

Charity registration number: 1123283

# DEREK PRINCE MINISTRIES (UK)

Annual Report and Financial Statements

for the Year Ended 30 June 2021

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## **Reference and Administrative Details**

### **Trustees**

P Lord  
RD Paterson  
Mark DeVito  
R Kolaneci  
DG Selby  
N Cornick

### **Principal Office**

Ladygrove Court  
Preston  
Hitchin  
SG4 7SA

### **Charity Registration Number**

1123283

### **Independent Examiner**

Kolade Andrew Alli ACMA  
KARE Financial Management Consultants Ltd  
10 Gatcombe Gardens  
West End, Hampshire  
SO18 3NA

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity converted into a CIO on the 31 May 2019, is controlled by its governing document, as defined by the Charities Act 2011.

### **Constitution**

Derek Prince Ministries (UK) was established as a charity in 1988, as a charitable company in 2008, and then converted into a charity CIO Foundation on the 31 May 2019.

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 30 June 2021.

### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Mission Statement**

Derek Prince Ministries exists to develop disciples of Jesus Christ, through the Bible teaching of Derek Prince.

Our vision is to reach the peoples of the world in a language they can understand, with the Bible teaching of Derek Prince, using every type of media and all forms of distribution, regardless of the economic means of the recipients.

### **Derek Prince**

Derek Prince (1915-2003) was born in India of British parents. He was educated as a scholar of Greek and Latin at Eton College and Cambridge University, where he held a Fellowship in Ancient and Modern Philosophy at King's College. He also studied Hebrew and Aramaic, both at Cambridge University and the Hebrew University in Jerusalem. In addition, he spoke a number of other modern languages.

While serving with the British army in World War II, he began to study the Bible and experienced a life-changing encounter with Jesus Christ. Out of this encounter he formed two conclusions: first, that Jesus Christ is alive; second, that the Bible is a true, relevant, up-to-date book. These conclusions altered the whole course of his life. After that time, he devoted the rest of his life to studying and teaching the Bible.

He is the author of over 60 books, over 450 audios and 150 video teaching messages, many of which have been translated and published in more than 100 languages.

Derek's main gift was explaining the Bible and its teaching, in a clear and simple way. His non-denominational, non-sectarian approach has made his teaching equally relevant and helpful to people from all racial and religious backgrounds.

Derek Prince poured himself out to reach the unreached, and teach the untaught - to see God's people grow to maturity in the Word. Through our work in the UK and around the world, we endeavour to seek new ways of fulfilling Derek's original calling to be a teacher of the Scriptures, in truth and faith and love, which are in Christ Jesus - for many.

## **Trustees' Report**

### **Derek Prince Ministries Today**

Derek Prince passed away in 2003, but the ministry continues to expand on a worldwide basis, currently comprising of 11 national offices that provide teaching materials and raise funds for DPM outreaches.

Outreach offices are also located in many other countries including Armenia, Bulgaria, Croatia, Czech Republic, Denmark, Egypt, Estonia, Fiji, Georgia, Hungary, India, Indonesia, Israel, Malaysia, Myanmar, Nepal, Papua New Guinea, Poland, Romania, Russia, Samoa, Serbia, Singapore, Slovakia, Slovenia, Solomon Islands, Turkey, Ukraine, Vanuatu, Zimbabwe.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The objects of Derek Prince Ministries (UK) as set out in the founding Deed of Trust are the advancement of the Christian religion throughout the world by whatever legally charitable means the Trustees shall in their discretion think fit. Specifically, our primary objective is to place Derek Prince's Bible teaching resources into the hands of those who want them. We distribute through as many channels and media formats as possible, and in the language, that is required within a territory.

Outreach projects are focused on the translation, production and distribution of books, and audio/video Bible teaching. There are also many radio and television broadcasts of Derek Prince messages, Bible study courses and resources made available through the internet and electronic media.

#### **Public benefit**

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

DPM (UK) uses printed word, internet and other forms of electronic media to change lives for the good in spiritual, moral and practical ways which demonstrate the Christian faith. The publications promote the Gospel and reinforce Christian values. The benefits are clear, identifiable and related to the aim of advancing the Christian religion.

There is no express geographical restriction to the opportunity to benefit and our governing document does not contain any religious restrictions on who may benefit from the services of DPM (UK).

DPM (UK) also has a programme that provides free Bible teaching to prison inmates on a regular basis.

The charity sets the price of publications and audios, so that they are affordable by most people. For those unable to pay, there are a range of resources that can be obtained free of charge such as ministry edition books, proclamation cards and teaching distributed through YouTube, podcast platforms, websites and an app.

## **Trustees' Report**

### **Fundraising**

The UK office sends direct mail and email fundraising appeals to generate income for DPM outreach around the world. The outreach priorities are agreed at the annual international directors' meeting, and each National Office commits to raising funds for these specified outreaches during the following calendar year.

Details of the appeal are sent to those individuals and groups on our mailing list. As well as being given the opportunity to contribute to these projects should they so wish, supporters are also kept informed of progress, new opportunities and prayer requests. The gifts we receive are then directed to the appropriate DPM office that is responsible for the oversight of the outreach.

### **Outreach**

#### **Africa Outreach**

DPM South Africa is responsible mainly for all the countries south of Zambia, namely Angola, Botswana, Lesotho, Madagascar, Malawi, Mozambique, Namibia, Zambia, Swaziland. French DVDs are given to pastors from Congo and DRC who come to Pretoria for training.

Several years ago, our office in France began to be involved, and they have now established contact with leaders in more than 20 nations in Africa where French is a primary language.

Derek Prince Ministries - East Africa work primarily in Kenya, Uganda, Tanzania, Rwanda and Burundi. Our aim is to make Derek Prince's teaching available both in English and local languages. In addition, between 2017 and 2019, we will be supplying Bibles along with our books for very good prices in our aim to make the Word of God more accessible.

Derek Prince Ministries - West Africa has activity in Nigeria, Ghana, Sierra Leone, The Gambia and Liberia.

The main focus is printing and distributing Derek Prince's *Self-Study Bible Course* (SSBC) as well as *Life-Changing Spiritual Power* (LCSP) which is a six-book compilation of: *The Divine Exchange*, *The Holy Spirit in You*, *God's Medicine Bottle*, *Spiritual Warfare*, *How to Pass from Curse to Blessing* and *Self-Study Bible Course*.

#### **China Outreach**

The outreach of DPM into China began in 1984. Ross Paterson, a fluent Mandarin speaker who had served in Taiwan for ten years and had then into China, heard the Lord tell him to "take Derek Prince's teaching to China". Ross approached Derek, who readily gave his permission and his blessing. Today the office is based in Singapore. To make the teaching more acceptable to the Chinese Derek was given the name Ye Guang-Ming, meaning Clear Light.

The Far Eastern Broadcasting Company (FEBC) in Hong Kong started broadcasting daily Derek Prince's 15-minute Mandarin radio programme into China. These radio broadcasts have run for over 25 years, and can be downloaded from a linked website.

A major project was launched in 1995 to print and distribute one million copies of the "Foundation Series" in Chinese by the year 2000.

## **Trustees' Report**

The Chinese website [www.ygmweb.org](http://www.ygmweb.org) gets about 1,000 hits every day from Chinese believers and seekers who download Derek's Bible teaching messages in MP3 audio format.

Responding to requests for Derek's teaching, 50,000 audio and video disks are produced each month and distributed free to different areas of China's vast land.

Small dedicated audio devices with Derek's teaching are also taken to the countryside where reading ability is more limited.

Plans are to print and distribute 200,000 copies of Life-Changing Spiritual Power inside China this year. Pray that this important book (compilation of several titles) will get to the right Christian leaders and that they will be changed by these teachings.

A big challenge the China team faces is to serve two very different population groups in China—one that is affluent and uses mobile phones and computers, and the other that is living in relative poverty. The methods to serve these two groups are very different. Pray for wisdom and anointing to build up both groups in the Word of God.

### **Russia Outreach (and the former Soviet Union)**

For more than 30 years Derek Prince Ministries have reached out to the Russian world with Bible teaching from the world-renowned teacher, Derek Prince. During his lifetime, Derek Prince fell in love with Russian-speaking believers from around the world and his translated books became very popular.

Today Derek's teaching is widely known across the former Soviet Union. Many churches, communities and denominations from Estonia to Central Asia, from Armenia to Russia have received a great blessing from the service of DPM. Even after the death of Derek Prince, his ministry has not ceased, but rather it continues to spread.

We have offices in Moscow, Armenia, Belarus, Estonia and Ukraine.

Our Russian language website ([www.derekprince.ru](http://www.derekprince.ru)) encourages believers around the world. Every day a short devotional message from Derek Prince is published, as well as Bible verses, proclamations and prayers. The site also gives the opportunity to purchase Derek's books in Russian, and watch and listen to his teaching.

We broadcast Derek Prince TV programmes dubbed in the Russian language across the Russian speaking world.

Many book titles have been printed and distributed during the current year and further reprinting of material is underway, to respond to the ongoing demand. In addition to Russian we also print in Ukrainian, Armenian, Georgian, Azeri and Estonian languages.

We make teaching material available for digital download from our Russian website and other regional websites. We have developed Facebook pages and upload material to YouTube for free streaming.

## **Trustees' Report**

### **Eastern Europe Outreach**

Derek Prince Ministries established an office in Holland in 1989 to pursue new opportunities for serving the Church in Eastern Europe. We began to make the life-changing Bible teachings of Derek Prince available to the Netherlands and other parts of Europe.

These were challenging times because years of Communist rule in parts of Europe had taken a social and economic toll on thousands of Christians – yet exciting times because, thanks to the generosity of supporters, we were able to offer them Bible-based discipleship resources.

The continued support grew, and our outreach in Eastern Europe quickly became a key player in the region. Along with our office in Holland, outreaches sprang up in Bulgaria, Croatia, Albania, Romania, Serbia, Poland, Hungary, the Czech Republic, Slovakia and Slovenia.

We helped thousands of local churches minister God's life-changing Word to many who had been rendered hopeless, disillusioned, and impoverished by decades of Communist rule.

Thousands of Christians across Eastern Europe still face many challenges. The top challenge is lack of sound Bible teaching, "the whole counsel of God", not just teaching on selected topics. Another challenge is busyness with life, work or family that often hinders Christians from digging deeper into God's Word and growing strong in their faith. Other issues include struggling with poverty, divorce and ignorance of God's calling and purposes for their lives.

Derek Prince Ministries Eastern Europe is responding to these challenges by making more of Derek's foundational Bible teaching available in both print and online. Also, our workers are hosting more training events and conferences (when able) on practical topics like the marriage covenant, how to be a good husband and father, how to manage finances well and much more.

### **Outreach Initiative**

This was a fund established under the name Outreach Opportunity fund to provide funds that could be used at the charity's discretion. The Fund was renamed Outreach Initiative and now appears under the list of restricted funds.

### **Indian Subcontinent Outreach**

The Derek Prince Ministries outreach to the Indian subcontinent was birthed in 1997, a couple of months before Derek Prince visited the region for a huge pastors and leaders conference in Hyderabad, India. The main need at that time was to print Derek's books in India and in Indian languages to be distributed amongst the leadership of the church which needed clear and sound Biblical based doctrine. The Foundation Series was the first book to be printed and released at Derek's conference in Hyderabad.



## **Trustees' Report**

Our outreach to the Indian subcontinent began with translating and printing Derek's books into several Indian languages. The books were distributed through various partner ministries. But probably the biggest impact was created by the Graduate Gift Program that was launched by Derek Prince Ministries India in 2000, wherein every year students of various Bible colleges all over India have received a "gift pack" of Derek's books in their own languages when they graduated from Bible College. Over 150,000 Bible college graduates have received these materials over the last two decades.

Our focus has always been to reach the leadership as through them we can impact a larger number of people. Secondly, India is a land of varied cultures – every one of the 28 states has a different language and culture. Therefore, there is the need to take the teaching to the people of those states in a culturally sensitive manner. So, putting the teaching and resources into the hands of the leaders helps to translate it into a culture specific and culturally sensitive form – for greater impact.

### **Israel Outreach**

In 2003, Derek Prince Israel began under the leadership of George and Betty Jackson from the US, who have an office in Jerusalem. This area of ministry involves the translation and printing of Derek's books into Hebrew for wide distribution in Israel. Material is also made available through a Hebrew language website - [www.dpi.co.il](http://www.dpi.co.il) as well as in English at [www.dpisrael.com](http://www.dpisrael.com). There are a large number of Russian speaking immigrants in Israel and we broadcast our Russian language programmes locally as well as providing Russian books to the Church.

### **Middle East Outreach**

Through Derek Prince Ministries Middle East outreach, 17 countries are served the Word of God and the teaching of Derek Prince. These countries are Iraq, Syria, Jordan, Lebanon, Saudi Arabia, Qatar, Bahrain, UAE, Oman, Yemen, Morocco, Mauritania, Algeria, Tunisia, Libya, Egypt, Sudan, and South Sudan. Although we serve all these nations, communication isn't one of the main obstacles. That is due to the fact that there are more than 300 Million Arabic speaking tongues in the region, in addition to some other ethnicities and minorities.

Arabic covers about 85% of the Nations we serve. Sorani, a language spoken by the Kurds, mainly in the North of Iraq. Tamazight, for the Amazigh people in the North of Africa. English is used as well in some cases for some regions as it is the most common second language among people in the Gulf area for instance and in South Sudan.

We have regular outreach trips to many countries in the region to find the needs and meet them. Some of the visited countries are Iraq, Lebanon, Jordan, UAE, Tunisia, South Sudan, Morocco, Mauritania, and other Arabic churches in Europe.

We support ministries/churches by sending materials and teaching resources in their languages. These materials can be in different forms, such as books or USB Flash Drives/SD Cards loaded with the Bible and Derek's content.

In recent years we have seen a great increase in the demand for our materials in this region, particularly in the Arabic language. With the popularity of satellite television across the region, alongside the challenge of distributing Christian material in nations where believers suffer persecution for their faith, our strategic goal has been to develop lip synchronised video messages for broadcast on satellite TV with the potential to impact many millions of lives.

## **Trustees' Report**

### **UK Outreach**

The UK office provide an internet and mail order facility to make the wide range of Derek Prince resources available to our constituency. This primarily takes the form of books, audios and videos of Derek's teaching.

We seek to cultivate relationships with individuals, churches and other Christian organisations aiming to bring the teaching of Derek Prince to a new audience.

The material is distributed digitally via websites, online media channels, podcast platforms and an app.

We issue a regular magazine called DPM World, free of charge to our mailing list. This publication contains Bible based teaching is a source of encouragement and free teaching materials are made available for distribution.

Prison Ministry - The Inside Outreach programme in the UK makes a healthy diet of free Bible teaching available to prisoners on a regular basis. We also assist chaplains in their ministry by giving them the DPM materials they would like to use with inmates, or to place in their prison libraries.

FIT Programme (Foundations and Identity through Teaching) - We believe it is essential to invest in the next generation of church leaders. This free two-year programme has been developed to lead 18-30-year olds, who desire to grow in their faith, through a series of foundational Bible teaching.

Widows, Orphans, Poor and Oppressed - Bible teaching material is the primary focus of our work around the world. However, from time to time areas of practical need are brought to our attention through co-workers in the field. On occasions, we are able to assist in practical ways to help relieve poverty and suffering.

### **Other Funds**

Smaller restricted funds held by the UK office are comprised of Latin America, South East Asia, Broadcasting, and Ethiopia.

### **Designated Funds**

#### **Where Most Needed**

This is a fund established to accumulate donations where the donor has not specified which worldwide outreach they would like their gift to be used by the charity. The fund is available for the charity to direct to the DPM outreach most in need of finance.

#### **DPM 2.0**

This is our digital outreach. With a world of information available at our fingertips, there's never been a greater need for sound biblical teaching online. The digital ecosystem is fraught with misinformation and all manner of corruption, and unless the church is willing to engage it many will be led astray. Sadly, untold numbers already have.

It's estimated Google, the world's largest search engine, processes over 70,000 queries every second. That's about 5.8 billion searches per day and two trillion searches per year. These are colossal figures that require more than a passing glance to gasp and comprehend the magnitude of the challenge before us.

## **Trustees' Report**

### **DPM 2.0 (cont)**

People are seeking answers to life's questions and today this journey often begins and ends online. Whether it's a video, podcast, article or app, the prevalence of material available means people will find content to solve their curiosity, but it won't necessarily be accurate. The spiritually hungry are often presented with falsehoods and malicious content designed to mislead, and Derek Prince Ministries has an essential role to play to correct this deception. Moreover, we can educate and disciple believers anywhere in the world to maturity in Christ, through technology and digital communication channels.

### **FINANCIAL REVIEW**

#### **Financial Results**

Total incoming resources for the year ending 30 June 2021 were £897,547 (2020: £706,586) this represents a 27% increase from the previous reporting period. After deducting resources expended of £866,182 (2020: £819,751) this resulted in a surplus of £31,365 (2020: -£113,165).

#### **Balance Sheet**

The net assets of the charity at 30 June 2021 were £2,694,087 (2020: £2,442,081).

#### **Reserves policy**

The charity is largely funded by donations from individuals, and therefore its income is vulnerable to economic factors outside its control. The Trustees therefore feel it is important to establish a prudent reserves policy of between six months and twelve months expenditure to be covered by free reserves. At 30 June 2021 the charity's unrestricted reserves, (not represented by fixed assets) stood at £891,345 (2020: £800,292) which covers twelve months (2020: twelve months) of expenditure.

#### **Appointment of new trustees**

The existing Board of Trustees are responsible for the appointment of any new trustees, and no outside parties are involved in this process. It is sought, to maintain that a broad range of skills and expertise are represented on the board. Prospective trustees are usually identified through a long-standing knowledge and support of the charity or by being known personally to the existing Trustees. They will normally be invited to serve in the capacity of a board advisor for 12 months, to further assess their suitability for the role, and to allow them to become acquainted with the trustee function. Upon completion of this, an invitation to join the board will sometimes follow or they may continue to serve in the role of an advisor.

## Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 7th January 2022 and signed on its behalf by:



.....  
Redina Kolaneci  
Trustee

## **Independent Examiner's Report to the trustees of DEREK PRINCE MINISTRIES (UK)**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2021 which are set out on pages 12 to 22.

### **Respective responsibilities of trustees and examiner**

As the charity's trustees of DEREK PRINCE MINISTRIES (UK) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the DEREK PRINCE MINISTRIES (UK)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

Since DEREK PRINCE MINISTRIES (UK)'s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Chartered Institute of Management Accountants UK, which is one of the listed bodies.

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

1. accounting records were not kept in respect of DEREK PRINCE MINISTRIES (UK) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



.....  
Kolade Andrew Alli ACMA

KARE Financial Management Consultants Ltd  
10 Gatcombe Gardens  
West End, Hampshire  
SO18 3NA

7th January 2022

## Statement of Financial Activities for the Year Ended 30 June 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Charitable activities		784,889	112,658	897,547	706,586
<b>Expenditure on:</b>					
Charitable activities		(597,050)	(269,132)	(866,182)	(819,751)
Total expenditure		(597,050)	(269,132)	(866,182)	(819,751)
Net income/(expenditure)		187,839	(156,474)	31,365	(113,165)
Gross transfers between funds		-	220,641	220,641	-
Net movement in funds		187,839	64,167	252,006	(113,165)
<b>Reconciliation of funds</b>					
Total funds brought forward		2,291,781	150,300	2,442,081	2,555,246
Total funds carried forward	13	2,479,620	214,467	2,694,087	2,442,081

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 13.

**(Registration number: 1123283)**  
**Balance Sheet as at 30 June 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	7	322,675	332,344
<b>Current assets</b>			
Stocks	8	10,213	7,301
Debtors	9	33,793	33,937
Investments	10	1,348,789	1,149,910
Cash at bank and in hand	11	1,031,392	946,238
		<u>2,424,187</u>	<u>2,137,386</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(52,775)</u>	<u>(27,649)</u>
<b>Net current assets</b>		<u>2,371,412</u>	<u>2,109,737</u>
<b>Total assets less current liabilities</b>		<u>2,694,087</u>	<u>2,442,081</u>
<b>Net assets</b>		<u>2,694,087</u>	<u>2,442,081</u>
<b>Funds of the charity:</b>			
<b>Total funds</b>	13	<u>2,694,087</u>	<u>2,442,081</u>

The financial statements on pages 12 to 22 were approved by the trustees, and authorised for issue on 7th January 2022 and signed on their behalf by:



.....  
Redina Kolaneci  
Trustee

# **Notes to the Financial Statements for the Year Ended 30 June 2021**

## **1 Accounting policies**

### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

### **Basis of preparation**

DEREK PRINCE MINISTRIES (UK) 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 notes.

### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.



## **Notes to the Financial Statements for the Year Ended 30 June 2021**

### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

### **Current asset investments**

Current asset investments are included at the lower of cost and net realisable value / market value.

### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## 2 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Donation & Gift Aid Income	447,861	112,658	560,519	561,952
Sales	45,482	-	45,482	44,827
Other Income	41,658	-	41,658	42,320
Legacies	27,326	-	27,326	11,141
Interest/Dividends/Gain on Investment	207,102	-	207,102	28,946
Property Management Income	15,460	-	15,460	17,400
	784,889	112,658	897,547	706,586

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 3 Expenditure on charitable activities

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Advertising / Promotion	37,824	11,596	49,420	31,023
Bank Charges/Mortgage Interest	16,562	(3,800)	12,762	7,375
Property Management Expenses	789	-	789	607
Rent-Lease	4,269	480	4,749	7,597
Cost of Goods Sold	40,295	2,983	43,278	38,648
Operational Expenditure	262,075	25,342	287,417	203,229
Outreach Support	498	203,400	203,898	206,129
Payroll	194,298	27,694	221,992	232,874
Professional Fees and Insurance	5,154	-	5,154	5,757
Travel/Accommodation	629	-	629	7,109
Web-IT Costs	32,157	1,437	33,594	76,403
Independent examiner's fee	2,500	-	2,500	3,000
	597,050	269,132	866,182	819,751

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 4 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

#### Neil Cornick

Neil Cornick received remuneration of £78,385 (2020: £79,805) during the year for services provided as full time UK Director of DPM (UK) and reimbursement of £25,724 (2020: £32,094) was received from DPM International in respect of work carried out for DPM International.

#### Redina Kolaneci

Redina Kolaneci provides fundraising services to DPM (UK) through Christian Fundraising Consultancy and received £22,800 (2020: £23,044).

### 5 Staff

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
Average no of employees	5	5

All (2020 - 5) of the above employees participated in the Defined Contribution Pension Schemes.

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 7 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 July 2020	308,554	50,745	359,299
Additions	-	1,374	1,374
At 30 June 2021	308,554	52,119	360,673
<b>Depreciation</b>			
At 1 July 2020	-	26,955	26,955
Charge for the year	-	11,043	11,043
At 30 June 2021	-	37,998	37,998
<b>Net book value</b>			
At 30 June 2021	308,554	14,121	322,675
At 30 June 2020	308,554	23,790	332,344

### 8 Stock

	2021 £	2020 £
Stocks	10,213	7,301

### 9 Debtors

	2021 £	2020 £
Trade debtors	16,725	27,097
Prepayments	2,000	5,073
Other debtors	15,068	1,767
	33,793	33,937

### 10 Current asset investments

	2021 £	2020 £
Cash deposits	1,348,789	1,149,910

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 11 Cash and cash equivalents

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash at bank	1,031,392	946,238

### 12 Creditors: amounts falling due within one year

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	24,488	21,872
Other creditors	2,728	-
Accruals	25,559	5,777
	<u>52,775</u>	<u>27,649</u>

## Notes to the Financial Statements for the Year Ended 30 June 2021

### 13 Funds

	Balance at 1 July 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2021 £
<b>Unrestricted funds</b>					
<b>General</b>					
General fund	2,169,575	715,246	(474,177)	(31,369)	2,379,275
General Appeal	-	367	(2,515)	2,148	-
Where Most Needed	1,015	39,779	(3,978)	(22,556)	14,260
DPM 2.0	125,546	29,497	(116,381)	78,640	117,302
	<u>2,296,136</u>	<u>784,889</u>	<u>(597,051)</u>	<u>26,863</u>	<u>2,510,837</u>
<b>Restricted funds</b>					
30x13	780	50	(7)	-	823
Africa	1,160	7,038	(446)	-	7,752
China	-	14,938	(21,916)	7,135	157
Eastern Europe	-	8,847	(13,211)	4,364	-
India	-	2,838	(11,429)	8,591	-
Israel	16,873	14,168	(14,558)	-	16,483
Middle East	97,633	20,752	(132,713)	115,847	101,519
Other	7,417	4,338	(2,728)	6,185	15,212
Outreach Initiative	1,317	-	(194)	1,233	2,356
Russia	-	10,352	(38,790)	29,427	989
UK Outreach	20,766	29,337	(33,140)	20,996	37,959
<b>Total restricted funds</b>	<u>145,946</u>	<u>112,658</u>	<u>(269,132)</u>	<u>193,778</u>	<u>183,250</u>
<b>Total funds</b>	<u>2,442,082</u>	<u>897,547</u>	<u>(866,183)</u>	<u>220,641</u>	<u>2,694,087</u>

## Notes to the Financial Statements for the Year Ended 30 June 2021

	Balance at 1 July 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2020 £
<b>Unrestricted funds</b>					
<b>General</b>					
General fund	2,307,855	397,636	(429,146)	(106,770)	2,169,575
General Appeal	(4,346)	19,834	(11,166)	(4,322)	-
Teaching Letter	-	53	(12)	(41)	-
Where Most Needed	3,038	44,868	(11,217)	(35,674)	1,015
DPM 2.0	74,419	-	(23,873)	75,000	125,546
	<u>2,380,966</u>	<u>462,391</u>	<u>(475,414)</u>	<u>(71,807)</u>	<u>2,296,136</u>
<b>Restricted funds</b>					
30x13	746	12	22	-	780
Africa	3,307	5,066	(4,513)	(2,700)	1,160
China	214	20,773	(36,496)	15,509	-
Eastern Europe	1,686	9,480	(13,364)	2,198	-
India	17	3,235	(11,999)	8,747	-
Israel	28,520	14,638	(26,338)	53	16,873
Middle East	117,845	134,024	(158,269)	4,033	97,633
Other	4,694	7,298	(7,275)	2,700	7,417
Outreach Initiative	1,273	10	34	-	1,317
Russia	11	12,519	(30,664)	18,134	-
UK Outreach	15,967	19,740	(41,238)	26,297	20,766
<b>Total restricted funds</b>	<u>174,280</u>	<u>226,795</u>	<u>(330,100)</u>	<u>74,971</u>	<u>145,946</u>
<b>Total funds</b>	<u>2,555,246</u>	<u>689,186</u>	<u>(805,514)</u>	<u>3,164</u>	<u>2,442,082</u>