

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2021
for
Elam Ministries

Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

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for the Year Ended 31 December 2021

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Report of the Trustees
for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Report of the Trustees
for the Year Ended 31 December 2021

OBJECTIVES AND ACTIVITIES

Principal Activity

Our team has been able to do a significant amount of work to further our efforts in the promotion of education, poverty relief, and advancement of the Christian faith. We are deeply grateful to our many financial partners who enable us to impact so many lives. Principal activities included:

Bible training and education

We trained existing and emerging leaders and supported them with Bible teaching, leadership skills, mentoring, and strategic planning. We also continued to provide tools for them to use and distribute for Bible engagement and Christian living. In 2021, the programs we provided include: three-month Christian leadership courses, two-week intensive Bible trainings, advanced training in Christian ministry, Bible conferences and distance learning programmes. The vast majority of these programs were done remotely using various online platforms due to the ongoing pandemic, with some in-person training happening at the end of the year.

We continue to develop and promote our Safar discipleship initiative, which promotes Bible reading and study, prayer, service, and healthy relationships. The resources continue to be available for free in both Persian and English at www.Safar.org.

Scripture printing and distribution

We continued to print and distribute Bibles and New Testaments. Action Bibles and Action Bible New Testaments for children were also distributed.

Books and resources

We published and printed Christian literature for discipleship, devotion, and Bible study, as well as continuing to make titles available digitally. We also produced a weekly resource for small group gatherings to read and study the Bible. Additionally, we produced and distributed specific resources for women, children, and youth ministry to help them meet in small groups for fellowship and Bible study.

Media

We continued to produce programmes for satellite TV ministry as well as other digital video content, including short clips and materials that can be easily shared online and via social media. Targeted programmes cover topics on Bible teaching, Christian worship and education. We also created programming for women, youth, men, and children. Media resources are made available on YouTube and at www.Kalameh.com.

Women, men and marriage ministry

We continue to provide ministry to women who have experienced abuse, oppression or trauma. We provided multiple women's ministry webinars to foster healing for hurt women, as well as to strengthen their identity and self-worth. We also provided intensive training for women learning to serve in women's ministry. We held men's webinars to help men develop a healthy understanding of women, as well as grow in service to women in their lives. We also produced multiple TV programme episodes and video shorts to address common issues facing women, men, and couples. Lastly, we continued to provide counselling to women and men with whom we connected through webinars, satellite tv ministry and social media.

Children and youth ministry

We provided written and digital resources for Bible study and small group gatherings for both young children and teenagers. We also provided leadership training, encouragement and mentoring for people working in children and youth ministry. Additionally, we lead webinars to encourage youth in developing a healthy identity and healthy relationships. Lastly, we provide training for coaches to develop sports ministry for youth.

Refugees in Europe and beyond

We continued to assist European churches in outreach to refugees within their community, as well as provided strategic planning on how to better integrate refugees into the life of the church. We also provided Bible teaching for refugees in Europe. We also expanded our work globally to reach refugees, particularly in Greece. In addition to working with refugees in the UK and EU, we continue to assist churches ministering to them in Australia, Canada and the USA.

Report of the Trustees
for the Year Ended 31 December 2021

Advocacy and relief

We provided advocacy, financial support and pastoral care for persecuted Christians and their families. We also provided humanitarian relief for people impacted by the COVID-19 pandemic. For most of those we served, this took the form of food packets. We also provided other humanitarian services in special circumstances.

Public benefit

Through these activities, the charity has benefitted members of the public in the following ways:

- by teaching them about and begin a life in the Christian faith
- by helping them grow in their Christian faith, worship, and practice
- by giving them tools to serve others in Christian ministry
- by helping those who have suffered persecution and/or abuse
- by helping those in poverty and/or refugees

ACHIEVEMENT AND PERFORMANCE

In 2021, we provided training and Christian education to more than 10,000 people through Bible study webinars, advanced trainings, discipleship intensives, accredited distance learning, specialised training for youth and children ministry, and our three-month leadership and church planting course. Over 1,400 women attended women's webinars, and 600 women participated in day conferences for women's ministry. 1,000+ men participated in men's ministry webinars. Another 3,000+ believers engaged in one-to-one discipleship through Safar.

We provided support, mentoring and strategic planning to a growing number of trained leaders who are providing pastoral care and Bible education to others. In 2021, we helped a total of 380 trained leaders in their ministry.

We distributed Christian scripture widely and sent 125,000+ Bibles and 100,000+ New Testaments to print. Twenty new titles were translated and printed, and 82 titles were re-printed for use in discipleship and evangelism.

We broadcast weekly Christian programming for women, children, Christian worship and evangelism. Hundreds of short video clips were filmed, along with new episodes of TV programming for children, women, and worship. We also produced weekly multi-media church service with Bible teaching, worship and group discussion, made available on-demand. Over 72,000 unique users on our resource website, www.Kalameh.com, and we had over 1 million streams of a new Christmas album.

Over 32,000 people facing food insecurity were served through our COVID-19 food relief efforts.

FINANCIAL REVIEW

Our reserves are divided between restricted and unrestricted funds. Our restricted and unrestricted funds at the year-end were £2,919,557 (2020: £2,398,362) and £1,977,571 (2020: £1,830,314) respectively.

As in previous years the value of stock given away for free or otherwise held by 3rd parties had not been reflected, we've had to make a prior year adjustment in order to comply with SORP requirements. The adjustment overall to funds brought forward from last year was £1,136.703 (please refer to note 11 in the accounts for more details).

RESERVES POLICY

The trustees believe that the current level of reserves is sufficient and reasonable given the current financial climate. At the same time, we recognise the need to keep our reserves policy under review in the current year.

Report of the Trustees
for the Year Ended 31 December 2021

FUTURE PLANS

Future plans include a greater emphasis providing Christian education and resources to emerging leaders who can go on to serve and mobilize others. Alongside this effort, we will continue to develop more resources for Bible study and discipleship that can be easily used and shared with others. This includes a growing focus on developing resources for children, youth, men, women, and couples. Lastly, our efforts continue to expand to provide refugees with Christian education, humanitarian relief, and advancement of the Christian faith.

Pandemic travel restrictions and related concerns of health and safety continued to push us to adapt all of our trainings to online formats, using webinars and video-conferences - but this online model has proved to be very effective. In fact, even as travel becomes more possible, we have decided to maintain a hybrid model for many of our courses, conducting some of our training using a blend of online webinars and in-person gatherings.

We are grateful that we have experienced no negative financial impacts from the COVID-19 pandemic. Rather, the move to online and hybrid formats has enabled us to provide high quality education and Bible teaching to a wider audience with reduced costs. Between our financial stability and the growing opportunity to promote education, provide poverty relief, and further the advancement of the Christian faith, we remain deeply hopeful for the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, Governance and Management

The governing documents of the charitable company are the Memorandum and Articles of Association dated 7th November 2002. The Governing Documents set out the objects for which the charitable company was established, and how it is to be managed.

The affairs of the organisation have been directed by a board of directors, which meets regularly for this purpose. The directors then delegate the day-to-day management of the different departments to managers who are overseen by the executive director.

The directors are aware of the risks affecting Elam Ministries and as far as possible have put policies and procedures in place to diminish those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04594727 (England and Wales)

Registered Charity number
1099143

Registered office
'Grenville'
Grenville Road
Shackleford
Godalming
Surrey
GU8 6AX

Trustees
Rev S Yeghnazar
Mr M R Roshanzamir
Mrs L Yeghnazar
Mrs A Kuhn
Mr R Worton
Mr K K Devaraj
Mr D A Yeghnazar
Mr L Brown (appointed 25.1.21)

Report of the Trustees
for the Year Ended 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors
Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the financial year is given in note 20 within the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Elam Ministries for the purposes of company law) are responsible for preparing the Report of the Trustees 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 period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Bennewith 2018 Limited (Statutory Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 22 September 2022 and signed on its behalf by:

Mr M R Roshanzamir - Trustee

Report of the Independent Auditors to the Members of
Elam Ministries

Opinion

We have audited the financial statements of Elam Ministries (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Elam Ministries

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Elam Ministries

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to FRS 102 Section 1A, pension laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the service organisation in relation to payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
Elam Ministries

Use of our report

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

A J Bennewith FCA,FCPA, FFA, FFTA, FIPA, DChA, FRSA (Senior Statutory Auditor)
for and on behalf of Bennewith 2018 Limited (Statutory Auditors)

3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

22 September 2022

Statement of Financial Activities
for the Year Ended 31 December 2021

		Unrestricted fund	Revaluation Reserve	Restricted funds	31.12.21 Total funds	31.12.20 Total funds as restated
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	813,319	-	2,599,070	3,412,389	3,249,402
Other trading activities	3	124,111	-	-	124,111	113,021
Total		<u>937,430</u>	<u>-</u>	<u>2,599,070</u>	<u>3,536,500</u>	<u>3,362,423</u>
EXPENDITURE ON						
Charitable activities	4					
Church Planting & Missions		12,706	-	468,777	481,483	259,205
Elam Training		23,019	-	567,396	590,415	501,700
Bible & Literature Translation & Production		593,218	-	1,067,824	1,661,042	728,447
Technology Initiative		-	-	-	-	76,213
Europe & Diaspora		2,113	-	118,321	120,434	133,646
Advocacy & Awareness		-	-	14,674	14,674	24,121
Total		<u>631,056</u>	<u>-</u>	<u>2,236,992</u>	<u>2,868,048</u>	<u>1,723,332</u>
NET INCOME		306,374	-	362,078	668,452	1,639,091
Transfers between funds	18	<u>(159,117)</u>	<u>-</u>	<u>159,117</u>	<u>-</u>	<u>-</u>
Net movement in funds		147,257	-	521,195	668,452	1,639,091
RECONCILIATION OF FUNDS						
Total funds brought forward						
As previously reported		1,172,724	817,984	1,101,265	3,091,973	2,589,585
Prior year adjustment	11	<u>(160,394)</u>	<u>-</u>	<u>1,297,097</u>	<u>1,136,703</u>	<u>-</u>
As restated		<u>1,012,330</u>	<u>817,984</u>	<u>2,398,362</u>	<u>4,228,676</u>	<u>2,589,585</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,159,587</u></u>	<u><u>817,984</u></u>	<u><u>2,919,557</u></u>	<u><u>4,897,128</u></u>	<u><u>4,228,676</u></u>

The notes form part of these financial statements

Balance Sheet
31 December 2021

		Unrestricted fund	Revaluation Reserve	Restricted funds	31.12.21 Total funds	31.12.20 Total funds as restated
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	12	1,065,555	817,984	-	1,883,539	1,860,169
CURRENT ASSETS						
Stocks	13	139,939	-	989,523	1,129,462	1,475,227
Debtors	14	123,618	-	451,500	575,118	153,026
Cash at bank		98,004	-	1,478,534	1,576,538	1,056,566
		<u>361,561</u>	<u>-</u>	<u>2,919,557</u>	<u>3,281,118</u>	<u>2,684,819</u>
CREDITORS						
Amounts falling due within one year	15	(87,192)	-	-	(87,192)	(78,597)
		<u>274,369</u>	<u>-</u>	<u>2,919,557</u>	<u>3,193,926</u>	<u>2,606,222</u>
NET CURRENT ASSETS						
		<u>274,369</u>	<u>-</u>	<u>2,919,557</u>	<u>3,193,926</u>	<u>2,606,222</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,339,924	817,984	2,919,557	5,077,465	4,466,391
CREDITORS						
Amounts falling due after more than one year	16	(180,337)	-	-	(180,337)	(237,715)
		<u>1,159,587</u>	<u>817,984</u>	<u>2,919,557</u>	<u>4,897,128</u>	<u>4,228,676</u>
NET ASSETS		<u>1,159,587</u>	<u>817,984</u>	<u>2,919,557</u>	<u>4,897,128</u>	<u>4,228,676</u>
FUNDS	18					
Unrestricted funds:						
General fund					1,159,587	1,012,330
Revaluation Reserve					817,984	817,984
					<u>1,977,571</u>	<u>1,830,314</u>
Restricted funds					<u>2,919,557</u>	<u>2,398,362</u>
TOTAL FUNDS					<u>4,897,128</u>	<u>4,228,676</u>

The notes form part of these financial statements

Balance Sheet - continued
31 December 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 September 2022 and were signed on its behalf by:

Mr M R Roshanzamir - Trustee

Cash Flow Statement
for the Year Ended 31 December 2021

		31.12.21	31.12.20 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	624,586	903,126
Interest paid		(4,926)	(6,673)
Net cash provided by operating activities		<u>619,660</u>	<u>896,453</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(44,958)	(300,522)
Sale of tangible fixed assets		901	5,441
Net cash used in investing activities		<u>(44,057)</u>	<u>(295,081)</u>
Cash flows from financing activities			
Loan repayments made in year		(55,631)	(53,884)
Loan repayments received in year		-	(3,455)
Net cash used in financing activities		<u>(55,631)</u>	<u>(57,339)</u>
Change in cash and cash equivalents in the reporting period		<u>519,972</u>	<u>544,033</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,056,566</u>	<u>512,533</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,576,538</u></u>	<u><u>1,056,566</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21	31.12.20 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	668,452	1,639,091
Adjustments for:		
Depreciation charges	18,817	17,003
Loss on disposal of fixed assets	1,870	2,739
Interest paid	4,926	6,673
Decrease/(increase) in stocks	345,765	(1,193,107)
(Increase)/decrease in debtors	(422,092)	519,998
Increase/(decrease) in creditors	6,848	(89,271)
	<hr/>	<hr/>
Net cash provided by operations	<u>624,586</u>	<u>903,126</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	1,056,566	519,972	1,576,538
	<hr/>	<hr/>	<hr/>
	1,056,566	519,972	1,576,538
	<hr/>	<hr/>	<hr/>
Total	<u>1,056,566</u>	<u>519,972</u>	<u>1,576,538</u>

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Direct costs are allocated to the activity they relate to. If a direct cost relates to more than one activity it is apportioned based on the estimated usage.

Support cost are apportioned between activities according to the activities percentage of the total direct costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery

Fixtures and fittings	- 10% reducing balance
Office equipment	- 20% reducing balance
Motor vehicles	- 20% reducing balance

The trustees have considered that the useful economic life of Buildings would be such that a depreciation charge would have no material effect on the financial statements.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The method adopted to calculate cost is the weighted average method. Included in the stock value are all items held by 3rd parties such as printers, and all items which will be given away for free as part of the charitable objectives.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Freehold land and buildings revaluation

During the transition to FRS 102, the trustees decided to bring in the revaluation of the freehold land and buildings as deemed cost.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20 as restated
	£	£
Church Planting & Missions	379,834	294,071
General	813,321	684,793
Elam Training	759,072	591,355
Bible & Literature Translation & Production	1,397,093	1,527,984
Technology initiative	-	92,668
Europe & Diaspora	63,069	58,451
Advocacy & Awareness	-	80
	<u>3,412,389</u>	<u>3,249,402</u>

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20 as restated
	£	£
Book income	<u>124,111</u>	<u>113,021</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Church Planting & Missions	330,331	138,292	12,860	481,483
Elam Training	432,489	134,900	23,026	590,415
Bible & Literature Translation & Production	1,349,474	179,483	132,085	1,661,042
Europe & Diaspora	112,404	5,917	2,113	120,434
Advocacy & Awareness	8,674	6,000	-	14,674
	<u>2,233,372</u>	<u>464,592</u>	<u>170,084</u>	<u>2,868,048</u>

5. GRANTS PAYABLE

	31.12.21 £	31.12.20 as restated £
Church Planting & Missions	138,292	2,933
Elam Training	134,900	92,941
Bible & Literature Translation & Production	179,483	51,206
Europe & Diaspora	5,917	58,568
Advocacy & Awareness	6,000	6,000
	<u>464,592</u>	<u>211,648</u>

The total grants paid to institutions during the year was as follows:

	31.12.21 £	31.12.20 as restated £
Elam Germany	252,478	168,826
Elam Greece	106,981	13,414
Ministry support	40,303	14,958
Non cash items granted	46,052	14,450
Gifts and Honorarium	18,778	-
	<u>464,592</u>	<u>211,648</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

6. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Church Planting & Missions	5,738	548	6,574	12,860
Elam Training	10,395	720	11,911	23,026
Bible & Literature Translation & Production	88,926	3,548	39,611	132,085
Europe & Diaspora	954	65	1,094	2,113
	<u>106,013</u>	<u>4,881</u>	<u>59,190</u>	<u>170,084</u>

7. NET INCOME/(EXPENDITURE)

	31.12.21	31.12.20
	£	£
Auditor's remuneration for audit work	14,190	12,900
Auditor's remuneration for non audit work	45,000	54,000
Depreciation - owned assets	18,817	17,003
Loss on disposal of fixed asset	1,871	2,740
Bibles given as charitable donations	489,106	274,373

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration for the year ended 31 December 2021 nor the year ended 31 December 2020.

Trustees' expenses

During the period, four trustees (2020: three) incurred expenses of £1,868 (2020: £3,626) in respect of travel and subsistence, £6,151 (2020: £3,970) in respect of telephone costs, and £5,924 (2020: £589) in respect of computer equipment. All costs were wholly in fulfilment of charity business.

9. STAFF COSTS

	31.12.21	31.12.20 as restated
	£	£
Wages and salaries	1,057,313	1,018,068
Social security costs	96,324	91,673
Other pension costs	29,287	27,449
	<u>1,182,924</u>	<u>1,137,190</u>

No employees (2020: none) received emoluments in excess of £60,000 .

Key management personnel

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charity was £128,701 for three employees (2020: £122,410).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20 as restated
Staff	<u>38</u>	<u>38</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Revaluation Reserve	Restricted funds	Total funds as restated
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	684,792	-	2,564,610	3,249,402
Other trading activities	113,021	-	-	113,021
Total	<u>797,813</u>	<u>-</u>	<u>2,564,610</u>	<u>3,362,423</u>
EXPENDITURE ON				
Charitable activities				
Church Planting & Missions	21,037	-	238,168	259,205
Elam Training	42,449	-	459,251	501,700
Bible & Literature Translation & Production	468,771	-	259,676	728,447
Technology Initiative	6,648	-	69,565	76,213
Europe & Diaspora	4,181	-	129,465	133,646
Advocacy & Awareness	-	-	24,121	24,121
Total	<u>543,086</u>	<u>-</u>	<u>1,180,246</u>	<u>1,723,332</u>
NET INCOME	254,727	-	1,384,364	1,639,091
Transfers between funds	(172,128)	-	172,128	-
Net movement in funds	82,599	-	1,556,492	1,639,091
RECONCILIATION OF FUNDS				
Total funds brought forward	929,731	817,984	841,870	2,589,585
TOTAL FUNDS CARRIED FORWARD	<u><u>1,012,330</u></u>	<u><u>817,984</u></u>	<u><u>2,398,362</u></u>	<u><u>4,228,676</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. PRIOR YEAR ADJUSTMENT

In previous years, stock which being given away for free or otherwise any stock held by 3rd parties, had not been included when working out the stock valuation, but the SORP states that these should be recognised at the lower of cost and the service potential they provide. As a consequence, because the adjustment was material, the Prior Year figures also needed to be restated. A further adjustment was needed to show the correct allocation of stock between restricted and unrestricted. Below is the detail of the adjustment:

2020	Unrestricted £	Restricted £	Totals £
Original stock	338,524	-	338,524
PYA	(160,394)	1,297,096	1,136,702
	<u>178,130</u>	<u>1,297,096</u>	<u>1,475,226</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2021	1,775,000	223,012	26,544	2,024,556
Additions	-	44,958	-	44,958
Disposals	-	(3,615)	(15,954)	(19,569)
	<u>1,775,000</u>	<u>264,355</u>	<u>10,590</u>	<u>2,049,945</u>
At 31 December 2021	1,775,000	264,355	10,590	2,049,945
DEPRECIATION				
At 1 January 2021	-	143,546	20,841	164,387
Charge for year	-	17,903	913	18,816
Eliminated on disposal	-	(2,163)	(14,634)	(16,797)
	<u>-</u>	<u>159,286</u>	<u>7,120</u>	<u>166,406</u>
At 31 December 2021	-	159,286	7,120	166,406
NET BOOK VALUE				
At 31 December 2021	<u>1,775,000</u>	<u>105,069</u>	<u>3,470</u>	<u>1,883,539</u>
At 31 December 2020	<u>1,775,000</u>	<u>79,466</u>	<u>5,703</u>	<u>1,860,169</u>

Cost or valuation at 31 December 2021 is represented by:

	Land and buildings £	Plant and machinery £	Motor vehicles £	Totals £
Increase per re-valuation in 2002	485,000	-	-	485,000
Increase per re-valuation in 1997	332,984	-	-	332,984
Cost	682,016	264,355	10,590	956,961
The Lodge	275,000	-	-	275,000
	<u>1,775,000</u>	<u>264,355</u>	<u>10,590</u>	<u>2,049,945</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. TANGIBLE FIXED ASSETS - continued

Trustees have decided to bring in the revaluation of the freehold land and buildings as deemed cost after transitioning to FRS102. As such freehold property was last re-valued on an open market basis on 8 October 2002 by Wadham & Isherwood.

There was a charge relating to the freehold property (the Lodge) as at the balance sheet date which has since been released in July 2022. Please see note 21.

13. STOCKS

	31.12.21	31.12.20 as restated
	£	£
Finished goods	1,129,462	1,475,227

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Trade debtors	11,162	46,390
Prepayments	463,530	70,901
Legacies	61,680	-
Gift aid debtor	10,152	14,402
Other debtors	28,594	21,333
	<u>575,118</u>	<u>153,026</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Bank loans & overdrafts	55,631	53,884
Trade creditors	12,552	7,450
Other creditors	19,009	17,263
	<u>87,192</u>	<u>78,597</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Bank loans	<u>180,337</u>	<u>237,715</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.21	31.12.20 as restated
	£	£
Within one year	1,512	1,512
Between one and five years	<u>4,914</u>	<u>6,426</u>
	<u>6,426</u>	<u>7,938</u>

18. MOVEMENT IN FUNDS

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds					
General fund	1,172,724	(160,394)	306,374	(159,117)	1,159,587
Revaluation Reserve	<u>817,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>817,984</u>
	1,990,708	(160,394)	306,374	(159,117)	1,977,571
Restricted funds					
Church Planting & Missions Fund	65,917	-	(88,941)	23,024	-
Elam Training Fund	248,616	-	191,675	-	440,291
Bible Fund	782,463	1,297,097	399,706	-	2,479,266
Media Fund	4,269	-	(70,438)	66,169	-
Advocacy and Awareness	-	-	(14,674)	14,674	-
Europe and Diaspora	<u>-</u>	<u>-</u>	<u>(55,250)</u>	<u>55,250</u>	<u>-</u>
	1,101,265	1,297,097	362,078	159,117	2,919,557
TOTAL FUNDS	<u>3,091,973</u>	<u>1,136,703</u>	<u>668,452</u>	<u>-</u>	<u>4,897,128</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	937,430	(631,056)	306,374
Restricted funds			
Church Planting & Missions Fund	379,835	(468,776)	(88,941)
Elam Training Fund	759,071	(567,396)	191,675
Bible Fund	1,118,896	(719,190)	399,706
Media Fund	278,197	(348,635)	(70,438)
Advocacy and Awareness	-	(14,674)	(14,674)
Europe and Diaspora	63,071	(118,321)	(55,250)
	<u>2,599,070</u>	<u>(2,236,992)</u>	<u>362,078</u>
TOTAL FUNDS	<u><u>3,536,500</u></u>	<u><u>(2,868,048)</u></u>	<u><u>668,452</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	929,731	254,727	(172,128)	1,012,330
Revaluation Reserve	817,984	-	-	817,984
	<u>1,747,715</u>	<u>254,727</u>	<u>(172,128)</u>	<u>1,830,314</u>
Restricted funds				
Church Planting & Missions Fund	-	55,902	10,015	65,917
Elam Training Fund	101,323	132,106	15,187	248,616
Bible Fund	690,311	1,346,137	43,112	2,079,560
Media Fund	-	(77,828)	82,097	4,269
Technology Fund	50,236	23,104	(73,340)	-
Advocacy and Awareness	-	(24,042)	24,042	-
Europe and Diaspora	-	(71,015)	71,015	-
	<u>841,870</u>	<u>1,384,364</u>	<u>172,128</u>	<u>2,398,362</u>
TOTAL FUNDS	<u><u>2,589,585</u></u>	<u><u>1,639,091</u></u>	<u><u>-</u></u>	<u><u>4,228,676</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	797,813	(543,086)	254,727
Restricted funds			
Church Planting & Missions Fund	294,070	(238,168)	55,902
Elam Training Fund	591,357	(459,251)	132,106
Bible Fund	1,330,051	16,086	1,346,137
Media Fund	197,934	(275,762)	(77,828)
Technology Fund	92,669	(69,565)	23,104
Advocacy and Awareness	79	(24,121)	(24,042)
Europe and Diaspora	58,450	(129,465)	(71,015)
	<u>2,564,610</u>	<u>(1,180,246)</u>	<u>1,384,364</u>
TOTAL FUNDS	<u>3,362,423</u>	<u>(1,723,332)</u>	<u>1,639,091</u>

Restricted funds:

The 'Church Planting and Missions' fund is for supporting and mentoring church planters and pastors among Persian speakers.

The 'Elam Training' fund is for training leaders to plant house churches and increase discipleship and evangelism among Persian speakers.

The 'Bible' fund is for printing and distributing Persian New Testaments and Bibles.

The 'Media' fund is for the production of Elam's TV programmes as well as other digital video content, including house church resources, short clips and materials that can easily be shared online or via social media.

The 'Technology' fund is for promoting discipleship programming through technology for women, children, youth and men.

The 'Advocacy and Awareness' fund is for highlighting the plight of the poor and the persecuted.

The 'Europe and Diaspora' fund is for providing support and ministry services to churches and groups working with refugees in Europe.

Transfers between funds

All transfers made from Unrestricted to Restricted Funds are to finance a deficit on the Restricted Fund.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

19. RELATED PARTY DISCLOSURES

A daughter of Trustee R Roshanzamir is an employee of the charity and receives a salary for her role.

Two daughters and a daughter-in-law of Trustee S Yeghnazar are employees of the the charity and receive salaries for their roles. The employees are also the two sisters and wife of Trustee D Yeghnazar.

The brother-in-law of Trustee D Yeghnazar also receives a salary for his role. The employee is also the son-in-law of Trustee S Yeghnazar.

The total amount paid for salaries (including employer pension contributions and employer national insurance contributions) in respect of these five (2020: six) related parties amounted to £140,011 (2020: £158,878).

20. POST BALANCE SHEET EVENTS

Since the balance sheet date, the charitable company received a restricted donation of £208,088 which enabled it to fully settle the balance outstanding on the mortgage earlier than expected, in July 2022.

21. SECURITIES

There is a mortgage secured on the Freehold property which at the end of the year end stood at £235,968 (2020: £291,599). The monthly payments remained at £5,046 (2019: £5,046). However, since the balance sheet date in July 2022, a repayment was made to settle this in full, please see note 20.