

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

ZAMBESI MISSION

**CHARITY REGISTRATION NUMBER:
ENGLAND AND WALES 1165004
SCOTLAND SCO46748**

ZAMBESI MISSION

CONTENTS

Page 2	Legal and Administrative Information
Pages 3 to 6	Trustees' Report
Page 7	Independent Examiner's Report to the Trustees
Page 8	Statement of Financial Activities
Page 9	Balance Sheet
Pages 10 to 15	Notes to the Financial Statements

ZAMBESI MISSION
LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY REGISTRATION NUMBER	1165004
OSCR NUMBER	SCO46748
START OF FINANCIAL YEAR	1 January 2021
END OF FINANCIAL YEAR	31 December 2021
TRUSTEES WHO SERVED DURING 2021	Trevor Matthews (Chair) Colin Stonelake (Treasurer) Robert Ghent Katriona Carmichael Janet Brown Myles MacBean (appointed 8th November 2021)

The existing trustees appoint any new trustees following the provisions laid out in the organisation's governing instrument.

LEGAL STATUS	Charitable Incorporated Organisation
GOVERNING INSTRUMENT	Constitution registered with the Charity Commission on 30th December 2015

OBJECTS	(1) To advance the Christian Faith. (2) To carry out such other charitable purposes as the trustees may from time to time decide.
----------------	--

CORRESPONDENCE ADDRESS	Mr Mike Beresford Zambesi Mission c/o York Baptist Church Priory Street York YO1 6EX
-------------------------------	---

PRIMARY BANKERS	National Westminster Bank Plc CAF Bank
------------------------	---

INDEPENDENT EXAMINER	Judith Summerfield Summerfield Accountancy Services ICAEW 5 Bowyers Close Copmanthorpe York North Yorkshire YO23 3XW
-----------------------------	---

**ZAMBESI MISSION
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Structure, Governance and Management

Zambesi Mission is a registered charity (1165004) governed by its constitution and registered on 30th December 2015. On 30th June 2016, as authorised by the Charity Commission under Section 105 of the Charities Act 2011, all assets and liabilities of Zambesi Mission (1078673) were transferred to Zambesi Mission (1165004).

The incorporated organisation was also appointed as sole trustee of the unincorporated charity and the results of both charities have been combined in these accounts.

Recruitment and Appointment of Trustees

Trustees are generally already familiar with the work of the charity having been involved in some way prior to their appointment, either with the charity direct or with some other connection. All potential new appointees are required to submit an application form, and references are taken up. All the potential trustees are appointed to the Executive Committee and after a period of time are nominated by a trustee to become a trustee. The appointment is made by a majority vote of the trustees.

During the year ending 31 December 2021, the number of trustees increased from five to six, after Myles MacBean was appointed on 8th November 2021.

The removal of trustees, should it be necessary, is effected by a majority vote of the trustees.

Organisational Structure

The Charity's governing body is the Board of Trustees which meets four times a year.

The Trustees have appointed an Executive Committee which meets regularly to oversee the strategic direction and management of the Charity. This Committee includes trustees and other appointed non-executive members. Selected members of staff are also invited to attend.

The Mission Director is the CEO and has day to day managerial responsibility for all aspects of the Charity. The Mission Director's powers are delegated by the Executive Committee. The Mission Director reports to the Executive Committee and is ultimately accountable to the Board of Trustees.

Reserves Policy

It is the policy of the charity to maintain a general unrestricted reserve which are the free reserves of the charity at a level which equates to approximately three months unrestricted expenditure. This provides sufficient funds to cover UK and Field Expenditure, support costs and to respond to emergency needs. The General Fund remained above this level throughout the year.

Additionally in 2012, the Trustees decided to create a Strategic Reserve representing the funds which would be needed in the event that Zambesi Mission was wound up. This is an unrestricted fund and was created by making a transfer from the General Reserve.

The balance of this reserve is reviewed annually and adjusted based on the trustees' assessment of the requirement. At 31 December 2021, the balance was £43,670.

Risk Management

The Trustees have identified the risks which impact our work. We believe that maintaining our free reserves at the levels stated above, together with our annual review of the controls over our financial systems and ensuring our assets and staff are adequately insured, will provide sufficient resources in the event of adverse conditions occurring.

The Trustees continue to ensure that Zambesi Mission complies with all relevant legislation including Data Protection, Health and Safety. The mission has terms and conditions contracts incorporating Job Descriptions with all of its employees and operates Disciplinary & Grievance procedures.

Fundraising

Zambesi Mission is a faith-based Christian organisation. ZM does not employ professional fundraisers. ZM has not registered with the Fundraising Regulator, primarily because we feel its focus is not relevant to the way we communicate with supporters. We comply with all relevant sections of the Fundraising Regulator's Code of Fundraising Practice.

**ZAMBESI MISSION
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Objectives and Activities

Objects

To advance the Christian Faith.

To carry out such other charitable purposes as the trustees may from time to time decide.

Activities

The mission is practically engaged in the advancement of the Christian Faith in Malawi and northern Mozambique and also within the UK. This is resourced and managed in the UK. Donations to the work are primarily received from supporters in the UK, which we gratefully acknowledge.

The work of the mission in Malawi and Mozambique is particularly to:

- a)** Promote the proclamation of the Gospel, and the making of true disciples by
 - i)** supporting the training of students as future pastors and evangelists at the Evangelical Bible College of Malawi (EBCoM);
 - ii)** sponsoring key workers in the Zambezi Evangelical Church (ZEC) including Youth Coordinators, and church planters; and
 - iii)** helping with the training and equipping of Sunday School teachers, and child evangelism.
- b)** Enable pastors and churches to be more effective in the service of the Gospel by providing practical assistance, training and encouragement to them specifically through:
 - i)** providing bicycles for pastors and evangelists and annual Bookset Conferences to help refresh, teach and equip practising pastors and church elders; and
 - ii)** assisting churches to complete their building, usually by providing a durable steel roof.
- c)** Assist the Church with practical programmes of care and outreach which provide much-needed help to those in need and do so as part of sharing the saving love and compassion of the Lord Jesus Christ. This includes supporting Orphan Day Care Centres caring for orphan children and telling them about Jesus, as well as assisting our partner ZEC's Health Centres and Rural Hospital, and supporting income generating schemes for families affected by extreme poverty and poor nutrition, including some who have been affected by AIDS.

Key commitments include:

In Malawi and Mozambique:

- The support of Malawian lecturers teaching at the Evangelical Bible College of Malawi (EBCoM);
- Sponsorship of students training at EBCoM;
- Support other workers - ZEC Church Planters, Key workers, Evangelists and Youth Workers.

In the UK:

Representatives preaching and teaching in churches to

- proclaim the Gospel and Advance the Christian Faith in this country; and
- provide an opportunity for UK Christians to express their care and concern by praying and giving financially, thereby providing also for the work in Africa.

Public Benefit

In reviewing the overall aim and the objectives of the Charity, and in exercising their powers and duties, the Trustees have had due regard for the Charity Commission's public benefit guidance. The activities of Zambesi Mission are carried out to further its charitable purpose for the public benefit as summarised in the section 'Activities' (above) and highlighted in the following section on the listing of 'Achievements and Performance'.

Achievements and Performance during the Year

The pandemic continued to impact the mission's work in 2021. Malawi and northern Mozambique were thankfully less badly affected compared to the UK, surprisingly given their very low vaccination levels. Nonetheless all three countries faced lockdowns and closure of churches, schools and colleges. Travel to and from Malawi was curtailed for most of the year. In November 2021 Honorary Representative Ruth MacBean took advantage of the reduced travel restrictions to visit Malawi. This was the mission's first visit since 2019. However, fears of the emerging omicron variant led to Malawi being added briefly to the UK's red list of countries. This led to her being forced into mandatory quarantine on her return to the UK.

Income received in 2021 was 24% higher than that received than in 2020. We give thanks to God for His provision and for what was achieved in difficult conditions, as set out below.

Zambesi Mission has a small team based in the UK and in Malawi. The mission's Field Director is responsible for day to day management in Malawi.

Staff details at the end of 2021 are as follows:

- In Malawi: Simon Chikwana (Field Director), Mrs Rose Chirwa (Projects Officer) and Mrs Mercy Carlos (Field Administrator). We also employ five guards and a housekeeper at our guest houses and office in Blantyre.

**ZAMBESI MISSION
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

- In the UK: Our full-time Mission Director Mike Beresford has responsibility for Zambesi Mission's international operations. He also leads our part-time UK Staff team. At the end of 2020 Office Manager Charlotte Dunning left the mission and was replaced by our new Office Manager Clare O'Connell in January 2021. She has line management responsibility for our Administrator Ritchie Dealtry. We have a team of Honorary Representatives geographically spread throughout the country: Ruth MacBean in the East Midlands, Carol Fernandez in East Anglia and Philip Curtis in the South of England; in September 2021 we also appointed Johana Steel as our new Honorary Representative for Scotland. The UK Staff seek to share the Gospel, encourage and inform others and build support for the Mission's work through partnerships with supporters - both churches and individuals.

Zambesi Mission also sponsored and supported Malawian and Mozambican Christians in the work of the Gospel in their own countries:

- In ZEC Mozambique, the Mission sponsored the Chair, the General Secretary, the national Fellowship of Youth Coordinator, the Coordinator for Women's Work and two Regional Superintendents. The mission also supported two churchplanters in Mozambique: churchplanters are supported for a total of four years each, the amount being contributed progressively declining over the final two years.
- Zambesi Mission supported seven church planters and church development pastors from within its partners' churches in Malawi: ZEC and the River of Life Evangelical Church.
- ZM funded the secondary school fees for 50 pastors' children. Pastors are generally very impoverished and cannot usually afford such fees themselves. Only primary school education is free in Malawi. Both primary and secondary school terms were disrupted by national school closures in Malawi in January 2021. The school year now runs from January until October.
- Through ZEC Malawi, the mission funded the care (including school fees where applicable) of 98 orphans in three Orphan Day Care Centres (Ntonda, Nthorowa and Chifunga). With generous support from States of Guernsey Overseas Aid, the mission has been implementing an income generating project called "Tender Shoots" at Chifunga and Nthorowa. These projects were delayed by the pandemic. The maize mills at Nthorowa and Chifunga were completed in 2021, but the electrical power supply to the rice mill at Nthorowa has been delayed by COVID-related issues. These maize and rice milling machines will generate a small income stream to allow the local church to support the children at the two Orphan Daycare Centres.
- During 2021 the mission continued to provide the 118 workers at ZEC's five health centres with personal protective equipment (PPE) to minimise their exposure to COVID. The mission also supported the training of healthcare workers at colleges in Malawi to ensure an ongoing supply of Christian staff at ZEC's facilities. The mission sees healthcare as part of its Christian mission.
- The Mission sponsored 70 students from Malawi and Mozambique to train for leadership roles in the church on full-time residential and part-time theological courses at certificate, diploma and degree level at the Evangelical Bible College of Malawi. These students come from nine different evangelical church denominations, with the majority being members of the Zambezi Evangelical Church in Malawi or Mozambique. The start of the college term was delayed by the pandemic, but all students completed their academic year before the end of 2021. Financial support was also provided during 2021 to allow the college to employ two Malawian lecturers.
- At the end of 2021 the mission completed the construction of two semi-detached houses which will be rented out and used for income generation. This will help the college to become increasingly self-sustaining.
- Easing restrictions on gatherings in Malawi allowed ZM to partner with Malawian organisation J-Life Ministries to hold two Bookset Conferences during 2021 in which church elders and pastors were taught about personal faith, discipleship and Christian leadership. They also received sets of study books to assist them in their ministry. These were held at Mzuzu and Nkhotakota in northern Malawi. Leadership seminars were also held for ZEC in Mozambique. Overall 223 people received training.
- 803 heavily subsidised Bibles in local languages Chichewa or Tumbuka were provided to Christians in Malawi and Mozambique. The local believer pays about £1.25 per Bible, whilst the mission pays the remainder of the cost. This extremely popular scheme allows those who have little money and poor access to shops to have their own copy of God's Word. These were largely distributed in the second half of 2021 as the impact of COVID reduced.
- One church in Malawi and Mozambique was provided with iron sheets to construct their new roof during 2021.
- Zambesi Mission funded the allowances for two Development Workers and one Administrator in the non-denominational Children for Christ Ministry (CFCM). CFCM runs Bible Clubs for children and also trains Sunday school teachers. Despite the challenges faced in 2021 they trained 376 Sunday school teachers and ran or supported many Bible Clubs, through which it is estimated that 3,000 children hear the good news about Jesus every week. During 2021 they continued to focus on developing trainers who can teach Sunday school teachers. At the end of 2021 they had 22 approved trainers who can now assist them in future Sunday school teacher training seminars.

All these endeavours were aimed at the extension of the kingdom of God through the strengthening of His Church in Malawi and Mozambique. We thank God for the provision and prayer from Christians and churches in the UK and elsewhere, which made all of this possible.

**ZAMBESI MISSION
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial Review

Total income for the year was £297,521 (2020 – £240,019), expenditure during the year was £262,867 (2020– £241,060) showing a surplus for the year of £34,654 (2020 – deficit of £1,161).

Zambesi Mission maintains a general reserve fund into which are placed all gifts, donations and legacies received without any stipulation or preference expressed by the donor. A number of designated funds are also maintained to fund expenditure in key areas in accordance with ZM policy. At the discretion of the Trustees, certain gifts and donations received are allocated to these funds based on a preference (but not a requirement) expressed by the donor. Occasionally ZM will receive gifts from donors with specific requirements attached to the gift. These gifts are maintained in a restricted fund and only used in accordance with the specific instructions of the donors.

At 31st December 2021, balances were held on the following funds:

Designated funds	£77,678
Restricted funds	£12,282
General funds	£192,457

Plans for Future Period

Zambesi Mission's overall aim is to see sustainable gospel-preaching disciple-making churches across Malawi and northern Mozambique. The mission's work falls into five ministry areas: gospel-preaching, disciple-making, Christlike leadership, sustainability and inter-dependent partnerships.

- Zambesi Mission was founded in 1892 by Joseph Booth whose vision was for "Africa for the African". Although this is mainstream thinking today, in Joseph Booth's time the concept was revolutionary. The mission tries to continue this vision today, by helping Malawian and Mozambican churches and Christian organisations in a way that avoids unhealthy dependency and inequity - "to help them to help themselves".
 - Zambesi Mission also holds to the principle of a "partnership in the gospel" - an international relationship between churches and Christians. This partnership is centred on Christ, founded on prayer and worked through ordinary people.
 - Although ZM works mainly in partnership with the Zambezi Evangelical Church, the Church which grew out of the work of the Mission, we also work through other churches and Christian partners. During 2021 our local partners were: the Zambezi Evangelical Church, the River of Life Evangelical Church, the Evangelical Bible College of Malawi (EBCoM), Children for Christ Ministry (CFCM) and J-Life Ministries (Malawi).
 - Zambesi Mission continues to discern the optimum way to support our partners in a way that avoids inequity and unhealthy dependency. Although the mission is keen to see the Church grow and develop, it wants to ensure that such growth is sustainable. One of our ongoing initiatives involves the provision of income-generating schemes to help the church support its own activities. Zambesi Mission is also endeavouring to enable its partner ZEC's Orphan Day Care centres to become self-sustaining through agricultural projects and other initiatives.
 - Zambesi Mission seeks to demonstrate the love of Jesus through both words and deed. This involves supporting both the spiritual health of the church, as well as practical initiatives such as healthcare, orphan care and other practical methods of support. Zambesi Mission's practical support for its partners will always be implemented through churches, since we regard the church as one of the main ways through which God chooses to work in the world today.
 - As a founding member of EBCoM, Zambesi Mission continues to work with the College Council and Management to help to ensure the long term sustainability of the college as a provider of high quality biblical pastor training and education. The construction of the semi-detached houses at EBCoM in 2021 to generate rental income is an example of this. This success of this project will be reviewed at the end of 2022 with a review to possibly repeating the project in 2023.
- Finally, the trustees wish to thank all who have supported the Mission's work through their concern, prayers and generous giving throughout the last year. May God bless all who have contributed to the success of this work.

Trustees Responsibilities

The Charities Act 2011 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 the surplus of the charity for that period. In preparing the financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 13th June 2022 and signed on their behalf by Colin Stonelake, Trustee



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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2021 which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the "2005 Act"), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 ('the Act'). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the charity's accounts as carried out under section 44(1) (c) of the 2005 Act and section 145 of the 2011 Act. 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 the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales (ICAEW), 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 the charity 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 applicable 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.



Judith Summerfield
Summerfield Accountancy Services
ICAEW
5 Bowyers Close
Copmanthorpe
York
North Yorkshire
YO23 3XW

Date: 13th June 2022

ZAMBESI MISSION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Income and endowments from:						
Donations and legacies	3a	123,502	127,246	17,033	267,781	215,964
Investments	3b	116	-	-	116	91
Other	3c	29,624	-	-	29,624	23,964
Total		153,242	127,246	17,033	297,521	240,019
Expenditure on:						
Charitable Activities	4	143,900	100,793	18,174	262,867	241,060
Total		143,900	100,793	18,174	262,867	241,060
Net Income		9,342	26,453	(1,141)	34,654	(1,041)
Transfers Between Funds		7,457	(9,867)	2,410	-	-
Other recognised exchange gains/(losses)		(186)	-	-	(186)	(120)
Net Movement in Funds		16,613	16,586	1,269	34,468	(1,161)
Reconciliation of Funds:						
Total Funds Brought Forward		175,844	61,092	11,013	247,949	249,110
TOTAL FUNDS CARRIED FORWARD		192,457	77,678	12,282	282,417	247,949

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 10 to 15 form part of these financial statements.

**ZAMBESI MISSION
BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Fixed Assets						
Tangible Assets	2	60,086	-	-	60,086	61,455
Current Assets						
Debtors & Prepayments	7	2,328	-	-	2,328	2,082
Cash at Bank and in Hand	6	131,684	77,678	12,282	221,644	185,877
Total Current Assets		134,012	77,678	12,282	223,972	187,959
Creditors: amounts falling due within one year	8	(1,641)	-	-	(1,641)	(1,465)
NET CURRENT ASSETS		132,371	77,678	12,282	222,331	186,494
TOTAL ASSETS less current liabilities		192,457	77,678	12,282	282,417	247,949
NET ASSETS		192,457	77,678	12,282	282,417	247,949
Funds of the Charity						
General Funds		192,457	-	-	192,457	175,844
Designated Funds		-	77,678	-	77,678	61,092
Restricted Funds	5	-	-	12,282	12,282	11,013
Total Funds		192,457	77,678	12,282	282,417	247,949

The notes on pages 10 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the trustees on 13th June 2022 and signed on their behalf by Colin Stonelake, Trustee.



ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of Preparation

Zambesi Mission is charity incorporated in England, Wales and Scotland. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are included in the Trustees Report.

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Charities Act 2011, and UK Generally Accepted Practice.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value as all the assets and liabilities have been transferred to Zambesi Mission Charitable Incorporated Organisation. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Government Grants

From time to time, the Charity applies for and receives grants from Government agencies to fund specific projects. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Expenditure and Liabilities

Expenditure is included in the SOFA on an accruals basis. Resources expended are recognised in the period in which they are incurred.

Governance Costs

These are for the running of the Mission itself as an organisation and include costs of the preparation and examination of statutory accounts, the costs of the trustees meetings and cost of any legal advice to trustees on governance or constitutional matters.

Funds accounting

The Trustees have classified the funds of the Mission as follows:

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Designated Funds are ring fenced to fund expenditure in key areas in accordance with Zambesi Mission policy.

Restricted Funds are used in accordance with the specific instructions of the donors.

Transfers between funds are carried out where there is a shortfall in income in a particular fund or where the trustees deem a transfer of designated funds is required to meet more pressing priorities.

Changes in Accounting Policies and Previous Accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expenses

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on the following basis over their estimated useful lives:

Plant and Equipment	20% straight line
Vehicles	20% straight line
Computer etc	33% straight line

No depreciation is charged to freehold property as the property is maintained to such a standard that the estimated residual value is not less than cost.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

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

Going Concern

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

Pension costs

All employees of the charity are automatically enrolled into a pension scheme and receive a contribution from the charity of 8% of their salary.

Foreign Currency Transactions

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction occurred. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the retranslation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit and loss account.

ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

		Freehold Land & Buildings £	Motor Vehicles £	Plant & Equipment £	Computer Equipment £	Total 2021 £
2. TANGIBLE FIXED ASSETS						
Cost	1 Jan 2021	60,086	11,809	-	-	71,895
Additions		-	-	-	-	-
Disposals		-	-	-	-	-
Cost at	31 Dec 2021	60,086	11,809	-	-	71,895
Depreciation	1 Jan 2021	-	10,440	-	-	10,440
Charge		-	1,369	-	-	1,369
Disposals		-	-	-	-	-
Depreciation at	31 Dec 2021	-	11,809	-	-	11,809
Net Book Value	31 Dec 2021	60,086	-	-	-	60,086
Net Book Value	31 Dec 2020	60,086	1,369	-	-	61,455

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31 December 2021 : None

31 December 2020 : None

3. INCOME AND ENDOWMENTS	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2020 £
a) Donations and legacies								
Gifts, Tithes & Offerings	112,146	120,897	14,828	247,870	115,378	60,322	22,400	198,100
Gift Aid Tax Recoverable	11,357	6,350	2,205	19,911	9,423	6,356	2,085	17,864
	123,502	127,246	17,033	267,781	124,800	66,678	24,486	215,964
b) Investment Income								
Deposit Interest	116	-	-	116	91	-	-	91
	116	-	-	116	91	-	-	91
c) Other								
Sundry Income	533	-	-	533	499	-	-	499
Management Charge	29,091	-	-	29,091	23,465	-	-	23,465
	29,624	-	-	29,624	23,964	-	-	23,964

ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. RESOURCES EXPENDED

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2020 £
a) Charitable Activities								
Mission Worker Costs:								
Mission Worker Salaries	-	-	-	-	-	-	-	-
Mission Worker Support Costs	-	-	-	-	-	306	113	419
Mission Worker Travel Costs	-	-	-	-	-	-	-	-
Field Costs:								
Children for Christ	7,531	1,672	1,374	10,577	4,909	2,398	3,053	10,360
EBCOM - Student and Lecturer Support	577	55,492	5,942	62,011	1,820	1,949	10,333	14,102
Educational Support - Young People	6,776	3,403	165	10,344	2,436	2,726	304	5,466
EBCOM - Capital Costs	-	5,152	-	5,152	20,074	295	90	20,459
Health & Medical	5,091	1,265	-	6,356	4,197	288	-	4,485
Disaster Relief	-	-	-	-	8,550	6,759	3,796	19,105
Field Staff Costs	19,929	3,870	877	24,676	22,056	3,937	871	26,864
Field Travel Costs	8,853	-	-	8,853	11,982	-	-	11,982
Gifts & Donations	-	-	-	-	-	-	-	-
Guest House	-	1,704	-	1,704	491	1,341	-	1,832
Office Costs	3,934	1,120	-	5,054	3,976	1,121	-	5,097
Orphans Support	-	9,088	1,406	10,494	4,122	1,549	947	6,618
Tender Shoots Project	7,143	1,466	-	8,609	2,412	-	10,439	12,851
Support for Pastors	-	5,541	167	5,708	1,848	2,182	1,446	5,476
Key workers and Church Planters	5,558	1,026	759	7,343	8,050	1,026	877	9,953
Memorial Funds	-	-	236	236	-	-	258	258
Income Generating Projects	-	-	3,541	3,541	-	-	713	713
Specified Gifts	-	493	310	803	-	-	-	-
Other Support to Church Partners	11,993	7,697	1,602	21,292	5,854	7,483	1,308	14,645
UK Costs:								
Administrative Expenses	4,858	-	-	4,858	4,742	-	-	4,742
Licenses & Subscriptions	573	-	-	573	1,325	-	-	1,325
Office Rent & Rates	1,800	-	-	1,800	1,800	-	-	1,800
Publicity Costs	6,019	-	-	6,019	5,061	-	-	5,061
Staff Costs	51,790	1,332	1,795	54,917	51,221	968	1,795	53,984
Travel & Subsistence	916	472	-	1,388	1,127	507	-	1,634
Training	169	-	-	169	1,148	-	-	1,148
Retired Missionaries	-	-	-	-	-	-	-	-
Governance Costs:								
Independent Examiners Fees	390	-	-	390	500	-	-	500
Executive Council Expenses	-	-	-	-	181	-	-	181
	143,900	100,793	18,174	262,867	169,882	34,835	36,343	241,060

ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. RESTRICTED FUNDS

	Balance 1 Jan 2021	Income	Expenditure	Transfers to other Funds	Balance 31 Dec 2021
		£	£	£	£
M&R MacBean	-	-	-	-	-
Field staff costs	-	877	(877)	-	-
Other Support to Church Partners	-	56	-	-	56
EBCOM General Support	-	-	-	-	-
EBCOM Student & Lecturer Support	3,060	2,882	(5,942)	-	-
Church Planters & Key Workers	-	759	(759)	-	-
Medical/Health	-	-	-	-	-
Orphan Day Care	621	785	(1,406)	-	-
Disaster Relief	-	-	-	-	-
Pastors Support	-	1,100	(167)	-	933
Literature	-	1,237	(1,237)	-	-
Church Building Projects	-	365	(365)	-	-
Educational Support - Young People	-	165	(165)	-	-
Income Generating Projects	4,154	1,640	(3,541)	-	2,253
Memorial Funds	776	-	(236)	-	540
Tender Shoots Project	-	-	-	-	-
Children for Christ	-	1,374	(1,374)	-	-
Little Lambs (CFCM Nursery School)	1,500	4,589	-	-	6,089
Specified Gifts	310	-	(310)	2,410	2,410
ZM Director	-	1,203	(1,203)	-	-
UK - other support costs	592	-	(592)	-	-
	11,013	17,032	(18,174)	2,410	12,281

The restricted funds are represented by tangible assets and cash reserves of the charity

6. CASH AT BANK AND IN HAND

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Current Accounts	131,684	77,678	12,282	221,644	185,877
	131,684	77,678	12,282	221,644	185,877

7. DEBTORS AND PREPAYMENTS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Gift Aid	2,328	-	-	2,328	1,879
Prepayments and Accrued Income	-	-	-	-	203
	2,328	-	-	2,328	2,082

8. CREDITORS ACCRUALS AND DEFERRED INCOME: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Sundry Creditors	1,191	-	-	1,191	965
Independent Examiners Fees	450	-	-	450	500
	1,641	-	-	1,641	1,465

ZAMBESI MISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. STAFF COSTS AND NUMBERS

	2021	2020
	£	£
Gross Wages & Salaries	73,699	74,403
Employers National Insurance Costs	-	169
Pension Contributions	5,896	6,276
	<u>79,595</u>	<u>80,848</u>

Employees who were engaged in each of the following activities:

	2021	2020
	TOTAL	TOTAL
Activities in furtherance of organisation's objects	6	6
Management and administration	<u>7</u>	<u>7</u>

All employed members of staff are paid through PAYE systems in the UK and Malawi. No employees received emoluments in excess of £60,000 (2020: None).

10. TRUSTEES AND OTHER RELATED PARTIES

No payments were made to Trustees or any persons connected with them during this financial period, other than reimbursement for expenses incurred on Charity business. The Charity paid rent of £1,800 (2020: £1,800) to York Baptist Church, a registered charity of which Colin Stonelake is a Trustee. The Charity also received donations, including contributions to broadband costs from York Baptist Church of £1,489 (2020: £3,682). The Charity also received donations from Newark Evangelical Church, a registered charity of which Robert Ghent is a trustee, of £0 (2020: £200).

The Charity received donations from 5 trustees of £14,332 (2020: £13,924). No conditions were attached to these donations.

The Charity also reimbursed trustees for expenses incurred in attending trustees meetings of £0 (2020: £0). No other material transaction took place between the organisation and a trustee or any person connected with them during the financial period.

11. RISK ASSESSMENT

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

12. RESERVES POLICY

The trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The trustees will endeavour not to set aside funds unnecessarily.

13. PUBLIC BENEFIT

The charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.