of outstanding tax issues at the end of the financial year. The expected liabilities are accrued in the financial statements. Each accrual is calculated in accordance with communication from the tax authorities, local legislation and other external factors such as exchange rates. These accruals are reviewed annually and recalculated as necessary.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. INCOME FROM DONATIONS

Voluntary income comprises the amounts transferred mainly from the MAF groups, who are members of MAF International, together with other gift income. Restricted gifts may have been transferred directly to MAF International by a donor agency, under the direction of the national group.

	2020			2019		
	Unrestricted US\$,000	Restricted US\$,000	Total US\$,000	Unrestricted US\$,000	Restricted US\$,000	Total US\$,000
Donated services	-	4,443	4,443	-	4,910	4,910
Income for housing	790	-	790	797	-	797
Institutional donors	-	3,474	3,474	-	899	899
MAF Australia	-	1,701	1,701	-	2,405	2,405
MAF Canada	-	6	6	-	72	72
MAF Denmark	94	76	170	113	70	183
MAF Finland	49	71	120	69	38	107
MAF France	-	8	8	-	7	7
MAF Germany	-	41	41	-	45	45
MAF Italy	-	6	6	-	4	4
MAF Netherlands	1,127	2,124	3,251	-	3,197	3,197
MAF New Zealand	-	444	444	-	412	412
MAF Norway	263	570	833	565	189	754
MAF Singapore	-	46	46	-	152	152
MAF South Africa	-	-	-	-	7	7
MAF Sweden	122	106	228	30	242	272
MAF Switzerland	-	467	467	-	728	728
MAF UK	7,012	2,178	9,190	6,821	3,307	10,128
MAF USA	27	148	175	40	323	363
Other donors	246	670	916	12	118	130
	<u>9,730</u>	<u>16,579</u>	<u>26,309</u>	<u>8,447</u>	<u>17,125</u>	<u>25,572</u>

Many International Staff are paid by the MAF group or another mission agency which then seconds them to the charity. The cost of these staff are therefore borne by those groups and as a result the staff support received is generally not passed to the charity. Other International Staff are paid by the charity. As a partial contribution towards this cost, restricted income is received by the charity from their relevant sending MAF groups. The total of such amounts received by the charity and included in restricted income above was as follows:

	2020 US\$,000	2019 US\$,000
MAF Australia	1,227	1,523
MAF Canada	6	3
MAF Germany	8	32
MAF Netherlands	154	152
MAF New Zealand	-	5
MAF Norway	2	1
MAF Sweden	49	54
MAF Switzerland	212	303
MAF UK	638	687
MAF USA	111	67
Other donors	94	58
	<u>2,501</u>	<u>2,885</u>

MAF International additionally collected \$152,000 (2019 - \$117,000) donations income and \$454,000 (2019 - \$350,000) staff support income on behalf of other MAF member groups or associated members. In these situations, MAF International forwards the income onto the relevant group directly and consequently the income has not been recognised in the financial statements.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. INCOME FROM CHARITABLE ACTIVITIES

The users of MAF International aircraft make a contribution to the costs of MAF. Similarly, MAF International seeks contributions towards its costs when providing other services, such as the logistics. In Australia, we additionally have an aircraft engineering base which serves both our programmes in the regions as well as 3rd party customers. MAF Technology Services in PNG provides radio and other communication technology services. Some programmes are also able to help 3rd party organisations with aircraft or vehicle maintenance.

	2020			2019		
	General	Designated	Total	General	Designated	Total
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Contributions for						
Aviation services	7,218	-	7,218	12,870	-	12,870
Maintenance services	788	-	788	761	-	761
Other technologies	-	724	724	-	582	582
Other services	92	-	92	297	-	297
	<u>8,098</u>	<u>724</u>	<u>8,822</u>	<u>13,928</u>	<u>582</u>	<u>14,510</u>

MAF International acts as an agent for flights operated by MAF Canada and MAF USA. During the year, the group collected and passed on \$70,000 (2019- \$4,000) which has not been recognised in these financial statements.

5. EXPENDITURE ON RAISING FUNDS

	2020	2019
	US\$,000	US\$,000
Allocation of support staff and other costs	<u>341</u>	<u>383</u>

All amounts relate to unrestricted funds in both the current and prior year.

6. EXPENDITURE ON GRANTS MADE

Grants were made from restricted and unrestricted funds in 2020 as follows:

	For	For ongoing operations and development			Grants made	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	US\$,000	General	US\$,000
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Juba Christian Academy	-	-	-	4	4	-	4
MAF Canada	77	-	-	-	77	8	85
MAF Finland	-	-	-	55	55	4	59
MAF Germany	-	-	-	114	114	8	122
MAF Norway	-	264	-	-	264	24	288
MAF Philippines	-	-	6	12	18	1	19
MAF Singapore	-	-	51	-	51	5	56
MAF South Africa	28	-	1	-	29	3	32
MAF Sweden	18	22	-	-	40	4	44
MAF Switzerland	31	-	-	-	31	3	34
MAF USA	89	-	-	1,070	1,159	81	1,240
MATC	-	-	55	30	85	7	92
	<u>243</u>	<u>286</u>	<u>113</u>	<u>1,285</u>	<u>1,927</u>	<u>148</u>	<u>2,075</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. EXPENDITURE ON GRANTS MADE (CONTINUED)

Grants were made from restricted and unrestricted funds in 2019 as follows:

	For	For ongoing operations and development			Grants made	Allocation	Total
	international	of their activities				of support	
	staff support	General	Designated	Restricted		costs	
	General	General	Designated	Restricted	General		
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Juba Christian Academy	-	-	-	1	1	-	1
MAF Canada	166	-	-	-	166	15	181
MAF Denmark	11	-	-	-	11	1	12
MAF Finland	-	-	-	54	54	4	58
MAF Germany	-	-	-	144	144	11	155
MAF Norway	-	277	-	-	277	26	303
MAF Philippines	-	-	-	4	4	-	4
MAF Singapore	-	-	-	19	19	1	20
MAF South Africa	29	-	-	28	57	5	62
MAF Sweden	18	23	-	-	41	3	44
MAF Switzerland	31	-	-	-	31	3	34
MAF USA	134	-	-	961	1,095	84	1,179
MATC	-	-	45	68	113	9	122
	389	300	45	1,279	2,013	162	2,175

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Direct costs of services comprise the direct costs of aviation (such as fuel, maintenance and insurance) as well as those of other technologies and of running the aviation operations and maintenance departments, excluding staff costs. The direct costs of providing other services are within other local overhead expenditure, and are not material. The method of allocation of support costs is shown in note 8.

Charitable activities for 2020 were as follows:

	Programme costs			Sub-total	Allocation	Total
	General	Designated	Restricted		of support costs	
	US\$,000	US\$,000	US\$,000		Unrestricted	
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Direct costs of services	1,468	2,253	5,279	9,000	1,946	10,946
Cost of donated services	-	-	4,443	4,443	545	4,988
Staff costs	5,819	123	2,550	8,492	712	9,204
Other local overhead expenditure	1,211	1,399	112	2,722	1,636	4,358
Depreciation, amortisation and impairment	-	2,352	505	2,857	55	2,912
	8,498	6,127	12,889	27,514	4,894	32,408

Charitable activities for 2019 were as follows:

	Programme costs			Sub-total	Allocation	Total
	General	Designated	Restricted		of support costs	
	US\$,000	US\$,000	US\$,000		Unrestricted	
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Direct costs of services	5,477	2,167	4,467	12,111	2,047	14,158
Cost of donated services	-	-	4,910	4,910	615	5,525
Staff costs	7,490	141	2,986	10,617	803	11,420
Other local overhead expenditure	1,027	2,004	96	3,127	1,738	4,865
Depreciation, amortisation and impairment	-	2,108	1,050	3,158	34	3,192
	13,994	6,420	13,509	33,923	5,237	39,160

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. SUPPORT COSTS

Support costs have been collated according to function, which includes all staff directly attributed to that department and other associated costs. These functions are allocated to the main expenditure functions in accordance with time spent supporting that aspect of MAF International's operations.

Unrestricted general support costs for 2020 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	US\$,000	US\$,000	US\$,000	US\$,000
Chief Executive and Regional Directors offices	126	70	481	677
Aviation Services including quality and safety	-	-	1,589	1,589
Finance	82	41	697	820
Human Resources	-	37	708	745
Information technology and communications	133	-	1,027	1,160
Support office costs	-	-	336	336
Depreciation of fixed assets used for support	-	-	56	56
	<u>341</u>	<u>148</u>	<u>4,894</u>	<u>5,383</u>

Unrestricted general support costs for 2019 were as follows:

	Raising funds	Grants	Direct costs of operations	Total
	US\$,000	US\$,000	US\$,000	US\$,000
Chief Executive and Regional Directors Offices	157	79	669	905
Aviation Services including quality and safety	-	-	1,680	1,680
Finance	83	41	704	828
Human Resources	-	42	803	845
Information technology and communications	143	-	1,022	1,165
Support office costs	-	-	324	324
Depreciation of fixed assets used for support	-	-	35	35
	<u>383</u>	<u>162</u>	<u>5,237</u>	<u>5,782</u>

9. NET INCOME BEFORE TRANSFERS

The net income before transfers between funds is stated after charging:

	2020	2019
	US\$,000	US\$,000
Auditors remuneration		
Audit fees	<u>142</u>	<u>164</u>
Realised net (gain) on currency exchange	<u>(269)</u>	<u>(214)</u>
Amortisation of intangible assets	4	1
Depreciation, of both Restricted and Assets Fund assets (note 12)	2,560	2,315
Impairment of both Restricted and Assets Fund assets (note 12)	347	379
Net (gain)/loss on disposal of fixed assets	<u>(201)</u>	<u>8</u>
Charges under operating leases	<u>1,222</u>	<u>1,266</u>
Inventory expensed in the year	<u>1,268</u>	<u>1,619</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. STAFF EXPENDITURE AND STAFF NUMBERS

	2020	2019
	US\$,000	US\$,000
Staff Costs		
Wages and salaries, including intangible expenditure	13,254	16,347
Social security costs	1,730	334
Retirement and death-in-service benefits costs	1,180	1,236
	<u>16,164</u>	<u>17,917</u>
Total salaries and benefits paid to Executive Leadership team during the year	<u>599</u>	<u>610</u>

All members of the executive leadership team voluntarily donated a portion of their salary to the organisation in 2020. These deductions are not shown above as under FRS102 the salary cost is required to be shown in total and the reduction is shown as donations.

	2020	2019
	Number	Number
Employees that received remuneration of:		
£60,000 to £69,999	<u>2</u>	<u>2</u>
£80,000 to £89,999	<u>1</u>	<u>1</u>
Average number of employees - support offices	79	81
Average number of employees - field	397	438
Average number of seconded staff	<u>68</u>	<u>67</u>
	<u>544</u>	<u>586</u>

No remuneration is paid to the directors for their services as trustees of the Group, although expenses incurred personally in the course of their duties are reimbursed. Expenses waived by the directors for their services as trustees are negligible.

	2020	2019
	US\$,000	US\$,000
Travel expenses reimbursed to 3 directors (2019-5).	<u>5</u>	<u>30</u>

11. INTANGIBLE ASSETS

	Group and Charity Software US\$,000
COST	
At 1 January 2020	126
Additions	<u>18</u>
At 31 December 2020	<u>144</u>
AMORTISATION	
At 1 January 2020	120
Charge in the year	<u>4</u>
At 31 December 2020	<u>124</u>
NET BOOK VALUE	
At 31 December 2019	<u>6</u>
At 31 December 2020	<u>20</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS

Analysis for the Group:

	Aircraft US\$,000	Land & Property US\$,000	Equipment & Vehicles US\$,000	Total US\$,000
COST OR VALUATION				
At 1 January 2020	49,417	22,614	5,857	77,888
Additions	2,171	3,131	403	5,705
Disposals	(754)	(475)	(320)	(1,549)
Revaluation Reserve	(1,654)	-	-	(1,654)
Foreign Exchange adjustment		(85)	(29)	(114)
At 31 December 2020	49,180	25,185	5,911	80,276
DEPRECIATION				
At 1 January 2020	-	6,939	3,997	10,936
Charge in year	1,228	826	506	2,560
Net Impairment	347	-	-	347
Depreciation on disposals	(10)	(451)	(285)	(746)
Revaluation Reserve write back	(1,565)	-	-	(1,565)
Foreign Exchange adjustment	-	(50)	(18)	(68)
At 31 December 2020	-	7,264	4,200	11,464
NET BOOK VALUE				
At 31 December 2019	49,417	15,629	1,906	66,952
At 31 December 2020	49,180	17,921	1,711	68,812
Analysis of value between:				
Used for direct charitable purposes	49,180	15,098	1,659	65,937
Used for support of field programmes, management and administration		2,823	52	2,875

The titles of land and buildings in Kenya is held by a corporate body, Missionary Aviation Fellowship (Kenya) Registered Trustees, on behalf of MAF International.

Included within the cost of 'Land & Property' is \$49,000 (2019- \$nil) relating to the building of housing in South Sudan. In 2019 there was \$2,217,000 relating to the building of housing on a compound in Kenya and \$407,000 relating to the building of a hangar in Liberia, both of which projects have now been completed.

Of the net value of 'Land & Property' \$6,461,000 (2019 - \$4,933,000) relates to freehold or the local equivalent and \$2,803,000 (2019 - \$2,227,000) relates to leases in excess of 50 years.

The land and building at Ashford, UK are secured by a first legal charge with National Westminster Bank plc and with a second legal charge in favour of the trustees of "The MAF Europe UK Pension Scheme".

The land and building at Cairns, Australia are secured by a first legal charge with Commonwealth Bank of Australia.

The historical cost of purchasing the aircraft was \$58,000,000 (2019 - \$56,676,000).

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS (CONTINUED)

Analysis of the Charity only:

	Aircraft US\$,000	Land & Property US\$,000	Equipment & Vehicles US\$,000	Total US\$,000
COST OR VALUATION				
At 1 January 2020	10,927	5,477	2,411	18,815
Additions	45	635	139	819
Disposals and transfers	(4,142)	(2,111)	(1,044)	(7,297)
Revaluation	(208)	-	-	(208)
At 31 December 2020	6,622	4,001	1,507	12,130
DEPRECIATION				
At 1 January 2020	-	1,810	1,718	3,528
Charge in year	171	136	131	438
Impairment	(31)	-	-	(31)
Disposals and transfers	-	(789)	(749)	(1,538)
Revaluation write back	(140)	-	-	(140)
At 31 December 2020	-	1,157	1,100	2,257
NET BOOK VALUE				
At 31 December 2019	10,927	3,667	693	15,287
At 31 December 2020	6,622	2,844	407	9,873

13. STOCKS

	Group		Charity	
	2020 US\$,000	2019 US\$,000	2020 US\$,000	2019 US\$,000
Aircraft spare parts	1,848	1,763	267	579
Fuel and other stocks	655	785	11	39
Work in progress	2	36	-	-
	2,505	2,584	278	618

14. DEBTORS

	Group		Charity	
	2020 US\$,000	2019 US\$,000	2020 US\$,000	2019 US\$,000
<u>Current Debtors</u>				
Trade and sundry debtors	1,511	1,767	743	856
Amount recoverable from subsidiary undertakings	-	-	870	351
Other debtors	1,149	3,718	89	135
Prepayments	804	987	331	392
	3,464	6,472	2,033	1,734
<u>Debtors due after more than one year</u>				
MAF Suriname	128	-	128	-

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. SHORT TERM DEPOSITS

	Group		Charity	
	2020	2019	2020	2019
	US\$'000	US\$'000	US\$'000	US\$'000
Bank deposits	<u>2,631</u>	<u>861</u>	<u>-</u>	<u>-</u>

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2020	2019	2020	2019
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents – Support offices	11,127	10,578	8,485	9,489
Cash and cash equivalents - Programmes	<u>2,985</u>	<u>1,860</u>	<u>375</u>	<u>382</u>
	<u>14,112</u>	<u>12,438</u>	<u>8,860</u>	<u>9,871</u>

17. CREDITORS

	Group		Charity	
	2020	2019	2020	2019
	US\$,000	US\$,000	US\$,000	US\$,000
Trade and other creditors	3,744	4,185	1,411	1,626
Taxation and social security	814	1,198	176	97
Amounts due to subsidiary undertakings	-	-	22	17
Accrued expenses	<u>2,207</u>	<u>2,108</u>	<u>438</u>	<u>455</u>
	<u>6,765</u>	<u>7,491</u>	<u>2,047</u>	<u>2,195</u>

18. CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	US\$,000	US\$,000	US\$,000	US\$,000
Staff resettlement allowances	<u>154</u>	<u>175</u>	<u>99</u>	<u>58</u>

19. PROVISIONS

Included in creditors are the following provisions:

	Charity and Group			Balances 31 December 2020
	Balances 1 January 2020	Provided in the year	Utilised in the year	
	US\$,000	US\$,000	US\$,000	
For overhaul of aircraft owned by 3 rd parties	541	65	(203)	403
For taxation issues in overseas programmes	<u>844</u>	<u>182</u>	<u>(260)</u>	<u>766</u>
	<u>1,385</u>	<u>247</u>	<u>(463)</u>	<u>1,169</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. DEFERRED TAX LIABILITY

	Group		Charity	
	2020	2019	2020	2019
	US\$,000	US\$,000	US\$,000	US\$,000
Provision at 1 January	134	56	-	-
Movement in the year	(57)	78	-	-
Provision at 31 December	<u>77</u>	<u>134</u>	<u>-</u>	<u>-</u>

21. FINANCIAL COMMITMENTS

At 31 December 2020 the group was committed to making the following payments under non-cancellable operating leases:

	Property		Other	
	2020	2020	2019	2019
	US\$,000	US\$,000	US\$,000	US\$,000
Payable in 1 year	401	40	448	22
Payable in 2-5 years	128	41	137	28
Payable in over 5 years	156	-	166	-
	<u>685</u>	<u>81</u>	<u>751</u>	<u>50</u>

At 31 December 2020, the organisation was also committed to pay \$2,561,000 (£1,900,000) in non-cancellable foreign exchange contracts to purchase USD using GBP between February and June 2021. These commitments are stated at fair value and the \$45,000 loss arising from the difference between the fair value and notional value has been recognised in the Statement of Financial Activities.

22. CAPITAL COMMITMENTS

At 31 December 2020, the organisation was committed to pay \$124,000 for the building of an airstrip in Chin State, Myanmar.

Since the end of the financial year, the organisation also committed:

- to building contractors in South Sudan, to construct six new properties for \$514,000
- to building contractors in Australia to build a hangar in Mareeba for \$1,526,000

23. POST BALANCE SHEET EVENTS

In February 2021, the organisation entered into two loans, both denominated in Australian dollars:

1. A loan from MAF Australia for US\$1,074,000 (AU\$1,400,000).
2. A loan from the Commonwealth Bank of Australia for up to US\$1,152,000 (AU\$1,500,000). US\$384,000 (AU\$500,000) has been drawn down. The loan is secured on the office building owned in Cairns, Australia.

In late April 2021, we were informed by Dhaka International Airports Authority, Bangladesh, that the organisation was required to vacate the hangar currently in use and relocate to a new hangar provided by the Airport. At the end of the financial year, the hangar is valued at \$188,000 and the full amount is unlikely to be recoverable upon dismantlement and sale of constituent parts. All moveable equipment will be transferred to the new hangar.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. UNRESTRICTED DESIGNATED FUNDS

	Balances 1 January 2020 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible asset US\$,000	Revaluation US\$,000	Unrealised exchange (loss)/gain US\$,000	Balances 31 December 2020 US\$,000
Aircraft overhauls fund	4,264	-	(1,707)	135	-	-	-	2,692
Assets fund	43,755	-	(2,407)	3	2,584	-	(39)	43,896
Revaluation Reserves	5,767	-	-	(231)	-	(189)	-	5,347
Development fund	277	-	(172)	3,262	-	-	-	3,367
Future assets fund	-	-	(274)	2,853	(2,579)	-	-	-
MAF Technology Services (PNG)	326	734	(710)	16	-	-	(10)	356
Self-insurance fund	3,821	-	(891)	2	-	-	-	2,932
Tactical investment fund	158	-	(79)	118	(5)	-	-	192
	<u>58,368</u>	<u>734</u>	<u>(6,240)</u>	<u>6,158</u>	<u>-</u>	<u>(189)</u>	<u>(49)</u>	<u>58,782</u>
Designated funds – Charity only	<u>18,676</u>	<u>-</u>	<u>(2,272)</u>	<u>(2,396)</u>	<u>-</u>	<u>(73)</u>	<u>-</u>	<u>13,935</u>

The Aircraft overhauls fund is used to overhaul the engines, propellers and airframes of the aircraft. Engines and propellers must be overhauled after set numbers of hours – most commonly 1,700 hours for a piston engine and up to 5,000 hours for a turbine engine. Funds are transferred from general funds to this designated fund for each hour flown by every aircraft.

The Assets fund represents amounts set aside equivalent to the value of the aircraft, properties, equipment and vehicles used by MAF International (less relevant loans) and provision for the future replacement of some assets, both of which have been financed with transfers from unrestricted general funds.

The Revaluation Reserves represent the increase in value of aircraft over their original cost to carrying values where appropriate.

The Development fund is used for the development of MAF Groups to enhance their fund raising and recruitment activities as well as to cover the cost of agreed new ventures, such as setting up operations or organisations to assist in resourcing the charity in new countries.

The Future assets fund was created to cover the cost of specific capital assets, including aircraft, that are essential to the operations and for which no other funding has been received, or is expected.

MAF Technology Services (PNG) represents the net assets of that entity (formerly “CRMF”), which will be used solely for the activities of that ministry in Papua New Guinea.

The Self-insurance fund is available for the repair or replacement of damaged or stolen vehicles and aircraft, other than those which are externally insured. It is also used to cover other items that have not been able to be insured in some countries or where the premiums have been prohibitive.

The Tactical investment fund is used to cover the cost essential capital or revenue expenditure, for which project funding is unlikely to be available within operational time limits.

MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

25. RESTRICTED FUNDS

Restricted Funds comprise the following unexpended balances of gifts and grants made for specific purposes and the net value of tangible assets bought from Restricted Funds. Movement and unexpended balances for projects are shown below.

	Balances 1 January 2020 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible asset US\$,000	Revaluation US\$,000	Unrealised exchange (loss) US\$,000	Balances 31 December 2020 US\$,000
Additional and replacement aircraft	927	757	(232)	(1,116)	(69)	-	-	267
Arnhem Land, Northern Territories	83	81	(92)	(10)	(41)	-	-	21
Bangladesh	-	513	(453)	9	(45)	-	-	24
Central Asia	-	1,103	(1,102)	(1)	-	-	-	-
Chad	1	79	(41)	-	(7)	-	-	32
Disaster relief	279	9	(100)	71	(37)	-	-	222
Fuel	-	674	(674)	-	-	-	-	-
Kenya	38	187	(175)	8	(40)	-	-	18
Liberia	937	101	(97)	-	(635)	-	-	306
Madagascar	26	145	(134)	21	-	-	-	58
MAF Technology services PNG	52	50	(56)	(15)	-	-	-	31
Mongolia	15	5	(8)	(9)	-	-	-	3
Myanmar	283	636	(879)	17	(51)	-	-	6
Papua New Guinea	153	2,341	(296)	141	(2,125)	-	-	214
South Sudan	226	1,297	(670)	384	(73)	-	-	1,164
Staff costs	-	7,398	(7,398)	318	-	-	-	318
Tanzania	40	86	(115)	-	-	-	-	11
Timor-Leste	2	239	(239)	(2)	-	-	-	-
Uganda	69	281	(258)	(11)	(7)	-	-	74
Other aviation projects	37	49	(129)	65	(8)	-	-	14
Other locations and sundry projects	39	559	(522)	-	-	-	-	76
	<u>3,207</u>	<u>16,590</u>	<u>(13,670)</u>	<u>(130)</u>	<u>(3,138)</u>	<u>-</u>	<u>-</u>	<u>2,859</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

25. RESTRICTED FUNDS (CONTINUED)

	Balances 1 January 2020 US\$,000	Income US\$,000	Expenditure US\$,000	Transfers US\$,000	Net tangible assets US\$,000	Revaluation US\$,000	Unrealised exchange (loss) US\$,000	Balances 31 December 2020 US\$,000
Brought forward (page 34)	3,207	16,590	(13,670)	(130)	(3,138)	-	-	2,859
Net value of tangible assets:								
Aircraft	15,918	-	(401)	-	2,170	101	-	17,788
Land and buildings	1,005	-	(11)	(45)	676	-	-	1,625
Equipment and vehicles	513	-	(92)	(531)	292	-	(7)	175
	17,436	-	(504)	(576)	3,138	101	(7)	19,588
Total Restricted Funds	20,643	16,590	(14,174)	(706)	-	101	(7)	22,447
Restricted Funds - Charity only	7,905	7,402	(7,706)	(2,571)	-	5	-	5,034

Following a review of previously restricted assets and in accordance with the accounting policy 1p on page 22, assets with a net book value of \$576,000 (2019: \$372,000) have been transferred from Restricted Funds to unrestricted Designated Funds.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

26. NET ASSETS

Consolidated Group	Unrestricted funds		Restricted Funds	Total 2020	Total 2019
	General	Designated			
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Intangible fixed assets	-	20	-	20	6
Tangible fixed assets	-	49,224	19,588	68,812	66,952
Current assets	10,315	9,538	2,859	22,712	22,355
Long term assets	128	-	-	128	-
Current liabilities	(6,765)	-	-	(6,765)	(7,491)
Long term liabilities	(154)	-	-	(154)	(175)
Deferred tax liability	(77)	-	-	(77)	(134)
	<u>3,447</u>	<u>58,782</u>	<u>22,447</u>	<u>84,676</u>	<u>81,513</u>

Charity only	Unrestricted funds		Restricted Funds	Total 2020	Total 2019
	General	Designated			
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
Intangible fixed assets	-	20	-	20	6
Tangible fixed assets	-	6,237	3,636	9,873	15,287
Current assets	2,095	7,678	1,398	11,171	12,223
Long term assets	128	-	-	128	-
Current liabilities	(2,047)	-	-	(2,047)	(2,195)
Long term liabilities	(99)	-	-	(99)	(58)
	<u>77</u>	<u>13,935</u>	<u>5,034</u>	<u>19,046</u>	<u>25,263</u>

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS

Defined benefit pension scheme

MAF International provided for pensions for UK based employees through "The MAF Europe UK Pension Scheme". This is an insured scheme, which is invested with "Scottish Widows". It is a defined benefit scheme based on 1/60 of final salary for each year of service and was open to all employees. The scheme commenced on 1 January 2000. The last (triennial) actuarial report was prepared as at 1 January 2020. The scheme was closed to new members in December 2007 and closed for future accrual with effect from 29 February 2008.

A comprehensive actuarial valuation of the scheme was carried out at 31 December 2020 by the scheme's actuary. Adjustments to the valuation have been made based on the following assumptions:

	2020	2019
Discount rate	1.3%	2.0%
Retail price inflation before 2030	2.5%	3.2%
Retail price inflation after 2030	2.5%	2.7%
Limited Price Indexation	2.5%	2.9%
Deferred pension revaluation	<u>2.5%</u>	<u>2.95%</u>

The mortality assumptions used were:

	2020	2019
For a male aged 65 now	21.3	21.6
At 65 for a male member aged 45 now	22.6	22.9
For a female aged 65 now	23.6	23.3
At 65 for a female member aged 45 now	<u>25.2</u>	<u>24.8</u>

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

27. DEATH-IN-SERVICE AND RETIREMENT BENEFITS (CONTINUED)

Reconciliation of scheme assets and liabilities:

	2020	2020	2020	2019	2019	2019
	Assets	Liabilities	Total	Assets	Liabilities	Total
	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000	US\$,000
At 1 January	5,836	(5,135)	701	4,766	(4,564)	202
Interest income/(expense)	99	(99)	-	128	(128)	-
Assets gains	536	-	536	868	-	868
Actuarial (losses)	-	(510)	(510)	-	(495)	(495)
Contributions	127	-	127	126	-	126
Benefits paid	(58)	58	-	(52)	52	-
At 31 December	<u>6,540</u>	<u>(5,686)</u>	<u>854</u>	<u>5,836</u>	<u>(5,135)</u>	<u>701</u>

The scheme net asset of \$854,000 (£633,000) was not recognised in the financial statements in accordance with FRS102, as the directors believe it unlikely that the asset be recovered either through repayments to the Charity or reduced future contributions to the Scheme.

The fair value of the plan assets is as follows:

	2020	2019
	US\$,000	US\$,000
Equities	3,656	3,245
Bonds	843	777
Gilts	1,162	964
Insured pensions	876	849
Cash	<u>3</u>	<u>1</u>
Total	<u>6,540</u>	<u>5,836</u>

Non-contributory money purchase arrangements

MAF International makes contributions of 10% of annual salary to pension providers of choice for all UK based employees. During the year these pension contributions to individual non-contributory pension arrangements totalled \$197,000 (2019 - \$203,000).

MAF International in Asia Pacific made contributions of 10% of annual salary for superannuation for all Australia-based employees totalling \$452,000 (2019 - \$509,000).

Pension and superannuation contributions for staff in other fields overseas totalled \$279,000 (2019 - \$351,000).

28. TRUSTEES LIABILITY INSURANCE

MAF International has arranged liability insurance for its trustees and staff at a cost for the year of \$3,617 (2019 - \$2,084) excluding responsibilities regarding Asia Pacific region.

MAF International Asia Pacific has arranged liability insurance for its trustees and staff at a cost for the year of \$1,784 (2019 - \$1,734). Both are authorised in the respective Memorandum and Articles of Association.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

29. SUBSIDIARY UNDERTAKINGS

The charity has a number of subsidiaries as follows:

Stichting MAF International is a foundation registered in the Netherlands, Chamber of Commerce number 74256157. On 1st January 2020 the trade and assets of the Uganda and Tanzania programmes were transferred to the foundation from Mission Aviation Fellowship International.

Blue Sky Aviation Company Limited (BSA), is a company registered in Mongolia, number 9019010030. 95% of the shares are held by MAF International and the remainder by Exodus Way Company Limited. Following the decision to close the operations in Mongolia, most assets in BSA have been sold or transferred to other MAF International programmes. At the year-end there remained only an office included in Tangible Fixed Assets (note 12).

Aviation Communication and Logistics Services Limited is a company registered in Uganda, whose shares are held by Stichting MAF International and two nominees. It holds the titles to parcels of land in Uganda which it has leased to MAF International for 99 years. These parcels of land constitute the airfield at Kajjansi, near Kampala. The cost of the leases is included within land & property in tangible fixed assets (note 12).

Although Mission Aviation Fellowship International is referred to as MAF International in these accounts, there is an Australian charitable company, MAF International, with registration number A.B.N. 32 004 260 860, referred to below as MAF International (in Australia). This company is 100% controlled by virtue that Mission Aviation Fellowship International is the sole member of MAF International. Its principal activity is the provision of air services to the Church and remote communities. This company has two subsidiaries, MAF Aviation Services Pty Ltd and MAF PNG Holding Ltd. MAF PNG Holding Ltd also has one subsidiary, MAF Papua New Guinea Ltd.

- MAF Aviation Services Pty Ltd is an Australian company, A.C.N. 004 545 108. The company's shares are wholly owned by MAF International. MAF Aviation Services Pty Ltd has made a long term loan to MAF PNG Holding Ltd, secured on the latter's assets. It has no other activities.
- MAF PNG Holding Ltd is a company registered in Papua New Guinea (PNG), registration number 1-22887. The company is wholly owned by MAF International. MAF PNG Holding Ltd acts as the holding company for MAF Papua New Guinea Ltd, a wholly owned subsidiary, and as such it owns and manages all the aircraft, land and buildings and other fixed assets for operations in PNG.
- MAF Papua New Guinea Ltd is also a company registered in PNG, registration number 1-17085, and is wholly owned by MAF PNG Holding Ltd. This entity carries out the charity's objectives in that country through aviation.

Christian Radio Missionary Fellowship Inc (known as MAF Technology Services), is a not-for-profit association incorporated in Papua New Guinea, association number 5-903. It is controlled by virtue of a Memorandum of Understanding that grants responsibility for control and governance to Mission Aviation Fellowship International. Its ministry focus is in communications technology and services.

The following is a summary of the results and of the net assets of the main entities within the group.

	MAF International (*) US\$,000	MAF International (in the Netherlands) US\$,000	MAF International (in Australia) (*) US\$,000	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd US\$,000	CRMF Inc US\$,000	2020 Total US\$,000
Income	20,806	4,145	8,645	3,561	786	37,943
Expenditure	(14,413)	(6,223)	(8,839)	(4,576)	(773)	(34,824)
Other	61	100	1,261	(1,359)	(19)	44
Net movement in funds	6,454	(1,978)	1,067	(2,374)	(6)	3,163
Net Assets/ (liabilities)	19,070	24,277	40,682	16	631	84,676

(*) MAF International includes Blue Sky Aviation Company Ltd and Rapid Relief Wing, and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

**MISSION AVIATION FELLOWSHIP INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

29. SUBSIDIARY UNDERTAKINGS (CONTINUED)

The comparative results for 2019 are:

	MAF International (*) US\$,000	MAF International (in the Netherlands) US\$,000	MAF International (in Australia) (*) US\$,000	MAF PNG Holding Ltd and MAF Papua New Guinea Ltd US\$,000	CRMF Inc. US\$,000	2019 Total US\$,000
Income	26,959	1,517	5,855	5,776	648	40,755
Expenditure	(21,020)	(2,604)	(10,871)	(6,490)	(733)	(41,718)
Other	220	-	72	(466)	(31)	(205)
Net movement in funds	6,159	(1,087)	(4,944)	(1,180)	(116)	(1,168)
Net Assets	25,259	16,830	37,311	1,482	631	81,513

(*) MAF International includes Blue Sky Aviation Company Ltd, Rapid Relief Wing and Mission Aviation Fellowship Limited, and MAF International (in Australia) includes MAF Aviation Services Pty Ltd.

30. CONNECTED CHARITIES

Rapid Relief Wing is a company limited by guarantee and a registered charity. It acted as an agent for MAF International in leasing an aircraft for Mongolia until March 2020 and has subsequently ceased trading.

31. NOTES TO THE CASH FLOW STATEMENT

	2020 US\$,000	2019 US\$,000
Net income/(expenditure) before other recognised gains and losses	3,119	(963)
Net interest income	(49)	(122)
Operating surplus/(deficit)	3,070	(1,085)
Amortisation of intangible assets	4	1
Depreciation of tangible assets	2,560	2,315
Impairment of tangible assets	347	876
Revaluation reserve transfer on disposal	-	(997)
(Profit)/loss on disposal of tangible assets	(201)	8
Working capital movements		
Decrease/(increase) in stocks	79	(14)
Decrease/(increase) in current and long term debtors	2,880	(2,916)
(Decrease)/increase in current and long term creditors	(747)	907
Cash flow from operating activities	7,992	(905)