

Registered Charity Number: 1107824  
Registered Company Number: 5289161

Mission Direct Limited  
(Known as Mission Direct)

Report and financial statements  
For the year ended 31 December 2022

Mission Direct Limited  
Report and financial statements  
For the year ended 31 December 2022

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# Mission Direct Limited

## Legal and Administrative Information

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### Constitution

Mission Direct is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number: 1107824. Company number: 5289161. Website: <https://missiondirect.org/>. The maximum contribution required by members of the company is an amount not exceeding £1 in the event of the company being wound up. Under the Memorandum and Articles of Association, any surplus of assets over liabilities on winding-up cannot, under any circumstances, be distributed to the Trustees or the Members, but shall be given or transferred to some other charity or charities with similar objects to those of Mission Direct.

### Directors and Trustees

The Directors of the charitable company (hereafter referred to as 'the charity') are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

Paul Holbrook (Chair from 18 March 2022)  
Christopher Knight - Retired 14 October 2022  
Tim Martindale (Chair) – Retired 18 March 2022  
Andrew Smart  
Mark Vickers – Retired 18 March 2022  
Govinda French – Appointed 18 March 2022  
Stephanie Parker-Devall – Appointed 24 June 2022  
Obinani Abuchi – Appointed 10 December 2022

New Trustees are appointed by a majority ballot of the existing Trustees. One third of the Trustees retire from office by rotation at each AGM and may seek re-appointment. The induction and training programme for new Trustees comprises a detailed discussion and orientation by the Chief Executive and 2 other board members. Each new Trustee confirms their agreement with the founding charity documents and agrees what contribution they expect to make. Trustees usually join a team or visit one or more of the charity's overseas programmes.

### Chief Executive and

#### Company Secretary:

Wilhelm Horwood

#### Registered office:

Mission Direct, 27 Bury Mead Road, Hitchin, Herts, SG5 1RT

#### Principal Bankers:

Barclays Bank, George Street, Luton, LU1 2AE

#### Auditor:

Baker Watkin Audit LLP, Middlesex House, Rutherford Close, Stevenage, Hertfordshire, SG1 2EF

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2022. The financial statements comply with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019). They also comply with the Financial Reporting Standard 102 (effective 2015) and the charity's Memorandum and Articles of Association. The accounts have been prepared in accordance with the accounting policies on pages 17 to 19.

### Objectives and Activities

#### Vision

To demonstrate Christian faith through service to the materially poor and those in need around the world.

#### Mission

To take volunteers across the world, working in partnership with local communities, bringing practical help, hope and change.

#### Values

Mission Direct values were reviewed in 2020 and amended after consultation with trustees, staff and volunteers.

**Christianity in action** – While keeping our work Christ-centred, we serve others irrespective of their faiths or worldviews.

**Equality** – As an inclusive and welcoming family, we value human diversity and are committed to treating people equally.

**Sustainability** – We strive for long-term and sustainable impact through careful stewardship of resources to leave a positive lasting legacy.

**Compassion** – We treat people with compassion, kindness and respect to promote dignity and well-being.

**Partnership** – We believe in the power of teamwork, collaboration and cooperation to tackle poverty and injustice.

**Integrity** – We are committed to being authentic, accountable, reliable and trustworthy.

#### Ethos

Mission Direct's ethos of operation is the Starfish Principle. Recognising that we cannot solve everything we work to make a difference 'one by one'.

The Starfish Principle is captured by the story of the little boy who saw thousands of dying starfish on a beach. He started to pick them up and throw them back in the sea. "What are you doing?" his mother asked - "How can you hope to make any difference here?" Picking up the starfish and throwing them back into the sea the boy looked in his mother's eyes and said "Well, I made a difference to that one and that one."

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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### Charity's Objects

Mission Direct's objects are:

- a) The relief of poverty, sickness and distress throughout the world;
- b) The advancement of the Christian religion throughout the world in accordance with its core values and beliefs; and
- c) Other such charitable purposes worldwide as the Trustees may determine.

The Trustees understand (b) as ensuring Mission Direct is a catalyst enabling volunteers and mobilising resources to help the world's materially poor, in keeping with our Christian ethos and articles of faith.

### Public Benefit

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

### Principal Areas of Work

The volunteer model has enabled a few thousand volunteers to work in partnership with the world's materially poor. In going, each person makes a significant personal impact, directly engaging supporters and leaving a legacy of enduring relationships and projects. The Covid-19 pandemic curtailed our ability to send volunteers overseas, so our focus switched to supporting projects. During 2022, Mission Direct brought help and hope in 9 countries: Cambodia, The Dominican Republic, Kenya, Malawi, Moldova, Romania, Ukraine, Uganda, and Zambia.

### Principal Funding Sources

Mission Direct's achievements are normally built on a foundation of mobilising people to raise funds for the building projects on which they have volunteered to work on. Their fundraising efforts continued to be the prime source by which the charity was funded initially before the pandemic took hold. The volunteers were supported by their friends, churches, companies, trusts and other networks. 100% of the funds raised by the volunteers for a building project went directly to the project the person was supporting. In 2020, the pandemic meant that normal business needed to be put on hold. This placed significant pressure on Mission Direct's finances so the charity increased direct fundraising activities for both its own core costs and for projects overseas. Since then we have focussed on both volunteer engagement and fundraising for projects. Our fundraising still had an emphasis on individual donors, major donors, and trusts. We proactively cared for our donors, provided them with information about the positive impact the work is having and expressed our gratitude. Direct Mail remained an effective means to raise awareness of the work and develop a long-term income stream.

### Safeguarding Statement

Mission Direct acknowledges the duty of care to safeguard and promote the welfare of children, young people, and vulnerable adults and to safeguard the welfare of anyone who comes into contact with the Charity's work. The Charity is committed to ensuring safeguarding practice is compliant with statutory responsibilities, the Charities Commission guidance and accords with best practice. Trustees receive training in safeguarding, as do all staff and volunteers. Systems are in place to monitor safeguarding effectiveness and to respond quickly to any concerns.

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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### **Achievements and Performance**

In 2022 – we were able to send 68 volunteers to five countries. This was less than before the pandemic, but the decision was only taken in April that it was safe enough for volunteers to travel again after the pandemic restrictions.

Taking a bottom-up approach to working with the poor and seeing the money spent directly by the overseas staff means money raised is leveraged and used in a focused, well controlled and cost-effective manner.

Below are a few highlights from each country in which we were able to continue activities.

#### **Cambodia**

Our longstanding partner in Cambodia, Serve Cambodia, asked Mission Direct to provide a teacher training team to help the teachers in their schools to teach English language more effectively. A team travelled to Phnom Penh in November and successfully delivered Phonics training to the Cambodian teachers and got involved in other work around the schools. Our representatives, including our country manager for Cambodia and the chief executive of Mission Direct, were honoured to take part in the grand opening of the Harvest of Hope School, which Mission Direct rebuilt for Serve Cambodia in 2021 to protect it from future flooding.

#### **The Dominican Republic**

Our volunteers achieved a lot in the Dominican Republic in 2022. With our main partner, Samaritan Foundation, we helped with the construction of three houses at their Rio De Vida community, which is seeking to house about 150 materially poor families. In addition to this, our volunteers also helped Samaritan Foundation to put the finishing touches to other houses in the same community by painting the external walls of 13 additional houses. Our volunteers also helped to complete the renovation work at Nazareth House, which houses disabled orphans. In the previous year, funds raised by Mission Direct had supported extensive renovation and extension works, so the volunteers finished this by painting the outside of the building.

#### **Kenya**

In Kenya our volunteers helped to construct five rooms for our partner, Mission with a Vision, who support girls who have been rescued from FGM and forced marriages. These rooms will become accommodation for these girls and is part of a three-year project to expand the facilities.

#### **Malawi**

It was not possible to send any volunteers to Malawi in 2022, however we were able to continue to support the Trinity School in Moyo, in partnership with Starfish Malawi. Through fundraising, we were able to support the completion of two classrooms and the construction of a toilet block for the school. These were completed in time for the start of school after the extended school closure due to the pandemic restrictions in Malawi.

#### **Moldova, Romania and Ukraine**

As a response to the refugee crisis caused by the war in Ukraine, Mission Direct contacted Foundation Ancora in Moldova, our longstanding partners, to explore how we could support their work as they pivoted from their normal charitable work to responding to the refugee crisis there. As a result of working with them, we were able to organise two large van loads and one very full car load of emergency aid, consisting of clothing, bedding, packaged foods, appropriate medicines, and toys for children. We also fundraised to support their work providing food and accommodation to refugees in Moldova and Romania, and later funded food and generators to be sent into Ukraine itself.

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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### **Uganda: Kumi**

We were able to send two teams to Kumi in Uganda in 2022. They built a four-unit block of teacher's homes with kitchen facilities and latrines and bathing shelters at Kumi Primary School. These facilities are essential to enable rural schools to attract and retain qualified teachers.

### **Uganda: Rukungiri**

We also built a kitchen block at Rushararazi Primary School because the previous cooking facilities at the school were exposed to the weather and to local wildlife, so these new facilities will improve food security and food hygiene at the school.

### **Zambia**

Our work in Zambia was focussed on two different needs, the first related to education and the second related to child homelessness. Our volunteers helped to build a toilet block at Kiine School in Lusaka. This facility was necessary due to the growth in pupil numbers and the poor toilet facilities that had existed previously. We also sent a special team to work with street children with our local partner called Footprints. This team did street outreach with the homeless children and supported Footprints with their work to rescue the children from the streets. Children who accept the help are placed in safe accommodation and where possible they are reunited with their families.

### **Financial Review**

The Trustees consider the financial performance to be acceptable, particularly in the context of operating in a post-pandemic environment which affected our main income source. Seeking funding from fundraising from individuals and trusts, as well as utilising the government's Job Retention Scheme, has sustained the organisation. Although overall income increased, costs were aggressively managed also so that overall unrestricted reserves increased slightly. The Trustees are grateful to all the staff who helped make this possible. The Trustees have key financial policies in place and undertake appropriate risk assessments. Monthly accounts and KPIs ensure appropriate timely management information is available.

Income for 2022 was £790,040 (30.2%) more than in 2021 on all funds mainly as a result of the ability to send volunteers on mission trips again in the second half of the year a decision which was only to be taken in late April 2022. Expenditure increased as a result of sending volunteers by only 28% due to careful management of costs in spite of high air travel costs.

### **Plans for Future Periods**

The three strategic initiatives for 2023 are:

1. Make a difference to 1,000 direct beneficiaries
2. Manage finances sustainably
3. Tell our story better

### **Effects of BREXIT**

The Trustees having considered the impact of BREXIT on the charity believe that, as Mission Direct operate internationally outside of Europe, it won't be affected to any substantial degree.

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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### Structure Governance and Management

Mission Direct Trustees bring core strategic, governance and tactical competencies to the organisation.

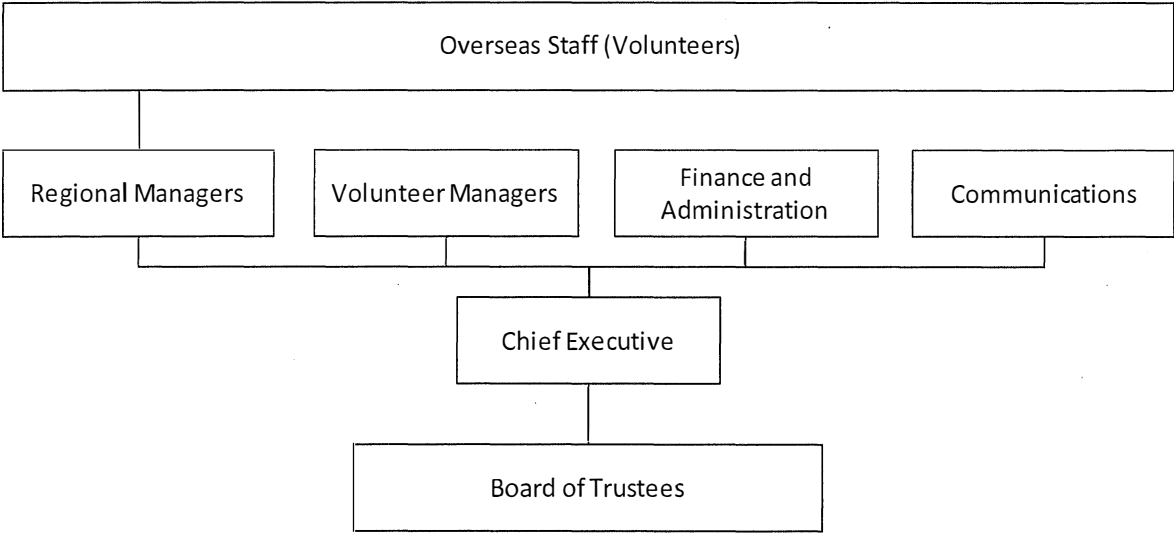
The governance and key policies are considered appropriate for Mission Direct's current size and purpose. The strategy and plans are clear. The organisation's structure is focused on securing the volunteers and maximising the value they add during their time on mission.

Management responsibilities are clearly defined and the Trustee group operates based on the Carver Model.

### Fundraising

Mission Direct undertake fundraising internally and does not use a third party to assist with this. The funds are raised from donations from individual donors, church donors, corporate donors, grants and direct mail appeals. Fundraising is reviewed as part of the monthly business cycle. Mission Direct is a member of The Fundraising Preference Service. In 2022 no fundraising complaints were received. One of the principles that Mission Direct holds close is "do no harm". This applies to everything we do. In terms of fundraising we invite people to be part of the work but if they indicate they don't wish to be contacted by us we remove them from the database. If they wish to understand more about the work they will be invited to visit the charity or have a telephone conversation if that is more appropriate.

### Mission Direct's organisation chart is:



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



# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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### Principal risks and uncertainties

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks. The two risks that would have the highest impact to the model of operation that the charity has are a) the cost of flights suddenly increasing beyond that economically acceptable to volunteers, and b) data loss from charity systems failing or being attacked.

### Covid-19

Mission Direct continued to be affected by the pandemic in the early part of 2022 because it was difficult to plan when volunteers would start travelling again. It was decided in April that Mission Direct could safely run volunteer teams again, which limited the number of teams and volunteers that travelled in 2022. Despite this limitation, the teams that did travel were able to make a significant difference as we worked towards increasing volunteer numbers in 2023.

### Reserves Policy

It is the policy of the charity to maintain a minimum of unrestricted funds, which are the free reserves of the charity, at a level which equates to its unrestricted closure liabilities at any point in time. This level is currently £79,000 and provides sufficient funds to cover management, administrative and support costs. The Trustees are happy with the current level of unrestricted reserves held at the year-end of £255,866 (2021: £249,992) but will continue to monitor this in the future.

### Investment Policy

Mission Direct will maintain its legal responsibility to optimise the return on investments, with regard to appropriate risk factors. This has been encompassed, together with its Reserves Policy, within the charity's Investment Policy which is reviewed on an annual basis. The Policy ensures that there are sufficient funds within short term bank deposits to facilitate Mission Direct's day to day cash requirements and with additional funds placed to gain a return commensurate with the risk.

### Going Concern

The trustees have reviewed detailed cash flow projections and have agreed detailed budgets for the year ending 31 December 2023. All are being regularly revisited as situations change and actions taken as necessary to ensure that the charity can continue in these uncertain times. As a result of this the trustees are satisfied that it is appropriate to prepare the accounts as a going concern.

### Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Mission Direct Limited 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).

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in that Charity SORP;
- make judgements and estimates that are reasonable and prudent;

# Mission Direct Limited

## Report of the Trustees (Including Directors' Report)

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- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records 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.

### **Statement as to Disclosure of Information to Auditor**

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

### **Auditor**

The auditor, Baker Watkin Audit LLP, were appointed in the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

In approving the Report of the Trustees, we also approve the Directors' Report included therein, in our capacity as company directors.

Approved by the Board of Trustees on 27 June 2023 and signed on its behalf by:

*Paul Holbrook*

Paul Holbrook  
Chair of Trustees

# Mission Direct Limited

## Independent auditor's report to the members of Mission Direct Limited

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### Opinion

We have audited the financial statements of Mission Direct Limited (the 'charity') for the year ended 31 December 2022 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# Mission Direct Limited

## Independent auditor's report to the members of Mission Direct Limited

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Report of the Trustees and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# Mission Direct Limited

## Independent auditor's report to the members of Mission Direct Limited

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### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial results, in particular in relation to the use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Enquiries of trustees and management concerning any actual or potential litigation or claims;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.
- Review of trustees' minutes for any indications of non-compliance.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

# Mission Direct Limited

## Independent auditor's report to the members of Mission Direct Limited

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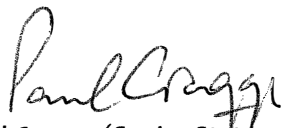
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

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



Paul Craggs (Senior Statutory Auditor)  
for and on behalf of Baker Watkin Audit LLP  
Chartered Accountants  
Middlesex House  
Rutherford Close, Stevenage  
Hertfordshire, SG1 2EF

Date: 27 June 2023

# Mission Direct Limited

## Statement of Financial Activities

### For the year ended 31 December 2022

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
	Notes						
<b>Income and endowments</b>							
Donations and legacies							
- Donations		434,125	307,523	741,648	284,299	212,376	496,675
- Legacies		46,890	-	46,890	57,573	-	57,573
Investment income		1,502	-	1,502	1,964	-	1,964
Government Grant Income from Job Retention Scheme		-	-	-	50,691	-	50,691
<b>Total Income</b>	<b>2</b>	<b>482,517</b>	<b>307,523</b>	<b>790,040</b>	<b>394,527</b>	<b>212,376</b>	<b>606,903</b>
<b>Expenditure</b>							
Costs of Raising Funds		13,280	-	13,280	14,558	-	14,558
Charitable activity							
- Charitable activity costs		396,220	272,924	669,144	262,444	246,033	508,477
- Support activity		67,143	-	67,143	61,241	-	61,241
<b>Total Expenditure</b>	<b>3</b>	<b>476,643</b>	<b>272,924</b>	<b>749,567</b>	<b>338,243</b>	<b>246,033</b>	<b>584,276</b>
<b>Net income/(expenditure)</b>	<b>4</b>	<b>5,874</b>	<b>34,599</b>	<b>40,473</b>	<b>56,284</b>	<b>(33,657)</b>	<b>22,627</b>
Transfers between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>5,874</b>	<b>34,599</b>	<b>40,473</b>	<b>56,284</b>	<b>(33,657)</b>	<b>22,627</b>
<b>Total funds 1 January</b>		<b>249,992</b>	<b>291,575</b>	<b>541,567</b>	<b>193,708</b>	<b>325,232</b>	<b>518,940</b>
<b>Total funds 31 December</b>		<b>255,866</b>	<b>326,174</b>	<b>582,040</b>	<b>249,992</b>	<b>291,575</b>	<b>541,567</b>

The charity's income and expenditure all relate to continuing operations.

The charity has no recognised gains or losses.

The information presented within the Statement of Financial Activities for the year ended 31 December 2022 is equivalent to that which would have to be disclosed in an income and expenditure account and accordingly a separate income and expenditure account has not been presented, as permitted by Companies Act 2006.

The notes to the financial statements on pages 16 to 24 form part of these financial statements.

Mission Direct Limited  
Balance Sheet  
As at 31 December 2022

Company number: 5289161

	Notes	2022 £	2022 £	2021 £	2021 £
Tangible fixed assets	7		5,767		8,895
Current assets					
Debtors	8	58,224		63,379	
Cash and cash equivalents	9	<u>633,059</u>		<u>625,845</u>	
		691,283		689,224	
Creditors: amounts falling due within one year	10	(115,010)		(156,552)	
Net current assets			<u>576,273</u>		<u>532,672</u>
Net assets			<u>582,040</u>		<u>541,567</u>
Funds of the Charity					
Unrestricted funds	12		255,866		249,992
Restricted funds	12		<u>326,174</u>		<u>291,575</u>
			<u>582,040</u>		<u>541,567</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 27 June 2023 and were signed on its behalf by:

*Paul Holbrook*

Paul Holbrook  
Chair of Trustees

The notes on pages 16 to 24 form part of these financial statements.



Mission Direct Limited  
Statement of Cash Flows  
For Year ended December 2022

Company number: 5289161

	2022 £	2021 £
<b>Cash flows from operating activities:</b>		
Net income	40,473	22,627
Depreciation	3,128	6,088
Interest received	(1,502)	(1,964)
(Increase)/Decrease in debtors	5,155	28,575
Increase/(Decrease) in creditors	(41,542)	(1,421)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,712</b>	<b>53,905</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	-	-
Interest received	1,502	1,964
<b>Net increase in cash &amp; cash equivalents</b>	<b>7,214</b>	<b>55,869</b>
Opening cash and cash equivalents	625,845	569,976
Movement in the year	7,214	55,869
<b>Closing cash and cash equivalents</b>	<b>633,059</b>	<b>625,845</b>

The notes on pages 16 to 24 form part of these financial statements.

# Mission Direct Limited

## Notes to the financial statements

### For the year 31 December 2022

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#### **1. Principal accounting policies**

##### **a) General information**

Mission Direct is a company limited by guarantee, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the Legal and Administrative information on page 1.

The principal activity of the charity is to demonstrate the Christian faith through service to the materially poor and those in need around the world.

The financial statements are presented in Sterling and this is the functional currency of the charity. The financial statements are rounded to the nearest whole pound.

##### **b) (i) Basis of preparation**

The financial statements have been prepared under the historical cost convention on a going concern basis, and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP), the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS102) and the Charities and Companies Acts.

##### **(ii) Going Concern**

The trustees have reviewed detailed cash flow projections and have agreed detailed budgets for the year ended 31 December 2023. All are being regularly revisited as situations change and actions taken as necessary to ensure that the charity can continue in these uncertain times. As a result, the use of the going concern basis of accounting is appropriate.

##### **c) Income**

Income from donations and grants is included in income when receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions, which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When sponsorship or donations are given in respect of a trip arising in a future accounting period.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Income from legacies is recognised when the three criteria of entitlement, measurability and probability are met.

Income from the Government Job Retention Scheme is included in income when receivable.

# Mission Direct Limited

## Notes to the financial statements (continued)

### For the year 31 December 2022

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**d) Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered as the charity is not VAT-registered.

Certain expenditure is directly attributable to specific activities and is included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories according to the nature of the cost.

Termination payments of statutory redundancy payments are included when payable.

**e) Classification of expenditure**

Costs of generating voluntary income are costs incurred with third parties in the UK who promote fundraising, including events.

Charitable activity costs are costs in furtherance of the charity's objects all of which is expenditure directly relating to the objects of the charity.

**f) Support activity**

Support activity represents those costs incurred by UK and overseas based staff, directly providing support for the international programme, including management, policy and advocacy work, programme supervision and technical support. They also include costs incurred in managing the charity, its organisational administration and compliance with constitutional and statutory requirements.

**g) Tangible fixed assets**

Assets intended for continuing use by the charity are capitalised at cost. Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

Leasehold Improvements	- Lease Duration
Computers	- 3 years
Office Equipment	- 5 years
Furniture	- 10 years
Program Assets	- 3 years

**h) Fund accounting**

Funds held by the charity are either;

- Unrestricted funds: These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds: These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions can arise when specified by the donor or when funds are raised for particular restricted purposes.

**i) Foreign currencies**

Transactions in foreign currencies are translated at rates prevailing at the date of transaction. Balances denominated in foreign currencies are translated at the rate prevailing at the year end.

# Mission Direct Limited

## Notes to the financial statements (continued)

### For the year 31 December 2022

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**j) Operating leases**

Rentals applicable to operating leases where substantially all the benefits of ownership and risk remain with the lessor are charged to the SOFA as stated.

**k) Investments**

The company has limited funds to invest and as such, makes an appropriate use of resources by placing them on medium- and short-term deposits with banks.

**l) Cash and Cash equivalents**

Cash and cash equivalents are cash and short term highly liquid investments with a short maturity of 100 days or less from the date of acquisition or opening of the deposit or similar account.

**m) Financial instruments**

The charity only has financial asset and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction values and subsequently measured at their settlement value.

**n) Judgements in applying accounting policies and key sources of estimation uncertainty**

In applying the charitable company's accounting policies, the directors may be required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions should be based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

Due to the nature of the charitable company's activities and financial statements, the Directors do not consider there to be any significant judgements or sources of estimation uncertainty which could influence the reader's understanding of the financial statements.

# Mission Direct Limited

## Notes to the financial statements (continued)

### For the year 31 December 2022

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#### 2. Income

Income is attributable to the principal activities set out in the Charity's vision, mission and values. See the Report of the Trustees for more details.

#### 3. Expenditure

	Staff costs £	Other Costs £	Total 2022 £	Total 2021 £
Cost of generating voluntary income	5,943	7,337	13,280	14,558
Direct Programme Delivery	167,511	501,633	669,144	508,477
Support cost	35,656	25,487	61,143	55,241
Governance cost	-	6,000	6,000	6,000
	<u>209,110</u>	<u>540,457</u>	<u>749,567</u>	<u>584,276</u>

#### 4. Net income/(expenditure)

The net income/ (expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditor's remuneration: Statutory audit fees	6,000	6,000
Non-audit accounting fees	480	600
Depreciation - owned assets	3,128	6,088
Operating lease charge	6,879	6,656

# Mission Direct Limited

## Notes to the financial statements (continued)

### For the year 31 December 2022

#### 5. Staff costs

The average number of employees working for the charity during the period was as follows:

	2022 No.	2021 No.
Management and administration	2	2
Direct charitable activities	3	3
	<u>5</u>	<u>5</u>

	2022 £	2021 £
Gross wages and salaries	187,813	178,415
Statutory redundancy payments	-	-
Employer's National Insurance	15,718	14,533
Pension contributions	5,579	5,889
	<u>209,110</u>	<u>198,837</u>

No employee earned over £60,000 in 2022 (2021 – None).

Trustees' remuneration for the year ended 31 December 2022 was £nil (2021– £nil).

Remuneration of key management personnel for the year ended 31 December 2022 totalled £60,707 (2021 - £57,950).

Trustee/Directors Liability insurance premium for the year ended 31 December 2022 was £1,090 (2021 - £1,026)

#### Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £5,579 (2021: £5,889).

Contributions totalling £984 (2021: £1,272) were payable to the fund at the balance sheet date and are included in creditors.

#### 6. Taxation

The company is exempt from Corporation Tax as a registered charity.

Mission Direct Limited  
Notes to the financial statements (continued)  
For the year 31 December 2022

**7. Tangible fixed assets**

	Leasehold Improvements	Computers	Office Equipment	Furniture	Program Assets	Total
	£	£	£	£	£	£
Cost						
At 1 January 2022	28,246	49,725	5,531	5,796	7,773	97,071
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 December 2022	28,246	49,725	5,531	5,796	7,773	97,071
Depreciation						
At 1 January 2022	19,862	49,569	5,176	5,796	7,773	88,176
Charge for year	2,794	156	178	-	-	3,128
Disposals	-	-	-	-	-	-
At 31 December 2022	22,656	49,725	5,354	5,796	7,773	91,304
Net book values						
At 31 December 2022	5,590		177	-	-	5,767
At 31 December 2021	8,384	156	355	-	-	8,895

**8. Debtors**

	2022 £	2021 £
Other debtors	34,553	50,965
Prepayments	23,671	12,413
	58,224	63,378

**Note -:** Other Debtors includes Gift Aid Debtors

Mission Direct Limited  
Notes to the financial statements (continued)  
For the year 31 December 2022

**9. Cash and cash equivalents**

	2022	2021
	£	£
Short-term deposits (100 days or less)	112,265	192,361
Cash at bank	510,721	412,744
Cash overseas	2,780	12,301
Petty cash	7,293	8,439
	<u>633,059</u>	<u>625,845</u>

**10. Creditors: amounts falling due within one year**

	2022	2021
	£	£
Deferred income	70,938	136,485
Payments in Advance	13,412	---
Staff Contributions	13,491	---
Taxation and social security	5,998	9,713
Accruals	11,171	10,354
	<u>115,010</u>	<u>156,552</u>

Deferred Income

	2022	2021
	£	£
Opening balance	136,485	141,098
Released during the year	(80,521)	(9,656)
Income deferred in the year	14,974	5,043
Closing Balance	<u>70,938</u>	<u>136,485</u>

Deferred income relates to donations received from team members in relation to trips taking place in the following year.

**11. Financial Instrument**

	2022	2021
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	<u>34,553</u>	<u>50,965</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>109,012</u>	<u>146,839</u>



Mission Direct Limited  
Notes to the financial statements (continued)  
For the year 31 December 2022

**12. Funds**

The income funds of the charity include restricted and unrestricted funds comprising the following unexpended balances of donations, grants and other incoming resources to be applied for these purposes:

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
<b>Unrestricted Funds</b>					
United Kingdom	229,492	294,287	(240,314)	(48,099)	235,366
Brazil	1,500	-	-	-	1,500
Cambodia	1,500	11,460	(9,353)	(2,107)	1,500
The Dominican Republic	1,500	19,993	(16,775)	(3,218)	1,500
Gambia	1,500	-	-	-	1,500
India	1,500	-	-	-	1,500
Kenya	1,500	34,627	(25,665)	(8,962)	1,500
Malawi	500	-	-	-	500
Moldova	1,500	-	-	-	1,500
Sierra Leone	1,500	-	-	-	1,500
Uganda	4,500	67,403	(46,159)	(21,244)	4,500
Zambia	2,000	54,747	(46,162)	(8,585)	2,000
Zimbabwe	1,500	-	-	-	1,500
Additional Campaign Cost	-	-	(92,215)	92,215	-
<b>Total Unrestricted</b>	<b>249,992</b>	<b>482,517</b>	<b>(476,643)</b>	<b>-</b>	<b>255,866</b>
<b>Restricted Funds</b>					
Brazil	5,453	1,490	-	-	6,943
Cambodia	30,269	12,608	(19,614)	-	23,263
The Dominican Republic	51,488	6,463	(26,421)	-	31,530
Gambia	75	-	-	-	75
India	11,667	100	-	-	11,767
Kenya	28,324	51,175	(29,931)	-	49,568
Malawi	7,791	2,997	(9,000)	-	1,788
Moldova	7,451	39,320	(21,022)	-	25,749
Sierra Leone	24,936	184	-	-	25,120
Uganda	41,574	89,489	(82,680)	-	48,383
United Kingdom	12,894	-	-	-	12,894
Zambia	40,378	67,583	(70,965)	-	36,996
Zimbabwe	29,275	36,114	(13,291)	-	52,098
<b>Total Restricted</b>	<b>291,575</b>	<b>307,523</b>	<b>(272,924)</b>	<b>-</b>	<b>326,174</b>
<b>Total Funds</b>	<b>541,567</b>	<b>790,040</b>	<b>(749,567)</b>	<b>-</b>	<b>582,040</b>

# Mission Direct Limited

## Notes to the financial statements (continued)

### For the year 31 December 2022

#### Note 12 (continued)

Transfers between the unrestricted funds reflect the cost of direct administrative support given to each country campaign or the subsidy given from the additional campaign cost fund to enable specific country campaigns to operate.

Restricted funds are held for income and expenditure arising from Mission Direct's Overseas Projects and Partners.

#### 13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Tangible fixed assets	5,767	-	5,767	8,895
Debtors	58,224	-	58,224	63,379
Cash	306,885	326,174	633,059	625,845
Current Liabilities	(115,010)	-	(115,010)	(156,552)
Total net assets	255,866	326,174	582,040	541,567

#### 14. Operating lease commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due as follows:

	2022 £	2021 £
Office equipment expiring in less than 1 year	4,680	6,322
Office equipment expiring between 1 year and 5 years	17,550	6,407
	22,230	12,729

#### 15. Trustee Donations, expenses and related party disclosures

- Unrestricted donations received from trustees and key management personnel during the year totalled £16,785 (2021 - £16,300)
- Mission Direct's policy is that Trustees do not claim expenses
- There were no related party transactions during 2022 (2021 – None)