



Plummer Parsons
Chartered Accountants

Charity Registration No. 215409

Company Registration No. 00334296 (England and Wales)

THE OPEN-AIR MISSION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE OPEN-AIR MISSION

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THE OPEN-AIR MISSION

THE COMMITTEE MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Committee members presents its report and accounts for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Mission's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Mission is an interdenominational evangelical Christian organisation whose primary objectives are twofold:

- 1) Seeking to communicate the Christian gospel message with those who are outside of the sphere of the church;
- 2) Seeking to encourage churches to be involved in open-air evangelism.

The principal activity of the Mission workers is to go into outdoor public places, such as the following: pedestrianized shopping areas, markets, agricultural shows, carnivals, fairgrounds and race-courses in order to share the Christian message with those who might not have the opportunity to hear it by any other means. This is done through preaching, literature distribution, personal conversation and in the summer time, at two venues where Beach Missions are held. Many thousands of school children are also given the same opportunity, through the Mission's three Bible Exhibitions and Pilgrim's Progress Exhibition.

The Mission Committee (Trustees) have continue to pay due regard to the Public Benefit guidance issued by the Charity Commission when considering the activities of the charity. The primary objective of the Mission is to communicate the Christian gospel with those who know little or nothing about it. During 2020, countless people have heard something of the message through open-air preaching and online videos undertaken by our Evangelists and Associates. As a result of the preaching, numerous personal conversations take place with individuals and helpful literature has been offered from a book table.

In a time of national anxiety, our workers have sought to bring a message of hope and comfort. Numerous conversations have taken place with individuals who have experienced a sense of hopelessness and depression. Sometimes our workers are the only people who provide a listening ear to hurting people. Some workers have been able to meet practical needs such as directing those with alcohol or drug problems to organisations that can help them, or homeless people to local shelters.

Though school Assemblies have largely been unable to take place in person, some of our workers have been able to do online video assemblies for local schools. These assemblies have helped to provide a sense of purpose and hope amid a very challenging and confusing year for children. School staff have also appreciated spiritual input from our workers.

THE OPEN-AIR MISSION

THE COMMITTEE MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

The year in review began like many others, with Evangelists and Associate workers undertaking their regular activities of open-air, schools' outreach, Bible Exhibitions and church ministry. However, like many organisations, the arrival of COVID-19 and subsequent Government restrictions in March 2020 required a significant change to the operations of the Missions. The Trustees took the difficult decision to suspend open-air outreach from 17th March in response to the Government guidance. All staff continued to be fully-employed, without availing of the Government furlough scheme.

Staff Evangelists used their working time during times of restrictions to record videos which were then posted on the Mission's YouTube channel, Website and Facebook pages. Some of the talks specifically addressed the issues surrounding the pandemic, such as *'Hope in times of anxiety'*. These talks have been widely viewed by supporters and shared with friends and family. Over the year, videos on the Mission YouTube channel received 10,800 views with around 1000 hours spent watching the content. In addition, the Mission YouTube channel gained 109 new subscribers. Several 'Enquirers' Packs' containing information for those wanting to know more about the Christian message were requested online. Many Staff Evangelists have also conducted church services, deputation meetings, training sessions and school assemblies online.

Video has also been essential in facilitating communication between workers and communication with supporters. A weekly Zoom prayer meeting commenced in April which provided the opportunity for the Evangelists to meet corporately. This prayer meeting resumed during the November national lockdown. The biennial Family Conference for staff and their families was held online on the 28th of April. Also, an online Annual Supporters' Day was held on 24th October and has been watched over 700 times since it premiered on YouTube.

Mission literature continued to be distributed throughout the year via 'Bible Boxes'. Associate workers and Evangelists around the UK began placing boxes of literature outside their homes and churches for passers-by to take. Many reported large quantities of leaflets, Gospels of John and Bible Portions being taken, particularly during the warm and largely dry spring and summer months.

By the 22nd of June, the Trustees deemed it appropriate to permit our Staff Evangelists to begin a phased return to the streets. Detailed protocols were adopted to ensure that our conduct conformed to Government guidance, including limiting the number of supporters, how literature was distributed and the length of the open-air meeting. Regular review meetings were established to monitor the ever-changing situation and measures were adjusted accordingly.

Approximately 400 open-air meetings took place during the year. Most Team Events were unable to take place, but a small Yorkshire Outreach was held towards the end of October, with open-air occurring in Leeds and Sheffield.

Recruitment of new staff workers was put on hold for most of the year due to the uncertain nature of the unfolding pandemic. Two new Associate workers were appointed during the year based in Huddersfield and Northampton. Two Associate workers stepped down and sadly, one passed away.

Our Administration Transition Manager and Evangelist increased his working time at the Mission to four days per week by the end of the year, which enabled him to continue to oversee efficiencies and progress the office administration.

THE OPEN-AIR MISSION

THE COMMITTEE MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

In a year when many organisation have been very badly impacted by the response to the coronavirus pandemic, the Trustees are thankful to God in acknowledging His remarkable provision for the Mission during these testing months. Income from donations and gifts declined by barely 3% from £322,000 in the previous year to £312,000 in the year under review. We are very thankful to our loyal supporters who very largely sustained their giving, even at a time when our evangelists were unable to be on the streets as we would have wished. Meanwhile legacy income was over 7 times higher than in 2019, at some £434,000. Income arising from the sale of tracts was understandably significantly lower, and there was no income from hosting conferences. Investment income was also slightly lower. Nevertheless, total income from all sources was £785,000, compared with £445,000 in 2019.

As mentioned above, the Mission took the decision early on in the pandemic that, as a matter of principle, we would not furlough any of our staff, and we believe that the Lord has honoured that decision. Accordingly, staff costs increased slightly in the year. On the other hand, motor expenditure was markedly lower, owing to the evangelists being unable to operate for several months - this is a saving we would have preferred not to have made! Overall, then, there was a surplus of income over expenditure of some £256,000.

The Mission's investments are not greatly exposed to the fluctuations of the stock market and, as a result, despite the large downturn in the market early in the year, the Mission's investments gained nearly £10,000 in value throughout the year, taking the Net Incoming Resources figure to £266,000.

We are very thankful to all of our supporters for their prayerful and practical support of the work of the Mission through another year. We look to the Lord for the continued resources that we need as we seek to reach out with the gospel to those around us.

Reserves Policy

The reserves policy is of prime importance in enabling the Mission to fulfill its main objectives. The Committee deem it to be prudent to maintain the Charity reserves at a level representing 18 months of expenditure to achieve its objectives for the under mentioned reasons:-

- a) To enable the Mission to employ additional evangelists as the opportunities arise;
- b) To protect against falls in legacy and donation income, which are by nature unpredictable;
- c) To provide sufficient funds to enable the Mission to give employed staff 18 months' notice should redundancies become necessary;
- d) To hold the necessary funds to finance any redundancy payments should these become necessary.

Based on expenditure for the year in question, the trustees therefore estimate that reserves are required in the region of £740,000. In the year under review, the Mission managed to achieve this target level and these monies are held within designated funds.

Investment Policy

In accordance with the Memorandum and Articles of Association, the Committee has the power to invest surplus resources as they see fit.

The present portfolio is yielding a reasonable return, particularly in prevailing market conditions and a very low Bank of England base rate. To be able to maintain returns in excess of cost of living indices remains a problem.

The Committee will continue its policy of safe, prudent and conservative investment. Our ethical criteria require exclusion from the portfolio of companies majoring in: gambling, alcohol or tobacco.

Plans for the future

Interviews that took place at the conclusion of the year meant that we are now able to employ two additional Full-time Evangelists, with other enquiries being considered. Plans are also underway to significantly revise the administration of the Mission to ensure cost-effectiveness and best use of resources.

THE OPEN-AIR MISSION

THE COMMITTEE MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The Mission is a company limited by guarantee having no share capital. It is also a registered charity. It is governed by its Memorandum and Articles of Association. The flysheet to the accounts lists the registration details of the charity and other pertinent information.

The Committee members, who are also the directors for the purpose of company law, and who served during the year were:

Mr P Brunning
Rev Dr J B Hall
Mr E M Mellor
Dr O P Jack
Mr D Gayton
Mr D C S Cooke (Treasurer)
Mr D Fielding (Chairman)
Mr M Fisher

(Appointed 15 January 2020)

The Mission is administered by a Committee. The Committee members are also Trustees of the funds under their control. They are individuals with differing expertise in a variety of fields, but must be committed Christians in order to be effective in their leadership of this Christian Charity.

During the year, under the oversight of the Committee, considerable progress was made towards reorganisation of the day to day running of the Mission administration. This reflects the general changing nature of office practice, which was accelerated further by the COVID-19 pandemic. In this, the "Administration Transition Manager" (Joe Bailey) has been key, in bringing his expertise from his previous employment to bear. With the anticipated retirement of both staff within the office at Slip End, preparations were made to change working practices for the future. This is an ongoing project moving into 2021.

The extending of the Administration Transition Manager's working hours towards a full-time capacity has also assisted the Field Operations Manager by allowing much of the remaining administration work that was previously under his control to be relinquished. This has ensured a greater attention to staff management within the field and the recruitment and development aspects of our staff evangelists.

The COVID-19 pandemic and associated Government actions, requiring local and national restrictions has interrupted the day to day activities in the field, but alternative methods using social media & video have been used to enable staff to continue to be actively employed. The Committee made a strategic decision to continue full time employment of all staff without resorting to the use of the Government furlough scheme. This continued to be the case throughout the year and in response, the financial giving of supporters of the Mission held up wonderfully well.

The Committee continue to discharge their personal liabilities and responsibility for the running of the Mission, with various checks and balances in place to ensure this is done.

None of the Committee members has any beneficial interest in the company. All of the Committee members are members of the company and guarantee to contribute £1 in the event of a winding up.

Training of Trustees is regularly reviewed, but is not something that can be done in isolation from the Mission. All Committee decisions are taken by majority voting and therefore new members/trustees are trained by the experience of corporate discussion and decision-making.

The Committee has an ongoing process of risk management and regularly addresses this issue. A risk register is maintained and reviewed annually. The Committee has assessed the major risks to which the Mission is exposed, and is satisfied that systems are in place to mitigate exposure to the major risks.

THE OPEN-AIR MISSION

THE COMMITTEE MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Asset cover for funds

Note 23 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

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

The Committee's report was approved by the Committee Members.

Mr D Gayton

Trustee

Dated: 19 May 2021

THE OPEN-AIR MISSION

STATEMENT OF THE COMMITTEE MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Committee members, who are also the directors of The Open-Air Mission for the purpose of company law, are responsible for preparing the Committee Members's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Committee members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Mission and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Committee members is 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Mission will continue in operation.

The Committee members is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Mission and enable them to ensure that the accounts comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Mission and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE OPEN-AIR MISSION

INDEPENDENT EXAMINER'S REPORT

TO THE COMMITTEE MEMBERS OF THE OPEN-AIR MISSION

I report to the Committee members on my examination of the financial statements of The Open-Air Mission (the Mission) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Committee members of the Mission (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Mission are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Mission's financial statements carried out under section 145 of the Charities Act 2011 (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 2011 Act.

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

Independent examiner's statement

Since the Mission'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 Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 Mission as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Nicholas Brown FCA DChA BFP

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Dated: 2 August 2021

THE OPEN-AIR MISSION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2020	Total 2019
	Notes	£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	745,682	-	-	745,682	380,241
Activities in furtherance of the charity's objects	4	438	-	-	438	325
Other trading activities	5	5,437	-	-	5,437	26,580
Investments	6	33,483	-	-	33,483	37,836
Total income		785,040	-	-	785,040	444,982
<u>Expenditure on:</u>						
Raising funds	7	52,188	-	-	52,188	49,549
Charitable activities	8	467,910	8,021	-	475,931	481,599
Other	12	436	-	-	436	139
Total resources expended		520,534	8,021	-	528,555	531,287
Surplus/(deficit) of income over expenditure		264,506	(8,021)	-	256,485	(86,305)
Net gains/(losses) on investments	13	-	9,736	-	9,736	53,366
Net incoming/(outgoing) resources before transfers		264,506	1,715	-	266,221	(32,939)
Gross transfers between funds		85,697	(85,697)	-	-	-
Net movement in funds		350,203	(83,982)	-	266,221	(32,939)
Fund balances at 1 January 2020		113,045	1,406,949	500	1,520,494	1,553,433
Fund balances at 31 December 2020		463,248	1,322,967	500	1,786,715	1,520,494

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

THE OPEN-AIR MISSION

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Property, plant and equipment	14	174,138		184,295	
Investments	15	1,148,829		1,222,654	
		<u>1,322,967</u>		<u>1,406,949</u>	
Current assets					
Inventories	17	11,764		22,790	
Trade and other receivables	18	55,410		16,948	
Cash at bank and in hand		401,690		81,211	
		<u>468,864</u>		<u>120,949</u>	
Current liabilities	19	(5,116)		(7,404)	
Net current assets			463,748		113,545
Total assets less current liabilities			<u>1,786,715</u>		<u>1,520,494</u>
Income funds					
Restricted funds	21	500		500	
Unrestricted funds - designated		1,322,967		1,406,949	
Unrestricted funds - general		463,248		113,045	
		<u>1,786,715</u>		<u>1,520,494</u>	

THE OPEN-AIR MISSION

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The Committee members acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Committee Members on 19 May 2021

Mr D Gayton
Trustee

Mr D C S Cooke (Treasurer)
Trustee

Company Registration No. 00334296

THE OPEN-AIR MISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		201,735		(123,457)
Investing activities					
Purchase of property, plant and equipment		-		(9,800)	
Proceeds on disposal of property, plant and equipment		1,700		6,229	
Proceeds on disposal of investments		83,561		(1,437)	
Interest received		33,483		37,836	
Net cash generated from investing activities			118,744		32,828
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			320,479		(90,629)
Cash and cash equivalents at beginning of year			81,211		171,840
Cash and cash equivalents at end of year			401,690		81,211

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Open-Air Mission is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Harrier Court, Woodside Road, Slip End, Luton, Bedfordshire, LU1 4DQ.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Committee members in furtherance of their charitable objectives.

Funds have been designated to the value of the tangible fixed assets and investments held. This is to reflect that the monies invested in these assets are not freely available to spend without realising the assets which would restrict the generation of future income for the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Mission.

1.4 Income

Income is recognised when the Mission is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the Mission has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are accounted for as soon as the Mission is notified of its legal entitlement, the amount due is quantifiable and their ultimate receipt by the Mission is reasonably certain.

Income from trading activities relates to the sale of literature, and is recognised when goods are sold.

Amounts received in relation to the supporters' conference are recognised in the accounting period in which the conference takes place. Amounts received in advance are carried as deferred income.

Investment income is included on the accruals basis.

1.5 Expenditure

The Committee has charged all evangelists' costs, distributed literature and supporting services to charitable activities, including the pensions of past employees. Deputation speaker's costs under cost of generating gifts and donations represents 5% of evangelists' salaries to take account of the deputation work they undertake in Churches and school assemblies. The Field Operation Manager's salary has been allocated as 40% Direct charitable activities: 20% Deputation and 40% administration to recognise the time spent carrying out evangelistic work and preaching.

Administrative salaries and costs associated with the Mission headquarters have been shown as support costs under charitable activities. The costs of complying with the Mission's statutory obligations have been treated as governance costs.

The Mission is not registered for VAT and is therefore unable to reclaim VAT on expenditure; all amounts of VAT are recorded with the sums to which they are charged. Expenditure is charged to the accounts on the accruals basis.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Freehold Land and buildings	Straight line over 40 years
Furniture & equipment	Straight line over 5 years
Motor vehicles	25% reducing balance

The Committee are of the opinion that the land value on purchase of the Charity's freehold amounted to £97,000. This sum has not been subject to depreciation.

Small items costing less than £1,000 are not capitalised but expended in the year of purchase through the Statement of Financial Activities.

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

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date, using the open market value on the stock exchange for the listed investments. Cash held on deposit that doesn't meet the SORP definition of current asset investments are recorded within fixed asset investments at their carrying value. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of non-current assets

At each reporting end date, the Mission reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Inventories

Inventories of tracts, booklets and CD's are valued at the lower of cost and net realisable value, based on an average estimated cost. Many of the items of inventory are given away freely leading to a net realisable value of £nil, whilst others are sold. A stock provision is calculated for freely distributable items, based on the proportion given away during the financial year.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

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

1.11 Financial instruments

The Mission has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Taxation

As a registered charity, the Mission has no liability to United Kingdom corporation tax.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Mission is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

The pension costs charged in the accounts represent the contributions payable by the Mission during the year in accordance with FRS 17. The Mission provides pensions out of current income for its retired evangelists and staff who retired prior to 31 December 1991. Present staff are being provided through a discretionary defined contribution pension scheme with the assets held separately from those of the Mission in a fund administered by Friends Life.

2 Critical accounting estimates and judgements

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

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

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	2020	2019
	£	£
Donations and gifts	311,643	321,716
Legacies receivable	434,039	58,525
	<u>745,682</u>	<u>380,241</u>

4 Activities in furtherance of the charity's objects

	Sale of items 2020 £	Sale of items 2019 £
Other income	438	325
	<u>438</u>	<u>325</u>

5 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Supporters' Conference income	-	4,729
Sales of tracts and CDs	5,437	21,851
Other trading activities	<u>5,437</u>	<u>26,580</u>

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Income from listed investments	33,483	35,629
Interest receivable	-	2,207
	<u>33,483</u>	<u>37,836</u>

7 Raising funds

	2020 £	2019 £
<u>Costs of generating donations and legacies</u>		
Supporters' Conference expenses	-	6,662
Advertising	1,002	98
Other fundraising costs	11,048	13,340
Staff costs	23,430	21,146
	<u>35,480</u>	<u>41,246</u>
<u>Trading costs</u>		
Other trading activities	16,708	8,303
	<u>52,188</u>	<u>49,549</u>

The current and comparative figures listed above all relate to unrestricted funds.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Open-Air Mission costs 2020 £	Open-Air Mission costs 2019 £
Staff costs	321,767	270,916
Depreciation and impairment	8,021	10,476
Direct costs	7,056	10,397
Insurance	15,036	13,848
Motor	17,582	32,917
Sundry	2,119	7,064
	<u>371,581</u>	<u>345,618</u>
Share of support costs (see note 9)	98,815	127,537
Share of governance costs (see note 9)	5,535	8,444
	<u>475,931</u>	<u>481,599</u>
Analysis by fund		
Unrestricted funds - general	467,910	471,123
Unrestricted funds - designated	8,021	10,476
	<u>475,931</u>	<u>481,599</u>

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	82,373	-	82,373	105,914	-	105,914
Rent and rates	1,296	-	1,296	1,263	-	1,263
Light and heat	982	-	982	1,093	-	1,093
Repairs and renewals	1,360	-	1,360	2,710	-	2,710
Telephone	1,919	-	1,919	2,332	-	2,332
PPS and computer costs	10,467	-	10,467	12,357	-	12,357
Travel	-	143	143	31	1,955	1,986
Sundry expenses	418	-	418	1,837	-	1,837
Accountancy	-	4,117	4,117	-	5,842	5,842
Legal and professional	-	1,275	1,275	-	647	647
	<u>98,815</u>	<u>5,535</u>	<u>104,350</u>	<u>127,537</u>	<u>8,444</u>	<u>135,981</u>
Analysed between						
Charitable activities	<u>98,815</u>	<u>5,535</u>	<u>104,350</u>	<u>127,537</u>	<u>8,444</u>	<u>135,981</u>

The current and comparative figures listed above all relate to unrestricted funds.

Accountancy costs listed above include payments to the Independent Examiner of £1,860 (2019: £1,848) for Independent Examination work and £2,257 (2019: £3,994) for other services.

10 Committee Members

None of the Committee members (or any persons connected with them) received any remuneration during the year. During the year 3 trustees were reimbursed a total of £370 for travel expenses and other direct costs (2019: 1 trustee reimbursed £1,711).

Total donations received from the trustees and their related parties during the year was £4,956 (2019: £6,213).

There were no other disclosable related party transactions during the year.

During the year £641 (2019 - £610) was spent on Trustee & Professional Indemnity Insurance. The purpose of this insurance is to cover both the Committee members and the Mission.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Evangelists	11	10
Office and support staff	3	3
Pensioners	1	1
Total	15	14

Employment costs	2020 £	2019 £
Wages and salaries	373,074	349,924
Social security costs	30,700	28,336
Other pension costs	23,796	19,716
	427,570	397,976

Remuneration paid to Key Management Personnel amounted to £65,201 (2019: £41,963).

Included within staff costs above, are payments to a former employee of £1,639 (2019: £1,607), under pension arrangements that existed at the time of their employment.

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	2020 £	2019 £
Net loss on disposal of tangible fixed assets	436	139

13 Net gains/(losses) on investments

	Unrestricted funds designated 2020 £	Unrestricted funds designated 2019 £
Revaluation of investments	9,736	53,366

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Property, plant and equipment

	Freehold Land and buildings £	Furniture & Motor vehicles equipment £	£	Total £
Cost				
At 1 January 2020	208,741	13,003	56,649	278,393
Disposals	-	-	(12,000)	(12,000)
At 31 December 2020	208,741	13,003	44,649	266,393
Depreciation and impairment				
At 1 January 2020	47,491	13,003	33,603	94,097
Depreciation charged in the year	2,794	-	5,228	8,022
Eliminated in respect of disposals	-	-	(9,864)	(9,864)
At 31 December 2020	50,285	13,003	28,967	92,255
Carrying amount				
At 31 December 2020	158,456	-	15,682	174,138
At 31 December 2019	161,249	-	23,046	184,295

The Committee are of the opinion that the land value on purchase of the Charity's freehold amounted to £97,000. This sum has not been subject to depreciation.

15 Fixed asset investments

	Listed investments £	Other investments	Total £
Cost or valuation			
At 1 January 2020	1,069,093	153,561	1,222,654
Valuation changes	9,736	-	9,736
At 31 December 2020	1,078,829	153,561	1,232,390
Carrying amount			
At 31 December 2020	1,078,829	153,561	1,232,390
At 31 December 2019	1,069,093	153,561	1,222,654

	Notes	2020 £	2019 £
Other investments comprise:			
Non-current cash investments		70,000	153,561

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Fixed asset investments (Continued)

Fixed asset investments revalued

Investments have been revalued to their open market value at the year end. Listed investments are valued with reference to the London Stock Exchange. All remaining investments are long-term cash investments and are therefore included at their redeemable value.

16 Financial instruments

	2020 £	2019 £
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Carrying amount of financial assets

Instruments measured at fair value through profit or loss	1,078,829	1,069,093
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17 Inventories

	2020 £	2019 £
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Finished goods and goods for resale	11,764	22,790
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As outlined in the accounting policies, a provision is made each year to impair the closing inventory valuation, thus recognising the proportion of stock that is given away (free of charge) as part of the Mission's charitable activities. An impairment of £12,744 (2019: £25,699) has been reflected in the Statement of Financial Activities.

18 Trade and other receivables

	2020 £	2019 £
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Amounts falling due within one year:

Trade receivables	-	17
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Other receivables	46,476	4,785
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Prepayments and accrued income	8,934	12,146
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	55,410	16,948
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Included within Other receivables above are £43,986 (2019: £2,000) of legacies receivable which the Mission has been notified of, and which can be quantified with reasonable accuracy. There remain other legacies of which the Mission has been notified, which are as yet not able to be quantified, and hence these have not been included in the accounts.

19 Current liabilities

	2020 £	2019 £
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Trade payables	930	2,816
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Accruals and deferred income	4,186	4,588
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	5,116	7,404
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THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

20 Retirement benefit schemes

Defined contribution schemes

The Mission operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Mission in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £23,796 (2019:£19,716).

As outlined in the Employees note, there is an ongoing liability for the Mission to fulfil its obligations to a former employee who continues to be entitled to income from the Mission. The future cost of this cannot be reliably estimated. and is not considered material to the accounts.

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 January 2019	Incoming resources	Balance at 1 January 2020	Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Bible fund	500	-	500	-	500
	=====	=====	=====	=====	=====

The Bible Fund represents monies given for the purchase of new Bibles, which remained unspent at the end of the year.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

22 Designated funds

The income funds of the Mission include the following designated funds which have been set aside out of unrestricted funds by the Committee Members for the generation of future income:

	Balance at 1 January 2019	Income/ (Expenses)	Transfers	Revaluations, gains and losses	Balance at 1 January 2020	Income/ (Expenses)	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Tangible fixed assets	191,340	(10,476)	3,431	-	184,295	(8,021)	(2,136)	-	174,138
Investments	1,167,852	-	1,436	53,366	1,222,654	-	(83,561)	9,736	1,148,829
	<u>1,359,192</u>	<u>(10,476)</u>	<u>4,867</u>	<u>53,366</u>	<u>1,406,949</u>	<u>(8,021)</u>	<u>(85,697)</u>	<u>9,736</u>	<u>1,322,967</u>

Funds equal to the net book value of tangible fixed assets and market value of investments (including the revaluation reserve) are designated to reflect the restrictions that the assets impose upon the availability of reserves; the money tied up in the property and investments is not free to be spent as these assets are essential to the ongoing operations of the Mission. Premises are required to operate from and the investments generate much needed income to supplement supporters' donations. Movements on these funds represent additions and disposals to these categories of assets, as well as depreciation and value adjustments as appropriate.

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

Property, plant and equipment
Investments
Current assets/(liabilities)

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Property, plant and equipment	-	174,138	-	174,138	-	184,295	-	184,295
Investments	-	1,148,829	-	1,148,829	-	1,222,654	-	1,222,654
Current assets/(liabilities)	463,748	-	-	463,748	113,045	-	500	113,545
	463,748	1,322,967	-	1,786,715	113,045	1,406,949	500	1,520,494

THE OPEN-AIR MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

24 Operating lease commitments

Total leasing payments made during the year amounted to £2,646 (2018: £6,906)

At the reporting end date the Mission had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	2,712	2,712
Between two and five years	2,712	5,424
	<u>5,424</u>	<u>8,136</u>

25 Cash generated from operations

	2020 £	2019 £
Surplus/(deficit) for the year	266,221	(32,939)
Adjustments for:		
Investment income recognised in statement of financial activities	(33,483)	(37,836)
Loss on disposal of property, plant and equipment	436	139
Fair value gains and losses on investments	(9,736)	(53,366)
Depreciation and impairment of property, plant and equipment	8,021	10,476
Movements in working capital:		
Decrease/(increase) in inventories	11,026	(10,232)
(Increase)/decrease in trade and other receivables	(38,462)	8,447
(Decrease) in trade and other payables	(2,288)	(8,146)
Cash generated from/(absorbed by) operations	<u>201,735</u>	<u>(123,457)</u>

26 Analysis of changes in net funds

The Mission had no debt during the year.