

Charity registration number 1071823

Company registration number 03631207 (England and Wales)

EUROPEAN MISSIONARY FELLOWSHIP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

EUROPEAN MISSIONARY FELLOWSHIP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev G.N. Burke Rev D.M. Grimwade Mr G Hilton 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
Independent examiner	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 2023

The trustees present their report and financial statements of the European Missionary Fellowship (EMF) 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 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. During the year ended 31st December 2023 EMF received £180,394 in donations and had made £603,381 in Grants to the Ukraine and neighbouring countries. The Cross Connect Ukraine linking scheme, which was set up in 2022 after the outbreak of the war, linking Ukrainian refugees to Christian hosts, was closed down early in 2023.

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 2023

Excluding the Ukraine Emergency Appeal noted above, this year, EMF paid grants in furtherance of the charity's objectives amounting to £587,930 (compared to £522,495 in the previous year). The charity benefits from the voluntary services of a number of helpers and in many ways. For example, during 2023 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 2023.

Missionary support

At the end of 2023 a total of 95 missionaries in 19 countries were in fellowship with EMF. Eight new missionary couples and one single missionary were introduced into EMF in 2023, six missionary couples resigned.

Details of those bodies and individuals who received financial support are available on request from the mission office. Throughout 2023 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 has meant that progress in this is slow.

EMF has provided pastoral support for its missionary family in various ways, both individually and collectively. The Mission Director and senior staff have carried out a number of pastoral visits to missionaries in the field. Online missionary prayer meetings take place once a month.

Church and Supporter Engagement

Deputation work and conferences have taken place in both the spring and autumn of 2023 across the UK. Regular online webinars with strong content and good attendance continued throughout 2023.

Support for the work of the mission, whether in financial terms, or in prayerful interest, increased during 2023, 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 has 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 2023, 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, three of whom were attending London Seminary, one attending the Portuguese Bible Institute, two attending the Martin Bucer Seminary in Portugal, and one attending Edinburgh Theological Seminary.

EUROPEAN MISSIONARY FELLOWSHIP

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Outreach projects

Donations amounting to £587,930 were made to humanitarian aid and evangelistic outreach work in Ukraine.

Church building projects

Donations amounting to £5,415 were made to building projects in Portugal and Spain. We continue to aid some churches with rental payments for their buildings.

Financial review

Total incoming resources received during 2023 were £997,704 (2022 - £2,595,621). Included within these incoming resources were restricted funds amounting to £551,679, whilst incoming general and designated funds fell by 8.62% to £446,025. Legacies received amounted to £41,567. During the reporting period, total expenditure amounted to £1,528,145 (compared with the previous year of £2,085,111). This level of expenditure included use of restricted funds amounting to £1,140,340. Expenditure from general and designated funds was therefore £387,805.

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. Efforts are also being made to apply for grants from Trusts and Funds. Staff numbers have increased during 2023 in order to help fulfil these goals.

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 £2,961,472 at 31st December 2023, of which £32,386 has been designated by the trustees for particular projects. The balance of free reserves represents approximately 194% of the level of total resources expended in 2023 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 did not perform that well in 2022 due to the significant downturn in the financial markets, however, the position has recovered well in 2023.

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. 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.

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Plans for the future

With respect to the oversight of EMF, there are plans to increase the number of Trustees by two. With regards to staff, three new staff members were appointed during 2023; an admin assistant, an Engagement Support officer, and a Communications officer. A new Mission Director is due to commence with EMF early in January 2024. The existing Mission Director will take on the role of Field Director.

EUROPEAN MISSIONARY FELLOWSHIP

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

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

(Resigned 24 April 2023)

Rev D.M. Grimwade

Mr G Hilton

Rev P.B. Jones

(Resigned 24 April 2023)

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 2023

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.

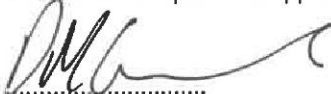
6. Company Secretary

The company secretary is appointed by the trustees.

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

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:02/07/24

EUROPEAN MISSIONARY FELLOWSHIP

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EUROPEAN MISSIONARY FELLOWSHIP

I report to the trustees on my examination of the financial statements of European Missionary Fellowship (the charitable company) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Philip John Dymond FCCA

Cheyettes Ltd
167 London Road
Leicester
LE2 1EG

Dated:

EUROPEAN MISSIONARY FELLOWSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:							
Donations and legacies	3	359,991	551,679	911,670	415,115	2,107,534	2,522,649
Investments	4	85,033	-	85,033	72,426	-	72,426
Other	5	1,001	-	1,001	546	-	546
Total income		446,025	551,679	997,704	488,087	2,107,534	2,595,621
Expenditure on:							
Raising funds	6	114,689	-	114,689	107,478	-	107,478
Charitable activities	7	273,116	1,140,340	1,413,456	256,318	1,721,315	1,977,633
Total expenditure		387,805	1,140,340	1,528,145	363,796	1,721,315	2,085,111
Net gains/(losses) on investments	12	225,770	-	225,770	(304,996)	-	(304,996)
Net incoming/(outgoing) resources before transfers		283,990	(588,661)	(304,671)	(180,705)	386,219	205,514
Gross transfers between funds		(156,170)	156,170	-	(137,772)	137,772	-
Net movement in funds		127,820	(432,491)	(304,671)	(318,477)	523,991	205,514
Fund balances at 1 January 2023		2,819,234	552,082	3,371,316	3,137,708	28,094	3,165,802
Fund balances at 31 December 2023		2,947,054	119,591	3,066,645	2,819,231	552,085	3,371,316

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		2,081		1,990
Current assets					
Debtors	15	29,721		314,839	
Investments	16	2,524,395		2,298,625	
Cash at bank and in hand		535,333		764,492	
		3,089,449		3,377,956	
Creditors: amounts falling due within one year	17	(24,885)		(8,630)	
Net current assets			3,064,564		3,369,326
Total assets less current liabilities			3,066,645		3,371,316
Income funds					
Restricted funds	19		119,591		552,085
<u>Unrestricted funds</u>					
Designated funds	20	6,440		21,374	
General unrestricted funds		2,940,614		2,797,857	
			2,947,054		2,819,231
			3,066,645		3,371,316

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 02/07/24



Rev D.M. Grimwade
Trustee

Company Registration No. 03631207

EUROPEAN MISSIONARY FELLOWSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(312,741)		136,475
Investing activities					
Purchase of tangible fixed assets		(1,451)		(1,288)	
Purchase of investments		-		(300,000)	
Interest received		85,033		72,426	
Net cash generated from/(used in) investing activities			83,582		(228,862)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(229,159)		(92,387)
Cash and cash equivalents at beginning of year			764,492		856,879
Cash and cash equivalents at end of year			535,333		764,492

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023

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 2023

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
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	318,424	551,679	870,103	351,430	2,107,534	2,458,964
Legacies receivable	41,567	-	41,567	63,685	-	63,685
	<u>359,991</u>	<u>551,679</u>	<u>911,670</u>	<u>415,115</u>	<u>2,107,534</u>	<u>2,522,649</u>

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Investments

	2023 £	2022 £
Income from listed investments	72,209	71,233
Interest receivable	12,824	1,193
	<u>85,033</u>	<u>72,426</u>

5 Other

	2023 £	2022 £
Literature sales	<u>1,001</u>	<u>546</u>

6 Raising funds

	2023 £	2022 £
<u>Fundraising and publicity</u>		
Travel expenses	33,221	33,402
Telephone and office expenses	2,410	2,248
Newsletter	3,552	3,434
Literature	324	28
Other fundraising costs	9,337	8,256
Staff costs	65,342	59,761
Depreciation and impairment	503	349
	<u>114,689</u>	<u>107,478</u>

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

	Mission support	Literature work	Church building	Ukraine appeal	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	104,572	5,895	4,797	19,717	134,981	110,770
Depreciation and impairment	748	54	54	-	856	595
Other costs	63,014	3,842	2,052	17,400	86,308	114,649
	168,334	9,791	6,903	37,117	222,145	226,014
Grant funding of activities (see note 8)	567,644	14,871	5,415	603,381	1,191,311	1,751,619
	735,978	24,662	12,318	640,498	1,413,456	1,977,633
Analysis by fund						
Unrestricted funds	219,305	9,791	6,903	37,117	273,116	
Restricted funds	516,673	14,871	5,415	603,381	1,140,340	
	735,978	24,662	12,318	640,498	1,413,456	
For the year ended 31 December 2022						
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
	663,538	37,183	9,049	1,267,863		1,977,633

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Grants payable

	Mission support £	Literature work £	Church building £	Ukraine appeal £	Total £	2022 £
Grants to institutions (411 grants):						
Support of missionaries in Europe	297,106	-	-	-	297,106	250,886
Sines, Portugal	-	-	4,765	-	4,765	25
Zywiec, Poland	-	-	-	-	-	2,900
Almunecar, Spain	-	-	650	-	650	200
Ukraine emergency appeal	-	-	-	174,169	174,169	534,602
Literature fund	-	14,408	-	-	14,408	28,449
Other	5,207	-	-	-	5,207	3,444
	302,313	14,408	5,415	174,169	496,305	820,506
Grants to individuals (757 grants)	265,331	463	-	429,212	695,006	931,113
	567,644	14,871	5,415	603,381	1,191,311	1,751,619

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 2023

9 Support costs

	Mission support	Literature work	Church building	Ukraine Appeal	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	36,931	1,434	1,395	8,270	48,030	63,986
Administrative expenses	29,798	688	344	2,582	33,412	30,846
Auditor/Independent examiners fees	1,708	105	52	394	2,259	4,644
Legal and professional	-	-	-	-	-	-
Bank charges	1,452	81	81	2,420	4,034	7,013
Depreciation	693	54	54	-	801	557
	<u>70,582</u>	<u>2,362</u>	<u>1,926</u>	<u>13,666</u>	<u>88,536</u>	<u>107,046</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. Seven trustees were reimbursed a total of £3,185 for travel costs, which were incurred performing voluntary work for the charitable company (2022 - six trustees were reimbursed £1,823).

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administrative and support	3	1
Representatives	1	1
Management	3	3
Retired workers	4	5
	<u>11</u>	<u>10</u>

Employment costs

	2023 £	2022 £
Wages and salaries	171,328	143,968
Social security costs	13,261	12,463
Other pension costs	15,734	14,100
	<u>200,323</u>	<u>170,531</u>

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

12 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	<u>225,770</u>	<u>(304,996)</u>

13 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 2023

14 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2023	8,235
Additions	1,451
At 31 December 2023	9,686
Depreciation and impairment	
At 1 January 2023	6,245
Depreciation charged in the year	1,360
At 31 December 2023	7,605
Carrying amount	
At 31 December 2023	2,081
At 31 December 2022	1,990

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	4,951	4,951
Prepayments and accrued income	24,770	309,888
	29,721	314,839

16 Current asset investments

	2023 £	2022 £
Listed investments	2,524,395	2,298,625

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	3,626	2,782
Accruals and deferred income	21,259	5,848
	24,885	8,630

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 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 £15,734 (2022 - £14,100). 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 2023

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:

	Balance at 1 January 2022 £	Movement in funds			Balance at 1 January 2023 £	Movement in funds			Balance at 31 December 2023 £
		Income £	Expenses £	Transfers £		Income £	Expenses £	Transfers £	
Support of missionaries and personnel	28,094	271,820	(421,187)	137,772	16,499	279,951	(371,786)	91,835	16,499
Literature work in Europe	-	29,968	(28,609)	-	1,358	7,233	(14,871)	6,280	-
Church building	-	3,125	(3,125)	-	-	5,415	(5,415)	-	-
Small restricted funds	-	7,546	(7,546)	-	-	9,869	(9,869)	-	-
Gospel growth fund	-	39,871	(31,724)	-	8,146	68,817	(135,018)	58,055	-
Ukraine Appeal fund	-	1,755,204	(1,229,124)	-	526,079	180,394	(603,381)	-	103,092
	28,094	2,107,534	(1,721,315)	137,772	552,082	551,679	(1,140,340)	156,170	119,591

EUROPEAN MISSIONARY FELLOWSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 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 2023

20 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 2022	Movement in funds			Balance at 1 January 2023	Movement in funds			Balance at 31 December 2023
	£	Income	Expenses	Transfers	£	Income	Expenses	Transfers	£
Training fund	39,186	2,082	(30,304)	10,410	21,374	800	(47,234)	31,500	6,440
	<u>39,186</u>	<u>2,082</u>	<u>(30,304)</u>	<u>10,410</u>	<u>21,374</u>	<u>800</u>	<u>(47,234)</u>	<u>31,500</u>	<u>6,440</u>

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 2023

21 Analysis of net assets between funds

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:				
Tangible assets	2,081	-	2,081	1,990
Current assets/(liabilities)	2,961,472	103,092	3,064,564	3,369,326
	<u>2,963,553</u>	<u>103,092</u>	<u>3,066,645</u>	<u>3,371,316</u>

22 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:

	2023 £	2022 £
Within one year	<u>4,608</u>	<u>4,392</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

24 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(304,671)	205,514
Adjustments for:		
Investment income recognised in statement of financial activities	(85,033)	(72,426)
Fair value gains and losses on investments	(225,770)	304,996
Depreciation and impairment of tangible fixed assets	1,359	944
Movements in working capital:		
Decrease/(increase) in debtors	285,119	(298,146)
Increase/(decrease) in creditors	16,255	(4,407)
Cash (absorbed by)/generated from operations	<u>(312,741)</u>	<u>136,475</u>

25 Analysis of changes in net funds

The charitable company had no debt during the year.