

OM INTERNATIONAL

(previously OM INTERNATIONAL SERVICES (CARLISLE) LTD)

Annual Report and Financial Statements

For the year ended 31 December 2020

Company Number 05649412

Charity Number 1112655



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REPORT OF THE BOARD OF DIRECTORS

The Board of Directors present their annual report and audited financial statements for the year to 31 December 2020.

REFERENCE AND MANAGEMENT INFORMATION

Company name: OM International (from 27 February 2020)
Previously: OM International Services (Carlisle) Ltd

Company Registration number: 05649412

Charity Registration number: 1112655

Registered Office Unit B, Clifford Court
Cooper Way
Parkhouse
Carlisle
CA3 0JG

BOARD OF DIRECTORS

Julyan LIDSTONE
Wei Leong GOH
Chuan Seng (Albert) TEH
AGC (Bert) VAN DE HAAR
Grant PORTER
Jon SEELEY (Chairman until 10 March 2020)
Kelvin SAMWATA
Paul HYNAM (Chairman from 10 March 2020)
Shura FACANHA
Mary LEDERLEITNER
Zenaida MARAMARA
Holly STEWARD (appointed 3 March 2020)
Calisto ODEDE (appointed 19 September 2020)
Andrea VOGT (appointed 19 September 2020)
Dale RHOTON (resigned 13 February 2020)
Dennis WRIGHT (resigned 13 February 2020)
Lawrence TONG (resigned 24 February 2021)

COMPANY SECRETARY

Julyan LIDSTONE

AUDITORS

Mazars LLP, 1 St Peter's Square, Manchester, M2 3DE

SOLICITORS

Stone King LLP, 13 Queen Square, Bath BA1 2HJ

BANKERS

National Westminster Bank PLC, 17 Church Street, Oswestry, Shropshire, SY11 2SX

WORKING NAME

International Coordinating Team (ICT)

KEY MANAGEMENT PERSONNEL

International Director
Associate International Director for Global Services
Associate International Director for Resourcing
Associate International Director for Organisational Development
Team Leader
Chief Financial Officer
IT Director

Lawrence Tong
Gian Walser
Andrew Scott
Katherine Porter
Leon Hedding
Kevin Borlase
Holger Rabbach

REPORT OF THE BOARD OF DIRECTORS

STRUCTURE GOVERNANCE AND MANAGEMENT

OM International is governed by the terms of its constitution and the Memorandum and Articles of Association. The company is limited by guarantee and was incorporated on 8 December 2005. It is registered as a company in England and Wales, Company Registration Number: 05649412 and with the Charity Commission for England and Wales, Charity Registration Number: 1112655. Members of the Board of Directors are the trustees for charitable purposes.

Organisation

The Board of Directors is responsible for ultimate strategic decisions, having regard to International Policy under the JMA (see below) and advice from senior management. As charity trustees, the directors receive no remuneration for their services.

The members of the Board (as set out on page 3) have held office during the year to the date of this report, unless otherwise stated. The Board currently meets at least four times per year. Following the resignation of one director in February 2021 the Board currently consists of 14 directors. As well as their responsibilities in relation to this company they also assume a role for OM-Worldwide, providing oversight, support and accountability to OM's International Director, Mr Lawrence Tong. They do not assume legal responsibility or governance of other OM entities, which remains with the boards, or current leadership, of those entities.

The directors delegate the day to day management of the charity to the International Director (Mr Lawrence Tong) and members of the key management personnel as detailed on page 3.

The International Director (ID) oversees the execution of the company's strategic plans, and directs management to develop specific goals in pursuit of these strategic objectives. The Board will review progress quarterly with reports from the ID and his senior management team as to the current health of the organisation, ongoing initiatives and how they are contributing to achieving agreed goals and objectives.

Related Organisations

This company shares the core values of an international partnership now operating in 118 countries worldwide known as "Operation Mobilisation". The company is a signatory to a "Joint Ministries Agreement" (JMA) which sets out the ways in which the various constituent parts shall work together. In this report this "international partnership" is called "Operation Mobilisation Worldwide" (or "OM-Worldwide") and the company is called "OM International".

Recruitment and Appointment of the Board of Directors

The directors are also the trustees for the purposes of charity law. As of the date of this report the Board consists of fourteen experienced and committed directors. Only the members (who in our case are the Board of Directors) have the power to appoint new trustees/directors.

Induction and Training of Directors

In the event of new Directors being recruited they are invited to attend a meeting prior to any decision concerning their appointment, and are provided with material to give them background and necessary information regarding the organisation.

Risk Management

The directors have identified and evaluated the areas of major risk and the action required to mitigate those risks. Procedures are in place to keep areas of risk under review and identify future risk areas. These procedures are in turn reviewed on a regular basis by the directors. The directors have considered the risks to the company in light of the Covid-19 pandemic and believe the Charity is able to manage and mitigate those risks.

Risk and Uncertainties

The principal risks and uncertainties facing the charity include:

- loss of key personnel, and the inability to recruit suitably qualified personnel to meet the on-going needs of the organisation;
- computer system failure, although this is now hosted and backed up off-site to mitigate this risk;
- inadequate reserves in the event of funding cuts resulting from decisions made by OM-Worldwide; and
- reliance on gift income.

REPORT OF THE BOARD OF DIRECTORS

Risk and Uncertainties (continued)

In order to address the financial risks, an annual budget is maintained, and monthly management accounts are prepared to ensure that any significant problems are quickly identified. The charity endeavours to maintain on-going cash reserves which would provide time for solutions to be found in the event of funding shortfalls. There has been no significant drop in income during 2020/21 to date as a result of the pandemic. The charity's work benefits OM-Worldwide and it would seek support from the global organisation if required.

Going Concern Basis of Accounting

In assessing the company's ability to continue to adopt the going concern basis of accounting in the future, for at least 12 months from the date of this report, the directors have determined that there are no material uncertainties relating to events or conditions that may cast significant doubt upon the continuing use of the going concern basis of accounting in future periods. The directors have considered the on-going impact of the Covid-19 pandemic, but as income remained steady throughout 2020 and 2021 to date, and they do not believe the pandemic will affect the company's ability to continue as a going concern.

Key Management Personnel Remuneration

Remuneration of the charity's key management personnel is set in consultation with the relevant individuals. As a mission organisation those joining are committed to the ethos of the charity and do not have an expectation of receiving market rates of pay and remuneration. The National Living Wage is the minimum rate paid, and the remuneration levels are set taking into account the individual's situation and their level of responsibility within the organisation.

Fundraising

The charity does not actively engage in fundraising and does not use the services of any professional or commercial fundraiser. The main sources of voluntary income are an administration grant received from OM fields around the world on the gifts they receive, and financial support raised by personnel working with the charity through their contact with sending churches, friends, and family. Support raising by personnel is monitored by their sending OM fields, and support gifts are received by those fields and then forwarded to OM International. The charity has not received any complaints relating to fundraising activities and is not aware of any complaints received by OM fields fundraising on behalf of the charity.

Brexit

The finance management team and the board of directors have discussed potential challenges relating to Brexit. Different solutions have been brought forward and put in place to deal with the situation. The board of directors are confident that the measures taken are adequate to address the potential risk.

COVID-19

The on-going impact of the Covid-19 pandemic cannot yet be fully known. There has been no noticeable decrease in income during 2020 or 2021 to date. Expenses have decreased as international travel for OM International personnel ceased during 2020 and has only gradually recommenced during 2021. Many events and meetings have been cancelled or have moved on-line. Many of the services we provide to the OM world continued, and planning and training continued on virtual platforms. The implementation of some projects has been delayed by the inability to travel, or unavailability of relevant personnel, but new ways of working continue to be explored and encouraged.

OBJECTIVES AND ACTIVITIES

OM International's principal objective, as set out in the Memorandum of Association, is to support, through the provision of services including administration and co-ordination, charities and NGOs both in the UK and worldwide whose purposes include:

- the advancement of education (particularly for the improvement of literacy and vocational skills);
- the relief of sickness or poverty by assisting any sick persons or necessitous persons;
- the relief of suffering and distress;
- the advancement of health;
- the advancement of religion; and
- any other charitable purposes associated with the above that may be of benefit to the community.

REPORT OF THE BOARD OF DIRECTORS

OM International plays a key role in co-ordinating decision making on common standards throughout the OM world. It also supplies services and resources vital to the functioning of OM internationally.

OM-Worldwide's stated objective is "we want to see vibrant communities of Jesus followers among the least reached".

Public Benefit

The directors are aware of the Charity Commission guidance on public benefit, and the two key principles of public benefit, namely that there must be an identifiable benefit or benefits, and that benefit must be to the public, or a section of the public.

The Board believes that by supporting the work of OM-Worldwide it supports the whole mission of OM. The aim of OM-Worldwide is to mobilise people to share the Christian faith with every generation in every nation, pioneering and leading initiatives to redeem lives, rebuild communities and restore hope. OM-Worldwide works in over 110 countries, motivating and equipping people to share God's love with people all over the world. This involves over 3,400 workers from at least 100 different nations. In doing so, the Board believes that it provides a benefit to the public by:

- planting and strengthening churches which provide facilities for public worship, pastoral care, and spiritual and moral development for anyone who wishes to benefit from what the churches offer;
- promotion of Christian values, and service by members of OM-Worldwide to the communities in which they serve; and
- relief and development work in countries suffering the effects of natural disasters, or where sections of the community have been deprived of the basic necessities of life.

The board relies on feedback from OM international leadership, and from OM fields around the world, to assess the value and effectiveness of the organisation's work. Reports are available of the work being done by OM fields, and the board is confident that the services provided by this charity enable and facilitate that work. Department heads are in regular contact with OM leaders around the world to ensure that the services provided meet their needs and increase their effectiveness.

ACTIVITIES

During 2020 OM International continued to provide services and resources to increase the effectiveness of OM ministry around the world. Some of the highlights or major activities during the year are as follows:

Global Services: This division includes IT, Personnel, People Care, Crisis and Security Management, Disaster Response, Finance and Audit.

- The Management System project has continued working on piloting new software packages that will provide the needed services for finance and HR management.
- The Covid-19 pandemic added quite a bit of workload to our Crisis Management team and People Care team supporting the organisation as we navigate through the pandemic.
- The Disaster Response team was involved directly and in supporting roles in a couple of situations around the globe where our organisation responded to natural disasters and helped the local community.

Resourcing: This division is responsible for the areas of financial generosity, mobilisation and branding.

- We have made excellent progress with our Financial Development strategy in the UK and Germany and are close to launching in East Asia.
- During 2020 the Global Brand Team have launched a number of new tools and a campaign, including Disciple Step and the Prayer App.
- Teen Street doubled the number of countries involved to 53 with places like Sudan taking part.

Organisational Development: This division includes Training, Research & Missiology, Prayer, and Board Development.

- We continued to deliver training online to many of our teams across the globe. Our leadership development programmes all continued online and our International Coaching academy graduated another cohort, supervising and developing leadership coaches online.
- We worked hard on translating training and leadership materials particularly into Spanish, Mandarin and Arabic.
- The Global Prayer team facilitated organisation-wide monthly Global days of prayer throughout 2020 which were significant in several ways, not the least in drawing us closer together globally even while travel was impossible.
- Board training, which is primarily delivered face to face, was impacted severely by Covid although in January 2020 we gave training for boards across Latin America during an event in Guatemala.
- Global highlights included seeing WhatsApp used creatively in training, planning for a new LMS to deliver training globally in a more appropriate, mobile friendly fashion and seeing teams adapt creatively to new circumstances. Culture and You training was delivered to 175 participants and the secondary level CASE studies are generating thoughtful and helpful cultural discussion.

REPORT OF THE BOARD OF DIRECTORS

- Our MDT missions discipleship training schools, which offer 5 months of missions training in 9 nations, rebranded as REACH programmes, agreeing a core curriculum and core standards. Two more schools are in the pipeline.
- In 2020 we delivered nearly three times as many training/leadership development programmes online than we have ever done before, in multiple languages, across many nations.

Field Ministries: This division has continued to provide leadership for the work that OM is doing around the world, implementing our mission.

- During 2020 the work continued on rolling out our “Holy Ambition” and increasing the focus on the five least-reached regions or people groups of the world that were previously identified. This has led to an increased focus on prayer and resourcing in particular.
- Further work has been done in tracking our outcomes against our mission and vision and integrating learning into that.

In May 2020 the Global Capacity Fund which had previously been held by OM-USA and OM-Canada was transferred to OM International. This restricted fund comprises gifts received from one major donor in the USA, primarily for the development of OM’s structure and systems, and investment into some key initiatives. A further gift was received in September. Grants from this fund have been made to other OM entities and there have also been internal grants to other departments for specific purposes which continue to be held as restricted funds.

Leadership and support to OM-Worldwide is no longer done exclusively from Carlisle, although it continues to remain a service hub primarily for some IT services as well as finance services. Leaders working with OM International are now scattered around the world, with a small number based in the UK. The Board provide oversight, support and accountability to OM’s International Director. Board members are located around the world (Australia, Singapore, Malaysia, Zambia, Netherlands, Ecuador, Barbados, USA, UK and Philippines).

FINANCIAL REVIEW

The full results of the company for the year to 31 December 2020 are set out in the financial statements on pages 18 to 30.

Total income for 2020 was £6.73 million (2019 - £6.25 million), and total expenditure totalled £5.08 million (2019 - £4.56 million). The net income of £1,645,894 can be analysed as follows:

	2020	2019
Unrestricted – General	£144,007	£13,741
Unrestricted – Designated Fund – GIF	£100,748	(£9,740)
Unrestricted – Designated Fund – Asset Fund	(£35,104)	£1,475,642
Restricted Funds	£1,436,243	£208,217
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Net income	£1,645,894	£1,687,860

The main sources of income were as follows:

	2020	2019
Gifts and grants received	£4,975,997	£2,425,860
Gift of property from Witness & Testimony Trust	-	£2,100,000
Gifts received for the support of personnel	£1,380,149	£1,223,023
Income generated from charitable activities	£312,595	£469,471
Exchange gains on currency	£14,760	-
Depreciation recovered	£36,058	£2,294
Investment income	£10,923	£27,953

Dividends are not permitted under the Articles of Association.

In early 2019 the Witness and Testimony Trust (Charity number 801951) was merged with OM International. The merger was registered with the Charity Commission on 4 May 2019 with a transfer date of 23 January 2019. All assets, liabilities and activity of the trust were taken over by OM International. This primarily consists of two London properties: 39 Honor Oak Road, valued at £1,500,000, and 24 Fairlie Gardens, valued at £600,000. Both properties are freehold with no associated liabilities. The Fairlie Gardens property was sold during 2020.

REPORT OF THE BOARD OF DIRECTORS

Reserves Policy

Total unrestricted reserves, excluding designated reserves, totalled £1,279,149 at the year-end (see note 15). The directors consider that unrestricted reserves should be maintained at a sum equivalent to approximately three months of unrestricted costs. General unrestricted costs, excluding designated funds, for 2020 totalled £3,063,660. Therefore, at year end unrestricted reserves equated to 5.0 months of unrestricted costs (2019 – 3.6 months). The increase in reserves is due to the buildings acquired in the merger with Witness and Testimony Trust, and the restriction in activities caused by the Covid 19 pandemic. It is anticipated that reserves will be utilised over the next few years.

Designated reserves held at year end included the Global Impact Fund £352,761 (2019 - £252,013) and the Asset Fund £2,112,201 (2019 - £2,147,305) representing net tangible assets.

Restricted funds, representing the balance of gifts and grants received for specific projects less related expenditure, were £2,121,800 (2019 - £685,557).

Grant Making Policy

Grants made during the year totalled £1,266,919 (2019 - £773,590). Grants are made in support of various international ministries and projects of OM-Worldwide, or to other OM fields in need of financial assistance. Grants from the designated GIF funds are approved by the International Director, in line with guidelines provided by the Board. Other grants from general funds have been provided for in the budget for the year which has been approved by the Board. Any other grants require the Boards approval. The grants made contribute to the charity's objective of supporting OM ministries around the world.

Investment Policy

The Memorandum of Association gives the directors the power to deposit or invest funds in any manner, but to invest only after obtaining such advice from a financial expert as the directors consider necessary and having regard to the suitability of investments and the need for diversification. Currently, surplus cash funds are deposited in an interest bearing account with NatWest Bank.

During 2019 the charity received a property which was classified as an investment property. As the decision has now been made to sell the property it has been reclassified as part of Tangible Assets.

PLANS FOR FUTURE PERIODS

OM International will continue to provide services and resources to increase the effectiveness of OM ministry around the world. The stated objective of OM-worldwide is “to see vibrant communities of Jesus followers among the least reached”. Our divisions and some of their future plans include:

Global Services:

- After successful initial piloting and evaluation of the **Management System** in a few places, the rollout of the software packages will take place over the next few years.
- The newly appointed leaders in the **people services team** (including personnel, HR policies, and people care) are addressing a number of strategic issues in order to support our organisation better into the future.
- The **Crisis Management team and Disaster Response team** continues to support the organisation in the Covid-19 pandemic and in local crises and disasters.
- The **Finance team** will provide more training for the finance staff in the local entities in order to support them in their role.

Resourcing:

- A feasibility study will be completed in Germany, UK and East Asia to help us launch well in the campaigns there.
- The Global Brand Team want to continue to make the tools available to more fields familiarising them with the tools and how they can maximize their use.
- Teen Street is planning to strengthen the quality of the program and its delivery while also developing what they are calling TeenStreet Life – a way to stay connected and grow throughout the year.

REPORT OF THE BOARD OF DIRECTORS

Organisational Development:

- After 3½ years of serious work, we have five new areas of training in development covering core areas of our work, including church planting ministry, spiritual formation, coaching and mentoring and on boarding. We anticipate this new training being released over the next year.
- We will move from Moodle to TalentLMS in Oct 2021 which will support all our training and leadership development, offer mobile-friendly training with low bandwidth options for the majority world, and offer accessible training in multiple languages. We are very excited about this move which also offers content curation across the whole of Organisational Development.
- We are revamping one of our key leadership offerings, Joshua Journey, to keep our leadership training up to date and relevant for the upcoming Gen Z.
- Our brand new Intermediate Leadership Training was delayed in launching due to Covid. However, we are excited to see it launched for the first time in Spanish in November 2021 in the Andean region of Latin America.
- In partnership with a foundation, we are helping develop new online board training modules.

Field Ministries

- The field ministries division will continue to support OM fields to see “vibrant communities of Jesus followers” that are sustainable, inter-dependent, culturally relevant and reproducing. Communities which are making a tangible and sustainable difference in their societies.
- Mobilisation implementation is moving under the Field Ministries Division, and this will require increased attention in the coming period with an emphasis on collaboration across global divisions and geographical areas.

The on-going effects of the COVID-19 pandemic may cause some delay in the charity’s ability to complete these plans in the anticipated timeframes.

FUNDS HELD AS CUSTODIAN TRUSTEES FOR OTHERS

The company acts as custodian trustee in respect of the transmission of worldwide income and expenditure, received and paid respectively by one Operation Mobilisation organisation in respect of another. All the organisations have similar objectives. The assets held at 31 December 2020, totalling £15,583,656 (2019 - £13,203,466) are held in a custodian capacity for the settlement of the corresponding liabilities. These amounts do not therefore form part of the charity’s balance sheet. This facility is known within OM-Worldwide as the International Clearing House (ICH). Provision of the ICH facility further supports the work of OM-Worldwide enabling efficient movement of funds between OM organisations around the world. ICH funds are held with ING Bank, Belgium, and the management of those funds is completely separate from the company’s banking arrangements.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Company and charity law requires the Board, as trustees and directors, to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of OM International and the results for the period. In preparing the financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- reached judgements and made estimates that are considered reasonable and prudent;
- stated whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the financial statements on the going concern basis unless it was inappropriate to assume that the Charity would continue in operation.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE BOARD OF DIRECTORS

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Members of the Board of Directors, who are directors for the purposes of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3. In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware.
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's auditors are aware of that information.
- as far as we are aware, there were no serious incidents or other matters relating to the charity that should have been declared under section 169 of the Charities Act 2011 and recognise that false or misleading information constitutes a default under statutory requirements under section 60 of the Charities Act 2011.
- we have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable objectives and aims of Operation Mobilisation, as well as in planning future activities.

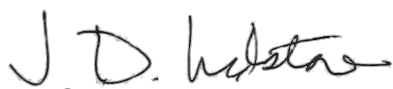
AUDITORS

A resolution to re-appoint Mazars LLP as auditors to the company, and to authorise the directors to fix their remuneration, will be proposed at the Annual General Meeting.

SMALL COMPANIES NOTE

In preparing this report the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Directors on 14th December 2021 and signed on its behalf by:



By order of The Board
Julyan Lidstone (Director)
Date: 14th December 2021

Independent auditor's report to the members of OM International

Opinion

We have audited the financial statements of OM International (the 'charity') for the year ended 31 December 2020 which comprise the 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 2020 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 annual report, 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.

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 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 Trustees' Report 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.

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 Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, 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.

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 tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and non-compliance with implementation of government support schemes relating to COVID-19 and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to 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;
- 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.

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
- 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. 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.

Signed: 
Vincent Marke (Dec 15, 2021 18:17 GMT)

Name: Vincent Marke

(Senior Statutory Auditor)

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

1 St Peter's Square,
Manchester,
M2 3DE

Date: Dec 15, 2021

ACCOUNTING POLICIES

1 GENERAL INFORMATION

OM International is a private company (registered number: 05649412) limited by guarantee and is non-profit making. The charity is incorporated in the United Kingdom and registered within England and Wales. The registered address of the charity is included on page 3.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable Accounting Standards in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

OM International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

3 ACCOUNTING CONVENTION

These financial statements have been prepared on the going concern basis under the historic cost convention.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the charity's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are 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 the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The property situated at 30 Honor Oak Road, Forest Hill, London, has been valued by the directors at 31 December 2020 at "cost", being the value which was used when the property was transferred from Witness and Testimony Trust in 2019. This was based on an external valuation in undertaken in July 2018. In 2019 the property was treated as Investment property however the decision has been taken to sell the property so it now appears as part of Fixed Assets in the Balance Sheet. The directors are confident that the current market value of the property is in excess of the value in the accounts.

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, 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.

Critical accounting judgements

The critical accounting judgements that the directors have made in the process of applying the charity's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

ACCOUNTING POLICIES

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating value in use

Where an indication of impairment exists the directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

Recoverability of receivables

The charity believes all receivables to be recoverable and has not made any provision for unrecoverable amounts. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Determining residual values and useful economic lives of property, plant and equipment

The charity depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by management when determining the residual values for fixtures, fittings and equipment. When determining the residual value, management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

5 FUND ACCOUNTING

Unrestricted Funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Designated Funds are unrestricted funds that the directors have set aside for specific purposes.

Restricted Funds are subject to restrictions on their use, either imposed by the donor or included in the terms of an appeal.

6 INCOME

Gifts received are accounted for as soon as it is prudent and practicable to do so, generally the earlier of the date of notification or receipt. Gifts in kind are included at an estimated value.

Income from charitable activities includes turnover in relation to sales of audio visual supplies and the provision of audio visual services, rent income and registration fees for training events.

Net currency exchange gains are included in income from charitable activities.

Net currency exchange losses are included in expenditure on charitable activities.

ACCOUNTING POLICIES

7 EXPENDITURE

COSTS OF GENERATING FUNDS

This amount represents administration costs charged by OM offices worldwide on the gifts they receive for OM International.

DIRECT CHARITABLE EXPENDITURE

Includes all expenditure directly related to the objects of the charity and comprises the following:

Support to other missions

This amount represents expenditure incurred by the charity in supporting the ministry of OM-Worldwide. This includes personnel costs, provision of office facilities, travel costs, and depreciation on buildings, vehicles and equipment.

Net currency exchange losses incurred during the year are also included in this figure.

Costs of generating income from Charitable Activities

This amount represents expenditure incurred by the audio visual department, and the provision of training courses by the International Human Resources department. These activities generate income by way of payment for services received, sale of goods, and registration fees for courses.

Governance

This comprises expenditure incurred in the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

8 FIXED ASSETS AND DEPRECIATION

In general, tangible fixed assets with a cost over £500 and all vehicles are capitalised in the financial statements, and are stated at cost less depreciation.

During 2019, depreciation has been provided in order to write-off the cost of tangible fixed assets on a straight line basis over their estimated useful lives, using the following rates:

Long leasehold buildings	2% per annum
Outfitting of building, and initial furniture	10% per annum
IT equipment (computers and phone system)	20-33% per annum
Other fixtures, fittings and equipment	20% per annum
Vehicles	20-50% per annum

9 VALUATION OF INVESTMENTS

Fixed asset investments are stated at fair value at the balance sheet date. Any movements in fair value arising during the year are shown as unrealised gains or losses in the Statement of Financial Activities. Investment property is valued using a Directors' estimate of fair value, supported by professional valuations as appropriate.

10 FOREIGN CURRENCIES

Income and expenditure items denominated in foreign currency are translated into sterling and recorded at the rate ruling for the month of the transaction. Balance Sheet items denominated in foreign currency are translated into sterling and recorded at the rate ruling at the end of December. These rates (provided by the International Finance Office) are used in Operation Mobilisation Worldwide.

11 OPERATING LEASES

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

ACCOUNTING POLICIES

12 PENSIONS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year. All pension costs relate to unrestricted funds.

13 FINANCIAL INSTRUMENTS

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

14 GOING CONCERN

The directors have reviewed the charity's financial position and have confidence that the charity has adequate resources to continue in operation for a minimum of twelve months after the date of approval of these financial statements and therefore can continue to adopt the going concern basis of accounting in preparing the financial statements. There are no material uncertainties in respect of going concern. The directors have considered the on-going potential impact of the Covid-19 pandemic, but income remained steady throughout 2020 and 2021 to date, and they are confident of the company's ability to continue as a going concern.

STATEMENT OF FINANCIAL ACTIVITIES

Including income and expenditure account
Year ended 31 December 2020

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
INCOME					
Donations and gifts	2	3,413,331	2,942,815	6,356,146	5,748,880
Income from investments		10,923	-	10,923	27,953
Income from charitable activities	2	301,015	11,580	312,595	469,471
Other income	2	50,818	-	50,818	2,294
Total Income		3,776,087	2,954,395	6,730,482	6,248,598
EXPENDITURE					
Costs of Raising Funds					
Costs of generating voluntary income		179,455	180,705	360,160	163,762
Expenditure on Charitable Activities	3				
Costs of charitable activities		3,415,945	1,308,483	4,724,428	4,396,976
Total Expenditure		3,595,400	1,498,188	5,084,588	4,560,738
Net Income Before Transfers	5	180,687	1,465,207	1,645,894	1,687,860
Gross Transfers between Funds	15	28,963	(28,963)	-	-
Net Income		209,650	1,436,244	1,645,894	1,687,860
Fund Balance brought forward as at 31 December 2019		3,534,460	685,557	4,220,017	2,532,157
Fund Balance carried forward as at 31 December 2020	15	3,744,110	2,121,801	5,865,911	4,220,017

The company's income and expenditure all relate to continuing operations.
The Statement of Financial Activities includes all gains and losses in the year.

BALANCE SHEET

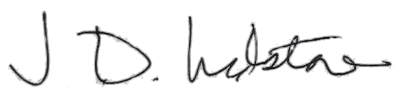
As at 31 December 2020

Company Number 05649412

	Notes	£	2020 £	2019 £
Fixed Assets				
Tangible assets	8	2,112,201		1,247,305
Investment Property	9	<u>-</u>		<u>1,500,000</u>
TOTAL FIXED ASSETS			2,112,201	2,747,305
Current assets				
Debtors	10	2,673,857		1,469,129
Cash at bank and in hand		<u>1,219,305</u>		<u>85,057</u>
		3,893,162		1,554,186
CREDITORS:				
Amounts falling due within one year	11	<u>(139,452)</u>		<u>(81,474)</u>
NET CURRENT ASSETS			<u>3,753,710</u>	<u>1,472,712</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,865,911	4,220,017
CREDITORS:				
Amounts falling due after one year			<u>-</u>	<u>-</u>
			<u>5,865,911</u>	<u>4,220,017</u>
FUNDS				
Unrestricted Funds – Designated	15&16		2,464,962	2,399,318
– General	15&16		1,279,148	1,135,142
Restricted Funds	15&16		<u>2,121,801</u>	<u>685,557</u>
			<u>5,865,911</u>	<u>4,220,017</u>

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

These Financial Statements were approved by the Board of Directors on 14 Dec 2021
and signed on their behalf by



Julyan Lidstone
Director

STATEMENT OF CASH FLOWS

Year Ended 31 December 2020

	Note	2020 £	2019 £
CASH UTILISED BY OPERATING ACTIVITIES	19	524,937	(686,201)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		10,923	27,953
Interest paid		-	-
Purchase of tangible fixed assets		(42,131)	(52,663)
Proceeds from sale of tangible fixed assets		640,519	3,650
NET CASH FROM/ (USED IN) INVESTING ACTIVITIES		609,311	(21,060)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan repayments		-	-
NET CASH USED IN FINANCING ACTIVITIES		-	-
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,134,248	(707,261)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		85,057	792,318
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,219,305	85,057

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

1 TAXATION

The company is a registered charity whose charitable activities are fully exempt from United Kingdom corporation and capital gains tax.

2 ANALYSIS OF DONATIONS AND GIFTS

	2020 £	2019 £
Unrestricted Voluntary Income		
Gifts	170,662	151,235
Gift of property from Witness & Testimony Trust	-	2,100,000
Gifts for support of personnel	1,380,149	1,223,023
Administration income on OM gifts worldwide	1,743,085	1,742,475
Grants from OM fields	50,247	89,199
Other gift income	69,188	7,838
Total Unrestricted Voluntary Income	3,413,331	5,313,770
Restricted Voluntary Income		
Gifts for ICT	1,216,852	90,998
Grants for ICT from OM fields	1,723,418	344,112
Other gift income	2,545	-
Total Restricted Voluntary Income	2,942,815	435,110

ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2020 £	2019 £
Unrestricted Income from charitable activities		
Audio Visual services and sales	53,108	119,690
Rent income	50,988	51,327
Registration fees	140,979	207,578
International finance costs recharged	42,321	42,777
ICH contribution to cover expenses	6,240	6,024
Exchange gains	-	-
Other income	7,379	10,950
Total Unrestricted income from charitable activities	301,015	438,346
Restricted Income from charitable activities		
Registration Fees	4,035	18,283
Financial Development services	6,227	10,776
Other income	1,318	2,066
Total Restricted income from charitable activities	11,580	31,125

Income from charitable activities totalled £312,595, of which £243,152 came from outside the UK.

ANALYSIS OF OTHER INCOME

	2020 £	2019 £
Depreciation recovered on sale of assets	234	2,294
Capital gain on sale of fixed assets	35,824	-
Coronavirus Job Retention Scheme grants	14,760	-
Total other income	50,818	2,294

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

3 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2020 £	2019 £
Support to other Missions				
OM International's main role is to support the work of Operation Mobilisation around the world. To do this expenditure was incurred as follows:				
Administration	578,009	138,523	716,532	826,890
Personnel	1,971,333	70,690	2,042,023	1,773,541
Travel	142,857	46,453	189,310	447,188
Grants made (note 4)	300,511	966,408	1,266,919	773,590
Interest	-	-	-	-
Depreciation	47,892	-	47,892	46,425
Exchange losses	48,433	65,965	114,398	45,560
Total Support to other Missions	3,089,035	1,288,039	4,377,074	3,913,194
Costs of generating income				
Audio Visual department	67,396	-	67,396	111,967
Depreciation – Audio Visual department	24,884	-	24,884	29,240
ICH	11,266	-	11,266	9,104
International Leaders Meeting	128,076	-	128,076	158,461
International Personnel courses	17,038	-	17,038	29,692
Global Services	66,832	-	66,832	83,501
Financial Development	-	20,444	20,444	48,988
Muslim Ministries Ambassador	-	-	-	3,499
Total costs of generating income	315,492	20,444	335,936	474,452
Governance costs				
Audit and accountancy fees	11,418	-	11,418	9,330
Total governance costs	11,418	-	11,418	9,330
TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES	3,415,945	1,308,483	4,724,428	4,396,976

4 GRANTS MADE

Grants made during the year totalled £1,266,919 (2019 - £773,590). These were made in support of various international ministries and projects of OM-Worldwide, or to other OM fields in need of financial assistance. Grants from the designated GIF funds are approved by the International Director, in line with guidelines provided by the Board. Other grants from general funds have been provided for in the budget for the year which has been approved by the Board. Any other grants require the Boards approval. No significant support costs are incurred in relation to grant making activities.

5 NET INCOME

Net income before transfers for the year is stated after charging the following:

	2020 £	2019 £
Interest on Asset loans	-	-
Depreciation on Tangible Fixed Assets	72,776	75,665
Auditor's Remuneration:		
Audit Fee	11,418	9,330
Non-Audit Fee – other services	4,140	3,948
Total Remuneration	15,558	13,278

The Non-Audit Fee is for the provision of an accountants' report on the financial records of the International Clearing House (ICH) and taxation services.

OM International

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

6 ACTING AS AGENT

OM International acts as agent/trustee in respect of the transmission of worldwide income and expenditure, received and paid respectively by one Operation Mobilisation organisation in respect of another. This facility is known within OM-Worldwide as the International Clearing House (ICH).

During the year OM International Services (Carlisle) Ltd, in its capacity as agent, has handled over US\$25 million received from, and paid out to, OM fields. In total ICH has facilitated the transfer of US\$51 million of income and expenses between OM fields during the year. These amounts are not recorded as income and expenditure in these financial statements as the funds are received and paid out as agent for the OM fields, and do not represent income or expenditure for the company.

At the year-end ICH held the following assets:

	2020	2019
Exchange rates used for conversion of USD balance to GBP	1.3660	1.3270
	£	£
Bank balances	12,512,817	10,433,147
Debtors (amounts due from OM fields)	3,070,839	2,770,319

These amounts are held in a custodian capacity for the settlement of the corresponding liabilities, primarily consisting of balances due to OM fields.

7 STAFF COSTS AND DIRECTORS' REMUNERATION

	2020	2019
	£	£
Salaries and wages	755,256	694,410
Employer's National Insurance Contribution	49,144	45,458
Pension Contributions	20,751	16,951
Total	825,151	756,819

There are no employees with emoluments above £60,000. No pension contributions were allocated to restricted funds.

The key management personnel of the charity comprise the Board of Directors, the Associate International Directors (who are not company directors), the Team Leader, the IT Manager and the Finance Manager. The Board of Directors receive no remuneration. The total employee benefits of the key management personnel of the charity were £85,077 (2019: £82,490).

As at 31 December 2020 there were 47 employees on the payroll. The average number of persons employed by the company during the year was 47. The employees were in the following roles:

	2020	2019
	Number	Number
Support to other missions	34	29
Administration	8	10
Management	2	2
Finance	3	3
Total	47	44

As charity trustees, the Board of Directors, who are not employees, received no remuneration for their services. Directly incurred expenses, when claimed, are reimbursed, or paid directly to third parties. In 2020 these totalled £7,287 for travel expenses (2019 - £14,489) and £7,417 for accommodation costs (2019 - £14,844), for eleven directors. The costs were incurred in relation to a board meeting held in Bangkok, Thailand in February. Due to the Covid pandemic all subsequent meetings in 2020 were held virtually.

Also involved in the work of the charity were 5 self-supporting volunteers, and 26 people resident overseas.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

8 TANGIBLE FIXED ASSETS

	Long Leasehold Land & Buildings £	Outfitting of Buildings £	Vehicles £	Fixtures, Fittings & Equipment £	TOTAL £
Cost:					
At 1 January 2020	1,328,119	141,580	20,357	548,223	2,038,279
Additions	1,500,000	-	-	42,131	1,542,131
Disposals	(600,000)	-	-	(42,268)	(642,268)
At 31 December 2020	2,228,119	141,580	20,357	548,086	2,938,142
Depreciation:					
At 1 January 2020	189,310	141,580	14,924	445,160	790,974
Disposals	-	-	-	(37,809)	(37,809)
Charge for the year	14,562	-	3,433	54,781	72,776
Impairment losses	-	-	-	-	-
At 31 December 2020	203,872	141,580	18,357	462,132	825,941
At 31 December 2020	2,024,247	-	2,000	85,954	2,112,201
At 1 January 2020	1,138,809	-	5,433	103,063	1,247,305

9 INVESTMENT PROPERTY

In January 2019 property consisting of a building situated at 30 Honor Oak Road, Forest Hill, London was transferred to OM International by the Witness and Testimony Trust. In the 2019 financial statements this was designated as Investment Property as the directors' intention at that time was to retain the property as an investment and they were obtaining independent advice as to how the property could best be utilised. Subsequently the decision has been made to sell the property and an agent has been appointed to pursue a sale. Therefore the property has been reclassified to tangible fixed assets as it no longer meets the criteria of an investment property.

The valuation at the time of transfer, based on a valuation by Fenton Associates dated July 2018, was £1.5 million. Based on reports received from the agent the directors are confident that the market value is in excess of current book value.

10 DEBTORS

	2020 £	2019 £
Due within one year:		
Amounts due from connected charities	2,594,801	1,207,047
Prepayments	52,018	227,040
Loans receivable	8,105	7,490
Other debtors	3,543	5,689
	2,658,467	1,447,266
Due within more than one year:		
Loans receivable	15,390	21,863
TOTAL DEBTORS	2,673,857	1,469,129

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals	9,600	10,004
Social Security and other taxes	12,014	12,611
Pension contributions	5,665	5,590
Accounts payable	20,056	42,601
Amounts due to connected charities	87,077	10,668
Deferred income	5,040	-
	<u>139,452</u>	<u>81,474</u>

12 FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at amortised cost	<u>2,621,839</u>	<u>1,242,089</u>
Financial liabilities measured at amortised cost	<u>122,398</u>	<u>68,863</u>
Cash and cash equivalents	<u>1,219,305</u>	<u>85,057</u>

Financial assets comprise other debtors, loans receivable and amounts due from connected charities.

Financial liabilities comprise loans and accounts payable.

13 DEFERRED INCOME

	2020 £	2019 £
Balance at 1 January 2020	-	-
Amount released to income	-	-
Amount deferred in the year	5,040	-
Balance at 31 December 2020	<u>5,040</u>	<u>-</u>

Deferred income comprises funding and personal support received in advance.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

14 CALLED UP SHARE CAPITAL

The company is limited by guarantee and therefore there is no share capital.

15 STATEMENT OF FUNDS

	At 31 December 2019 £	Income £	Expenditure £	Utilised/ transfers £	At 31 December 2020 £
Unrestricted					
General	1,135,142	3,395,828	(3,243,113)	(8,709)	1,279,148
Designated – Global Impact	252,013	380,259	(279,511)	-	352,761
Designated – Asset Fund	2,147,305	-	(72,776)	37,672	2,112,201
Total unrestricted funds	3,534,460	3,776,087	(3,595,400)	28,963	3,744,110
Restricted					
Financial Development	133,593	49,155	(31,479)	4,797	156,066
Organisational Development	163,029	74,433	(29,688)	65,425	273,199
Global Services Funds	15,366	7,725	(108,591)	262,312	176,812
Field Ministries	125,538	20,051	(74,274)	111,853	183,168
International Director Funds	41,550	-	(17,720)	-	23,830
Sportslink	26,240	30,497	(41,985)	1,356	16,108
Muslim Ministries		4	(2,168)	500	4,524
Ambassador	6,188				
Teenstreet Excellence	5,990	114,393	(65,001)	32,389	87,771
Global South Initiative	64,086	-	(1,658)	8,097	70,525
Global Capacity Fund	-	1,472,804	(191,971)	(566,144)	714,689
People Care Fund	103,977	-	-	144	104,121
COVID-19 Fund	-	1,157,567	(900,487)	(27,425)	229,655
Global Brand Development	-	-	-	77,733	77,733
General Restricted Funds	-	27,766	(24,166)	-	3,600
Total restricted funds	685,557	2,954,395	(1,489,188)	(28,963)	2,121,801
TOTAL FUNDS	4,220,017	6,730,482	(5,084,588)	-	5,865,911

Designated

The income funds of the charity include the following designated funds that have been set aside out of unrestricted funds held by the directors for specific purposes:

- The Asset Fund represents net tangible assets less any associated liabilities; and
- The Global Impact Fund represents funds set aside to respond to global needs within OM. In any year budgeted expenditure from the Global Impact Fund may exceed the balance brought forward from the previous year. Additional funds are designated each year to maintain a fund which is able to respond in the event of a crisis or disaster.

Transfers

The transfer of £37,672 from the General Fund to the Designated-Asset Fund represents the net increase in value of assets, after the provision of depreciation of £72,776.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

15 STATEMENT OF FUNDS (continued)

Restricted funds

The income funds of the charity include various gifts and grants given specifically for a number of projects which benefit OM-Worldwide. These restricted funds are held by the directors for specific purposes:

- The Financial Development Funds are used for projects which seek to train OM fields around the world in developing their financial backing.
- Projects administered by the Organisational Development department include a project to train and equip board members of OM entities around the world in the areas of governance and board management, and other training projects.
- The International Director Fund is a grant allocated from the Global Planning Process gift administered by OM Canada. The funds are to be used at the discretion of the International Director and the Global Leadership Team, in line with the donor's restrictions.
- The Global Capacity Fund comprises gifts received from one major donor in the USA, primarily for the development of OM's structure and systems, and investment into some key initiatives. Previously held by OM-USA and OM-Canada the funds were transferred to OM International in May 2020 and a further gift was received in September. Grants from this fund have been made to other OM entities. There have also been internal grants to other departments for specific purposes, and these continue to be held as restricted funds.
- Sportslink, MMA (Muslim Ministries Ambassador), Teenstreet, and Global South Initiative are international ministries of OM- Worldwide.
- The People Care Fund is administered by the Human Resources department, specifically for the purpose of people care.
- The COVID-19 Fund received gifts specially for allocation to OM fields experiencing hardship due to the effects of the pandemic. Grants were made to OM fields during the year, and continue during 2021.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 DECEMBER 2020

	Tangible Fixed Assets £	Investments	Net Current Assets £	Long Term Creditors £	Total £
Unrestricted Funds					
Asset Fund	612,201	1,500,000	-	-	2,112,201
Global Impact Fund	-	-	352,761	-	352,761
General Fund	-	-	1,279,148	-	1,279,148
Total Unrestricted Funds	612,201	1,500,000	1,631,909	-	3,744,110
Restricted Funds	-	-	2,121,801	-	2,121,801
TOTAL FUNDS	612,201	1,500,000	3,753,710	-	5,865,911

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 DECEMBER 2019

	Tangible Fixed Assets £	Investments	Net Current Assets £	Long Term Creditors £	Total £
Unrestricted Funds					
Asset Fund	647,305	1,500,000	-	-	2,147,305
Global Impact Fund	-	-	252,013	-	252,013
General Fund	600,000	-	535,142	-	1,135,142
Total Unrestricted Funds	1,247,305	1,500,000	787,155	-	3,534,460
Restricted Funds	-	-	685,557	-	685,557
TOTAL FUNDS	1,247,305	1,500,000	1,472,712	-	4,220,017

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

17 RELATED PARTY TRANSACTIONS

The company acts as Trustee in respect of the transmission of worldwide income and expenditure, received and paid respectively by one Operation Mobilisation organisation in respect of another. All the organisations have similar objectives. The assets held at 31 December 2020, totalling £15,583,656 (2019 - £13,203,466) are held in a custodian capacity for the settlement of the corresponding liabilities. This facility is known within OM-Worldwide as the International Clearing House (ICH).

Donations received during the year from directors and related parties totalled £nil (2019 - £nil). The directors may have donated via other OM offices towards the support of individuals working for the charity, however that information is not readily available.

18 COMMITMENTS

At 31 December 2020 the charity's total commitments under non-cancellable operating leases was as follows:

	2020 £	2019 £
Within one year	15,500	15,500
Two to five years	48,000	48,000
Over five years	43,000	55,000
Total	106,500	118,500

Lease payments recognised as an expense during the year totalled £26,000 (2019 - £21,500).

19 RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2020 £	2019 £
Net movement in funds	1,645,894	1,687,860
Interest paid	-	-
Interest received	(10,923)	(27,953)
Depreciation charges	72,774	75,665
Profit on disposal of fixed assets	(36,058)	(2,295)
Loss on sale of fixed assets	-	-
Gift of property received	-	(2,100,000)
(Increase) in debtors	(1,204,728)	(304,445)
Increase (decrease) in creditors	57,978	(15,034)
Net cash provided by operating activities	524,937	(686,201)

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

20 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	Net Funds as at 1 January 2020 £	Cashflows in the year £	Net Funds as at 31 December 2020 £
Cash at bank and in hand	85,057	1,134,248	1,219,305
Total Cash and Cash Equivalents	85,057	1,134,248	1,219,305

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2020

22 PRIOR YEAR COMPARATIVE SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
INCOME				
Donations and gifts	2	5,313,770	435,110	5,748,880
Income from investments		27,953	-	27,953
Income from charitable activities	2	438,346	31,125	469,471
Other income	2	2,294	-	2,294
Total Income		5,782,363	466,235	6,248,598
EXPENDITURE				
Costs of Raising Funds				
Costs of generating voluntary income		147,544	16,218	163,762
Expenditure on Charitable Activities	3			
Costs of charitable activities		4,158,130	238,846	4,396,976
Total Expenditure		4,305,674	255,064	4,560,738
Net Income Before Transfers	5	1,476,689	211,171	1,687,860
Gross Transfers between Funds	15	2,954	(2,954)	-
Net Income		1,479,643	208,217	1,687,860
Fund Balance brought forward as at 31 December 2018		2,054,817	477,340	2,532,157
Fund Balance carried forward as at 31 December 2019	15	3,534,460	685,557	4,220,017