

Charity Registration No: 1107874
Company Registration No: 05028546 (England and Wales)

THE MISSION HOUSE

TRUSTEES REPORT AND INDEPENDENTLY EXAMINED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

THE MISSION HOUSE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

OP Carlon
SR Forman (Secretary)
KJ Honour
NJ Kiernander
IT Pounce (Chair)

Registered Office Address

1 The Meadows
Lower Cardrew Lane
Redruth
Cornwall
TR15 1FL

Accountants

The Accounting Equation
Parade Chambers
10 Parade Street
Penzance Cornwall
TR18 4BU

Bankers

The Co-operative Bank plc
PO Box 250
Skelmersdale
WN8 6WT

THE MISSION HOUSE

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Report of the Trustees for the year ended 31 March 2021

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting for 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives, Activities and Plans for the future

The object of the charity is:

- The advancement of Christian Faith worldwide by preaching proclamation of the Christian gospel through acts of service and the teaching of Christian doctrine and principles
- The relief of poverty, sickness and distress in any part of the world.

The Mission House is a small charity making a big positive impact in the lives of some of the world's poorest and disadvantaged people in many places and in many ways.

We believe education and enterprise alongside practical immediate help are the keys to unlock the doors of opportunity that lead people of all ages to sustainable independence and release their potential. The Mission House continues to bring this transformational change into the lives of very needy people in Madagascar, Sri Lanka and India.

This is made possible by our supporters - individuals, groups, churches and corporate - to whom we say a huge "thanks you". This year, as well as regular donations they have responded generously to several specific appeals. We have taken their compassion, expressed through their donations, and used it to save and transform lives. Our overheads are minimal which means that as much as possible is used in support of those we serve.

Income during this period improved significantly on last year and apart from increased donor income we received a £1,500 'switching bonus' for changing banks and, thanks to the Financial Ombudsman Service, had funds of £10,400 (capital plus interest) re-instated to our account from a scam fraud that occurred in July 2017.

Madagascar:

Even though covid-19 has presented some very real challenges, we have continued to support and work in our projects and have also contributed £6,600 for emergency famine relief in Southern Madagascar. This was for the provision of lifesaving food pouches and medical supplies for children.

This year The Mission House Academy in southeast Madagascar has graduated another 200 attendees from our Life Skills courses both in-house and at another international charity who value the training we give their people.

In Central Madagascar we have continued supporting Le Triomphe orphanage, made immediate safety improvements to their electricity distribution and surveyed their whole property with a view to renewing and upgrading their solar energy provision (originally installed by us).

Also, in the Central Region the school we support had to close (because of covid) which meant no fee income from the children and a dramatic loss of revenue. The Principal and teachers were living at subsistence level on one meal a day but we were able to help by providing enough funds to feed them and their families for three months until the school could re-open.

We have replaced and upgraded their water well pump so now they have fresh water 24/7, plus increased their solar power and storage to provide lighting and more power 24/7, added five laptops, with the latest Windows and various educational programs, and a projector to the school.

The Principal of the school also teaches in the villages he visits. His doctor wife travels with him and provides a 'pop-up' surgery doing what she can to treat people. They travel in a 4x4 (provided by The Mission House three years ago) and we have been able to fund four new tyres for them this year.

Sri Lanka:

We continue to support a prison ministry by contributing to bags of personal gifts, food, sports equipment and an opportunity to hear a gospel message of encouragement and hope to thousands of prisoners in four prisons.

India:

The Dalit are the lowest caste and are a very discriminated against people group, but with help they can be equipped with education and vocational training. These are the vehicles to help them out the cycle of poverty. Children and orphan children of all ages are schooled and housed at Light Centre, In Andhra Pradesh and vocational training for women takes place there as well. The Mission House provides regular grants to the Centre in support of their work.

The Year Ahead:

Education -

This coming year will see a 'step-up' in our activities. Plans to introduce our Life Skills course in Antananarivo, the capital of Madagascar are already well advanced. We have the Course Leader, and available premises but of course, there are realities like covid and weather events which may delay the start.

IT based training for high school age students will be introduced in Fort Dauphin (Southeast Region). We are acquiring laptops and educational programs in both English and Malagasy and will be developing a curriculum based around the present education system.

Enterprise –

There are two separate opportunities currently being investigated and developed. Provision of solar power packs sufficient to provide reading light in typical village communities and small-scale brick production using locally available materials. The idea is to empower individuals and build resiliency into people and communities especially those emerging from catastrophes of hurricane damage, flooding, drought and famine.

Our existing projects and programs of support will continue. Any new ventures will be structured to fit in with our worldview and thus continue fulfilling our mission of transforming our donor's compassion into life changing *help and hope to those in need*.

Financial Review and results for the year

The results for the year are shown in the statement of financial activities on page 7 and show net income for the year of £14,548 (2021: net expenditure £2,756) which together with the reserves brought forward of £2,497 gives a reserves figure carried forward of £17,045.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three- and six-months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Reserves policy

The trustees' policy is to maintain the reserves at £3,000. The general reserve at 31 March 2022 was £17,045. (2021: £2,497). The reserves policy will be reviewed annually.

Investment policy

The trustees regularly review the cash held by the charity and whilst maintaining access to funds for operational purposes, will place any surplus funds in an interest-bearing deposit account when appropriate

Risk Management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that operating systems are in place which mitigate or minimise these risks. The trustees will continue to review potential risks on a regular basis.

Structure, governance and management

The charity is a company limited by guarantee

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

OP Carlon

SR Forman (Secretary)

KJ Honour

NJ Kiernander

IT Pounce (Chair)

Suitable individuals are identified by the existing trustees on the basis of their skills and knowledge and are invited to become trustees. New trustees are inducted into the workings of the charity. The trustees are responsible for the overall control of the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Public Benefit Statement

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Tax Status

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

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

The trustees report was approved by the Board of Trustees



NJ Kiernander

Trustee

Dated: 22nd June 2022

THE MISSION HOUSE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MISSION HOUSE

I report on the accounts of The Mission House for the year ended 31 March 2022

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

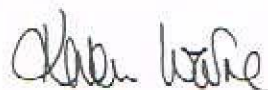
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 386 of the Companies Act 2006; and
- the accounts did not accord with such records; or
- the accounts did not comply with the relevant accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102)

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Karen Warne FMAAT, ATT
The Accounting Equation
Parade Chambers, 10 Parade Street
Penzance, Cornwall, TR18 4BU

Date: 08.06.22.....

THE MISSION HOUSE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|-------|-------------------------|-----------------------|--------------------------|--------------------------|
| Income | | | | | |
| Donations and grants | 3 | 25,009 | 15,302 | 40,311 | 20,431 |
| Investments | 4 | - | - | - | - |
| Total | | 25,009 | 15,302 | 40,311 | 20,431 |
| Expenditure | | | | | |
| Charitable activities and governance | 5 | 2,767 | 22,996 | 25,763 | 17,669 |
| Total | | 2,767 | 22,996 | 25,763 | 17,669 |
| Net income/(expenditure) before transfers | | 22,242 | (7,694) | 14,548 | 2,762 |
| Gross Transfers between funds | | (7,694) | 7,694 | - | - |
| Net income/(expenditure) for the year | | 14,548 | - | 14,548 | 2,762 |
| Other recognised gains and losses | | | | | |
| Other gains/(losses) | 10 | 0 | - | 0 | (6) |
| Net movement in funds | | 14,548 | - | 14,548 | 2,756 |
| Fund balances at 1 April 2021 | | 2,497 | - | 2,497 | (259) |
| Fund balances at 31 March 2022 | | 17,045 | 0 | 17,045 | 2,497 |

The statement of financial activities includes all gains and losses recognised in the year

All income and expenditure derive from continuing activities

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MISSION HOUSE

BALANCE SHEET

AS AT 31ST MARCH 2022

| | Notes | £ | 2022 £ | £ | 2021 £ |
|---|-------|---------------|---------------|--------------|--------------|
| Current Assets | | | | | |
| Debtors | 13 | 240 | | | |
| Cash at bank and in hand | | <u>17,525</u> | | <u>3,072</u> | |
| Total Current Assets | | <u>17,765</u> | | <u>3,072</u> | |
| Creditors: Amounts falling due within one year | | | | | |
| | 14 | <u>(720)</u> | | <u>(575)</u> | |
| Net Current Assets/(Liabilities) | | | <u>17,045</u> | | <u>2,497</u> |

Funds of the Charity

| | | | | |
|--------------------|--|---------------|--|--------------|
| Unrestricted Funds | | <u>17,045</u> | | <u>2,497</u> |
| Total Funds | | <u>17,045</u> | | <u>2,497</u> |

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with s476 of the Companies Act 2006.

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

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

The financial statements were approved by the Trustees on 22nd June 2022

Signed N. Kiernander
NJ Kiernander

1 Accounting Policies

Charity information

The Mission House (Limited by Guarantee) is a private company limited by guarantee incorporated in England and Wales. The registered office is 1 The Meadows, Lower Cardrew Lane, Redruth, Cornwall, TR15 1FL

No trustee has any beneficial interest in the charity. All trustees are members of the charity and each guarantee to contribute an amount not exceeding £10 in the event of winding up.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions of the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives, unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

1.4 Incoming resources

Voluntary income is recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient

reliability. Income is deferred when performance related grants are received in advance of the performances or event to which they relate.

Intangible income is not included unless it represents goods or services which would otherwise be purchased. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102)

1.5 Resources expended

Expenditure is included on an accrual basis. The irrecoverable element of VAT is included with the item of expense to which it relates. Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services supplied. Other grant payments are recognised as goods or services supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being an unavoidable commitment.

Governance costs represent the cost of the travel, subsistence and office expenses and reporting accountants' fees

The majority of costs are directly attributable to specific activities. Certain shared costs are apportioned to activities in the furtherance of the objects of the charity. Shared costs are apportioned on the basis of the estimated usage by each cost centre of services provided.

1.6 Tangible fixed assets

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

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

| | |
|-----------------------|---------------|
| Fixtures and fittings | 20% per annum |
|-----------------------|---------------|

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

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic financial instruments' and Section 12 'Other financial instrument issues' of FRS 102 to all of its financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future

receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.9 Foreign Exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

2. Critical accounting estimates and judgements

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

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

3. Donations and grants

| | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total 2022 £ | Total 2021 £ |
|----------------------|------------------------------------|----------------------------------|--------------------|--------------------|
| Donations and Grants | 25,009 | 15,302 | 40,311 | 20,431 |

4. Investments

| | Unrestricted Funds 2022 £ | Unrestricted Funds 2021 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | - | - |

5. Charitable activities and governance

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Travel and subsistence | 400 | 18 |
| Office Expenses | 1,522 | 1,631 |
| Sundry | 4 | 20 |
| Insurance | 45 | |
| Bank Charges | 45 | 239 |
| | <u>2,016</u> | <u>1,908</u> |
| Grant funding of activities (see note 6) | 22,996 | 15,156 |
| Share of governance costs (see note 7) | 751 | 605 |
| | <u>25,763</u> | <u>17,669</u> |
| Analysis by fund | | |
| Unrestricted funds | 2,767 | 2,513 |
| Restricted funds | 22,996 | 15,156 |
| | <u>25,763</u> | <u>17,669</u> |

6. Grants payable

All grants were payable to institutions and not individuals

7. Support costs

| | Support Costs £ | Governance Costs £ | Total 2022 £ |
|---|-----------------------|--------------------------|--------------------|
| Accountancy and independent examination | - | 720 | 720 |
| | - | 720 | 720 |
| | | | |
| | Support Costs £ | Governance Costs £ | Total 2021 £ |
| Accountancy and independent examination | - | 575 | 575 |
| | - | 575 | 575 |

Governance costs includes payments to the accountants of £720 (2021: £575) for accountancy and independent examination fees.

8. Trustees

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

Trustees had travel and office expenses during 2022 totalling £1346 (2021: £265). At the year end, N Kiernander owed the Charity £239.00

9. Employees

There were no employees during the year. The key management personnel services are undertaken by the trustees. The trustees (who are also the directors) received no emoluments.

10. Other gains or losses

| | Unrestricted Funds 2022 £ | Unrestricted Funds 2021 £ |
|---------------------------------|------------------------------------|------------------------------------|
| Foreign exchange gains/(losses) | 0 | (6) |

11. Tangible fixed assets

| | Fixtures and fittings £ |
|------------------------------------|----------------------------|
| Cost | |
| At 1 April 2021 | 949 |
| At 31 March 2022 | 949 |
| Depreciation and Impairment | |
| At 1 April 2021 | 949 |
| At 31 March 2022 | 949 |
| Carrying amount | - |

12. Financial instruments

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 239 | - |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 720 | 575 |

13. Debtors

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Other debtors | 239 | - |

14. Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 720 | 575 |

15. Restricted funds

| | Balance at 1 April 2021 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 March 2022 £ |
|------------------------|------------------------------------|----------------------------|----------------------------|----------------|-------------------------------------|
| Total restricted funds | - | 15,302 | (22,996) | 7,694 | - |

All restricted funds are for the charity's objectives