

EUROPEAN CHRISTIAN MISSION (BRITAIN)

England & Wales · Charity number 1059464

Details

Other names	E.C.M. (BRITAIN)
Status	Registered
Legal form	Charitable company
Company number	03277668
Registered	1996-11-27
Register	View on the Charity Commission register

Contact

Address	Unit F34/35 Moulton Park Business Centre Redhouse Road Moulton Park Northampton NN3 6AQ
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Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN FAITH IN EUROPE AND ELSEWHERE BY - (A) THE EVANGELISATION OF THE PEOPLES OF EUROPE, IRRESPECTIVE OF BACKGROUND, CREED, NATIONALITY AND CURRENT PLACE OF RESIDENCE(B) THE ENCOURAGEMENT AND STRENGTHENING OF EVANGELICAL CHURCHES THROUGHOUT EUROPE(C) THE ESTABLISHMENT OF EVANGELICAL CHURCHES, AND,(D) DEMONSTRATING THE GOSPEL OF JESUS CHRIST THROUGH THE RELIEF OF POVERTY AND SICKNESS

Activities: Providing resources - funds, people, support - for church planting in Europe

Classification

- **How:** Provides Other Finance, Provides Human Resources
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** EUROPE AND ELSEWHERE
- Albania
- Austria
- Bosnia And Herzegovina
- Croatia
- France
- Germany
- Greece
- Kosovo
- Netherlands
- Northern Ireland
- Portugal
- Romania
- Serbia
- Slovenia
- Spain
- Gloucestershire
- Northamptonshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,030,712	£942,363	£1,052,414	7
2023-12-31	£912,877	£986,498	£964,065	7
2022-12-31	£848,304	£874,800	£1,037,686	7
2021-12-31	£875,981	£831,921	£1,064,182	9
2020-12-31	£1,001,479	£990,386	£1,020,122	9

Trustees

Name	Role	Appointed
MICHAEL ROBERT MCMASTER	Chair	2016-03-01
Claire Evelyn Helen Dent		2025-06-25
Deborah Jean Lyden		2024-03-27
Joanne Appleton		2014-10-01
Osborne Philip Jolley		2023-09-27
Rev Timothy John Herbert		2016-03-01
Simone Formolo-Lockyer		2017-04-24

Accounts

Charity Registration No. 1059464

Company Registration No. 3277668 (England and Wales)



EUROPEAN CHRISTIAN MISSION (BRITAIN)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

EUROPEAN CHRISTIAN MISSION (BRITAIN)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mike McMaster (Chair) Joanne Appleton Tim Herbert Simone Lockyer Deborah Lyden Philip Jolley	(Appointed 27 March 2024)
Secretary	Peter Benest	
Charity number	1059464	
Company number	3277668	
Registered office	Unit F34/35 Moulton Park Business Centre Redhouse Road Northampton NN3 6AQ	
Auditor	Xeinadin Audit Limited 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	Lloyds Bank plc George Row Northampton NN1 2HG	
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES	

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

Structure, governance and management

The charity is a company limited by guarantee, company no. 3277668, registered with the Charity Commission, charity no. 1059464, and is governed by the provisions contained within the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mike McMaster (Chair)

Joanne Appleton

Tim Herbert

Simone Lockyer

Deborah Lyden

Philip Jolley

(Appointed 27 March 2024)

All Trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve Trustees. Once appointed, Trustees serve for a period of four years and can be reappointed for up to three consecutive terms. At least two Trustees are appointed by the existing board and at least two by the members of the mission at annual general meetings.

All Trustees' decisions are taken (and recorded at) their quarterly Board meetings, either face to face or via video call.

The Trustees are in the process of reviewing the governance of the charity following the seven principles of good governance set out in the Charity Good Governance Code (as recommended by the Charity Commission). Additional time has been devoted to this review in most Trustee meetings, with the review expected to be completed during 2025.

Our People

At the end of 2024, ECM (Britain) had 31 missionaries, 6 Associates, 1 short-term (who will become long-term in 2025) and 2 on indefinite leave. There were also 4 accepted candidates, 1 applicant plus a number of new candidate leads are being followed up. One couple returned to the UK permanently. In addition, there were 7 salaried staff (6 of whom are part-time).

Recruiting new missionaries remains an important ongoing strategic priority, as is supporting existing ones in areas including member care, financial services and promotion. Funding of new and existing missionaries continues to be a challenge, given the high cost of living in most European countries, changes and the rising cost of living in the UK.

The Trustees delegate the day-to-day management of the organisation to the British Director.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Trustee induction and training

Appropriate Trustee induction training is provided for new Trustees. An annual 24-hour retreat for Trustees has been run most years since 2005 and the COVID pandemic, at which longer-term issues are addressed and a governance review were conducted. However this has since transformed into a one day trustee day, which will again be held during 2025.

Remuneration of all UK staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

Affiliation

ECM (Britain) works in close partnership with ECM (International) and the terms of our relationship are set out in a covenant agreement.

The Board of Trustees of ECM (International) is responsible for ECM's shared doctrinal and spiritual principles and the general direction and development of ministries in Europe. The Trustees of ECM (Britain) are responsible for promotional work in Britain, the recruitment and member care of personnel and the raising of resources to carry out European ministry.

Objectives and activities

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

Our Primary Mission

The mission of ECM (Britain) is to equip, connect and multiply followers of Jesus through discipleship and church planting so we see a Europe that is full of churches, that are full of people, that are full of Jesus.

Our unique contribution to this movement of God's Spirit is to:

- remind the UK church that Europe is indeed a mission field in need of evangelism, church-planting, discipleship and church development;
- support the people who God has called into these vital ministries so that they are equipped through recruitment, training, sending, member care and mentoring.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we thereby meet this requirement.

The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent through to the most economically and socially marginalised, such as immigrants and refugees.

Other benefits to wider society include camps for children in Spain, firewood for those in poverty in Serbia; education for children and training for adults in Albania; men's support activities in Spain; and summer camps in Romania. These are just a few examples of the wider social services and community benefits provided by the outreach activities of churches planted and supported by ECM (Britain) missionaries and national partners.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

To assist in realising our full potential and maximising the difference we can make, the Trustees of ECM (Britain) are engaging with the seven principles within The Charity Governance Code – leadership; integrity; decision making, risk and control; board effectiveness; diversity; openness and accountability; all underpinning organisational purpose.

Fundraising policy

ECM (Britain) manages most of the communications and fundraising information internally and only uses a commercial participator to fill skills gaps or capacity shortfalls, such as an agency to print the magazine or send a mailing. ECM (Britain) raises the majority of its funds from supporters with a long-term association with the charity. No complaints about fundraising strategy were received during the period.

Grant-making policy

Grants are made within the ECM network, primarily for approved field projects or similar activities, and occasionally to other ECM sending sections to assist their development. Grants are also occasionally given to external partners. Grants may be one-off, multiyear, or open-ended. In most cases, such grants are funded from legacy income or from funds raised specifically for that purpose from donors.

Investment policy

ECM (Britain) will maintain its legal responsibility to optimise the return on investments. A balance between risk and return will be sought appropriate to the amount of funds available. High risk will not be acceptable but some degree of risk must be accepted to gain a good return.

Achievements and performance

ECM (Britain) exists to see the peoples of Europe transformed in the name of Jesus Christ. That is carried out through Christian missionary work in Europe, primarily in support of church-planting and discipleship. During 2024 our central areas of emphasis were in the areas of recruitment and training of new missionaries, care for existing workers, engaging collaboratively with like-minded organisations, support for other parts of ECM, and ongoing promotional and fundraising work.

Mission Strategy

Our mission strategy continued to be achieved through the areas of church-planting, discipleship, leadership development and social care. Efforts to support these ministries in Europe, both through ECM workers and through national church partners, were carried forward through fundraising, recruitment, training and in other practical ways.

Sending Missionaries and Supporting National Workers

Equipping, enabling and supporting dedicated individuals and couples so that they can use their God-given gifts and skills in effective ministry across Europe remains our primary function. As these people may be working in their own nation or be serving cross-culturally, the services we provide are uniquely tailored to their specific location and needs, but can include mentoring, calling discernment, bespoke training support, member care, financial services and more. During 2024 ECM (Britain) had 40 missionaries or partners serving in Portugal, Spain, France, England, Austria, Netherlands, Croatia, Albania, Serbia, Kosovo, Romania and Slovenia.

Our Investment in the ECM Network

During 2024, ECM (Britain) provided financial and/or consultancy support to ECM sections or related work and individuals in nations including Croatia, Spain, Romania, Portugal, France, Serbia as well as ECM International, in accordance with our grant-making policy to build the capacity of the whole network.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Our Passion for Partnership

Partnership is both an important value and an important strategy for ECM (Britain) and we want to thank all who have partnered with us in 2024.

We value the importance of working with others because the Bible emphasises the importance of unity within Christ's body, the Church. Healthy partnerships are an expression of that unity.

We value the strategic importance of collaborative relationships that help grow the kingdom of God because the needs and opportunities in Europe are simply too large for us to respond to alone.

Some of our ongoing partnerships included:

1. Many churches within the UK, for whom we act as their sending and supporting partner so that their members can serve in Europe;
2. Charitable Trusts and individual donors who want to partner with us in funding missionaries or specific projects which align with their objectives;
3. ECM (International) — the umbrella organisation coordinating the collaborative efforts of individual independent ECM organisations around the world — for whom we have provided leadership of strategic groups, support of key functions, input into policy decisions and income;
4. Lausanne Europe, a network organisation connecting Christian ministries, whose co-directors are both part of ECM Britain;
5. Trans World Radio Europe, a mission organisation with offices on the continent for whom we have agreed to handle applicants from within the UK.

Financial review

The Trustees were encouraged to see that income from regular donations had remained consistent. Alongside this, interest from investment of funds stayed buoyant and legacies exceeded expectation. Detailed accounts are to be found in the Statement of Financial Activities and Balance Sheet. There was an overall surplus of £88,349 for the year (2023: deficit of £73,621). After transfers, there was a surplus in unrestricted funds of £82,785 (2023: £1,214), designated funds have stayed static (2023: static) and a surplus in restricted funds of £5,564 (2023: deficit of £74,835).

The deficit before transfers in unrestricted funds was £11,332 (2023: deficit £119,821). Legacy income was above forecast at £131,600 (2023: £10,388). The transfer of £94,117 from restricted to unrestricted funds reflects an allocation of our costs in line with our accounting policies (2023: £121,035 includes a reallocation of £21,007 of funds raised for a couple who decided not to proceed as missionaries).

The designated fund balance of £313,517 (2023: £313,517) reflects the building designated fund and other unallocated funds. Restricted income £787,906 (2023: £798,827) has decreased and expenditure for the support of missionaries and projects has decreased to £688,225 (2023: £752,627).

Reserves policy

The Trustees aim to hold unrestricted reserves (that is, those funds not tied up in fixed assets, designated or restricted funds, less pension liability) equal to approximately three month's normal expenditure (£70,000), to cover fluctuations in donation income.

The Trustees also aim to hold 3 months balances (£130,000) in certain restricted funds, i.e. those for our field workers, to cover fluctuations in donation income to these funds. The Trustees have also determined that while the proceeds from the sale of the owned property asset would continue to be primarily retained as designated funds for reinvestment in alternative premises, a portion of it can in the future be invested in key new strategic initiatives.

At the year end, the charity had total funds of £1,052,414 of which £461,219 were restricted, £313,517 were designated and £277,678 were unrestricted.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Our Primary Risks

The Trustees regularly identify and review major risks to which the charity might be exposed and have established systems to mitigate the risks. Financial sustainability is the major financial risk facing the charity and this is being managed by the British Director through continued promotion, fundraising, investments and maintaining the charity's presence on social media. We praise God that ECM (Britain)'s financial situation remains strong despite the many recent challenges such as the rising costs of living.

Our Future Plans

Ongoing global and economic challenges have underlined the need for charities to be flexible and resilient in today's ever-changing world. ECM (Britain) continues to engage in a long-term strategic planning process which is reviewing our best unique contribution to ministry in Europe at this moment in history.

However our strategy might develop over time, we will continue to focus on equipping, connecting and mobilising in ways such as those shown below:

EQUIP

- We identify people's God-given gifts and abilities and develop them into ministry and leadership.
- We train people to live out and speak out the good news where they are.
- We lovingly care for people so they thrive in both life and ministry.

CONNECT

- We build networks so that God's resources in one place can extend his kingdom in another.
- We encourage people to work in teams so their ministries have greater impact.
- We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

- We mobilise and inspire people for God's mission in Europe.
- We challenge people to become disciples of Jesus who themselves make more disciples.
- We make possible the planting of healthy churches that reproduce naturally.

As an organisation we will continue to achieve this by staying:

- **SUSTAINABLE:** ECM (Britain) can only help change Europe long-term if we are still here. Therefore any new strategy will take into account our assets and our limits at the same time as seeking to apply courageous faith in face of the spiritual needs of Europe.
- **FLEXIBLE:** There is no way of knowing what tomorrow may bring. Therefore we must always seek strategies that allow for timely change based on the new challenges and opportunities before us.
- **VISIBLE:** Unless people and churches are kept aware of ECM (Britain) and our unique contribution to European ministry then we are bound to lose supporters. Appropriate new and ongoing media and means will need to be used to keep ourselves appropriately known to the correct constituencies.
- **RELATIONAL:** ECM (Britain) has always focused on relationships. We want people to have a relationship with Jesus. We support workers in Europe through relational means. We encourage a relational network of churches and individuals to provide the prayer and financial support required to do European ministry.

Small company

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

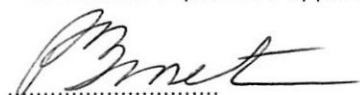
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Peter Benest
Company Secretary

Dated: 26/3/2025

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of European Christian Mission (Britain) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Opinion

We have audited the financial statements of European Christian Mission (Britain) (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Matters on which we are required to report by exception

In the 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 directors' 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

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

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation 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 Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties, management bias in accounting estimates and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to:

- verifying payments to third parties on a sample basis
- challenging significant accounting estimates such as pension provision
- identifying and testing journal entries
- reviewing Trustees and Finance meeting minutes
- evaluating the charity's internal controls

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

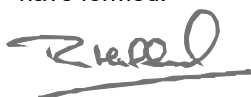
TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



Richard Haffenden MA (Cantab) FCA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited, Statutory Auditor

Chartered Accountants

5 Robin Hood Lane

Sutton

Surrey

SM1 2SW

8 May 2025

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes								
<u>Income and endowments from:</u>									
Donations and gifts		82,974	-	787,906	870,880	92,909	-	798,827	891,736
Legacies receivable		131,600	-	-	131,600	10,388	-	-	10,388
Investments	3	27,832	-	-	27,832	10,753	-	-	10,753
Other income		400	-	-	400	-	-	-	-
Total income		242,806	-	787,906	1,030,712	114,050	-	798,827	912,877
<u>Expenditure on:</u>									
Raising funds	4	13,837	-	-	13,837	15,542	-	-	15,542
Charitable activities	5	240,301	-	688,225	928,526	218,329	-	752,627	970,956
Total resources expended		254,138	-	688,225	942,363	233,871	-	752,627	986,498
Net (outgoing)/incoming resources before transfers		(11,332)	-	99,681	88,349	(119,821)	-	46,200	(73,621)
Gross transfers between funds		94,117	-	(94,117)	-	121,035	-	(121,035)	-
Net income/(expenditure) for the year/ Net movement in funds		82,785	-	5,564	88,349	1,214	-	(74,835)	(73,621)
Fund balances at 1 January 2024		194,893	313,517	455,655	964,065	193,679	313,517	530,490	1,037,686
Fund balances at 31 December 2024		277,678	313,517	461,219	1,052,414	194,893	313,517	455,655	964,065

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

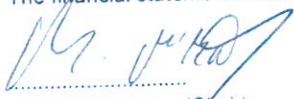
BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	10		2,411		-
Current assets					
Debtors	11	132,760		24,518	
Short term deposits		446,315		438,138	
Cash at bank and in hand		489,727		519,565	
		1,068,802		982,221	
Creditors: amounts falling due within one year	12	(16,054)		(11,299)	
Net current assets			1,052,748		970,922
Total assets less current liabilities			1,055,159		970,922
Provisions for liabilities	13		(2,745)		(6,857)
Net assets			1,052,414		964,065
Funds					
Restricted funds	15	461,219		455,655	
Designated funds	14	313,517		313,517	
Unrestricted funds		277,678		194,893	
		1,052,414		964,065	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26th March 2025


Mike McMaster (Chair)
Trustee

Company Registration No. 3277668

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(46,486)		(97,765)
Investing activities					
Purchase of tangible fixed assets		(3,007)		-	
Change in short term deposits		(8,177)		(174,867)	
Investment income received		27,832		10,753	
Net cash generated from/(used in) investing activities			16,648		(164,114)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(29,838)		(261,879)
Cash and cash equivalents at beginning of year			519,565		781,444
Cash and cash equivalents at end of year			489,727		519,565

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

European Christian Mission (Britain) is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit F34/35, Moulton Park Business Centre, Redhouse Road, Northampton, NN3 6AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charitable company has designated certain funds for specific purposes even though there is no legal force to the designations.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds

This expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charitable company's work. It includes the costs of advertising for funds and the costs of mounting appeals.

Charitable expenditure

This includes all expenditure directly related to the objects of the charitable company that of the advancement of Christian faith in Europe and elsewhere, and comprises the following:

Missionary support costs: Allowances paid to missionaries in accordance with the charitable company's policies.

Development costs: Costs of staffing ECM (Britain) and associated costs of finance, personnel and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to development costs and are explained in more detail in the financial statements.

Project costs: Funds paid in support of approved projects, either from incoming donations and gifts received for that purpose, or from unrestricted funds in accordance with the charitable company's policies.

Support costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in general funds. This includes such terms as external audit, legal advice for the trustees and costs associated with constitutional and statutory matters. These are allocated to development costs.

There was a transfer made between restricted and unrestricted funds which is comprised of charges of up to 15% of the unrestricted overheads to cover attributable development and support overheads.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% or 33.3% Straight Line
-----------------------	----------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Income received from overseas is translated into sterling at the relevant exchange rate.

Costs incurred overseas are translated at the rate in operation on the date the funds were disbursed.

Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key estimates and assumptions made in these accounts are:

Tangible fixed assets

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Pension liability

The liability of £2,745 (2023: £6,857) recognised in the financial statements is an estimate based on the annual cost and the ages of the former missionaries. This represents the amount provided for the future payments to former missionaries for a period of approximately 3 years.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	<u>27,832</u>	<u>10,753</u>

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Magazines/Publicity	<u>13,837</u>	<u>15,542</u>
	<u>13,837</u>	<u>15,542</u>

5 Charitable activities

	Develop- ment 2024 £	Missionary support 2024 £	Projects 2024 £	Total 2024 £	Total 2023 £
Staff costs	180,579	-	-	180,579	161,684
Depreciation	596	-	-	596	710
Development expenses	6,117	-	-	6,117	5,264
Conferences	7,072	-	-	7,072	1,430
Office costs	29,302	-	-	29,302	37,915
Bank charges	397	-	-	397	417
Other costs	9,288	-	-	9,288	5,035
Governance costs	6,950	-	-	6,950	5,874
Missionary allowances and expenses	-	658,965	-	658,965	693,493
Projects	-	-	29,260	29,260	59,134
	<u>240,301</u>	<u>658,965</u>	<u>29,260</u>	<u>928,526</u>	<u>970,956</u>
Analysis by fund					
Unrestricted funds	240,301	-	-	240,301	218,329
Restricted funds	-	658,965	29,260	688,225	752,627
	<u>240,301</u>	<u>658,965</u>	<u>29,260</u>	<u>928,526</u>	<u>970,956</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor:	2024	2023
	£	£
Audit of the charity's annual accounts	6,180	5,874

7 Trustees

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

Trustees attending meetings for the charitable company are entitled to reimbursement of their travelling expenses as appropriate. £306 was claimed in 2024 by one trustee (2023: £nil).

During the year the trustees of European Christian Mission (Britain) donated a total of £1,820 (2023: £1,397) in support of the missionaries.

8 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
	7	7

Employment costs	2024	2023
	£	£
Wages and salaries	159,676	144,513
Social security costs	8,249	6,069
Other pension costs	12,654	11,102
	180,579	161,684

There were no employees whose annual remuneration was £60,000 or more. The staff costs and numbers do not include the missionaries working abroad.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2024	23,745
Additions	3,007
At 31 December 2024	26,752
Depreciation and impairment	
At 1 January 2024	23,745
Depreciation charged in the year	596
At 31 December 2024	24,341
Carrying amount	
At 31 December 2024	2,411

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	123,578	17,110
Prepayments and accrued income	9,182	7,408
	132,760	24,518

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	2,956	2,642
Trade creditors	917	-
Other creditors	2,614	2,783
Accruals and deferred income	9,567	5,874
	16,054	11,299

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

13 Provisions for liabilities	2024	2023
	£	£
Pension provision	2,745	6,857
Movements on provisions:		Pension provision
		£
At 1 January 2024		6,857
Utilisation of provision		(4,112)
At 31 December 2024		2,745

The charity makes pension payments to 1 former missionary (2023: 1) at a cost of £4,112 for the year (2023: £7,509). The payments are mainly made from the charity's unrestricted fund and are charged against the provision in the year in which they are paid.

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 January 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
Projects	313,517	-	-	-	-	313,517
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Projects	313,517	-	-	-	-	313,517

The designated fund represents amounts set aside for otherwise unfunded projects, plus the proceeds from the sale of the building in 2017.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 January 2023	Movement in funds			Balance at 1 January 2024	Movement in funds			Balance at 31 December 2024
	£	Income £	Expenditure £	Transfers £	£	Income £	Expenditure £	Transfers £	£
ECMB Missionaries	439,447	692,800	(648,616)	(130,134)	353,497	710,901	(621,222)	(87,229)	355,947
Other Missionaries	15,811	36,815	(42,297)	(1,774)	8,555	38,586	(37,743)	(1,905)	7,493
Projects	75,232	69,212	(61,714)	10,873	93,603	38,419	(29,260)	(4,983)	97,779
	<u>530,490</u>	<u>798,827</u>	<u>(752,627)</u>	<u>(121,035)</u>	<u>455,655</u>	<u>787,906</u>	<u>(688,225)</u>	<u>(94,117)</u>	<u>461,219</u>

The ECMB Missionaries fund is to support people working in a variety of church, mission and social action roles who are primarily linked to ECMB and supported by ECMB donors.

Other Missionaries are as above, but primarily linked to other ECM offices (e.g. ECMAusNZ), but where some donations are made via ECMB donors.

Projects are for ECMI or other projects supported by donors who wish to support work on a specific project.

The transfer of £94,117 (2023: £100,028) made between restricted and unrestricted funds is comprised of the charges up to 15% of the unrestricted overheads to cover attributable development and support overheads. This is permitted by the terms under which the donors provided these funds.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:								
Tangible assets	2,411	-	-	2,411	-	-	-	-
Current assets/(liabilities)	278,012	313,517	461,219	1,052,748	201,750	313,517	455,655	970,922
Provisions	(2,745)	-	-	(2,745)	(6,857)	-	-	(6,857)
	<u>277,678</u>	<u>313,517</u>	<u>461,219</u>	<u>1,052,414</u>	<u>194,893</u>	<u>313,517</u>	<u>455,655</u>	<u>964,065</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

17 Related party transactions

There were no disclosable related party transactions apart from those in Note 7 during the year (2023 - none).

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>119,074</u>	<u>102,085</u>

18 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	88,349	(73,621)
Adjustments for:		
Investment income recognised in statement of financial activities	(27,832)	(10,753)
Depreciation and impairment of tangible fixed assets	596	710
Movements in working capital:		
(Increase) in debtors	(108,242)	(6,202)
Increase/(decrease) in creditors	4,755	(390)
(Decrease) in provisions	(4,112)	(7,509)
Cash absorbed by operations	<u>(46,486)</u>	<u>(97,765)</u>

19 Analysis of changes in net funds

The charity had no material debt during the year.

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	<u>8,400</u>	<u>8,700</u>
Lease expense for the year	<u>10,616</u>	<u>10,248</u>

Accounts

Charity Registration No. 1059464

Company Registration No. 3277668 (England and Wales)



EUROPEAN CHRISTIAN MISSION (BRITAIN)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

EUROPEAN CHRISTIAN MISSION (BRITAIN)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mike McMaster (Chair) Joanne Appleton Tim Herbert Simone Lockyer Philip Jolley	(Appointed 27 September 2023)
Secretary	Peter Benest	
Charity number	1059464	
Company number	3277668	
Registered office	Unit F34/35 Moulton Park Business Centre Redhouse Road Northampton NN3 6AQ	
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	Lloyds Bank plc George Row Northampton NN1 2HG	
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES	

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

Structure, governance and management

The charity is a company limited by guarantee, company no. 3277668, registered with the Charity Commission, charity no. 1059464, and is governed by the provisions contained within the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mike McMaster (Chair)

Joanne Appleton

Tim Herbert

Simone Lockyer

Stephen Thompson

Philip Jolley

Jeff Ford

(Retired 31 March 2023)

(Appointed 27 September 2023)

(Resigned 21 June 2023)

All Trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve Trustees. Once appointed, Trustees serve for a period of four years and can be reappointed for up to three consecutive terms. At least two Trustees are appointed by the existing board and at least two by the members of the mission at annual general meetings. The recruitment of enough new Trustees able to ensure the successful governance and oversight of ECM (Britain) is an ongoing focus for the current Trustees.

All Trustees' decisions are taken (and recorded at) their quarterly Board meetings, either face to face or via video call.

In the meeting 22nd March 2023 the Trustees agreed to start a process of reviewing the governance of the charity following the seven principles of good governance set out in the Charity Good Governance Code (as recommended by the Charity Commission). Additional time has been devoted to this review in every Trustee meeting, and the review is expected to be completed in late 2024/early 2025.

Our People

At the end of 2023, ECM (Britain) had 31 missionaries, 10 Associates, 1 short-term, 2 on indefinite leave and 0 accepted candidates, plus a number of new candidate leads are being followed up. One couple transferred to ECM Ireland. In addition, there were 7 salaried staff (6 of whom are part-time).

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Recruiting new missionaries remains an important ongoing strategic priority, as is supporting existing ones in areas including member care, financial services and promotion. Funding of new and existing missionaries continues to be a challenge, given the high cost of living in most European countries, changes and the rising cost of living in the UK.

The Trustees delegate the day-to-day management of the organisation to the British Director.

Trustee induction and training

Appropriate Trustee induction training is provided for new Trustees. An annual 24-hour retreat for Trustees has been run most years since 2005 (although it did not take place during 2023), at which longer-term issues are addressed and a governance review is conducted. However, in 2024 a one day trustee day will be held.

Remuneration of all UK staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

Affiliation

ECM (Britain) works in close partnership with ECM (International) and the terms of our relationship are set out in a covenant agreement.

The Board of Trustees of ECM (International) is responsible for ECM's shared doctrinal and spiritual principles and the general direction and development of ministries in Europe. The Trustees of ECM (Britain) are responsible for promotional work in Britain, the recruitment and member care of personnel and the raising of resources to carry out European ministry.

Objectives and activities

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

Our Primary Mission

The mission of ECM (Britain) is to equip, connect and multiply followers of Jesus through discipleship and church planting so we see a Europe that is full of churches, that are full of people, that are full of Jesus.

Our unique contribution to this movement of God's Spirit is to:

- remind the UK church that Europe is indeed a mission field in need of evangelism, church-planting, discipleship and church development;
- support the people who God has called into these vital ministries so that they are equipped through recruitment, training, sending, member care and mentoring.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we thereby meet this requirement.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent through to the most economically and socially marginalised, such as immigrants and refugees.

Other benefits to wider society include funding work with Ukrainian refugees both inside and outside the country; camps for children, youth and people with disabilities in Serbia; education for children and training for adults in Albania; Muslim/Christian relationship-building in Belgium; youth support activities in Spain; and children's programmes in Romania. These are just a few examples of the wider social services and community benefits provided by the outreach activities of churches planted and supported by ECM (Britain) missionaries and national partners.

To assist in realising our full potential and maximising the difference we can make, the Trustees of ECM (Britain) are engaging with the seven principles within The Charity Governance Code – leadership; integrity; decision making, risk and control; board effectiveness; diversity; openness and accountability; all underpinning organisational purpose.

Fundraising policy

ECM (Britain) manages most of the communications and fundraising information internally and only uses a commercial participator to fill skills gaps or capacity shortfalls, such as an agency to print the magazine or send a mailing. ECM (Britain) raises the majority of its funds from supporters with a long-term association with the charity. No complaints about fundraising strategy were received during the period.

Grant-making policy

Grants are made within the ECM network, primarily for approved field projects or similar activities, and occasionally to other ECM sending sections to assist their development. Grants are also occasionally given to external partners. Grants may be one-off, multiyear, or open-ended. In most cases, such grants are funded from legacy income or from funds raised specifically for that purpose from donors.

Investment policy

ECM (Britain) will maintain its legal responsibility to optimise the return on investments. A balance between risk and return will be sought appropriate to the amount of funds available. High risk will not be acceptable but some degree of risk must be accepted to gain a good return.

Achievements and performance

ECM (Britain) exists to see the peoples of Europe transformed in the name of Jesus Christ. That is carried out through Christian missionary work in Europe, primarily in support of church-planting and discipleship. During 2023 our central areas of emphasis were in the areas of recruitment and training of new missionaries, care for existing workers, engaging collaboratively with like-minded organisations, support for other parts of ECM, and ongoing promotional and fundraising work.

Mission Strategy

Our mission strategy continued to be achieved through the areas of church-planting, discipleship, leadership development and social care. Efforts to support these ministries in Europe, both through ECM workers and through national church partners, were carried forward through fundraising, recruitment, training and in other practical ways.

Sending Missionaries and Supporting National Workers

Equipping, enabling and supporting dedicated individuals and couples so that they can use their God-given gifts and skills in effective ministry across Europe remains our primary function. As these people may be working in their own nation or be serving cross-culturally, the services we provide are uniquely tailored to their specific location and needs, but can include mentoring, calling discernment, bespoke training support, member care, financial services and more. During 2023 ECM (Britain) had over 40 missionaries or partners serving in Portugal, Spain, France, England, Austria, Belgium, Netherlands, Croatia, Albania, Serbia, Kosovo, Romania and Slovenia.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Our Investment in the ECM Network

During 2023, ECM (Britain) provided financial and/or consultancy support to ECM sections or related work and individuals in nations including Croatia, Belgium, Ireland, Spain, Albania, Kosovo, Romania, France, Serbia as well as ECM International, in accordance with our grant-making policy to build the capacity of the whole network.

Our Passion for Partnership

Partnership is both an important value and an important strategy for ECM (Britain) and we want to thank all who have partnered with us in 2023.

We value the importance of working with others because the Bible emphasises the importance of unity within Christ's body, the Church. Healthy partnerships are an expression of that unity.

We value the strategic importance of collaborative relationships that help grow the kingdom of God because the needs and opportunities in Europe are simply too large for us to respond to alone.

Some of our ongoing partnerships included:

1. Many churches within the UK, for whom we act as their sending and supporting partner so that their members can serve in Europe;
2. Charitable Trusts and individual donors who want to partner with us in funding missionaries or specific projects which align with their objectives;
3. ECM (International) — the umbrella organisation coordinating the collaborative efforts of individual independent ECM organisations around the world — for whom we have provided leadership of strategic groups, support of key functions, input into policy decisions and income;
4. Lausanne Europe, a network organisation connecting Christian ministries, whose co-directors are both part of ECM Britain;
5. Trans World Radio Europe, a mission organisation with offices on the continent for whom we have agreed to handle applicants from within the UK.

Financial review

The Trustees were encouraged to see an increase in income from regular donations. Alongside this, further investment of funds at advantageous rates helped to bridge the gap of legacies still being low. Detailed accounts are to be found in the Statement of Financial Activities and Balance Sheet. There was an overall deficit of £73,621 for the year (2022: deficit of £26,496). After transfers, there was a surplus in unrestricted funds of £1,214 (2022: deficit of £29,053), designated funds have stayed static (2022: deficit of £2,505) and a deficit in restricted funds of £74,835 (2022: surplus of £5,062). The substantial drop in reserved funds is a result of missionaries leaving the field or retiring and emptying their contingency funds, and a push to correctly distribute some historically held funds. The deficit before transfers in unrestricted funds was £119,821 (2022: deficit £115,350). Legacy income was below forecast at £10,388 (2022: £22,446). The transfer of £121,035 (2022: £86,297) from restricted to unrestricted funds reflects an allocation of our costs of £100,028 in line with our accounting policies, plus a reallocation of £21,007 of funds raised for a couple who decided not to proceed as missionaries.

The designated fund balance of £313,517 (2022: £313,517) reflects the building designated fund and other unallocated funds. Restricted income £798,827 (2022: £742,604) has increased and expenditure for the support of missionaries and projects has increased to £752,627 (2022: £651,245).

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves policy

The Trustees aim to hold unrestricted reserves (that is, those funds not tied up in fixed assets, designated or restricted funds, less pension liability) equal to approximately three months' normal expenditure (£70,000), to cover fluctuations in donation income.

The Trustees also aim to hold 3 months balances in certain restricted funds, i.e. those for our overseas staff, to cover fluctuations in donation income to these funds. The Trustees have also determined that while the proceeds from the sale of the owned property asset would continue to be primarily retained as designated funds for reinvestment in alternative premises, a portion of it can in the future be invested in key new strategic initiatives.

At the year end, the charity had total funds of £964,065 of which £455,655 were restricted, £313,517 were designated and £194,893 were unrestricted.

Our Primary Risks

The Trustees regularly identify and review major risks to which the charity might be exposed and have established systems to mitigate the risks. Financial sustainability is the major financial risk facing the charity and this is being managed by the British Director through continued promotion, fundraising, investments and maintaining the charity's presence on social media. We praise God that ECM (Britain)'s financial situation remains strong despite the many recent challenges such as the rising costs of living.

Our Future Plans

Ongoing global and economic challenges have underlined the need for charities to be flexible and resilient in today's ever-changing world. ECM (Britain) continues to engage in a long-term strategic planning process which is reviewing our best unique contribution to ministry in Europe at this moment in history.

However our strategy might develop over time, we will continue to focus on equipping, connecting and mobilising in ways such as those shown below:

EQUIP

- We identify people's God-given gifts and abilities and develop them into ministry and leadership.
- We train people to live out and speak out the good news where they are.
- We lovingly care for people so they thrive in both life and ministry.

CONNECT

- We build networks so that God's resources in one place can extend his kingdom in another.
- We encourage people to work in teams so their ministries have greater impact.
- We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

- We mobilise and inspire people for God's mission in Europe.
- We challenge people to become disciples of Jesus who themselves make more disciples.
- We make possible the planting of healthy churches that reproduce naturally.

As an organisation we will continue to achieve this by staying:

- **SUSTAINABLE:** ECM (Britain) can only help change Europe long-term if we are still here. Therefore any new strategy will take into account our assets and our limits at the same time as seeking to apply courageous faith in face of the spiritual needs of Europe.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

- **FLEXIBLE:** There is no way of knowing what tomorrow may bring. Therefore we must always seek strategies that allow for timely change based on the new challenges and opportunities before us.
- **VISIBLE:** Unless people and churches are kept aware of ECM (Britain) and our unique contribution to European ministry then we are bound to lose supporters. Appropriate new and ongoing media and means will need to be used to keep ourselves appropriately known to the correct constituencies.
- **RELATIONAL:** ECM (Britain) has always focused on relationships. We want people to have a relationship with Jesus. We support workers in Europe through relational means. We encourage a relational network of churches and individuals to provide the prayer and financial support required to do European ministry.

Small company

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Peter Benest

Company Secretary

Dated: 26 April 2024

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of European Christian Mission (Britain) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Opinion

We have audited the financial statements of European Christian Mission (Britain) (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Matters on which we are required to report by exception

In the 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 directors' 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

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

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation 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 Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties, management bias in accounting estimates and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to:

- verifying payments to third parties on a sample basis
- challenging significant accounting estimates such as pension provision
- identifying and testing journal entries
- reviewing Trustees and Finance meeting minutes
- evaluating the charity's internal controls

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Richard Haffenden MA (Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

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Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes								
Income from:									
Donations and gifts		92,909	-	798,827	891,736	80,841	-	742,604	823,445
Legacies receivable		10,388	-	-	10,388	22,446	-	-	22,446
Investments	3	10,753	-	-	10,753	2,413	-	-	2,413
Total income		114,050	-	798,827	912,877	105,700	-	742,604	848,304
Expenditure on:									
Raising funds	4	15,542	-	-	15,542	14,343	-	-	14,343
Charitable activities	5	218,329	-	752,627	970,956	206,707	2,505	651,245	860,457
Total resources expended		233,871	-	752,627	986,498	221,050	2,505	651,245	874,800
Net (outgoing)/incoming resources before transfers		(119,821)	-	46,200	(73,621)	(115,350)	(2,505)	91,359	(26,496)
Gross transfers between funds		121,035	-	(121,035)	-	86,297	-	(86,297)	-
Net income/(expenditure) for the year/ Net movement in funds		1,214	-	(74,835)	(73,621)	(29,053)	(2,505)	5,062	(26,496)
Fund balances at 1 January 2023		193,679	313,517	530,490	1,037,686	222,732	316,022	525,428	1,064,182
Fund balances at 31 December 2023		194,893	313,517	455,655	964,065	193,679	313,517	530,490	1,037,686

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		-		710
Current assets					
Debtors	11	24,518		18,316	
Short term deposits		438,138		263,271	
Cash at bank and in hand		519,565		781,444	
		<u>982,221</u>		<u>1,063,031</u>	
Creditors: amounts falling due within one year	12	<u>(11,299)</u>		<u>(11,689)</u>	
Net current assets			<u>970,922</u>		<u>1,051,342</u>
Total assets less current liabilities			<u>970,922</u>		<u>1,052,052</u>
Provisions for liabilities	13		<u>(6,857)</u>		<u>(14,366)</u>
Net assets			<u><u>964,065</u></u>		<u><u>1,037,686</u></u>
Funds					
Restricted funds	15	455,655		530,490	
Designated funds	14	313,517		313,517	
Unrestricted funds		194,893		193,679	
		<u>964,065</u>		<u>1,037,686</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 April 2024

Mike McMaster (Chair)
Trustee

Company Registration No. 3277668

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(97,765)		(26,390)
Investing activities					
Proceeds on disposal of investments		(174,867)		(263,271)	
Investment income received		10,753		2,413	
Net cash used in investing activities			(164,114)		(260,858)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(261,879)		(287,248)
Cash and cash equivalents at beginning of year			781,444		1,068,692
Cash and cash equivalents at end of year			519,565		781,444

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

European Christian Mission (Britain) is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit F34/35, Moulton Park Business Centre, Redhouse Road, Northampton, NN3 6AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charitable company has designated certain funds for specific purposes even though there is no legal force to the designations.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds

This expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charitable company's work. It includes the costs of advertising for funds and the costs of mounting appeals.

Charitable expenditure

This includes all expenditure directly related to the objects of the charitable company that of the advancement of Christian faith in Europe and elsewhere, and comprises the following:

Missionary support costs: Allowances paid to missionaries in accordance with the charitable company's policies.

Development costs: Costs of staffing ECM (Britain) and associated costs of finance, personnel and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to development costs and are explained in more detail in the financial statements.

Project costs: Funds paid in support of approved projects, either from incoming donations and gifts received for that purpose, or from unrestricted funds in accordance with the charitable company's policies.

Support costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in general funds. This includes such terms as external audit, legal advice for the trustees and costs associated with constitutional and statutory matters. These are allocated to development costs.

There was a transfer made between restricted and unrestricted funds which is comprised of charges of up to 15% of the unrestricted overheads to cover attributable development and support overheads.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.3% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

All assets costing more than £1,000 are capitalised at cost and depreciated.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Income received from overseas is translated into sterling at the relevant exchange rate.

Costs incurred overseas are translated at the rate in operation on the date the funds were disbursed.

Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key estimates and assumptions made in these accounts are:

Tangible fixed assets

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Pension liability

The liability of £6,857 (2022: £14,366) recognised in the financial statements is an estimate based on the annual cost and the ages of the former missionaries. This represents the amount provided for the future payments to former missionaries for a period of approximately 3 years.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	<u>10,753</u>	<u>2,413</u>

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Magazines/Publicity	<u>15,542</u>	<u>14,343</u>
	<u>15,542</u>	<u>14,343</u>

5 Charitable activities

	Develop- ment 2023 £	Missionary support 2023 £	Projects 2023 £	Total 2023 £	Total 2022 £
Staff costs	161,684	-	-	161,684	154,403
Depreciation	710	-	-	710	4,845
Development expenses	5,264	-	-	5,264	3,728
Conferences	1,430	-	-	1,430	418
Office costs	37,915	-	-	37,915	32,362
Bank charges	417	-	-	417	367
Other costs	5,035	-	-	5,035	5,199
Governance costs	5,874	-	-	5,874	5,385
Missionary allowances and expenses	-	693,493	-	693,493	637,262
Projects	-	-	59,134	59,134	16,488
	<u>218,329</u>	<u>693,493</u>	<u>59,134</u>	<u>970,956</u>	<u>860,457</u>
Analysis by fund					
Unrestricted funds	218,329	-	-	218,329	206,707
Designated funds	-	-	-	-	2,505
Restricted funds	-	693,493	59,134	752,627	651,245
	<u>218,329</u>	<u>693,493</u>	<u>59,134</u>	<u>970,956</u>	<u>860,457</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor:	2023	2022
	£	£
Audit of the charity's annual accounts	5,874	5,340

7 Trustees

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

Trustees attending meetings for the charitable company are entitled to reimbursement of their travelling expenses as appropriate. £nil was claimed in 2023 (2022: £nil).

During the year the trustees of European Christian Mission (Britain) donated a total of £1,397 (2022: £1,139) in support of the missionaries.

8 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	7	7
Employment costs	2023	2022
	£	£
Wages and salaries	144,513	139,997
Social security costs	6,069	4,360
Other pension costs	11,102	10,046
	161,684	154,403

There were no employees whose annual remuneration was £60,000 or more. The staff costs and numbers do not include the missionaries working abroad.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2023	23,745
At 31 December 2023	23,745
Depreciation and impairment	
At 1 January 2023	23,035
Depreciation charged in the year	710
At 31 December 2023	23,745
Carrying amount	
At 31 December 2023	-
At 31 December 2022	710

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	17,110	12,163
Prepayments and accrued income	7,408	6,153
	24,518	18,316

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	2,642	2,268
Other creditors	2,783	3,394
Accruals and deferred income	5,874	6,027
	11,299	11,689

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Provisions for liabilities	2023	2022
	£	£
Pension provision	6,857	14,366
Movements on provisions:		Pension provision
		£
At 1 January 2023		14,366
Utilisation of provision		(7,509)
At 31 December 2023		6,857

The charity makes pension payments to 1 former missionary (2022: 2) at a cost of £7,509 for the year (2022: £7,091). The payments are mainly made from the charity's unrestricted fund and are charged against the provision in the year in which they are paid.

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Projects	313,517	-	-	-	313,517
General funds	(119,838)	114,050	(233,871)	121,035	(118,624)
	193,679	114,050	(233,871)	121,035	194,893
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
Projects	316,022	-	(2,505)	-	313,517
General funds	(93,290)	105,700	(218,545)	86,297	(119,838)
	222,732	105,700	(221,050)	86,297	193,679

The designated fund represents amounts set aside for otherwise unfunded projects, plus the proceeds from the sale of the building in 2017.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 January 2022	Movement in funds			Balance at 1 January 2023	Movement in funds			Balance at 31 December 2023
	£	Income £	Expenditure £	Transfers £	£	Income £	Expenditure £	Transfers £	£
ECMB Missionaries	439,610	675,417	(594,672)	(80,908)	439,447	692,800	(609,590)	(130,134)	392,523
Other Missionaries	14,220	46,461	(42,589)	(2,281)	15,811	36,815	(41,889)	(1,774)	8,963
Projects	71,598	20,726	(13,984)	(3,108)	75,232	69,212	(101,148)	10,873	54,169
	<u>525,428</u>	<u>742,604</u>	<u>(651,245)</u>	<u>(86,297)</u>	<u>530,490</u>	<u>798,827</u>	<u>(752,627)</u>	<u>(121,035)</u>	<u>455,655</u>

The ECMB Missionaries fund is to support people working in a variety of church, mission and social action roles who are primarily linked to ECMB and supported by ECMB donors.

Other Missionaries are as above, but primarily linked to other ECM offices (e.g. ECMAusNZ), but where some donations are made via ECMB donors.

Projects are for ECMI or other projects supported by donors who wish to support work on a specific project.

The transfer of £100,028 (2022: £86,297) made between restricted and unrestricted funds is comprised of the charges up to 15% of the unrestricted overheads to cover attributable development and support overheads. This is permitted by the terms under which the donors provided these funds. There was also a transfer of £21,007 (2022: £nil) from a restricted fund to unrestricted funds where a pair of missionaries could no longer go into the field. The donors were contacted and agreed for some of these funds to be used for general purposes.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:								
Tangible assets	-	-	-	-	710	-	-	710
Current assets/(liabilities)	201,750	313,517	455,655	970,922	207,335	313,517	530,490	1,051,342
Provisions	(6,857)	-	-	(6,857)	(14,366)	-	-	(14,366)
	<u>194,893</u>	<u>313,517</u>	<u>455,655</u>	<u>964,065</u>	<u>193,679</u>	<u>313,517</u>	<u>530,490</u>	<u>1,037,686</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

17 Related party transactions

There were no disclosable related party transactions apart from those in Note 7 during the year (2022 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	102,085	97,184

18 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(73,621)	(26,496)
Adjustments for:		
Investment income recognised in statement of financial activities	(10,753)	(2,413)
Depreciation and impairment of tangible fixed assets	710	4,845
Movements in working capital:		
(Increase)/decrease in debtors	(6,202)	1,540
(Decrease)/increase in creditors	(390)	3,225
(Decrease) in provisions	(7,509)	(7,091)
Cash absorbed by operations	(97,765)	(26,390)

19 Analysis of changes in net funds

The charity had no material debt during the year.

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	8,700	8,340
Lease expense for the year	10,248	9,737

Accounts

Charity Registration No. 1059464

Company Registration No. 3277668 (England and Wales)



EUROPEAN CHRISTIAN MISSION (BRITAIN)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

EUROPEAN CHRISTIAN MISSION (BRITAIN)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mike McMaster (Chair) Joanne Appleton Tim Herbert Simone Lockyer
Secretary	Richard Lindley
Charity number	1059464
Company number	3277668
Registered office	Unit F34/35 Moulton Park Business Centre Redhouse Road Northampton NN3 6AQ
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Lloyds Bank plc George Row Northampton NN1 2HG
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

Structure, governance and management

The charity is a company limited by guarantee, company no. 3277668, registered with the Charity Commission, charity no. 1059464, and is governed by the provisions contained within the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mike McMaster (Chair)

Joanne Appleton

Tim Herbert

Richard Lawson

(Retired 30 September 2022)

Esther Ross

(Resigned 7 December 2022)

Simone Lockyer

Stephen Thompson

(Resigned 31 March 2023)

Jeff Ford

(Appointed 19/10/2022; Resigned 21/06/2023)

All Trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve Trustees. Once appointed, Trustees serve for a period of four years. At least two Trustees are appointed by the existing board and at least two by the members of the mission at annual general meetings.

All Trustees' decisions are taken at their quarterly meetings. This is supplemented by Finance Committee and strategic meetings.

Our People

At the end of 2022, ECM (Britain) had 31 missionaries, 10 Associates, 0 short-term and 3 accepted candidates, and a number of new candidate leads are being followed up. In addition, there were 7 salaried staff (6 of whom are part-time).

Missionary recruitment remains an ongoing strategic priority, although the funding of new and existing missionaries remains a challenge, given the high cost of living in most European countries, changes to the exchange rate and the current cost of living crisis in UK. The effect that Brexit has had both on recruitment, particularly regarding visa applications, and those missionaries already living in mainland Europe continues to be monitored.

The Trustees delegate the day-to-day management of the organisation to the British Director.

Appropriate Trustee induction training is provided for new Trustees. An annual 24-hour retreat for Trustees has been run most years since 2005 (although it did not take place during 2022 due to ongoing Covid-19 shielding), at which longer-term issues are addressed and a governance review is conducted.

Remuneration of all UK staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Affiliation

ECM (Britain) works in close partnership with ECM (International) and the terms of our relationship are set out in a covenant agreement.

The Board of Trustees of ECM (International) is responsible for ECM's shared doctrinal and spiritual principles and the general direction and development of ministries in Europe. The Trustees of ECM (Britain) are responsible for promotional work in Britain, the recruitment and member care of personnel and the raising of resources to carry out European ministry.

Objectives and activities

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

Our Primary Mission

The mission of ECM (Britain) is to equip, connect and multiply followers of Jesus through discipleship and church planting so we see a Europe that is full of churches, that are full of people, that are full of Jesus.

Our unique contribution to this movement of God's Spirit is to:

- remind the UK church that Europe is indeed a mission field in need of evangelism, church-planting, discipleship and church development;
- support the people who God has called into these vital ministries so that they are equipped through recruitment, training, sending, member care and mentoring.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we thereby meet this requirement.

The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent through to the most economically and socially marginalised, such as immigrants and refugees.

Other benefits to wider society include funding work with Ukrainian refugees both inside and outside the country; camps for children, youth and people with disabilities in Serbia; education for children and training for adults in Albania; Muslim/Christian relationship-building in Belgium; youth support activities in Spain; and children's programmes in Romania. These are just a few examples of the wider social services and community benefits provided by the outreach activities of churches planted and supported by ECM (Britain) missionaries and national partners.

To assist in realising our full potential and maximising the difference we can make, the Trustees of ECM Britain are engaging with the seven principles within The Charity Governance Code – leadership; integrity; decision making, risk and control; board effectiveness; diversity; openness and accountability; all underpinning organisational purpose.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Fundraising policy

ECM (Britain) manages most of the communications and fundraising information internally and only uses a commercial participator to fill skills gaps or capacity shortfalls, such as an agency to print the magazine or send a mailing. ECM (Britain) raises the majority of its funds from supporters with a long-term association with the charity. No complaints about fundraising strategy were received during the period.

Grant-making policy

Grants are made within the ECM network, primarily for approved field projects or similar activities, and occasionally to other ECM sending sections to assist their development. Grants are also occasionally given to external partners. Grants may be one-off, multiyear, or open-ended. In most cases, such grants are funded from legacy income or from funds raised specifically for that purpose from donors.

Investment policy

ECM (Britain) will maintain its legal responsibility to optimise the return on investments. A balance between risk and return will be sought appropriate to the amount of funds available. High risk will not be acceptable but some degree of risk must be accepted to gain a good return. Agreement regarding the type of investment vehicle used will be made by the Trustees at the appropriate juncture.

Achievements and performance

ECM (Britain) exists to see the peoples of Europe transformed in the name of Jesus Christ. That is carried out through Christian missionary work in Europe, primarily in support of church-planting and discipleship. During 2022 our central areas of emphasis were in the areas of recruitment and training of new missionaries, care for existing workers, engaging collaboratively with like-minded organisations, support for other parts of ECM, and ongoing promotional and fundraising work.

Mission Strategy

Our mission strategy continued to be achieved through the areas of church-planting, discipleship, leadership development and social care. Efforts to support these ministries in Europe, both through ECM workers and through national church partners, were carried forward through fundraising, recruitment, training and in other practical ways.

Sending Missionaries and Supporting National Workers

Equipping, enabling and supporting dedicated individuals and couples so that they can use their God-given gifts and skills in effective ministry across Europe remains our primary function. As these people may be working in their own nation or be serving cross-culturally, the services we provide are uniquely tailored to their specific location and needs, but can include mentoring, calling discernment, bespoke training support, member care, financial services and more. During 2022 ECM (Britain) had over 40 missionaries or partners serving in Portugal, Spain, France, England, Austria, Belgium, Netherlands, Croatia, Bosnia, Albania, Serbia, Kosovo, Romania and Slovenia.

Our Investment in the ECM Network

During 2022, ECM (Britain) provided financial and/or consultancy support to ECM sections or related work and individuals in nations including Croatia, Belgium, Ireland, Spain, Albania, Kosovo, Romania, France, Serbia as well as ECM International, in accordance with our grant-making policy to build the capacity of the whole network.

Our Passion for Partnership

Partnership is both an important value and an important strategy for ECM (Britain) and we want to thank all who have partnered with us in 2022.

We value the importance of working with others because the Bible emphasises the importance of unity within Christ's body, the Church. Healthy partnerships are an expression of that unity.

We value the strategic importance of collaborative relationships that help grow the kingdom of God because the needs and opportunities in Europe are simply too large for us to respond to alone.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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

Some of our ongoing partnerships included:

1. Many churches within the UK, for whom we act as their sending and supporting partner so that their members can serve in Europe;
2. Charitable Trusts and individual donors who want to partner with us in funding missionaries or specific projects which align with their objectives;
3. ECM (International) — the umbrella organisation coordinating the collaborative efforts of individual independent ECM organisations around the world — for whom we have provided leadership of strategic groups, support of key functions, input into policy decisions and income;
4. Lausanne Europe, a network organisation connecting Christian ministries, whose co-directors are both part of ECM Britain;
5. Trans World Radio Europe, a mission organisation with offices on the continent for whom we have agreed to handle applicants from within the UK.

Financial review

The trustees are mindful that the income for the charity continues to rely on generous legacy donations to achieve stability, with the income from regular donations falling in 2022. Detailed accounts are to be found in the Statement of Financial Activities and Balance Sheet. There was an overall deficit of £26,496 for the year (2021: surplus of £44,060). After transfers, there was a deficit in unrestricted funds of £29,053 (2021: surplus of £9,396), a deficit in designated funds of £2,505 (2021: deficit of £1,001) and a surplus in restricted funds of £5,062 (2021: surplus of £35,665). The deficit before transfers in unrestricted funds was £115,350 (2021: deficit £72,765). Legacy income was below forecast at £22,446 (2021: £47,393). The transfer of £86,297 (2021: £82,161) from restricted to unrestricted funds reflects an allocation of our costs, in line with our accounting policies.

The designated fund balance of £313,517 (2021: £316,022) reflects the building designated fund and other unallocated funds. Inflation and the cost of living crisis have created issues during 2022. Restricted income £742,604 (2021: £722,099) has increased and expenditure for the support of missionaries and projects has increased to 653,750 (2021: £605,274).

Reserves policy

The Trustees aim to hold unrestricted reserves (that is, those funds not tied up in fixed assets, designated or restricted funds, less pension liability) equal to approximately three months' normal expenditure (£70,000), to cover fluctuations in donation income.

The Trustees also aim to hold three months' balances in certain restricted funds, i.e. those for our overseas staff, to cover fluctuations in donation income to these funds. The trustees have also determined that the proceeds from the sale of the owned property asset would continue to be retained as designated funds for re-investment in alternative premises.

At the year end, the charity had total funds of £1,037,686 of which £530,490 were restricted, £313,517 were designated and £193,679 were unrestricted.

Our Primary Risks

The Trustees regularly identify and review major risks to which the charity might be exposed and have established systems to mitigate the risks. Financial sustainability is the major financial risk facing the charity and this is being managed by the British Director through continued promotion, fundraising and maintaining the charity's presence on social media. We praise God that ECM (Britain)'s financial situation remains strong despite the many recent challenges such as the COVID-19 pandemic and rising costs of living.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our Future Plans

Recent global and economic challenges have underlined the need for charities to be flexible and resilient in today's ever-changing world. ECM (Britain) continues to engage in a long-term strategic planning process which is reviewing our best unique contribution to ministry in Europe at this moment in history.

However our strategy might develop over time, we will continue to focus on equipping, connecting and mobilising in ways such as those shown below:

EQUIP

- We identify people's God-given gifts and abilities and develop them into ministry and leadership.
- We train people to live out and speak out the good news where they are.
- We lovingly care for people so they thrive in both life and ministry.

CONNECT

- We build networks so that God's resources in one place can extend his kingdom in another.
- We encourage people to work in teams so their ministries have greater impact.
- We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

- We mobilise and inspire people for God's mission in Europe.
- We challenge people to become disciples of Jesus who themselves make more disciples.
- We make possible the planting of healthy churches that reproduce naturally.

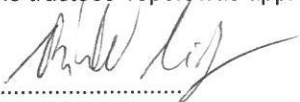
As an organisation we will continue to achieve this by staying:

- **SUSTAINABLE:** ECM (Britain) can only help change Europe long-term if we are still here. Therefore any new strategy will take into account our assets and our limits at the same time as seeking to apply courageous faith in face of the spiritual needs of Europe.
- **FLEXIBLE:** There is no way of knowing what tomorrow may bring. Therefore we must always seek strategies that allow for timely change based on the new challenges and opportunities before us.
- **VISIBLE:** Unless people and churches are kept aware of ECM (Britain) and our unique contribution to European ministry then we are bound to lose supporters. Appropriate new and ongoing media and means will need to be used to keep ourselves appropriately known to the correct constituencies.
- **RELATIONAL:** ECM (Britain) has always focused on relationships. We want people to have a relationship with Jesus. We support workers in Europe through relational means. We encourage a relational network of churches and individuals to provide the prayer and financial support required to do European ministry.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Richard Lindley
Company Secretary

Dated: 25 July 2022

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of European Christian Mission (Britain) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Opinion

We have audited the financial statements of European Christian Mission (Britain) (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Matters on which we are required to report by exception

In the 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 directors' 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

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

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation 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 Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties, management bias in accounting estimates and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to:

- verifying payments to third parties on a sample basis
- challenging significant accounting estimates such as pension provision
- identifying and testing journal entries
- reviewing Trustees and Finance meeting minutes
- evaluating the charity's internal controls

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

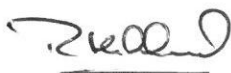
TO THE MEMBERS OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



Richard Haffenden MA (Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

27 July 2023

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>									
Donations and gifts		80,841	-	742,604	823,445	100,255	-	722,099	822,354
Legacies receivable		22,446	-	-	22,446	47,393	-	-	47,393
Investments	3	2,413	-	-	2,413	5,234	-	-	5,234
Other income	4	-	-	-	-	1,000	-	-	1,000
Total income		105,700	-	742,604	848,304	153,882	-	722,099	875,981
<u>Expenditure on:</u>									
Raising funds	5	14,343	-	-	14,343	13,774	-	-	13,774
Charitable activities	6	206,707	2,505	651,245	860,457	212,873	1,001	604,273	818,147
Total resources expended		221,050	2,505	651,245	874,800	226,647	1,001	604,273	831,921
Net (outgoing)/incoming resources before transfers		(115,350)	(2,505)	91,359	(26,496)	(72,765)	(1,001)	117,826	44,060
Gross transfers between funds		86,297	-	(86,297)	-	82,161	-	(82,161)	-
Net (expenditure)/income for the year/ Net movement in funds		(29,053)	(2,505)	5,062	(26,496)	9,396	(1,001)	35,665	44,060
Fund balances at 1 January 2022		222,732	316,022	525,428	1,064,182	213,336	317,023	489,763	1,020,122
Fund balances at 31 December 2022		193,679	313,517	530,490	1,037,686	222,732	316,022	525,428	1,064,182

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		710		5,555
Current assets					
Debtors	12	18,316		19,856	
Cash at bank and in hand		1,044,715		1,068,692	
		<u>1,063,031</u>		<u>1,088,548</u>	
Creditors: amounts falling due within one year	13	(11,689)		(8,464)	
Net current assets			1,051,342		1,080,084
Total assets less current liabilities			1,052,052		1,085,639
Provisions for liabilities	14		(14,366)		(21,457)
Net assets			<u>1,037,686</u>		<u>1,064,182</u>
Funds					
Restricted funds	15		530,490		525,428
Designated funds	16		313,517		316,022
Unrestricted funds			193,679		222,732
			<u>1,037,686</u>		<u>1,064,182</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25th July 2023



Mike McMaster (Chair)
Trustee

Company Registration No. 3277668

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(26,390)		34,218
Investing activities					
Investment income received		2,413		5,234	
Net cash generated from investing activities			2,413		5,234
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(23,977)		39,452
Cash and cash equivalents at beginning of year			1,068,692		1,029,240
Cash and cash equivalents at end of year			1,044,715		1,068,692

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

European Christian Mission (Britain) is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit F34/35, Moulton Park Business Centre, Redhouse Road, Northampton, NN3 6AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charitable company has designated certain funds for specific purposes even though there is no legal force to the designations.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of generating funds

This expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charitable company's work. It includes the costs of advertising for funds and the costs of mounting appeals.

Charitable expenditure

This includes all expenditure directly related to the objects of the charitable company that of the advancement of Christian faith in Europe and elsewhere, and comprises the following:

Missionary support costs: Allowances paid to missionaries in accordance with the charitable company's policies.

Development costs: Costs of staffing ECM (Britain) and associated costs of finance, personnel and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to development costs and are explained in more detail in the financial statements.

Project costs: Funds paid in support of approved projects, either from incoming donations and gifts received for that purpose, or from unrestricted funds in accordance with the charitable company's policies.

Support costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in general funds. This includes such terms as external audit, legal advice for the trustees and costs associated with constitutional and statutory matters. These are allocated to development costs.

There was a transfer made between restricted and unrestricted funds which is comprised of charges of up to 15% of the unrestricted overheads to cover attributable development and support overheads.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.3% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

All assets costing more than £1,000 are capitalised at cost and depreciated.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Income received from overseas is translated into sterling at the relevant exchange rate.

Costs incurred overseas are translated at the rate in operation on the date the funds were disbursed.

Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

These financial statements for the year ended 31 December 2022 are the first financial statements of European Christian Mission (Britain) prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2021. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key estimates and assumptions made in these accounts are:

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

(Continued)

Tangible fixed assets

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Pension liability

The liability of £14,366 (2021: £21,457) recognised in the financial statements is an estimate based on the annual cost and the ages of the former missionaries. This represents the amount provided for the future payments to former missionaries for a period of approximately 3 years.

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	2,413	5,234

4 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Additional Trust income	-	1,000

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Magazines/Publicity	14,343	13,774
	14,343	13,774

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	Develop- ment 2022 £	Missionary support 2022 £	Projects 2022 £	Total 2022 £	Total 2021 £
Staff costs	154,403	-	-	154,403	153,135
Depreciation	4,845	-	-	4,845	7,490
Development expenses	3,728	-	-	3,728	3,537
Conferences	418	-	-	418	96
Office costs	32,362	-	-	32,362	36,170
Bank charges	367	-	-	367	478
Other costs	5,199	-	-	5,199	7,667
Governance costs	5,385	-	-	5,385	5,301
Missionary allowances and expenses	-	637,262	-	637,262	583,946
Projects	-	-	16,488	16,488	20,327
	<u>206,707</u>	<u>637,262</u>	<u>16,488</u>	<u>860,457</u>	<u>818,147</u>
Analysis by fund					
Unrestricted funds	206,707	-	-	206,707	212,873
Designated funds	-	-	2,505	2,505	1,001
Restricted funds	-	637,262	13,983	651,245	604,273
	<u>206,707</u>	<u>637,262</u>	<u>16,488</u>	<u>860,457</u>	<u>818,147</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	<u>5,340</u>	<u>4,680</u>

8 Trustees

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

Trustees attending meetings for the charitable company are entitled to reimbursement of their travelling expenses as appropriate. £nil was claimed in 2022 (2021: £nil).

During the year the trustees of European Christian Mission (Britain) donated a total of £1,139 (2021: £7,305) in support of the missionaries.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	7	9
Employment costs	2022	2021
	£	£
Wages and salaries	139,997	137,147
Social security costs	4,360	5,100
Other pension costs	10,046	10,888
	154,403	153,135

There were no employees whose annual remuneration was £60,000 or more. The staff costs and numbers do not include the missionaries working abroad.

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	23,745
At 31 December 2022	23,745
Depreciation and impairment	
At 1 January 2022	18,190
Depreciation charged in the year	4,845
At 31 December 2022	23,035
Carrying amount	
At 31 December 2022	710
At 31 December 2021	5,555

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	12,163	14,000
Prepayments and accrued income	6,153	5,856
	<u>18,316</u>	<u>19,856</u>

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	2,268	1,155
Other creditors	3,394	2,629
Accruals and deferred income	6,027	4,680
	<u>11,689</u>	<u>8,464</u>

14 Provisions for liabilities

	2022	2021
	£	£
	<u>14,366</u>	<u>21,457</u>
Movements on provisions:		
		£
At 1 January 2022		21,457
Utilisation of provision		(7,091)
At 31 December 2022		<u>14,366</u>

The charity makes pension payments to 2 former missionaries (2021: 4) at a cost of £7,091 for the year (2021: £8,543). The payments are mainly made from the charity's unrestricted fund and are charged against the provision in the year in which they are paid. Two of the missionaries died during last year.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021	Movement in funds			Transfers 1 January 2022	Balance at 1 January 2022	Movement in funds			Transfers	Balance at 31 December 2022
		£	Income	Expenditure			£	Income	Expenditure		
ECMB Missionaries	412,433	£	655,873	(544,084)	(84,612)	439,610	£	675,417	(594,672)	(80,908)	439,447
Other Missionaries	9,005		42,057	(39,862)	3,020	14,220		46,461	(42,589)	(2,281)	15,811
Projects	68,325		24,169	(20,327)	(569)	71,598		20,726	(13,984)	(3,108)	75,232
	<u>489,763</u>		<u>722,099</u>	<u>(604,273)</u>	<u>(82,161)</u>	<u>525,428</u>		<u>742,604</u>	<u>(651,245)</u>	<u>(86,297)</u>	<u>530,490</u>

The ECMB Missionaries fund is to support people working in a variety of church, mission and social action roles who are primarily linked to ECMB and supported by ECMB donors.

Other Missionaries are as above, but primarily linked to other ECM offices (e.g. ECMAusNZ), but where some donations are made via ECMB donors.

Projects are for ECMI or other projects supported by donors who wish to support work on a specific project.

The transfer of £86,297 (2021: £82,161) made between restricted and unrestricted funds is comprised of the charges up to 15% of the unrestricted overheads to cover attributable development and support overheads.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Expenditure	Balance at 1 January 2022	Expenditure	Balance at 31 December 2022
	£	£	£	£	£
Projects	317,023	(1,001)	316,022	(2,505)	313,517
	<u>317,023</u>	<u>(1,001)</u>	<u>316,022</u>	<u>(2,505)</u>	<u>313,517</u>

The designated fund represents amounts set aside for otherwise unfunded projects, plus the proceeds from the sale of the building in 2017.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Analysis of net assets between funds

Fund balances at 31 December 2022 are represented by:

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	710	-	-	710	5,555	-	-	5,555
Current assets/(liabilities)	207,335	313,517	530,490	1,051,342	238,634	316,022	525,428	1,080,084
Provisions	(14,366)	-	-	(14,366)	(21,457)	-	-	(21,457)
	193,679	313,517	530,490	1,037,686	222,732	316,022	525,428	1,064,182

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>97,184</u>	<u>111,072</u>

19 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(26,496)	44,060
Adjustments for:		
Investment income recognised in statement of financial activities	(2,413)	(5,234)
Depreciation and impairment of tangible fixed assets	4,845	7,490
Movements in working capital:		
Decrease/(increase) in debtors	1,540	(2,907)
Increase/(decrease) in creditors	3,225	(648)
(Decrease) in provisions	(7,091)	(8,543)
Cash (absorbed by)/generated from operations	<u>(26,390)</u>	<u>34,218</u>

20 Analysis of changes in net funds

The charity had no debt during the year.

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	<u>8,340</u>	<u>8,220</u>
Lease expense for the year	<u>9,737</u>	<u>6,567</u>

Accounts

Charity Registration No. 1059464

Company Registration No. 3277668 (England and Wales)



EUROPEAN CHRISTIAN MISSION (BRITAIN)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

EUROPEAN CHRISTIAN MISSION (BRITAIN)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mike McMaster (Chair) Joanne Appleton Tim Herbert Richard Lawson Esther Ross Simone Lockyer Stephen Thompson
Secretary	Richard Lindley
Charity number	1059464
Company number	3277668
Registered office	Unit F34/35 Moulton Park Business Centre Redhouse Road Northampton NN3 6AQ
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Lloyds Bank plc George Row Northampton NN1 2HG
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

Structure, governance and management

The charity is a company limited by guarantee, company no. 3277668, registered with the Charity Commission, charity no. 1059464, and is governed by the provisions contained within the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mike McMaster (Chair)

Joanne Appleton

Tim Herbert

Richard Lawson

Esther Ross

Simone Lockyer

Stephen Thompson

Simon Loveless

(Retired 22 April 2021)

All Trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve Trustees. Once appointed, Trustees serve for a period of four years. At least two Trustees are appointed by the existing board and at least two by the members of the mission at annual general meetings.

All Trustees' decisions are taken at their quarterly meetings. This is supplemented by Finance Committee and strategic meetings.

Appropriate Trustee induction training is provided for all new Trustees.

The Trustees delegate the day-to-day management of the organisation to the British Director.

Our People

At the end of 2021, ECM (Britain) had 34 missionaries, 10 Associates, 2 short-term and 2 accepted candidates, and a number of new candidate leads are being followed up. In addition there were eight salaried staff (seven of whom are part-time) and three volunteers.

Missionary recruitment remains an ongoing strategic priority, although the funding of new and existing missionaries remains a challenge, given the high cost of living in most European countries and the changes to the exchange rate. The effect that Brexit has had both on recruitment and those missionaries already living in mainland Europe continues to be monitored.

Remuneration of all UK staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Affiliation

ECM (Britain) works in close partnership with ECM (International) and the terms of our relationship are set out in a covenant agreement.

The Board of Trustees of ECM (International) is responsible for ECM's shared doctrinal and spiritual principles and the general direction and development of ministries in Europe. The Trustees of ECM (Britain) are responsible for promotional work in Britain, the recruitment and member care of personnel and the raising of resources to carry out European ministry.

Objectives and activities

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

Our Primary Mission

The mission of ECM (Britain) is to equip, connect and multiply followers of Jesus through discipleship and church planting so we see a Europe that is full of churches, that are full of people, that are full of Jesus!

Our unique contribution to this movement of God's Spirit is to:

- remind the UK church that Europe is indeed a mission field in need of evangelism, church-planting, discipleship and church development;
- support the people who God has called into these vital ministries so that they are equipped through recruitment, training, sending, member care and mentoring.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we thereby meet this requirement.

The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent through to the most economically and socially marginalised, such as immigrants and refugees.

Fundraising policy

ECM (Britain) managed most of the communications and fundraising information internally and only used a commercial participator to fill skills gaps or capacity shortfalls, such as an agency to print the magazine or send a mailing. ECM (Britain) raised the majority of its funds from supporters with a long term association with the charity. No complaints about fundraising strategy were received during the period.

Grant-making policy

Grants are made within the ECM network, primarily for approved field projects or similar (e.g. the Good Samaritan Association in Spain) and occasionally to other ECM sending sections to assist their development. Grants are also occasionally given to external partners. Grants may be one-off, multiyear (often on a reducing basis), or open-ended. In most cases, such grants are funded from legacy income or from funds raised specifically for that purpose from donors.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Investment policy

ECM (Britain) will maintain its legal responsibility to optimise the return on investments. A balance between risk and return will be sought appropriate to the amount of funds available. High risk will not be acceptable but some degree of risk must be accepted to gain a good return. Agreement regarding the type of investment vehicle used will be made by the Trustees at the appropriate juncture.

Achievements and performance

ECM (Britain) exists to see the peoples of Europe transformed in the name of Jesus Christ. That is carried out through Christian missionary work in Europe, primarily in support of church-planting and discipleship. During 2021 our central areas of emphasis were in the areas of recruitment and training of new missionaries, care for existing workers, engaging collaboratively with like-minded organisations, support for other parts of ECM, and ongoing promotional and fundraising work.

Mission Strategy

Our mission strategy continued to be achieved through the areas of church-planting, discipleship, leadership development and social care. Efforts to support these ministries in Europe, both through ECM workers and through national church partners, were carried forward through fundraising, recruitment, training and in other practical ways.

Sending Missionaries and Supporting National Workers

Equipping, enabling and supporting dedicated individuals and couples so that they can use their God-given gifts and skills in effective ministry across Europe remains our primary function. As these people may be working in their own nation or be serving cross-culturally, the services we provide are uniquely tailored to their specific location and needs, but can include mentoring, calling discernment, bespoke training support, member care, financial services and more. During 2021 ECM (Britain) had over 40 missionaries or partners serving in Portugal, Spain, France, England, Austria, Germany, Belgium, Netherlands, Croatia, Bosnia, Serbia, Kosovo, Romania, Slovenia and Albania.

Our Investment in the ECM Network

During 2021, ECM (Britain) provided financial and/or consultancy support to ECM sections or related work and individuals in nations including Croatia, Belgium, Ireland, Spain, Albania, Kosovo, Romania, France, Serbia as well as ECM International, in accordance with our grant-making policy to build the capacity of the whole network.

Our Passion for Partnership

Partnership is both an important value and an important strategy for ECM (Britain) and we want to thank all who have partnered with us in 2021.

We value the importance of working with others because the Bible emphasises the importance of unity within Christ's body, the Church. Healthy partnerships are an expression of that unity.

We value the strategic importance of collaborative relationships that help grow the kingdom of God because the needs and opportunities in Europe are simply too large for us to respond to alone.

Some of our ongoing partnerships included:

1. Many churches within the UK, for whom we act as their sending and supporting partner so that their members can serve in Europe;
2. Charitable Trusts and individual donors who want to partner with us in funding missionaries or specific projects which align with their objectives;
3. ECM (International) — the umbrella organisation coordinating the collaborative efforts of individual independent ECM organisations around the world — for whom we have provided leadership of strategic groups, support of key functions, input into policy decisions and income;

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4. How Will They Hear, a collaboration of Christian organisations seeking to highlight the needs and opportunities amongst migrants and refugees in Europe;

5. Trans World Radio Europe, a mission organisation with offices on the continent for whom we have agreed to handle applicants from within the UK.

Financial review

The trustees are mindful that the income for the charity continues to rely on generous legacy donations to achieve stability, with the income from regular donations falling in 2021. Detailed accounts are to be found in the Statement of Financial Activities and Balance Sheet. There was an overall surplus of £44,060 for the year (2020: 11,093). After transfers, there was a surplus in unrestricted funds of £9,396 (2020: £27,296), a deficit in designated funds of £1,001 (2020: surplus £0) and a surplus in restricted funds of £35,665 (2020: deficit of £16,203). The deficit before transfers in unrestricted funds was £72,765 (2020: deficit £52,590). Legacy income was below forecast at £47,393 (2020: £65,390). The transfer of £82,161 (2020: £79,886) from restricted to unrestricted funds reflects an allocation of our costs, in line with our accounting policies.

The designated fund balance of £316,022 (2020: £317,023) reflects the building designated fund and other unallocated funds. The unstable Euro/Sterling exchange rate has created issues during 2021. Restricted income £722,099 (2020: £744,365) has decreased and expenditure for the support of missionaries has decreased to £604,273 (2020: £680,682).

Reserves policy

The Trustees aim to hold unrestricted reserves (that is, those funds not tied up in fixed assets, designated or restricted funds, less pension liability) equal to approximately three month's normal expenditure (£70,000), to cover fluctuations in donation income.

The Trustees also aim to hold 3 months balances in certain restricted funds, i.e. those for our overseas staff, to cover fluctuations in donation income to these funds. The trustees have also determined that the proceeds from the sale of the owned property asset would continue to be retained as designated funds for re-investment in alternative premises.

At the year end, the charity had total funds of £1,064,182 of which £525,428 were restricted, £316,022 were designated and £222,732 were unrestricted.

Our Primary Risks

The Trustees regularly identify and review major risks to which the charity might be exposed and have established systems to mitigate the risks. Financial sustainability is the major financial risk facing the charity and this is being managed by the UK Director through continued promotion, fundraising and increasing the charity's presence on social media. We praise God that ECM (Britain)'s financial situation remains strong despite the many challenges thrown up by the COVID-19 pandemic.

Our Future Plans

The COVID-19 pandemic has underlined the need for charities to be flexible and resilient in today's ever-changing world. ECM (Britain) is now engaged in a long-term strategic planning process which is reviewing our best unique contribution to ministry in Europe at this moment in history.

While it is too early to predict the outcomes of this process, we will continue to focus on equipping, connecting and mobilising in ways such as those shown below:

EQUIP

- We identify people's God-given gifts and abilities and develop them into ministry and leadership.
- We train people to live out and speak out the good news where they are.
- We lovingly care for people so they thrive in both life and ministry.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

CONNECT

- We build networks so that God's resources in one place can extend his kingdom in another.
- We encourage people to work in teams so their ministries have greater impact.
- We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

- We mobilise and inspire people for God's mission in Europe.
- We challenge people to become disciples of Jesus who themselves make more disciples.
- We make possible the planting of healthy churches that reproduce naturally.

As an organisation we will continue to achieve this by staying:

- **SUSTAINABLE:** ECM (Britain) can only help change Europe long-term if we are still here. Therefore any new strategy will take into account our assets and our limits at the same time as seeking to apply courageous faith in face of the spiritual needs of Europe.
- **FLEXIBLE:** There is no way of knowing what tomorrow may bring. Therefore we must always seek strategies that allow for timely change based on the new challenges and opportunities before us.
- **VISIBLE:** Unless people and churches are kept aware of ECM (Britain) and our unique contribution to European ministry then we are bound to lose supporters. Appropriate new and ongoing media and means will need to be used to keep ourselves appropriately known to the correct constituencies.
- **RELATIONAL:** ECM (Britain) has always focused on relationships. We want people to have a relationship with Jesus. We support workers in Europe through relational means. We encourage a relational network of churches and individuals to provide the prayer and financial support required to do European ministry.

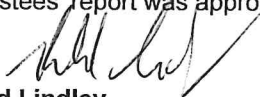
Examples of this in ministry include:

- encouraging relationships built on Christ-like love and respect (even when they have to be delivered virtually due to COVID-19)
- promoting fair treatment of migrants, asylum seekers and refugees
- educating and rehabilitating those affected by substance abuse
- creating spaces for people from different backgrounds to come together
- offering prayer guidance and information about difficult situations across Europe

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Richard Lindley

Company Secretary

Dated: 16 June 2022

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of European Christian Mission (Britain) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Opinion

We have audited the financial statements of European Christian Mission (Britain) (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Matters on which we are required to report by exception

In the 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 directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

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

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation 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 Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties, management bias in accounting estimates and management override of controls.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

In response to the risks identified we designed procedures which included, but were not limited to:

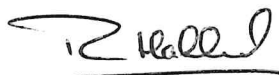
- verifying payments to third parties on a sample basis
- challenging significant accounting estimates such as pension provision
- identifying and testing journal entries
- reviewing Trustees and Finance meeting minutes
- evaluating the charity's internal controls

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Richard Haffenden MA (Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

20 June 2022

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>									
Donations and gifts		100,255	-	722,099	822,354	101,631	-	744,365	845,996
Legacies receivable		47,393	-	-	47,393	65,390	-	-	65,390
Investments	3	5,234	-	-	5,234	7,504	-	-	7,504
Other income	4	1,000	-	-	1,000	2,703	-	-	2,703
Total income		153,882	-	722,099	875,981	177,228	-	744,365	921,593
<u>Expenditure on:</u>									
Raising funds	5	13,774	-	-	13,774	11,670	-	-	11,670
Charitable activities	6	212,873	1,001	604,273	818,147	218,148	-	680,682	898,830
Total resources expended		226,647	1,001	604,273	831,921	229,818	-	680,682	910,500
Net (outgoing)/incoming resources before transfers		(72,765)	(1,001)	117,826	44,060	(52,590)	-	63,683	11,093
Gross transfers between funds		82,161	-	(82,161)	-	79,886	-	(79,886)	-
Net income for the year/ Net movement in funds		9,396	(1,001)	35,665	44,060	27,296	-	(16,203)	11,093
Fund balances at 1 January 2021		213,336	317,023	489,763	1,020,122	186,040	317,023	505,966	1,009,029
Fund balances at 31 December 2021		222,732	316,022	525,428	1,064,182	213,336	317,023	489,763	1,020,122

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		5,555		13,045
Current assets					
Debtors	11	19,856		16,949	
Cash at bank and in hand		1,068,692		1,029,240	
		<u>1,088,548</u>		<u>1,046,189</u>	
Creditors: amounts falling due within one year	12	(8,464)		(9,112)	
Net current assets			1,080,084		1,037,077
Total assets less current liabilities			1,085,639		1,050,122
Provisions for liabilities	13		(21,457)		(30,000)
Net assets			<u>1,064,182</u>		<u>1,020,122</u>
Funds					
Restricted funds	19	525,428		489,763	
Designated funds	18	316,022		317,023	
Unrestricted funds		222,732		213,336	
		<u>1,064,182</u>		<u>1,020,122</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 June 2022



Mike McMaster (Chair)
Trustee

Company Registration No. 3277668

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	16		34,218		62,375
Investing activities					
Purchase of tangible fixed assets		-		(3,771)	
Investment income received		5,234		7,504	
Net cash generated from investing activities			5,234		3,733
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			39,452		66,108
Cash and cash equivalents at beginning of year			1,029,240		963,132
Cash and cash equivalents at end of year			1,068,692		1,029,240

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

European Christian Mission (Britain) is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit F34/35, Moulton Park Business Centre, Redhouse Road, Northampton, NN3 6AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charitable company has designated certain funds for specific purposes even though there is no legal force to the designations.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of generating funds

This expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charitable company's work. It includes the costs of advertising for funds and the costs of mounting appeals.

Charitable expenditure

This includes all expenditure directly related to the objects of the charitable company that of the advancement of Christian faith in Europe and elsewhere, and comprises the following:

Missionary support costs: Allowances paid to missionaries in accordance with the charitable company's policies.

Development costs: Costs of staffing ECM (Britain) and associated costs of finance, personnel and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to development costs and are explained in more detail in the financial statements.

Project costs: Funds paid in support of approved projects, either from incoming donations and gifts received for that purpose, or from unrestricted funds in accordance with the charitable company's policies.

Support costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in general funds. This includes such terms as external audit, legal advice for the trustees and costs associated with constitutional and statutory matters. These are allocated to development costs.

There was a transfer made between restricted and unrestricted funds which is comprised of charges of up to 15% of the unrestricted overheads to cover attributable development and support overheads.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.3% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

All assets costing more than £1,000 are capitalised at cost and depreciated.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Income received from overseas is translated into sterling at the relevant exchange rate.

Costs incurred overseas are translated at the rate in operation on the date the funds were disbursed.

Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

1.14 Job Retention Scheme government grant income

For JRS grant income, the income is recognised in the period to which the underlying furloughed staff costs relate to.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key estimates and assumptions made in these accounts are:

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

(Continued)

Tangible fixed assets

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Pension liability

The liability of £21,457 (2020: £30,000) recognised in the financial statements is an estimate based on the annual cost and the ages of the former missionaries. This represents the amount provided for the future payments to former missionaries for a period of approximately 3 years.

3 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>5,234</u>	<u>7,504</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
CJRS grant income	-	2,703
Additional Trust income	<u>1,000</u>	<u>-</u>
	<u>1,000</u>	<u>2,703</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Magazines/Publicity	<u>13,774</u>	<u>11,670</u>
	<u>13,774</u>	<u>11,670</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	Develop- ment 2021 £	Missionary support 2021 £	Projects 2021 £	Total 2021 £	Total 2020 £
Staff costs	153,135	-	-	153,135	153,536
Depreciation	7,490	-	-	7,490	7,206
Development expenses	3,537	-	-	3,537	3,034
Conferences	96	-	-	96	5,000
Pensions to retired missionaries	-	-	-	-	(9,062)
Office costs	36,170	-	-	36,170	45,261
Bank charges	478	-	-	478	455
Other costs	7,667	-	-	7,667	6,686
Governance costs	5,301	-	-	5,301	6,032
Missionary allowances and expenses	-	583,946	-	583,946	661,110
Projects	-	-	20,327	20,327	19,572
	<u>213,874</u>	<u>583,946</u>	<u>20,327</u>	<u>818,147</u>	<u>898,830</u>
Analysis by fund					
Unrestricted funds	212,873	-	-	212,873	218,148
Designated funds	1,001	-	-	1,001	-
Restricted funds	-	583,946	20,327	604,273	680,682
	<u>213,874</u>	<u>583,946</u>	<u>20,327</u>	<u>818,147</u>	<u>898,830</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor:	2021 £	2020 £
Audit of the charity's annual accounts	<u>4,860</u>	<u>4,680</u>

8 Trustees

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

Trustees attending meetings for the charitable company are entitled to reimbursement of their travelling expenses as appropriate. £nil was claimed in 2021 (2020: £nil).

During the year the trustees of European Christian Mission (Britain) donated a total of £7,305 (2020: £628) in support of the missionaries.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	9	9
	<u>9</u>	<u>9</u>
Employment costs	2021 £	2020 £
Wages and salaries	137,147	137,522
Social security costs	5,100	5,035
Other pension costs	10,888	10,979
	<u>153,135</u>	<u>153,536</u>

There were no employees whose annual remuneration was £60,000 or more. The staff costs and numbers do not include the missionaries working abroad.

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2021	79,838
Disposals	(56,093)
	<u>23,745</u>
At 31 December 2021	
Depreciation and impairment	
At 1 January 2021	66,793
Depreciation charged in the year	7,490
Eliminated in respect of disposals	(56,093)
	<u>18,190</u>
At 31 December 2021	
Carrying amount	
At 31 December 2021	5,555
	<u>5,555</u>
At 31 December 2020	13,045
	<u>13,045</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	14,000	9,304
Prepayments and accrued income	5,856	7,645
	<u>19,856</u>	<u>16,949</u>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,155	2,321
Other creditors	2,629	2,111
Accruals and deferred income	4,680	4,680
	<u>8,464</u>	<u>9,112</u>

13 Provisions for liabilities

	2021 £	2020 £
	<u>21,457</u>	<u>30,000</u>

Movements on provisions:

	£
At 1 January 2021	30,000
Utilisation of provision	(8,543)
At 31 December 2021	<u>21,457</u>

The charity makes pension payments to 4 former missionaries (2020: 4) at a cost of £8,543 for the year (2020: £10,938). The payments are mainly made from the charity's unrestricted fund and are charged against the provision in the year in which they are paid. Two of the missionaries died during the year.

14 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	<u>8,220</u>	<u>8,093</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14	Operating lease commitments	(Continued)	
	Lease expense for the year	9,737	6,567
		<u> </u>	<u> </u>
15	Related party transactions		
	There were no disclosable related party transactions during the year (2020 - none).		
	Remuneration of key management personnel		
	The remuneration of key management personnel is as follows.		
		2021	2020
		£	£
	Aggregate compensation	111,072	112,941
		<u> </u>	<u> </u>
16	Cash generated from operations	2021	2020
		£	£
	Surplus for the year	44,060	11,093
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,234)	(7,504)
	Depreciation and impairment of tangible fixed assets	7,490	7,206
	Movements in working capital:		
	(Increase)/decrease in debtors	(2,907)	76,188
	(Decrease) in creditors	(648)	(4,608)
	(Decrease) in provisions	(8,543)	(20,000)
	Cash generated from operations	34,218	62,375
		<u> </u>	<u> </u>
17	Analysis of changes in net funds		
	The charity had no debt during the year.		

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 January 2020	Income	Balance at 1 January 2021	Expenditure	Balance at 31 December 2021
	£	£	£	£	£
Projects	317,023	-	317,023	(1,001)	316,022
	<u>317,023</u>	<u>-</u>	<u>317,023</u>	<u>(1,001)</u>	<u>316,022</u>
	<u><u>317,023</u></u>	<u><u>-</u></u>	<u><u>317,023</u></u>	<u><u>(1,001)</u></u>	<u><u>316,022</u></u>

The designated fund represents amounts set aside for otherwise unfunded projects, plus the proceeds from the sale of the building in 2017.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds			
	Balance at 1 January 2020	Income	Expenditure	Transfers	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
ECMB Missionaries	418,386	689,614	(619,516)	(76,051)	412,433	655,873	(544,084)	(84,612)	439,610
Other Missionaries	13,491	38,809	(41,592)	(1,703)	9,005	42,057	(39,862)	3,020	14,220
Projects	74,089	15,942	(19,574)	(2,132)	68,325	24,169	(20,327)	(569)	71,598
	<u>505,966</u>	<u>744,365</u>	<u>(680,682)</u>	<u>(79,886)</u>	<u>489,763</u>	<u>722,099</u>	<u>(604,273)</u>	<u>(82,161)</u>	<u>525,428</u>

The ECMB Missionaries fund is to support people working in a variety of church, mission and social action roles who are primarily linked to ECMB and supported by ECMB donors.

Other Missionaries are as above, but primarily linked to other ECM offices (e.g. ECMAusNZ), but where some donations are made via ECMB donors.

Projects are for ECMI or other projects supported by donors who wish to support work on a specific project.

The transfer of £82,161 (2020: £79,886) made between restricted and unrestricted funds is comprised of the charges up to 15% of the unrestricted overheads to cover attributable development and support overheads.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:								
Tangible assets	5,555	-	-	5,555	13,045	-	-	13,045
Current assets/(liabilities)	238,634	316,022	525,428	1,080,084	230,291	317,023	489,763	1,037,077
Provisions	(21,457)	-	-	(21,457)	(30,000)	-	-	(30,000)
	<u>222,732</u>	<u>316,022</u>	<u>525,428</u>	<u>1,064,182</u>	<u>213,336</u>	<u>317,023</u>	<u>489,763</u>	<u>1,020,122</u>

Accounts

Charity Registration No. 1059464

Company Registration No. 3277668 (England and Wales)



EUROPEAN CHRISTIAN MISSION (BRITAIN)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

EUROPEAN CHRISTIAN MISSION (BRITAIN)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mike McMaster (Chair) Joanne Appleton Tim Herbert Richard Lawson Esther Ross Simone Lockyer Stephen Thompson
Secretary	Richard Lindley
Charity number	1059464
Company number	3277668
Registered office	Unit F34/35 Moulton Park Business Centre Redhouse Road Northampton NN3 6AQ
Auditor	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Lloyds Bank plc George Row Northampton NN1 2HG
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

EUROPEAN CHRISTIAN MISSION (BRITAIN)

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EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

Structure, governance and management

The charity is a company limited by guarantee, company no. 3277668, registered with the Charity Commission, charity no. 1059464, and is governed by the provisions contained within the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mike McMaster (Chair)

Simon Loveless (Chair of Finance sub-committee) (Retired 22 April 2021)

Colyn Robinson (Treasurer) (Resigned 12 March 2020)

Joanne Appleton

Don Gyton (Retired 12 March 2020)

Tim Herbert

Richard Lawson

Esther Ross

Simone Lockyer

Stephen Thompson

All Trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

There can be up to twelve Trustees. Once appointed, Trustees serve for a period of four years. At least two Trustees are appointed by the existing board and at least two by the members of the mission at annual general meetings.

All Trustees' decisions are taken at their quarterly meetings.

Our People

At the end of 2020, ECM (Britain) had 32 missionaries, 10 Associates, 2 short-term and 4 accepted candidates, and a number of new candidate leads are being followed up. In addition there were nine salaried staff (eight of whom are part-time) and three volunteers.

Missionary recruitment remains an ongoing strategic priority, although the funding of new and existing missionaries remains a challenge, given the high cost of living in most European countries and the changes to the exchange rate. The effect that Brexit has had both on recruitment and those missionaries already living in mainland Europe continues to be monitored.

The Trustees delegate the day-to-day management of the organisation to the British Director.

Trustee induction and training

Appropriate Trustee induction training is provided for new Trustees. An annual 24-hour retreat for Trustees has been run most years since 2005 (although it may not take place during 2021 due to Covid-19), at which longer-term issues are addressed and a governance review is conducted.

Remuneration of all UK staff is set with regards to market rates and the relevant experience of the staff member and reviewed on an annual basis to ensure that pay levels are fair.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Affiliation

ECM (Britain) works in close partnership with ECM (International) and the terms of our relationship are set out in a covenant agreement.

The Board of Trustees of ECM (International) is responsible for ECM's shared doctrinal and spiritual principles and the general direction and development of ministries in Europe. The Trustees of ECM (Britain) are responsible for promotional work in Britain, the recruitment and member care of personnel and the raising of resources to carry out European ministry.

Objectives and activities

The charity's object is the advancement of the Christian faith in Europe and elsewhere by means of:

- the evangelism of the peoples of Europe, irrespective of background, creed, nationality and current place of residence;
- the encouragement and strengthening of evangelical churches throughout Europe;
- the establishment of evangelical churches; and
- demonstrating the Gospel of Jesus Christ through the relief of poverty and sickness.

Our Primary Mission

The mission of ECM (Britain) is to equip, connect and multiply followers of Jesus through discipleship and church planting so we see a Europe that is full of churches, that are full of people, that are full of Jesus!

Our unique contribution to this movement of God's Spirit is to:

- remind the UK church that Europe is indeed a mission field in need of evangelism, church-planting, discipleship and church development;
- support the people who God has called into these vital ministries so that they are equipped through recruitment, training, sending, member care and mentoring.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities with these objects. As explained below, the charity has addressed a range of such public benefit and the Trustees confirm that the charity's activities fall within these objects.

Under the Public Benefit guidelines, for religion to be charitable, it must be 'advanced', i.e. promoted or extended. As our charitable objects include the evangelisation of the peoples of Europe, and the establishing and strengthening of evangelical churches across Europe, we thereby meet this requirement.

The identifiable benefits include the transformation of lives through the gospel of Jesus Christ, and the fellowship, friendships and relationships created or restored through participation in the life of a local church. These benefits are available to members of the public from all levels of social life across Europe, as we work in communities ranging from the affluent, such as in Austria, through to the most economically and socially marginalised, such as immigrants and refugees in camps.

Other benefits to wider society include the drug education, prevention and rehabilitation work undertaken by the Good Samaritan Association in Spain; education provided to children and training to adults in Lushnje, Albania; alcohol abuse reduction through the work of the Teabus in Carinthia, Austria; and friendship and support offered to refugees and asylum seekers in Gloucester, England, although all of these initiatives have been affected during 2020 by the pandemic. These are just a few examples of the wider social services and community benefits provided by the outreach activities of churches planted and supported by ECM (Britain) missionaries and national partners.

Fundraising policy

ECM (Britain) manages most of the communications and fundraising information internally and only uses a commercial participator to fill skills gaps or capacity shortfalls, such as an agency to print the magazine or send a mailing. ECM (Britain) raises the majority of its funds from supporters with a long term association with the charity. No complaints about fundraising strategy were received during the period.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Grant-making policy

Grants are made within the ECM network, primarily for approved field projects or similar (e.g. the Good Samaritan Association in Spain) and occasionally to other ECM sending sections to assist their development. Grants are also occasionally given to external partners. Grants may be one-off, multiyear (often on a reducing basis), or open-ended. In most cases, such grants are funded from legacy income or from funds raised specifically for that purpose from donors.

Investment policy

ECM (Britain) will maintain its legal responsibility to optimise the return on investments. A balance between risk and return will be sought appropriate to the amount of funds available. High risk will not be acceptable but some degree of risk must be accepted to gain a good return. Agreement regarding the type of investment vehicle used will be made by the Trustees at the appropriate juncture.

Achievements and performance

ECM (Britain) exists to see the peoples of Europe transformed in the name of Jesus Christ. That is carried out through Christian missionary work in Europe, primarily in support of church-planting and discipleship. During 2020 our central areas of emphasis were in the areas of recruitment and training of new missionaries, care for existing workers, engaging collaboratively with like-minded organisations, support for other parts of ECM, and ongoing promotional and fundraising work.

Mission Strategy

Our mission strategy continued to be achieved through the areas of church-planting, discipleship, leadership development and social care. Efforts to support these ministries in Europe, both through ECM workers and through national church partners, were carried forward through fundraising, recruitment, training and in other practical ways.

Sending Missionaries and Supporting National Workers

Equipping, enabling and supporting dedicated individuals and couples so that they can use their God-given gifts and skills in effective ministry across Europe remains our primary function. As these people may be working in their own nation or be serving cross-culturally, the services we provide are uniquely tailored to their specific location and needs, but can include mentoring, calling discernment, bespoke training support, member care, financial services and more. During 2020 ECM (Britain) had over 40 missionaries or partners serving in Portugal, Spain, France, England, Austria, Germany, Belgium, Netherlands, Croatia, Bosnia, Serbia, Kosovo, Romania, Slovenia and Albania.

Our Investment in the ECM Network

During 2020, ECM (Britain) provided financial and/or consultancy support to ECM sections or related work and individuals in nations including Croatia, Belgium, Ireland, Spain, Albania, Kosovo, Romania, France, Serbia as well as ECM International, in accordance with our grant-making policy to build the capacity of the whole network.

Our Passion for Partnership

Partnership is both an important value and an important strategy for ECM (Britain) and we want to thank all who have partnered with us in 2020.

We value the importance of working with others because the Bible emphasises the importance of unity within Christ's body, the Church. Healthy partnerships are an expression of that unity.

We value the strategic importance of collaborative relationships that help grow the kingdom of God because the needs and opportunities in Europe are simply too large for us to respond to alone.

Some of our ongoing partnerships included:

1. Many churches within the UK, for whom we act as their sending and supporting partner so that their members can serve in Europe;
2. Charitable Trusts and individual donors who want to partner with us in funding missionaries or specific projects which align with their objectives;

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3. ECM (International) — the umbrella organisation coordinating the collaborative efforts of individual independent ECM organisations around the world — for whom we have provided leadership of strategic groups, support of key functions, input into policy decisions and income;

4. How Will They Hear, a collaboration of Christian organisations seeking to highlight the needs and opportunities amongst migrants and refugees in Europe;

5. Redcliffe College, which has a specialisation in European ministry for which we provided a Masters programme lecturer;

6. Trans World Radio Europe, a mission organisation with offices on the continent for whom we have agreed to handle applicants from within the UK.

Financial review

The trustees are mindful that the income for the charity continues to rely on generous legacy donations to achieve stability, with the income from regular donations falling in 2020. Detailed accounts are to be found in the Statement of Financial Activities and Balance Sheet. There was an overall surplus of £11,093 for the year (2019: £93,646). After transfers, there was a surplus in unrestricted funds of £27,296 (2019: £43,517), a surplus in designated funds of £0 (2019: surplus £806) and a deficit in restricted funds of £16,203 (2019: surplus of £49,323). The deficit before transfers in unrestricted funds was £52,590 (2019: deficit £37,900). Legacy income was in line with forecast at £65,390 (2019: £136,339). The transfer of £79,886 (2019: £81,417) from restricted to unrestricted funds reflects an allocation of our costs, in line with our accounting policies.

The designated fund balance of £317,023 (2019: £317,023) reflects the building designated fund and other unallocated funds. The unstable Euro/Sterling exchange rate has created issues during 2020. Restricted income £824,251 (2019: £858,340) has decreased and expenditure for the support of missionaries has increased to £740,996 (2019: £696,799).

Reserves policy

The Trustees aim to hold unrestricted reserves (that is, those funds not tied up in fixed assets, designated or restricted funds, less pension liability) equal to approximately three month's normal expenditure (£70,000), to cover fluctuations in donation income.

The Trustees also aim to hold 3 months balances in certain restricted funds, i.e. those for our overseas staff, to cover fluctuations in donation income to these funds. The trustees have also determined that the proceeds from the sale of the owned property asset would continue to be retained as designated funds for re-investment in alternative premises.

At the year end, the charity had total funds of £1,020,122 of which £489,763 were restricted, £317,023 were designated and £213,336 were unrestricted.

Our Primary Risks

The Trustees regularly identify and review major risks to which the charity might be exposed and have established systems to mitigate the risks. Financial sustainability is the major financial risk facing the charity and this is being managed by the UK Director through continued promotion, fundraising and increasing the charity's presence on social media. We praise God that ECM (Britain)'s financial situation remains strong despite the many challenges thrown up by the COVID-19 pandemic.

Our Future Plans

The COVID-19 pandemic has underlined the need for charities to be flexible and resilient in today's ever-changing world. ECM (Britain) is now engaged in a long-term strategic planning process which is reviewing our best unique contribution to ministry in Europe at this moment in history.

While it is too early to predict the outcomes of this process, we will continue to focus on equipping, connecting and mobilising in ways such as those shown below:

EUROPEAN CHRISTIAN MISSION (BRITAIN)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

EQUIP

- We identify people's God-given gifts and abilities and develop them into ministry and leadership.
- We train people to live out and speak out the good news where they are.
- We lovingly care for people so they thrive in both life and ministry.

CONNECT

- We build networks so that God's resources in one place can extend his kingdom in another.
- We encourage people to work in teams so their ministries have greater impact.
- We actively work together and form partnerships as a way of showing the unity of Christ's church.

MULTIPLY

- We mobilise and inspire people for God's mission in Europe.
- We challenge people to become disciples of Jesus who themselves make more disciples.
- We make possible the planting of healthy churches that reproduce naturally.

As an organisation we will continue to achieve this by staying:

- **SUSTAINABLE:** ECM (Britain) can only help change Europe long-term if we are still here. Therefore any new strategy will take into account our assets and our limits at the same time as seeking to apply courageous faith in face of the spiritual needs of Europe.
- **FLEXIBLE:** There is no way of knowing what tomorrow may bring. Therefore we must always seek strategies that allow for timely change based on the new challenges and opportunities before us.
- **VISIBLE:** Unless people and churches are kept aware of ECM (Britain) and our unique contribution to European ministry then we are bound to lose supporters. Appropriate new and ongoing media and means will need to be used to keep ourselves appropriately known to the correct constituencies.
- **RELATIONAL:** ECM (Britain) has always focused on relationships. We want people to have a relationship with Jesus. We support workers in Europe through relational means. We encourage a relational network of churches and individuals to provide the prayer and financial support required to do European ministry.

Examples of this in ministry include:

- encouraging relationships built on Christ-like love and respect (even when they have to be delivered virtually due to COVID-19)
- promoting fair treatment of migrants, asylum seekers and refugees
- educating and rehabilitating those affected by substance abuse
- creating spaces for people from different backgrounds to come together
- offering prayer guidance and information about difficult situations across Europe

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

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Richard Lindley

Company Secretary

Dated: 23rd June 2021



EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of European Christian Mission (Britain) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Opinion

We have audited the financial statements of European Christian Mission (Britain) (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

Matters on which we are required to report by exception

In the 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 directors' 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation 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 Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to payments to third parties, management bias in accounting estimates, furlough income and management override of controls.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUROPEAN CHRISTIAN MISSION (BRITAIN)

In response to the risks identified we designed procedures which included, but were not limited to:

- verifying payments to third parties on a sample basis
- challenging significant accounting estimates such as pension provision
- testing the calculation of claims made under the Coronavirus Job Retention Scheme
- identifying and testing journal entries
- reviewing Trustees and Finance meeting minutes
- evaluating the charity's internal controls

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Richard Haffenden MA (Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet

15 July 2021

Chartered Accountants
Statutory Auditor

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>									
Donations and gifts		101,631	-	824,251	925,882	82,552	806	858,340	941,698
Legacies receivable		65,390	-	-	65,390	136,339	-	-	136,339
Investments	3	7,504	-	-	7,504	2,740	-	-	2,740
Other income	4	2,703	-	-	2,703	5,000	-	-	5,000
Total income		177,228	-	824,251	1,001,479	226,631	806	858,340	1,085,777
<u>Expenditure on:</u>									
Raising funds	5	11,670	-	-	11,670	19,569	-	-	19,569
Charitable activities	6	218,148	-	760,568	978,716	244,962	-	727,600	972,562
Total resources expended		229,818	-	760,568	990,386	264,531	-	727,600	992,131
Net (outgoing)/incoming resources before transfers		(52,590)	-	63,683	11,093	(37,900)	806	130,740	93,646
Gross transfers between funds		79,886	-	(79,886)	-	81,417	-	(81,417)	-
Net income/(expenditure) for the year/ Net movement in funds		27,296	-	(16,203)	11,093	43,517	806	49,323	93,646
Fund balances at 1 January 2020		186,040	317,023	505,966	1,009,029	142,523	316,217	456,643	915,383
Fund balances at 31 December 2020		213,336	317,023	489,763	1,020,122	186,040	317,023	505,966	1,009,029

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

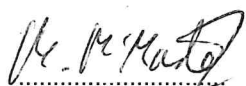
BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		13,045		16,480
Current assets					
Debtors	11	16,949		93,137	
Cash at bank and in hand		1,029,240		963,132	
		<u>1,046,189</u>		<u>1,056,269</u>	
Creditors: amounts falling due within one year	12	(9,112)		(13,720)	
Net current assets			<u>1,037,077</u>		<u>1,042,549</u>
Total assets less current liabilities			<u>1,050,122</u>		<u>1,059,029</u>
Provisions for liabilities	13		(30,000)		(50,000)
Net assets			<u><u>1,020,122</u></u>		<u><u>1,009,029</u></u>
Funds					
Restricted funds	20	489,763		505,966	
Designated funds	19	317,023		317,023	
Unrestricted funds		213,336		186,040	
		<u>1,020,122</u>		<u>1,009,029</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23rd June 2021



Mike McMaster (Chair)
Trustee

Company Registration No. 3277668

EUROPEAN CHRISTIAN MISSION (BRITAIN)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	17		62,375		61,527
Investing activities					
Purchase of tangible fixed assets		(3,771)		(14,253)	
Investment income received		7,504		2,740	
Net cash generated from/(used in) investing activities			3,733		(11,513)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			66,108		50,014
Cash and cash equivalents at beginning of year			963,132		913,118
Cash and cash equivalents at end of year			1,029,240		963,132

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

European Christian Mission (Britain) is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit F34/35, Moulton Park Business Centre, Redhouse Road, Northampton, NN3 6AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

The charitable company has designated certain funds for specific purposes even though there is no legal force to the designations.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Costs of generating funds

This expenditure comprises costs incurred in encouraging people and organisations to contribute financially to the charitable company's work. It includes the costs of advertising for funds and the costs of mounting appeals.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Charitable expenditure

This includes all expenditure directly related to the objects of the charitable company that of the advancement of Christian faith in Europe and elsewhere, and comprises the following:

Missionary support costs: Allowances paid to missionaries in accordance with the charitable company's policies.

Development costs: Costs of staffing ECM (Britain) and associated costs of finance, personnel and general administration in supporting the operations for which the charitable company is responsible. These have been allocated in full to development costs and are explained in more detail in the financial statements.

Project costs: Funds paid in support of approved projects, either from incoming donations and gifts received for that purpose, or from unrestricted funds in accordance with the charitable company's policies.

Support costs

These costs include the costs of governance arrangements which relate to the general running of the charitable company as opposed to the direct management functions inherent in general funds. This includes such terms as external audit, legal advice for the trustees and costs associated with constitutional and statutory matters. These are allocated to development costs.

There was a transfer made between restricted and unrestricted funds which is comprised of charges of up to 15% of the unrestricted overheads to cover attributable development and support overheads.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.3% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All assets costing more than £1,000 are capitalised at cost and depreciated.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Income received from overseas is translated into sterling at the relevant exchange rate.

Costs incurred overseas are translated at the rate in operation on the date the funds were disbursed.

Assets and liabilities denominated in foreign currencies are translated at the rate in operation at the end of the charitable company's financial period.

1.14 Job Retention Scheme government grant income

For JRS grant income, the income is recognised in the period to which the underlying furloughed staff costs relate to.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key estimates and assumptions made in these accounts are:

Tangible fixed assets

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Pension liability

The liability of £30,000 (2019: £50,000) recognised in the financial statements is an estimate based on the annual cost and the ages of the former missionaries. This represents the amount provided for the future payments to former missionaries for a period of approximately 3.5 years. It was reduced during the year as one of the pensioners died in May 2021.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	<u>7,504</u>	<u>2,740</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
CJRS grant income	2,703	-
Additional Trust income	-	5,000
	<u>2,703</u>	<u>5,000</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Magazines/Publicity	<u>11,670</u>	<u>19,569</u>
	<u>11,670</u>	<u>19,569</u>

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	Develop- ment 2020 £	Missionary support 2020 £	Projects 2020 £	Total 2020 £	Total 2019 £
Staff costs	153,536	-	-	153,536	151,902
Depreciation	7,206	-	-	7,206	3,070
Development expenses	3,034	-	-	3,034	8,496
Conferences	5,000	-	-	5,000	6,328
Pensions to retired missionaries	(9,062)	-	-	(9,062)	11,188
Office costs	45,261	-	-	45,261	49,595
Bank charges	455	-	-	455	1,241
Other costs	6,686	-	-	6,686	6,708
Governance costs	6,032	-	-	6,032	6,434
Missionary allowances and expenses	-	740,996	-	740,996	696,799
Projects	-	-	19,572	19,572	30,801
	<u>218,148</u>	<u>740,996</u>	<u>19,572</u>	<u>978,716</u>	<u>972,562</u>
Analysis by fund					
Unrestricted funds	218,148	-	-	218,148	244,962
Restricted funds	-	740,996	19,572	760,568	727,600
	<u>218,148</u>	<u>740,996</u>	<u>19,572</u>	<u>978,716</u>	<u>972,562</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020 £	2019 £
Fees payable to the charity's auditor:		
Audit of the charity's annual accounts	<u>4,680</u>	<u>5,000</u>

8 Trustees

No remuneration directly or indirectly out of the funds of the charitable company was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

Trustees attending meetings for the charitable company are entitled to reimbursement of their travelling expenses as appropriate. £0 was claimed in 2020 (2019: £25).

During the year two Trustees of European Christian Mission (Britain) donated £628 (2019: £2,936) in support of the missionaries.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	9	9
Employment costs	2020	2019
	£	£
Wages and salaries	137,522	135,435
Social security costs	5,035	5,764
Other pension costs	10,979	10,703
	153,536	151,902

There were no employees whose annual remuneration was £60,000 or more. The staff costs and numbers do not include the missionaries working abroad.

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2020	76,067
Additions	3,771
At 31 December 2020	79,838
Depreciation and impairment	
At 1 January 2020	59,587
Depreciation charged in the year	7,206
At 31 December 2020	66,793
Carrying amount	
At 31 December 2020	13,045
At 31 December 2019	16,480

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	9,304	89,212
Prepayments and accrued income	7,645	3,925
	<u>16,949</u>	<u>93,137</u>

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	2,321	2,556
Trade creditors	-	851
Other creditors	2,111	5,093
Accruals and deferred income	4,680	5,220
	<u>9,112</u>	<u>13,720</u>

13 Provisions for liabilities

	2020 £	2019 £
	<u>30,000</u>	<u>50,000</u>

Movements on provisions:

	£
At 1 January 2020	50,000
Reversal of provision	(9,062)
Utilisation of provision	(10,938)
At 31 December 2020	<u>30,000</u>

The charity makes pension payments to 4 former missionaries (2019: 4) at a cost of £10,938 for the year (2019: £10,099). the payments are mainly made from the charity's unrestricted fund and are charged to the statement of financial activities in the year in which they are paid. The provision was reduced during the year as one of the pensioners died in May 2021.

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £10,979 (2019 - £10,703).

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	8,093	13,787
Between two and five years	-	313
	<u>8,093</u>	<u>14,100</u>
Lease expense for the year	<u>6,567</u>	<u>6,040</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>112,941</u>	<u>107,209</u>

17 Cash generated from operations

	2020 £	2019 £
Surplus for the year	11,093	93,646
Adjustments for:		
Investment income recognised in statement of financial activities	(7,504)	(2,740)
Depreciation and impairment of tangible fixed assets	7,206	3,070
Movements in working capital:		
Decrease/(increase) in debtors	76,188	(34,687)
(Decrease)/increase in creditors	(4,608)	2,238
(Decrease) in provisions	(20,000)	-
Cash generated from operations	<u>62,375</u>	<u>61,527</u>

18 Analysis of changes in net funds

The charity had no debt during the year.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds		Movement in funds	
	Balance at 1 January 2019	Income	Balance at 1 January 2020	Income	Balance at 31 December 2020
	£	£	£	£	£
Projects	316,217	806	317,023	-	317,023
	<u>316,217</u>	<u>806</u>	<u>317,023</u>	<u>-</u>	<u>317,023</u>
	<u><u>316,217</u></u>	<u><u>806</u></u>	<u><u>317,023</u></u>	<u><u>-</u></u>	<u><u>317,023</u></u>

The designated fund represents amounts set aside for otherwise unfunded projects, plus the proceeds from the sale of the building in 2017.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Balance at 1 January 2020	Movement in funds			Balance at 31 December 2020
		Income	Expenditure	Transfers		Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
ECMB Missionaries	377,406	775,946	(662,285)	(72,681)	418,386	769,500	(699,402)	(76,051)	412,433
Other Missionaries	17,540	32,278	(34,515)	(1,812)	13,491	38,809	(41,592)	(1,703)	9,005
Projects	61,697	50,116	(30,800)	(6,924)	74,089	15,942	(19,574)	(2,132)	68,325
	<u>456,643</u>	<u>858,340</u>	<u>(727,600)</u>	<u>(81,417)</u>	<u>505,966</u>	<u>824,251</u>	<u>(760,568)</u>	<u>(79,886)</u>	<u>489,763</u>

The ECMB Missionaries fund is to support people working in a variety of church, mission and social action roles who are primarily linked to ECMB and supported by ECMB donors.

Other Missionaries are as above, but primarily linked to other ECM offices (e.g. ECMAusNZ), but where some donations are made via ECMB donors.

Projects are for ECMI or other projects supported by donors who wish to support work on a specific project.

There was a transfer of £79,886 (2019: £81,417) made between restricted and unrestricted funds is comprised of the charges up to 15% of the unrestricted overheads to cover attributable development and support overheads.

EUROPEAN CHRISTIAN MISSION (BRITAIN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:								
Tangible assets	13,045	-	-	13,045	16,480	-	-	16,480
Current assets/(liabilities)	230,291	317,023	489,763	1,037,077	219,560	317,023	505,966	1,042,549
Provisions	(30,000)	-	-	(30,000)	(50,000)	-	-	(50,000)
	<u>213,336</u>	<u>317,023</u>	<u>489,763</u>	<u>1,020,122</u>	<u>186,040</u>	<u>317,023</u>	<u>505,966</u>	<u>1,009,029</u>