

Charity registration number 1071823

Company registration number 03631207 (England and Wales)

**EUROPEAN MISSIONARY FELLOWSHIP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

EUROPEAN MISSIONARY FELLOWSHIP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev G.N. Burke Mr S.M. Gay Rev D.M. Grimwade Mr G Hilton Rev P.B. Jones Rev D.L. Moore Mr N D Pountney Rev S. Quinton Rev A W J Stevens Rev M R Thomas Rev S. Bowers Mr L Coates
Mission director	Mr A. Birch
Secretary	Mr G Brienza
Charity number	1071823
Company number	03631207
Registered office and principal address	The Old Rectory Main Street Glenfield Leicester LE3 8DG
Auditor	Philip John Dymond FCCA Cheyettes Ltd 167 London Road Leicester LE2 1EG

EUROPEAN MISSIONARY FELLOWSHIP

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EUROPEAN MISSIONARY FELLOWSHIP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and financial statements of the European Missionary Fellowship (EMF) 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 charitable company's 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)" (published in October 2019).

Objectives and activities

The primary objective of EMF is to promote the Gospel of the Lord Jesus Christ to the people of Europe and to do so in co-operation with all other evangelical Christians and the Evangelical Christian churches who agree with the doctrinal statement of EMF. This is accomplished by providing financial resources, together with spiritual counsel and support to men and women who know themselves to have been called by God for the proclamation of the Gospel of Jesus Christ. In so doing, the second objective of EMF is accomplished which is to advance the Christian religion for the benefit of the public and in accordance with the doctrinal statement of EMF through the holding of prayer meetings, training, lectures, producing and/or distributing literature on the Christian faith to enlighten others about the Christian religion.

It is envisaged that financial support will ideally be temporary in nature and that churches established through the preaching of the gospel will in due time adopt the financial needs of men and women previously supported through EMF. This charity is therefore an agency sourcing funds largely from churches and individuals within the United Kingdom, providing support to missionary members of EMF preaching on the continent of Europe. Being self-employed or employed by churches, these people initially receive financial donations and spiritual support from EMF, but in time it is expected that this will be replaced by support from local churches established through the preaching of the gospel.

EMF is also involved in three additional, though related, areas of activity:

1. Financial support is occasionally provided on an individual project basis to assist, for example, in the construction of buildings to house indigenous national evangelical churches, or to assist in the rent or purchase of accommodation for missionaries.
2. Funds are provided for the translation, publication and distribution of Christian literature in Europe. In November 2021 a Literature Fund was established expressly for this purpose.
3. EMF is committed to supporting training and has established a Training Fund to support potential students in ministry training – particularly, though not exclusively, for a two-year course through London Seminary. The policies and administration of this Fund have been further defined in 2022. Through the year, 7 students were supported in their training.

In addition to the areas of activity mentioned above, as a result of the outbreak of war in Ukraine in February 2022, an EMF Ukraine Emergency Appeal has been established to assist evangelical churches in Ukraine to administer aid to refugees and for the distribution of Christian literature. At 31 December 2022 EMF had received £1,755,204 in donations and had made £1,229,124 in Grants to the Ukraine and neighbouring countries. Further, in partnership with the Slavic Gospel Association, the Cross Connect Ukraine linking scheme has been set up linking Ukrainian refugees to Christian hosts.

In accordance with EMF's objectives, a significant proportion of resources is expended by way of grants and is subsequently divided into missionary support, the cost of church building work, the cost of publishing Christian literature overseas, and the cost of training. The grant-making policy of EMF is to continue to support the work of promoting the Christian religion in accordance with the charity's objectives subject to any restrictions imposed by the original donor of the funds.

EUROPEAN MISSIONARY FELLOWSHIP

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Excluding the Ukraine Emergency Appeal noted above, this year, EMF paid grants in furtherance of the charity's objectives amounting to £522,495 (compared to £443,987 in the previous year). The charity benefits from the voluntary services of a number of helpers and in many ways. For example, during 2022 voluntary services were received particularly in relation to the preparation of the Vision for Europe magazine, in assisting with administrative duties, and with regards to the Cross Connect Ukraine linking scheme. Many individuals and churches throughout the UK voluntarily assist the missionary deputation programme by organising meetings and conferences and providing hospitality and transport. Voluntary help is also provided to publicise the work of EMF in Australia.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Achievements and performance

The Executive Committee plays a crucial role in overseeing the work and met for its regular quarterly meetings. It was supported and informed by the working Business Sub Committee, the Training Fund Sub Committee and the Literature Sub Committee.

No new Trustees were introduced to the Executive during 2022.

Missionary support

At the end of 2022 a total of 91 missionaries in 17 countries were in fellowship with EMF. Six new missionaries were introduced into EMF in 2022, six missionaries resigned and one passed away.

Details of those bodies and individuals who received financial support are available on request from the mission office. Throughout 2022 support for these missionaries has been maintained. We continue to work towards churches taking more responsibility for the support of missionaries. The continuing economic pressures in many of the countries we work with have meant that progress in this is slow.

With the easing of COVID-19 restrictions, missionaries and their churches are operating normally again. EMF has provided pastoral support for its missionary family in various ways, both individually and collectively.

Church and Supporter Engagement

The easing of COVID-19 restrictions has allowed for the recommencement of in-person deputation work and conferences in both the spring and autumn of 2022. Regular online webinars with strong content and good attendance continued throughout 2022 and are becoming a regular feature of engagement with the EMF support base.

Support for the work of the mission, whether in financial terms, or in prayerful interest, increased during 2022, which can be attributed at least in part to these efforts to engage in new ways with the support base.

The EMF Ukraine Emergency Appeal and the Christmas 2022 Bibles and Blankets for Ukraine Appeal have been extraordinarily well supported by churches and individual supporters.

Literature work

We continue to contribute to this work in Spain with Editorial Peregrino, and in Poland with Legatio. We support the missionaries who manage the work, subject to the continuing activities of the publishing houses being acceptable to EMF. The establishment of the Literature Fund in November 2021 has allowed for direct support towards covering the costs of publishing new titles. Contact had been made with a Christian publishing house in Hungary and we hope to grow this relationship in the future.

Training for Mission Work

In 2022, the Training Fund Sub Committee continued to make significant improvements to the policies and processes of the mission with respect to the use of the fund, to the selection of appropriate training institutions to be used, and to the selection of candidates for training. Seven students were supported, fully or partially, for training, four of whom were attending London Seminary, one attending the Portuguese Bible Institute, one attending the Martin Bucer Seminary, and one attending Edinburgh Theological Seminary.

EUROPEAN MISSIONARY FELLOWSHIP

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Outreach projects

Donations amounting to £120,691 were made to humanitarian aid and evangelistic outreach work in Ukraine, called 'Bibles and Blankets for Ukraine'. This was as a result of a Christmas Project appeal.

Church building projects

Donations amounting to £3,125 were made to building projects in Poland, Portugal and Spain. We continue to aid some churches with rental payments for their buildings.

Financial review

Total incoming resources received during 2022 were £2,595,621, this was 175.51% higher than the previous year's income (£942,117). Included within these incoming resources were restricted funds amounting to £2,107,534. Incoming general and designated funds fell by 27.16% to £488,087. Legacies received amounted to £63,685. During the reporting period, total expenditure amounted to £2,085,111 (compared with the previous year of £711,303). This level of expenditure included use of restricted funds amounting to £1,721,315. Expenditure from general and designated funds was therefore £363,796.

The trustees consider that EMF has adequate resources to fulfil its immediate future obligations. We continue to seek to control expenditure where possible without jeopardising EMF's ability to fulfil its aims and objectives. The work of supporting missionaries is regarded as a long-term commitment and further fundraising will be needed to finance activities for the longer term. This is being addressed primarily through the deputation programme, attendance at in-person conferences and online webinars, the distribution of news updates and publicity, and the preparation of new publicity material.

The trustees have established a general reserves policy to ensure that EMF can maximise the programme impact for beneficiaries and maximise the value of net income. General reserves provide some protection to the organisation and charitable programme and provide time to adjust to changing financial circumstances. This limits the risk to the programme in the event of a downturn in some of EMF's various sources of income or an unexpected need for additional expenditure. This policy also provides parameters for future strategic plans, contributes towards decision making, and influences EMF's ways of working. EMF aims to keep in reserve funds representing approximately six months of total expenditure.

As shown in the notes to the financial statements, after excluding amounts retained in fixed assets, EMF had free unrestricted reserves of £2,817,241 at 31st December 2022, of which £21,374 has been designated by the trustees for particular projects. The balance of free reserves represents approximately 134.05% of the level of total resources expended in 2022 and provides EMF with sufficient comfort to enable the continuance of its activities. EMF's investment objective is to maximise the return on its investment funds while maintaining maximum security and a high degree of liquidity to allow a rapid response to urgent needs as they occur. To meet this objective, the EMF continues to hold its deposits in current and savings accounts. The Training Fund investment established in 2019 has not performed as well in 2022 due to the significant downturn in the financial markets.

The principal sources of funds for the work of EMF are the gifts of supporting churches and individuals. Legacies form an important but unpredictable additional source of income. It remains an objective of the Trustees to close the gap between income from donations and expenditure. The global economic situation continues to affect EMF's financial position, particularly through rising costs but also the reduced value of the pound against other European currencies adding to the costs of overseas donations. The decision to leave the European Union made in June 2016 has had considerable effect due to the impact on Pound to Euro exchange rates, although these rates can fluctuate.

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

With respect to the oversight of EMF, there are plans to increase the number of Trustees by one or two. With regards to staff, a major review of the EMF organisational structure is underway.

EUROPEAN MISSIONARY FELLOWSHIP

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Operations continue to be run from managed office accommodation in Leicester. Office staff work two to three days in the office and the remainder from home.

An expanded vision for gospel work in Europe was put forward at the executive meeting in July 2021. To assist in this new initiative to grow new gospel work in Europe a new Gospel Growth Fund was established. This new initiative continues to be shared and promoted within the EMF support base.

The principal aim remains the support of the missionaries and their work. A conference for the entire missionary body took place in Ciudad Real, Spain, at the end of September and beginning of October 2022. This was the first such conference for thirty years. This can be seen as part of an aim to increase the level of support and networking across the EMF family of missionaries, staff, trustees and others, for the furtherance of the gospel.

There is an aim to explore more collaboration with like-minded gospel organisations working in Europe, especially with regard to church planting, publication of Christian Literature, and the spread of reformed teaching within Europe.

With regard to engagement with its supporters in the UK, and engaging the next generation of supporters, EMF aims to build on the developments adopted within 2020 and 2021, moving to increased online content and engagement, whilst maintaining links through more traditional channels.

Structure, governance and management

The charitable company is a company limited by guarantee with no share capital, incorporated on 14 September 1998. EMF is governed by its Articles of Association, adopted on 21 July 2014 in substitution for, and to the exclusion of, its previous Articles of Association. These were slightly updated in 2019 as we no longer own a property. A copy can be obtained from the company's Mission office.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Rev G.N. Burke
Mr S.M. Gay
Rev D.M. Grimwade
Mr G Hilton
Rev P.B. Jones
Rev D.L. Moore
Mr N D Pountney
Rev S. Quinton
Rev A W J Stevens
Rev M R Thomas
Rev S. Bowers
Mr L Coates

EMF is administered and managed by the trustees, who are members of the charity for the purposes of the Companies Act, in accordance with its Articles of Association. The following organisational structure is in place:

1. Directors/Trustees

The directors of the company are the charity's trustees, and they are the body by which EMF is governed. Throughout this report they are referred to collectively as the trustees. The number of trustees must not be less than three but is not subject to any maximum. Appointment as a trustee is made on the recommendation of the existing trustees to a general meeting. Potential new trustees usually attend at least two general meetings on a trial basis before an appointment is made. Such appointments are based on the need for the charity as a whole to have the skills and experience to determine the policies of EMF and to monitor the implementation of those policies. Trustees are supplied with appropriate information to enable them to fulfil their duties and occasionally attend independently-organised training courses.

EUROPEAN MISSIONARY FELLOWSHIP

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

2. Members

The Members of the company are also known as the Executive Members. This body is comprised of all trustees. Members are appointed by a general meeting of the members. Members normally meet on a quarterly basis and require a quorum of one half of the members or three members (whichever is the greater) present in person or by proxy and entitled to vote on the business to be transacted. Members have guaranteed the liabilities of the company up to £1.00 (one pound) each.

3. Business Sub-committee

The Business Sub-Committee is made up of a group from among the trustees who are deemed suitable to advise the full Board of Trustees on financial, management and administrative policy. Their responsibilities include ensuring that the risk management and control processes within EMF are effective. They too meet on a quarterly basis with ad hoc meetings as deemed necessary. Minutes of these meetings are submitted to and approved by the Trustees at their executive meetings usually two weeks following a Business Sub Committee meeting.

4. Training Fund Sub-committee

The Training Fund Sub-Committee is made up of a group from among the trustees who are deemed suitable to advise the full Board of Trustees on the training of future mission workers and on the financial, management and administrative policies associated with the Training Fund. They too meet on a quarterly basis with ad hoc meetings as deemed necessary. Minutes of these meetings are submitted to and approved by the Trustees at their executive meetings.

5. Literature Fund Sub Committee

The Literature Fund Sub-Committee is made up of a group from among the trustees who are deemed suitable to advise the full Board of Trustees on the translation, publication, and distribution of Christian literature in Europe and on the financial, management and administrative policies associated with the Literature Fund. The Literature Fund Sub-committee meets on an ad hoc basis as deemed necessary.

6. Company Secretary

The company secretary is appointed by the trustees.

The pay and remuneration of key management personnel are set by the trustees.

EUROPEAN MISSIONARY FELLOWSHIP

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of European Missionary Fellowship 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 charitable company 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 charitable company 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

This Report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

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

Rev D.M. Grimwade
Trustee and director
Dated: 3 July 2023


03/07/23

EUROPEAN MISSIONARY FELLOWSHIP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EUROPEAN MISSIONARY FELLOWSHIP

Opinion

We have audited the financial statements of European Missionary Fellowship (the 'charitable company') 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 charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

The comparative financial statements were not subject to an audit and our work has not led us to believe that any adjustment to those financial statements is required.

EUROPEAN MISSIONARY FELLOWSHIP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN MISSIONARY FELLOWSHIP

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Based on our understanding of the charitable company and sector in which it operates, audit procedures performed by the engagement team include:

- Identified the legal and regulatory framework within which the charitable company operates;
- Assessed the level of risk, including fraud risk, on the basis of internal controls and risk of override of those controls;
- Tested sample items to supporting documentation, including third party confirmations;
- Performed walkthrough tests to determine the implementation of systems and controls;
- Tested journal entries for material or unusual items;
- Assessed the accuracy and completeness of disclosures in the financial statements.

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

EUROPEAN MISSIONARY FELLOWSHIP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EUROPEAN MISSIONARY FELLOWSHIP

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities 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.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Philip John Dymond

(Senior Statutory Auditor)
for and on behalf of Cheyettes Ltd
Chartered Certified Accountants
Statutory Auditor
167 London Road
Leicester
LE2 1EG

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EUROPEAN MISSIONARY FELLOWSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:							
Donations and legacies	3	415,115	2,107,534	2,522,649	606,251	272,041	878,292
Investments	4	72,426	-	72,426	63,417	-	63,417
Other	5	546	-	546	408	-	408
Total income		488,087	2,107,534	2,595,621	670,076	272,041	942,117
Expenditure on:							
Raising funds	6	107,478	-	107,478	127,186	-	127,186
Charitable activities	7	256,318	1,721,315	1,977,633	171,780	411,967	583,747
Other	12	-	-	-	370	-	370
Total expenditure		363,796	1,721,315	2,085,111	299,336	411,967	711,303
Net gains/(losses) on investments	13	(304,996)	-	(304,996)	273,378	-	273,378
Net (outgoing)/incoming resources before transfers		(180,705)	386,219	205,514	644,118	(139,926)	504,192
Gross transfers between funds		(137,772)	137,772	-	(120,598)	120,598	-
Net movement in funds		(318,477)	523,991	205,514	523,520	(19,328)	504,192
Fund balances at 1 January 2022							
As originally reported		3,137,708	28,094	3,165,802	2,463,058	47,422	2,586,045
Prior year adjustment		-	-	-	75,565	-	75,565
As restated		3,137,708	28,094	3,165,802	2,538,623	47,422	2,661,610
Fund balances at 31 December 2022		2,819,231	552,085	3,371,316	3,137,708	28,094	3,165,802

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 MISSIONARY FELLOWSHIP

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	15		1,990		1,646
Current assets					
Debtors	16	314,839		16,693	
Investments	17	2,298,625		2,303,621	
Cash at bank and in hand		764,492		856,879	
		<u>3,377,956</u>		<u>3,177,193</u>	
Creditors: amounts falling due within one year	18	<u>(8,630)</u>		<u>(13,037)</u>	
Net current assets			3,369,326		3,164,156
Total assets less current liabilities			<u>3,371,316</u>		<u>3,165,802</u>
Income funds					
Restricted funds	20		552,085		28,094
<u>Unrestricted funds</u>					
Designated funds	21	21,374		39,186	
General unrestricted funds		<u>2,797,857</u>		<u>3,098,522</u>	
			2,819,231		3,137,708
			<u>3,371,316</u>		<u>3,165,802</u>

The financial statements were approved by the Trustees on 3 July 2023

Rev D.M. Grimwade
Trustee



Company Registration No. 03631207

03/07/21

EUROPEAN MISSIONARY FELLOWSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	25		136,475		250,994
Investing activities					
Purchase of tangible fixed assets		(1,288)		(1,170)	
Purchase of investments		(300,000)		-	
Interest received		72,426		63,417	
Net cash (used in)/generated from investing activities			(228,862)		62,247
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(92,387)		313,241
Cash and cash equivalents at beginning of year			856,879		543,638
Cash and cash equivalents at end of year			764,492		856,879

EUROPEAN MISSIONARY FELLOWSHIP

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

1 Accounting policies

Charity information

European Missionary Fellowship is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Rectory, Main Street, Glenfield, Leicester, LE3 8DG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's 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)" (issued in October 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 charitable company 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

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of their charitable objectives which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are those which can only be used for particular restricted purposes within the object of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company 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 charitable company 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 charitable company has been notified of an impending distribution, the amount receivable can be estimated with reasonable accuracy, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is included in the financial statements on an accruals basis, inclusive of any VAT which cannot be recovered.

The costs of raising funds comprise those costs associated with attracting voluntary income.

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of either estimate of the proportion of time spent by staff or upon the usage of those activities.

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% per annum on a reducing balance basis
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Freehold land is not depreciated.

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.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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 charitable company 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 charitable company's balance sheet when the charitable company 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.

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 charitable company's contractual obligations expire or are discharged or cancelled.

1.10 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	351,430	2,107,534	2,458,964	357,250	272,041	629,291
Legacies receivable	63,685	-	63,685	249,001	-	249,001
	<u>415,115</u>	<u>2,107,534</u>	<u>2,522,649</u>	<u>606,251</u>	<u>272,041</u>	<u>878,292</u>

EUROPEAN MISSIONARY FELLOWSHIP

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

4 Investments

	2022 £	2021 £
Income from listed investments	71,233	61,978
Interest receivable	1,193	1,439
	<u>72,426</u>	<u>63,417</u>

5 Other

	2022 £	2021 £
Literature sales	<u>546</u>	<u>408</u>

6 Raising funds

	2022 £	2021 £
<u>Fundraising and publicity</u>		
Travel expenses	33,402	16,928
Telephone and office expenses	2,248	4,160
Newsletter	3,434	19,985
Literature	28	1,689
Other fundraising costs	8,256	6,924
Staff costs	59,761	77,314
Depreciation and impairment	349	186
	<u>107,478</u>	<u>127,186</u>
Fundraising and publicity		

EUROPEAN MISSIONARY FELLOWSHIP

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

7 Charitable activities

	Mission support	Literature work	Church building	Ukraine appeal	Total 2022	Total 2021
	£	£	£	£	£	£
Staff costs	84,465	4,968	3,945	17,392	110,770	92,588
Depreciation and impairment	519	38	38	-	595	317
Other costs	87,793	3,568	1,941	21,347	114,649	46,855
	<u>172,777</u>	<u>8,574</u>	<u>5,924</u>	<u>38,739</u>	<u>226,014</u>	<u>139,760</u>
Grant funding of activities (see note 8)	490,761	28,609	3,125	1,229,124	1,751,619	443,987
	<u>663,538</u>	<u>37,183</u>	<u>9,049</u>	<u>1,267,863</u>	<u>1,977,633</u>	<u>583,747</u>
Analysis by fund						
Unrestricted funds	203,081	8,574	5,924	38,739	256,318	
Restricted funds	460,457	28,609	3,125	1,229,124	1,721,315	
	<u>663,538</u>	<u>37,183</u>	<u>9,049</u>	<u>1,267,863</u>	<u>1,977,633</u>	
For the year ended 31 December 2021						
Unrestricted funds	164,168	5,371	2,241	-		171,780
Restricted funds	389,392	21,905	670	-		411,967
	<u>553,560</u>	<u>27,276</u>	<u>2,911</u>	<u>-</u>		<u>583,747</u>

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Grants payable

	Mission support £	Literature work £	Church building £	Ukraine appeal £	Total £	2021 £
Grants to institutions (322 grants):						
Support of missionaries in Europe	250,886	-	-	-	250,886	194,136
Legatio, Poland	-	-	-	-	-	6,825
Editorial Peregrino, Spain	-	-	-	-	-	13,800
Sines, Portugal	-	-	25	-	25	-
Zywiec, Poland	-	-	2,900	-	2,900	670
Almunecar, Spain	-	-	200	-	200	-
Ukraine emergency appeal	-	-	-	534,602	534,602	-
Literature fund	-	28,449	-	-	28,449	-
Other	3,444	-	-	-	3,444	17,090
	254,330	28,449	3,125	534,602	820,506	232,521
Grants to individuals (699 grants)	236,431	160	-	694,522	931,113	211,466
	490,761	28,609	3,125	1,229,124	1,751,619	443,987

Details of the institutions that received grants during the year for the support of missionaries in Europe and the amounts paid to each institution are available upon request in writing to the registered office at The Old Rectory, Main Street, Glenfield, Leicester LE3 8DG or online at www.europeanmission.org.

EUROPEAN MISSIONARY FELLOWSHIP

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

9 Support costs

	Mission support	Literature work	Church building	Ukraine Appeal	Total 2022	Total 2021
	£	£	£	£	£	£
Staff costs	47,923	1,965	1,926	12,172	63,986	58,260
Administrative expenses	27,474	642	321	2,409	30,846	38,393
Auditor/Independent examiners fees	3,510	216	108	810	4,644	2,514
Legal and professional	-	-	-	-	-	-
Bank charges	2,525	140	140	4,208	7,013	1,389
Depreciation	481	38	38	-	557	317
	<u>81,913</u>	<u>3,001</u>	<u>2,533</u>	<u>19,599</u>	<u>107,046</u>	<u>100,873</u>

Administrative expenses includes premises costs, office expenses and travel expenses which have been apportioned on a usage basis. Other costs within administrative expenses and staff costs are apportioned on a time basis.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

No remuneration was paid to the trustees. Six trustees were reimbursed a total of £1,823 for travel costs, which were incurred performing voluntary work for the charitable company (2021 - six trustees were reimbursed £670).

EUROPEAN MISSIONARY FELLOWSHIP

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

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administrative and support	1	1
Representatives	1	1
Management	3	3
Retired workers	5	5
	<u>10</u>	<u>10</u>

Employment costs

	2022 £	2021 £
Wages and salaries	143,968	144,154
Social security costs	12,463	12,076
Other pension costs	14,100	13,672
	<u>170,531</u>	<u>169,902</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	Total £ 2022	Unrestricted funds £ 2021
Net loss on disposal of tangible fixed assets	<u>-</u>	<u>370</u>

13 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Revaluation of investments	<u>(304,996)</u>	<u>273,378</u>

14 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.

EUROPEAN MISSIONARY FELLOWSHIP

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

15 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	10,906
Additions	1,288
Disposals	(3,959)
At 31 December 2022	<u>8,235</u>
Depreciation and impairment	
At 1 January 2022	9,261
Depreciation charged in the year	943
Eliminated in respect of disposals	(3,959)
At 31 December 2022	<u>6,245</u>
Carrying amount	
At 31 December 2022	<u><u>1,990</u></u>
At 31 December 2021	<u><u>1,646</u></u>

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	4,951	4,783
Prepayments and accrued income	309,888	11,910
	<u>314,839</u>	<u>16,693</u>

17 Current asset investments

	2022 £	2021 £
Listed investments	<u>2,298,625</u>	<u>2,303,621</u>

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,782	3,347
Accruals and deferred income	5,848	9,690
	<u>8,630</u>	<u>13,037</u>

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to expenditure in respect of defined contribution schemes was £14,100 (2021 - £13,672). Costs are allocated between activities and funds in accordance with the assignment of employment activities and the accounting policy on expenditure detailed herein.

EUROPEAN MISSIONARY FELLOWSHIP

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

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 2021 £	Movement in funds			Balance at 1 January 2022 £	Movement in funds			Balance at 31 December 2022 £
		Income	Expenses	Transfers		Income	Expenses	Transfers	
Support of missionaries and personnel	32,451	223,998	(348,953)	120,598	28,094	271,820	(421,187)	137,772	16,499
Literature work in Europe	-	21,905	(21,905)	-	-	29,968	(28,609)	-	1,359
Church building	-	670	(670)	-	-	3,125	(3,125)	-	-
Small restricted funds	14,971	25,468	(40,439)	-	-	7,546	(7,546)	-	-
Gospel growth fund	-	-	-	-	-	39,871	(31,724)	-	8,147
Ukraine Appeal fund	-	-	-	-	-	1,755,204	(1,229,124)	-	526,080
	47,422	272,041	(411,967)	120,598	28,094	2,107,534	(1,721,315)	137,772	552,085

EUROPEAN MISSIONARY FELLOWSHIP

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

20 Restricted funds

(Continued)

Support of missionaries and personnel

These amounts represent the totals of numerous small funds created by donations received for the purpose of assisting with the support of particular missionaries and members of the charity's personnel. Funds received have been distributed in accordance with the donors' requirements. Details of the individual funds can be obtained from the Mission Office.

Literature work in Europe

This restricted fund represents donations received to provide funds for activities associated with the translation and publication of Christian literature in European languages.

Church building

The restricted fund was opened in order to receive donations for church building projects in Sines, Portugal and Wodzislaw, Poland.

Small restricted funds

These amounts represent the totals of various small funds created by donations for specific purposes. All funds are being distributed in accordance with the donors' requirements. Details of the individual funds can be obtained from the Mission Office.

Gospel Growth fund

The Gospel Growth Fund was established to support new gospel workers, drive new initiatives, reach new communities and plant new church.

Ukraine Appeal fund

An EMF Ukraine Emergency Appeal was established to assist evangelical churches in Ukraine to administer aid to refugees and distribute Christian literature following the invasion of Ukraine by Russia in February 2022.

Transfers

Transfers represent the use of unrestricted funds to supplement the charity's directly supported missionary work.

EUROPEAN MISSIONARY FELLOWSHIP

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

21 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	Movement in funds			Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	Income	Expenses	£	£	Income	Expenses	Transfers	£
Training fund	39,609	31,596	(32,019)	39,186	2,082	(30,304)	10,410		21,374
	39,609	31,596	(32,019)	39,186	2,082	(30,304)	10,410		21,374

Training fund

This fund was established in 2019 to support potential studies in ministry training - particularly, though not exclusively, for a two year course through London Seminary.

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	1,990	-	1,990	1,646
Current assets/(liabilities)	2,817,241	552,085	3,369,326	3,164,156
	<u>2,819,231</u>	<u>552,085</u>	<u>3,371,316</u>	<u>3,165,802</u>

23 Operating lease commitments

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

	2022 £	2021 £
Within one year	<u>4,392</u>	<u>4,140</u>

24 Related party transactions

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

25 Cash generated from operations

	2022 £	2021 £
Surplus for the year	205,514	504,192
Adjustments for:		
Investment income recognised in statement of financial activities	(72,426)	(63,417)
(Gain)/loss on disposal of tangible fixed assets	-	370
Fair value gains and losses on investments	304,996	(273,378)
Depreciation and impairment of tangible fixed assets	944	503
Movements in working capital:		
(Increase)/decrease in debtors	(298,144)	76,404
(Decrease)/increase in creditors	(4,407)	6,319
Cash generated from operations	<u>136,477</u>	<u>250,993</u>

26 Analysis of changes in net funds

The charitable company had no debt during the year.

